

of Section 7.11, on the amounts recorded in the fixed property accounts of the Company for the facilities required for deliveries at such increased rate as in service at the end of the calendar month in which such facilities were so completed.

In the event that at the time of the delivery to the Corporate Trustee of a net earnings certificate provided for in this Section, the Company shall then be collecting increased rates which have been placed in effect subject to refund by order of the Federal Power Commission or other governmental regulatory authority in any proceeding relating to such rate increase, the revenues resulting from such rate increase shall be taken into account in calculating net earnings of the Company to the extent that the inclusion of such revenues does not, in the opinion of the certified or chartered public accountants signing or certifying to such net earnings certificate, result in the Company's earning a rate of return on its business subject to rate regulation in excess of the rate of return last allowed to the Company by the Federal Power Commission or other governmental regulatory authority having jurisdiction in the premises.

SECTION 1.12. The term "New Pipe Line" shall mean the pipelines and related facilities described in Division One of the Schedule of Mortgaged Properties set forth in Article Sixteen of the Original Mortgage, together with the following described facilities to be installed in connection with the operation of the Arizona Branches of the New Pipe Line, as hereinafter defined:

(i) a duplicate 16-inch spiral welded pipe line, approximately 18.4 miles in length, running from a point in the TXL-Wheeler Field in Ector County, Texas, to the Company's Keystone Compressor Station in Winkler County, Texas;

(ii) an addition to the Company's Keystone Compressor Station in Winkler County, Texas, involving the installation of two additional 800 horsepower units; and

(iii) additions to the Company's Guadalupe, El Paso, Deming and Willcox main line compressor stations involving the installation of 2,000 additional horsepower units in the Guadalupe station and 1,000 additional horsepower units in each of the three other stations.