

GAS UTILITIES INFORMATION BULLETIN

No. 1189

Wayne Christian, Chairman Christi Craddick, Commissioner Jim Wright, Commissioner

OCTOBER 14, 2022 OVERSIGHT AND SAFETY DIVISION Kari French, Director

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SECTION 1: NEW APPEALS AND APPLICATIONS FILED

CASE NO: 00010906

CAPTION Application Filed by CenterPoint Energy Entex to Show the City of Converse

and Cleveland, Texas Surrendered Municipal Jurisdiction to the Railroad

Commission of Texas.

DATE FILED -- 10/05/2022 **FILED BY** -- Keith L. Wall **EXAMINER** -- Claudia Godoy

TECHNICAL --

CASE NO: 00010929

CAPTION Request of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex

and CenterPoint Energy Texas Gas for Approval of Regulatory Asset

Accounting.

DATE FILED -- 09/23/2022 **FILED BY** -- Keith L. Wall **EXAMINER** -- Claudia Godoy

TECHNICAL --

SECTION 2: APPEALS AND APPLICATIONS SET FOR HEARING OR PREHEARING CONFERENCE

Office of General Counsel Weekly Hearing Schedules for 2022

RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

STATEMENT OF INTENT OF TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC. TO CHANGE GAS UTILITY RATES WITHIN THE UNINCORPORATED AREAS OF THE WEST TEXAS SERVICE AREA, THE NORTH TEXAS SERVICE AREA, AND THE BORGER SKELLYTOWN SERVICE AREA

OS-22-00009896

NOTICE OF HEARING

Summary of the Proceeding and Factual Matters Asserted. On June 30, 2022, Texas Gas Service Company, a Division of ONE Gas, Inc. ("TGS"), filed with the Commission a statement of intent ("SOI") to change gas utility rates within the unincorporated/environs areas of the West Texas Service Area ("WTSA"), North Texas Service Area ("NTSA"), and Borger Skellytown Service Area ("BSSA"). The SOI was docketed as OS-22-00009896. As part of its rate filing, TGS's request includes that the Commission: (1) establish new rates for the proposed West North Service Area ("WNSA") consistent with its proposed rate schedules and tariffs; (2) approve the consolidation of the existing WTSA, NTSA, and BSSA to create the WNSA; (3) approve new depreciation rates; (4) find the approvals of the administrative orders by the Gas Services Department based on the accounting Order in GUD No. 10695 are reasonable and accurate; (5) find that the expenses for Winter Storm Uri and COVID-19 that are contained in regulatory assets authorized by the Commission are reasonable, necessary and accurate; (6) approve the prudence of capital investment made in the proposed WNSA made through December 31, 2021 including capital investment in its IRA filings made since the last rate cases in the WTSA, NTSA and BSSA pursuant to Texas Utilities Code § 104.301; (7) approve the form of notice pursuant to proposed Rate Schedule Pipeline Integrity Testing Surcharge Rider; (8) approve including Excess Deferred Income Taxes ("EDIT") in base rates, with discontinuance of the EDIT Rider, to return EDIT to customers; (9) find all reasonable rate case expenses incurred in connection with its SOI filing are authorized for recovery by TGS; and (10) grant TGS any further relief to which it may be entitled.

Contemporaneously with its SOI, TGS filed statements of intent to increase rates with the municipalities retaining original jurisdiction in the BSSA and the WTSA. With regard to cities within the NTSA and other service areas affected by its proposed consolidation request, TGS stated that it would file with the NTSA cities a request to

implement its proposed rate reduction for the NTSA upon receiving the Commission's approval of its requested consolidation and resulting WNSA rates.

On August 30, 2022, the Commission suspended the effective date of TGS's rate change for 150 days, pursuant to Section 104.107 (Rate Suspension; Deadline) of the Gas Utility Regulatory Act ("GURA") of the Texas Utilities Code.

On September 7, 2022, the issue of rate cases expense recovery was severed and docketed as OS-22-00010583.

Intervening Parties. Intervenors in this case include Staff of the Railroad Commission of Texas ("Staff"), the City of El Paso, and the City of Borger.

NOTICE IS HEREBY GIVEN THAT a public hearing will be held, at the time and place set out below, to consider all issues of fact and law raised in or relevant to TGS's statement of intent to change rates.

Legal Authority and Jurisdiction. The Commission has, or may have, jurisdiction over TGS and the matters at issue in this proceeding pursuant to GURA Sections 102.001 (Railroad Commission Jurisdiction), 103.003 (Surrender of Municipal Jurisdiction to Railroad Commission; Reinstatement of Jurisdiction), 103.051 (Appeal by Party), 103.052 (Appeal by Residents), 103.053 (Appeal by Ratepayers Outside Municipality), and 104.001 (Authorization to Establish and Regulate Rates), and pursuant to GURA Sections 121.051 (Gas Utility: Public Interest and Jurisdiction of Railroad Commission), 121.052 (Pipelines: Monopolies Subject to Railroad Commission), and 121.151 (Railroad Commission Regulation of Gas Pipelines).

The presiding Administrative Law Judge ("ALJ") shall conduct the hearing pursuant to the requirements of Chapter 2001 (Administrative Procedure) of the Texas Government Code and pursuant to Title 16, Part 1 (Railroad Commission of Texas), of the Texas Administrative Code, and other applicable authority.

Particular Statutes and Rules Involved. The statutes and rules applicable to this proceeding may include, but are not limited to, the following:

- All sections in GURA Chapters 101 (General Provisions and Office of Public Utility Counsel), 102 (Jurisdiction and Powers of Railroad Commission and Other Regulatory Authorities), 103 (Jurisdiction and Powers of Municipality), 104 (Rates and Services), and 121 (Gas Pipelines); and
- 2. Title 16, Part 1 (Railroad Commission of Texas), of the Texas Administrative Code, including Chapters 1 (Practice and Procedure) and 7 (Gas Services Division).

Time, Place, and Nature of Hearing. IT IS DIRECTED that the hearing on the merits shall commence at **9:00 a.m. on Wednesday, November 2, 2022**, in the William B. Travis Building, located at 1701 North Congress Avenue, Austin, Texas. Please check with Docket Services (Room 12-123) the morning of the hearing for the room location. If the hearing is not concluded on the day it commences, the hearing will be continued from day to day, as announced, until concluded.

IT IS FURTHER DIRECTED that all parties desiring to present sworn testimony, documentary and demonstrative evidence, and argument regarding any issue of law or fact at the final hearing on the merits shall appear in person or by an attorney. For good

cause shown, the ALJ may permit part of the proceeding to be conducted telephonically pursuant to Commission Rule § 1.112 (Proceedings by Telephony).

Written Transcript of the Hearing. The record of the hearing will be made by recording device or by stenographic transcription by the court reporter. Any party that desires a written transcription of the hearing should contact the court reporter at (512) 282-0313. The Commission may assess the cost of the transcript or expedited transcript to one or more parties pursuant to Section 2001.059 (Transcript) of the Texas Government Code.

Auxiliary Aids or Services for Persons with a Disability. Any individual with a disability who needs auxiliary aids and services to have an equal opportunity to effectively communicate and participate in the hearing must request such aids or services at least two weeks prior to the hearing by notifying the Human Resources Department of the Commission by mail at P.O. Box 12967, Austin, Texas 78711-2967 or by telephone at (512) 463-6981 or TDD No. (800) 735-2989.

Contact for Additional Information – In accordance with Tex. Gov't Code §2001.061 and 16 Tex. Admin. Code § 1.6, ex parte communications with the Administrative Law Judges, Examiners, and Commissioners are prohibited. Any persons or entities desiring additional information may contact the Commission by writing to the Director, Hearings Division, Railroad Commission of Texas, 1701 North Congress Avenue, P. O. Box 12967, Capitol Station, and Austin, Texas 78711-2967. Any persons or entities having clerical questions, such as questions regarding the number of copies of filings, the service list or reviewing the record, may contact, Docket Services, at (512) 463-6848.

BRENNAN J. FOLEY
ADMINISTRATIVE LAW JUDGE

SECTION 3: STATUS OF PENDING CASES

None currently.

SECTION 4: NOTICES OF DISMISSAL

None currently.

SECTION 5: ORDERS OF THE COMMISSION

- 1. Case No. 00009998 Application of Texas Gas Service Company for Test Year 2021 Annual Interim Rate Adjustment for the Unincorporated Areas of the Rio Grande Valley Service Area
 - a. Final Order (10/11/2022)
- **2. Case No. 00010335** Application filed by Atmos Pipeline Texas 2022 Rider Rev Adjustment.
 - a. Final Order (10/11/2022)

SECTION 6: MISCELLANEOUS

A. Gas Services Department Publications and Statistics

- 1. Gas Utilities Information Bulletins available at https://rrc.texas.gov/gas-services/publications-statistics/.
- 2. Rate Review Handbook available at https://rrc.texas.gov/gas-services/publications-statistics/.
- 3. Gas Utilities Annual Statistics available at https://rrc.texas.gov/gas-services/publications-statistics/.
- 4. Gas Storage Statistics available at https://rrc.texas.gov/gas-services/publications-statistics/.
- 5. Six MCF Residential Gas Bill Analysis for Texas Cities available at https://rrc.texas.gov/gas-services/publications-statistics/.

B. Interest Rate on Customer Deposits

1. The Public Utility Commission of Texas has published that the interest rate to be applied customer deposits in calendar year 2022 is 0.06%. All gas utilities should use 0.61% for the calendar year 2021 and 2.21% for calendar year 2020. This information can be found at: https://www.puc.texas.gov/industry/electric/reports/HRates/HistRates.pdf

Contact Information

2. Audit Section's Headquarter and District Offices:

Headquarter Location:

William B. Travis Building 1701 North Congress Avenue

Austin, Texas 78701

Mailing Address:

P. O. Box 12967

Austin, Texas 78711

Telephone 512-463-7167 Fax 512-475-3180

Austin District:

Janeen Metcalf, Compliance Analyst II

Melody Euresti, Administrative Assistant II

Michael Martinez, Auditor Telephone: 512-463-7022

Fort Worth District:

City Hall 13th Street Annex 401 West 13th Street, Suite B

Yolandra Davis, Director, Utility Audit Section Josh Settle, Senior Auditor Greg Holy, Auditor III Telephone: 817-882-8966

Houston District:

1706 Seamist Drive, Suite 50 Houston, Texas 77008

Konata Uzoma, Senior Auditor Carla Robinson, Auditor III Saju Georgesam, Auditor II Bryan Sparkman, Auditor II Telephone: 713-869-8425

3. Market Oversight Section

William B. Travis Building 1701 North Congress Avenue Austin, Texas 78701 Mailing Address: P. O. Box 12967 Austin, Texas 78711

Sarah Montoya-Foglesong, Director
Claudia Godoy, Financial Analyst III
Erik Gardner, Financial Analyst
Marzi Bolhassani, Financial Analyst III
Mimi Winetroub, Financial Analyst III
Andrea Maxwell, Research Specialist III, Team Lead
Alexis Larraga, Customer Service Representative IV
Janet Sims, Customer Service Representative IV
Malachi Chavelas-Miranda, Customer Service Representative IV
Marisol Gomez, Customer Service Representative IV
Telephone: 512-463-7167

C. Audit Forms

- 1. Gas Utility Tax and Annual Forms available at https://rrc.texas.gov/gas-services/gas-services/gas-services-forms/.
- 2. Gas Utility Annual Reports available on Neubus at: https://rrcsearch3.neubus.com/esd3-rrc/index.php?module_esd&_action_=keysearch&profile=13.
- 3. Information relating to any of the above, are available for review at the William B. Travis Building, Gas Services Department, 9th Floor, 1701 North Congress. All requests for copies must be made in writing and should be addressed to the Audit Section. Copies will be provided

- for a fee, depending on the volume of copy work desired, allow a minimum of ten business days for completion of requests.
- 4. Inquiries regarding copies should be directed to the Audit Section at (512) 463-7022 or fax your request to 512-475-3180.

D. Market Oversight Section Forms

- 1. Annual Earnings and Monitoring Report available at https://rrc.texas.gov/gas-services-forms/.
- 2. Interim Rate Adjustment Application (GRIP) and Customer Notice available at https://rrc.texas.gov/gas-services/gas-services-forms/.

E. Gas Utility Docket Information

- 1. Orders and Proposals for Decision are published on the Commission's web site at https://www.rrc.texas.gov/hearings/dockets/gas-utility-dockets/ and RRC CASES at https://www.rrc.texas.gov/hearings/rrc-cases/.
- 2. Gas Utility Dockets are also available on Neubus at https://rrcsearch3.neubus.com/esd3-rrc/index.php?_module_=esd&_action_=keysearch&profile=14.

F. Natural Gas Tariff Filings

- 1. Questions pertaining to the filing of tariffs and/or quality of service rules should be directed to Andrea Maxwell, Janet Sims, Alexis Larraga, Marisol Gomez or Malachi Chavelas-Miranda at (512) 463-7167.
- 2. Natural Gas Tariffs and Rate Schedules available at https://www.rrc.texas.gov/gas-services/natural-gas-tariffs-rate-schedules/.

G. Common Carrier Pipeline Tariff Filings

- 1. Questions pertaining to the filing of common carrier pipeline tariffs should be directed to Janet Sims at 512-463-6779.
- 2. Common Carrier Pipeline Tariffs available at http://www.rrc.texas.gov/gas-services/common-carrier-pipeline-tariffs/.

H. Propane Distribution Systems

1. Propane distribution price cap information is available at: http://www.rrc.texas.gov/gas-services/propane-distribution-systems/.

I. Curtailment Plan (Gas Utility Docket 489)

- 1. Curtailment questions should be referred to 512-463-7167 or by email at naturalgascurtailment@rrc.texas.gov.
- 2. Curtailment reports made during normal business hours, Monday through Friday 8:00 a.m. to 5:00 p.m., should be made to 512-463-7167.
- 3. Curtailment reports made after hours or during holidays, should be made to 512-463-6788.

J. Compliance Filings

1. Questions regarding gas utilities docket compliance filing requirements should be referred to Claudia Godoy at 512-463-7118 or by email at GUD_Compliance@rrc.texas.gov.

K. Complaints and Inquiries

1. Residential and Commercial Propane and Natural Gas Complaints should be made at GasComplaints@rrc.texas.gov or by phone at 512-463-7164.

- 2. Informal Gas Purchasing, Selling, Transportation or Gathering Practice Complaints should be submitted online at http://www.rrc.texas.gov/gas-services/complaint-filing/informal-gas-transportation-purchase-complaint-preliminary-information-online-form/ or at 512-463-7167.
- 3. Informal Complaint Preliminary Information form available at https://www.rrc.texas.gov/gas-services/gas-services-forms/.

L. Non-Submetered Master Meter Disconnections

Municipalities wishing to opt in receiving notice from utilities when non-submetered master
metered multifamily property is subject to disconnection of service due to non-payment can
do so at http://www.rrc.texas.gov/gas-services/non-submetered-master-meterdisconnections/.

M. Texas Utilities Codes

1. Available through the State of Texas website at https://statutes.capitol.texas.gov/.

N. Texas Administrative Codes

O. Pending RRC Rules and Regulations

1. Pending rules and regulations available at https://www.rrc.texas.gov/general-counsel/rules/proposed-rules/.

P. Proposed Form Amendments (PFD):

1. PFDs available at https://www.rrc.texas.gov/forms/proposed-form-amendments/.

Q. Hearings and Legal Analysis

1. Anyone wishing to obtain copies of appendices to Orders appearing in Section 5 of this Bulletin should contact the Office of General Counsel at 512-463-7149.

R. Status of Pending Cases

1. The status of all pending cases listed in Section 3 of this Bulletin is for informational purposes only and is complete up to the time of printing of this Bulletin. For a more accurate status of pending cases, please call the Office of General Counsel at 512-463-7149.