

GAS UTILITIES INFORMATION BULLETIN

No. 1209

Christi Craddick, Chairman

Wayne Christian, Commissioner

Jim Wright, Commissioner

AUGUST 15, 2023 OVERSIGHT AND SAFETY DIVISION Kari French, Director

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SECTION 1: NEW APPEALS AND APPLICATIONS FILED

CASE NO: 00014789

CAPTION Application Filed by CenterPoint Energy Entex to Show the Cities of Poth and

Lufkin, Texas Surrendered Municipal Jurisdiction to the Railroad Commission of

Texas.

DATE FILED -- 08/01/2023 **FILED BY --** Keith L. Wall **EXAMINER --** Erik Gardner

TECHNICAL --

CASE NO: 00014831

CAPTION Application Filed by BKV Midstream, LLC To Report The Purchase of Barnett

Gathering, LLC.

DATE FILED -- 08/03/2023

FILED BY -- William Charles Bennet

EXAMINER -- David Bauman

TECHNICAL --

CASE NO: 00014861

CAPTION Application Filed by Atmos Pipeline - Texas 2023 Rider Rev Adjustment.

DATE FILED -- 08/15/2023 **FILED BY --** Gary L. Smith **EXAMINER --** David Bauman

TECHNICAL --

BEFORE THE RAILROAD COMMISSION OF TEXAS

STATEMENT OF INTENT TO INCREASE GAS
UTILITY RATES WITHIN THE
UNINCORPORATED AREAS SERVED BY
SIENERGY, LP IN NORTH, CENTRAL, AND
SOUTH TEXAS

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HEARINGS DIVISION OS-23-00013504

SECOND AMENDED NOTICE OF HEARING

Summary of the Proceeding and Factual Matters Asserted. On May 5, 2023, SiEnergy, LP ("SiEnergy") filed with the Commission a statement of intent ("SOI") to change gas utility rates within the unincorporated areas served it serves in North, Central and South Texas. The SOI was docketed as OS-23-00013504. As part of its rate filing, SiEnergy requests that the Commission: (1) approve new rates and tariffs to become effective for meters read on and after June 9, 2023; (2) approve the consolidation of its North, Central and South service areas and the implementation of uniform rates; (3) approve new depreciation rates for its distribution and general plant; (4) determine that its capital investment placed in service between October 1, 2017 and March 31, 2023 was prudent, reasonable and necessarily incurred; (5) issue a favorable public interest determination regarding an equity transaction; (6) find that the expenses for Winter Storm Uri and COVID-19 recorded in the regulatory asset accounts authorized by the Commission are reasonable, necessary and eligible for recovery; (7) find all reasonable rate case expenses incurred in connection with its SOI filing are authorized for recovery by SiEnergy; (8) authorize SiEnergy to amortize its acquisition adjustment for accounting purposes; and (9) grant SiEnergy any further relief to which it may be entitled.

Contemporaneously with its SOI, SiEnergy filed statements of intent to increase rates with the municipalities retaining original jurisdiction over the rates and services provided by or may be provided by SiEnergy within the corporate limits of those municipalities. Those municipalities include the Cities of Austin, Celina, Conroe, Fate, Forney, Fort Worth, Fulshear, Grand Prairie, Houston, Manor, Mansfield, Missouri City, Princeton, Sugar Land, and Waxahachie.

On May 17, 2023, the Commission suspended the effective date of SiEnergy'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.

Intervening Parties. Intervenors in this case include the Staff of the Railroad Commission of Texas, the Cities Served by SiEnergy, LP, and the City of Princeton.

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 SiEnergy's statement of intent to change rates.

Legal Authority and Jurisdiction. The Commission has, or may have, jurisdiction over SiEnergy 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), 104.001 (Authorization to Establish and Regulate Rates), 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, August 16, 2023, via the Zoom videoconferencing platform. 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.

Signed on August 14, 2023.

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

None currently.

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 2023 is 1.36%. All gas utilities should use 0.06% for the calendar year 2022 and 0.61% for calendar year 2021. This information can be found at: https://ftp.puc.texas.gov/public/puct-

Contact Information

1. Gas Services Department

Mark Evarts, Director Telephone: 512-463-7167

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 Will Jones, Auditor

Telephone: 512-463-7022

Fort Worth District:

City Hall 13th Street Annex 401 West 13th Street, Suite B Josh Settle, Senior Auditor Greg Holy, Auditor III Telephone: 817-882-8966

Houston District:

1706 Seamist Drive, Suite 50 Houston, Texas 77008 Carla Robinson, Auditor III Saju Georgesam, Auditor II Bryan Sparkman, Auditor II Quang Ngo, Auditor III 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, Market Oversight Section Director

Claudia Godoy, Financial Analyst III

David Bauman, Financial Analyst

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-Martin, 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-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/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 (§7.455)

- 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 <u>GUD Compliance@rrc.texas.gov</u>.

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

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

M. Texas Utilities Codes

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

N. Texas Administrative Codes

c. Available at the State of Texas website at:

http://texreg.sos.state.tx.us/public/readtac\$ext.ViewTAC?tac_view=4&ti=16&pt=1&ch=7.

O. Pending RRC Rules and Regulations

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

P. Proposed Form Amendments (PFD):

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

Q. Hearings and Legal Analysis

f. 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

g. 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.