

**RAILROAD COMMISSION OF TEXAS**  
**Oversight and Safety Division**



**GENERAL INSTRUCTIONS FOR A GAS UTILITY TO PROVIDE  
PUBLIC NOTICE OF ITS INTENT TO INCREASE RATES**

- A. A gas utility must provide notice to affected customers prior to a rate increase as required by Texas Utilities Code § 104.103.
- B. A utility filing a Statement of Intent to increase rates under Texas Utilities Code § 104.102 may utilize the Railroad Commission of Texas' (Commission) approved Public Notice of Proposed Rate Increase form by completing the form as appropriate to reflect the utility's proposed increase in rates. The Commission's Public Notice form is available in Microsoft Word to allow the utility to make minor changes to fit its circumstances. However, any changes must comply with applicable statutory requirements and Commission rules. It is the utility's responsibility to adequately inform the customer. The utility shall include in the notice any other changes to the utility's rates or tariffs that are not contained in the Public Notice of Proposed Rate Increase form.
- C. If the utility elects to provide its own form of notice, the utility's notice must comply with the Commission's rule, 16 Texas Administrative Code (TAC) § 7.230 relating to Contents of Notice. All statements of intent must include the requirements of 16 TAC § 7.230(a), and statements of intent filed in unincorporated areas/environs must additionally include the requirements listed in 16 TAC § 7.230(b). It is the utility's responsibility to adequately inform the customer. If the notice does not comply with applicable statutes and rules, or fails to otherwise adequately notify customers of the change, the Commission may require that the utility revise its notice.
- D. A utility that files a Statement of Intent and provides notice to its unincorporated areas/environs customers must provide thirty (30) days from the proposed effective date of the rate increase for the customers to file written comments or protest the proposed increase in rates.
- E. A utility should provide complete copies of the filed Statement of Intent on its website. In the event the utility either does not have a website or the cost to include the complete filing on its website is cost prohibitive, the utility must provide information regarding the proposed rate increase to the customer upon request.

- F. The Commission's notice form includes a Spanish language paragraph to alert Spanish speaking customers of the proposed rate increase and inform those customers how they may obtain additional information.

## **INSTRUCTIONS FOR COMPLETING THE STATEMENT OF INTENT NOTICE**

In each numbered blank on the Commission's Public Notice of Proposed Rate Increase form, fill in the corresponding information listed below:

1. The **DATE** the application was filed with the Railroad Commission of Texas and any other regulatory authority.
2. The **FULL LEGAL NAME** of the utility filing the application.
3. The **ABBREVIATED UTILITY NAME** of the utility filing the application.
4. If applicable, include the name of any other regulatory authority in which the application was also filed, otherwise eliminate. For example, "and with the City of Houston."
5. Identify the **AREA(S) AFFECTED BY RATES and COMPANY SYSTEM or DIVISION**, whichever is applicable. Note that after listing all areas affected AND the system or division in Item 6, the utility may refer to the division or area only for Items 9 and 11.
6. Identify the **CUSTOMER CLASSES AFFECTED** (Residential, Commercial, Industrial, Transportation, etc.).
7. If applicable, include the following statement, "incorporated cities and." Otherwise, eliminate.
8. Identify the **AREA AFFECTED BY RATES or COMPANY SYSTEM or DIVISION**, whichever is applicable.
9. Specify the proposed **EFFECTIVE DATE**.
10. Identify the **AREA AFFECTED BY RATES or COMPANY SYSTEM or DIVISION**, whichever is applicable.
11. Specify the dollar amount of the increase in annual revenues.
12. Specify the percentage increase **with** gas cost included.
13. Specify the percentage increase **without** gas cost included.

14. Specify whether the increase **DOES** or **DOES NOT** constitute a “major change.” “Major change” is defined as “an increase in rates that would increase the aggregate revenues of the applicant more than the greater of \$100,000 or 2-1/2 percent.” (See Texas Utilities Code § 104.101) If the increase constitutes a “major change,” please include the language in brackets; otherwise, eliminate.
15. Include the sentence, "The proposed change in rates will not become effective until similar changes have become effective within the nearest incorporated city" if the rates are sought to be at the same level as the city rates.
16. Specify whether the rates in TABLE 1 are applicable to **INCORPORATED** and/or **UNINCORPORATED AREAS/ENVIRONS**. For example, "TABLE 1 - Proposed Rate Changes for Incorporated Customers". Then complete TABLE 1 by including the current and proposed rates.
  - a. Add as many tables as necessary to identify the different rates for incorporated and unincorporated areas/environs, if different rates apply;
  - b. Change headings and add columns and rows as appropriate for different types of charges and different charges in different areas; and
  - c. If a list of cities and/or areas is extremely lengthy, the utility may note that a full list of cities and/or areas is available at the web address and phone number provided in the notice. However, all current and proposed charges must be included in the notice.
17. Identify the specific Service Area, City, and/or Town to which the Table is applicable. If the utility is seeking different rates for incorporated and unincorporated/environs customers, then a separate table will be required for each.
18. Complete Table 2 to reflect the increase or decrease to a typical customer bill based on average monthly consumption with and without gas cost by customer class.
19. Identify the average monthly consumption (Mcf or Ccf) for each customer class used to calculate the average bill amounts.
20. Identify the average assumed cost of gas (Mcf or Ccf) the utility is using for all calculations in the notice.
21. If the utility proposes changes to Miscellaneous Service Charges include the sentence, "The Company also proposes to increase Miscellaneous Service Charges included in Table 3 below" and complete Table 3. Identify in the table all changes to Miscellaneous Service Charges the utility proposes in the Statement of Intent. If no change to Miscellaneous Service Charges is proposed, the utility may remove the applicable sentence and Table 3 from its notice.
22. If an increase or decrease is proposed in the utility’s Miscellaneous Service Charges, include the dollar amount of the change in annual revenues resulting from the change to Miscellaneous Service Charges.

23. If applicable, summarize any revisions to existing tariffs, the addition of a new tariff, or the removal of an existing tariff.
24. Specify the **ABBREVIATED UTILITY NAME** of the utility.
25. Identify the phone number (**1-XXX-XXX-XXXX**) a customer may call for additional information.
26. Specify the **ABBREVIATED UTILITY NAME** where information may be obtained.
27. Specify the **UTILITY ADDRESS** where the customer may go to obtain a copy of the filing.
28. Specify the **UTILITY WEB ADDRESS** where the customer may go to obtain a copy of the filing. If the utility does not have a website, end the sentence after the utility address in item number 27 and remove the words, "or on our website at."
29. Provide an alternative date if the utility does not provide notice on or before the proposed effective date. The customer must be given a minimum of thirty (30) days following the proposed effective date to respond to the notice. If notice is provided on or before the proposed effective date, end the sentence at "effective."
30. The assigned Gas Utilities Docket number at the Commission.
31. The **NAME OF CITY/TOWN** to which the notice is applicable.
32. The **FULL LEGAL NAME** of the utility.
33. The **ABBREVIATED UTILITY NAME**.
34. Identify the **CUSTOMER CLASS or CLASSES** affected.
35. Identify the phone number (**1-XXX-XXX-XXXX**) a customer may call for additional information.

The English translation of the Spanish portion of the notice is as follows:

This notice is intended to inform customers of the Division of [NAME OF CITY/TOWN] of [UTILITY NAME] ("ABBREVIATED UTILITY NAME" or the "Company") that the Company has submitted a request to increase the rates of public gas service. This application affects [IDENTIFY AFFECTED CUSTOMER CLASS(es)]. People who wish to ask specific questions or receive more information about this application can communicate with the Company by calling XXX-XXX-XXX.