

GAS UTILITIES INFORMATION BULLETIN

No. 1101

Christi Craddick, Chairman

Ryan Sitton, Commissioner

Wayne Christian, Commissioner

FEBRUARY 15, 2019 OVERSIGHT AND SAFETY DIVISION Kari French, Director

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SECTION 1: NEW APPEALS AND APPLICATIONS FILED

DOCKET NO.: 10810

CAPTION Woodsboro Natural Gas Corp.'s Notice of Compliance Pursuant to

Accounting Order GUD No. 10695.

DATE FILED -- 02/04/2019

FILED BY -- Charles Cromwell

EXAMINER -- Sarah Montoya - Foglesong

TECHNICAL --

DOCKET NO.: 10811

CAPTION Inquiry into The Failure of Enterprise Crude Pipeline LLC to Comply with

Safety Standards.

DATE FILED -- 02/11/2019

FILED BY -- Commission's Own Motion

EXAMINER --

TECHNICAL --

DOCKET NO.: 10812

CAPTION Application filed by Centerpoint Energy Entex to show the City of East

Mountain, Hallsville and Warren City, Texas Surrendered Municipal

Jurisdiction to the Railroad Commission of Texas.

DATE FILED -- 02/11/2019 **FILED BY** -- Keith Wall **EXAMINER** -- Claudia Godoy

TECHNICAL --

DOCKET NO.: 10813

CAPTION Application of Atmos Pipeline - Texas for Test Year 2018 Annual Interim

Rate Adjustment Filing.

DATE FILED -- 02/15/2019

FILED BY -- Charles R. Yarbrough II

EXAMINER -- Kari French **TECHNICAL** -- Frank Tomicek

DOCKET NO.: 10814

CAPTION LDC, LLC's Notice of Intent to Reduce Rates Established in GUD No.

10695 Pursuant to Section 104.111 of the Gas Utility Regulatory Act.

DATE FILED -- 02/13/2019 **FILED BY** -- Karl J. Nalepa **EXAMINER** -- Christina Poole

TECHNICAL --

DOCKET NO.: 10815

CAPTION D & H Gas Company, Inc.'s Notice of Compliance Pursuant to Accounting

Order GUD No. 10695.

DATE FILED -- 02/12/2019 **FILED BY** -- Gregg Peloquin **EXAMINER** -- Christina Poole

TECHNICAL --

DOCKET NO.: 10816

CAPTION Corix Utilities (Texas), Inc.'s Notice of Compliance Pursuant to

Accounting Order GUD No. 10695.

DATE FILED -- 02/12/2019

FILED BY -- R. Darrin Barker

EXAMINER -- Amy Bruce

TECHNICAL --

DOCKET NO.: 10817

CAPTION Sienergy's Notice of Intent to Provide a One-time Customer Refund

Pursuant to Section 104.111 of the Gas Utility Regulatory Act.

DATE FILED -- 02/13/2019

FILED BY -- Evan D. Johnson

EXAMINER -- Sarah Montoya - Foglesong

TECHNICAL --

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

Office of General Counsel Weekly Hearing Schedules for 2018 BEFORE THE RAILROAD COMMISSION OF TEXAS

FORMAL COMPLAINT OF	§	
OCCIDENTAL ENERGY MARKETING,	§	GAS UTILITIES DOCKET
INC., AGAINST BRIDGETEX PIPELINE	§	NO. 10675
COMPANY, LLC	§	

NOTICE OF HEARING

Summary of the Proceeding and Factual Matters Asserted. On November 21, 2017, Occidental Energy Marketing, Inc. ("OEMI"), filed a complaint against BridgeTex Pipeline Company, LLC ("BridgeTex"), alleging discrimination (as supplemented and ultimately consolidated, the "Complaint"). Specifically, OEMI alleges that BridgeTex is discriminating against OEMI and certain other shippers and is granting undue preferences to others in providing crude oil transportation service on BridgeTex's West Texas crude oil pipeline system (the "BridgeTex System").

Subsequently, several parties intervened: Shell Trading (US) Company; Laredo Petroleum, Inc.; Kaiser Supply and Trading, LLC; Mitsubishi International Corporation; and Westport Petroleum, LLC.

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—OEMI's Complaint and requested relief.

Legal Authority and Jurisdiction. The Commission has jurisdiction over BridgeTex pursuant to Chapters 81 and 111 of the Texas Natural Resources Code. The 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.

Particular Statutes and Rules Involved. The statutes and rules applicable to this proceeding include the following:

- 1. Chapter 81 (Railroad Commission of Texas) of the Natural Resources Code;
- 2. Chapter 111 (Common Carriers, Public Utilities, and Common Purchasers) of the Natural Resources Code; and
- 3. Title 16, Part 1 (Railroad Commission of Texas), of the Texas Administrative Code, including Chapter 1 (Practice and Procedure), Chapter 3 (Oil and Gas Division), and/or Chapter 7 (Gas Services Division).

Time, Place, and Nature of Hearing. **IT IS DIRECTED** that the hearing on the merits shall commence at **10:00 a.m. on Monday, February 25, 2019**, at the Commission's offices in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas. Please check with Docket Services (room 12-123) the morning of the hearing for the location. Tentatively, hearings room 12-126 (12th floor) has been reserved. If 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 hearing shall appear in person or by an attorney.

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 copy of the written transcript 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 in order 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. Ex parte communications with the Commissioners, Administrative Law Judges, and Technical Examiners are prohibited. 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, Austin, Texas 78711-2967. Clerical questions, such as questions regarding the number of copies of filings, the service list, or reviewing the record, may be directed to Docket Services at (512) 463-6848.

Signed on February 14, 2019.

JOHN B. DODSON ADMINISTRATIVE LAW JUDGE

BEFORE THE RAILROAD COMMISSION OF TEXAS

PETITION FOR DE NOVO REVIEW OF \$
THE DENIAL OF THE STATEMENT OF \$
INTENT FILED BY ATMOS ENERGY \$
CORP., MID-TEX DIVISION, BY THE \$
NO. 10779,
CITIES OF BALCH SPRINGS, \$
Consolidated
BANDERA, BELTON, ET AL.

NOTICE OF HEARING

Summary of the Proceeding and Factual Matters Asserted. On October 11, 2018, Atmos Energy Corporation, Mid-Tex Division ("Atmos") filed with the Commission a petition for review from the actions of 43 cities served by Atmos, each denying Atmos's requested rate increase (the "Appeal"). The Appeal was docketed as GUD No. 10779. Subsequently, Atmos filed two related petitions for review: from the actions of the Cities of Hico, Rogers, and Trinidad, docketed as GUD No. 10788; and from the action of the City of Clifton, docketed as GUD No. 10794. On December 4, 2018, these two petitions for review were consolidated with the original Appeal.

On October 12, 2018, Atmos Texas Municipalities ("ATM"), a coalition comprised of affected cities, moved to intervene in this docket. On October 23, 2018, the motion was granted. On December 4, 2018, the Administrative Law Judge aligned all municipal parties for purposes of discovery and severed the rate case expenses portion of the consolidated Appeal into a separate docket, GUD No. 10796.

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—Atmos's requested relief.

Legal Authority and Jurisdiction. The Commission has, or may have, jurisdiction over Atmos 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 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:

- 1. 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);
- 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); and
- 3. Applicable city laws, ordinances, and/or resolutions, if any.

Time, Place, and Nature of Hearing. **IT IS DIRECTED** that the hearing on the merits shall commence at **9:30 a.m. on Thursday, March 7, 2019**, 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 stenographic transcription by the court reporter. Any party that desires a copy of the written transcript 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, 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 February 12, 2019.

JOHN B. DODSON 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 http://www.rrc.state.tx.us/gas-services/publications-statistics/gas-utilities-information-bulletins/.
- 2. Rate Review Handbook available at http://www.rrc.state.tx.us/media/41964/rate-review-handbook-2017.pdf.
- 3. Gas Utilities Annual Statistics available at http://www.rrc.state.tx.us/gas-services/publications-statistics/2017-gas-utility-annual-statistical-reports/.
- 4. Gas Storage Statistics available at http://www.rrc.state.tx.us/gas-services/publications-statistics/.
- 5. Six MCF Residential Gas Bill Analysis for Texas Cities available at http://www.rrc.state.tx.us/gas-services/publications-statistics/six-mcf-report/.

B. Interest Rate on Customer Deposits

1. We have been advised by the Public Utility Commission of Texas that the interest rate to be applied to customer deposits in calendar year 2018 is 0.91%. All gas utilities should use 0.42% for the calendar year 2017 and 0.11% for calendar year 2016. This information can be found at: https://www.puc.texas.gov/industry/electric/reports/HRates/HistRates.pdf

C. Contact Information

1. 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:

Ed Abrahamson, Director, Utility Audit Section Stephen Cooper, Advising Auditor Pearl Rodriguez, Program Specialist Diana Serrano, Accounting Technician Mary Anderson, Compliance Analyst Telephone: (512) 463-7022

Fort Worth District:

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

Josh Settle, Senior Auditor Yolandra Davis, Senior Auditor Telephone: (817) 882-8966

Houston District:

1706 Seamist Drive, Suite 50 Houston, Texas 77008

Margie Stoney, Project Auditor Larry Alcorn, Auditor Dale Francis, Senior Auditor Konata Uzoma, Senior Auditor Vonetta Jackson, Auditor Telephone: (713) 869-8425

2. Market Oversight Section

William B. Travis Building 1701 North Congress Avenue Austin, Texas 78701

Mailing Address: P. O. Box 12967 Austin, Texas 78711

Mark Evarts, Director
Amy Bruce, Utility Specialist
Christina Poole, Financial Analyst
Claudia Godoy, Financial Analyst
Frank Tomicek, Financial Analyst
Sarah Montoya-Foglesong, Financial Analyst
Andrea Maxwell, Research Specialist Team Lead
Janet Sims, Customer Service Representative IV
Sheila Mendoza, Research Specialist
Virgie Frausto, Research Specialist
Telephone: (512) 463-7167

D. Audit Forms

- 1. Gas Utility Tax and Annual Forms available at http://www.rrc.state.tx.us/gas-services/forms/.
- 2. Copies of 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.

E. Market Oversight Section Forms

- 1. Annual Earnings and Monitoring Report available at http://www.rrc.texas.gov/media/6085/annualearningsmonitoringreport.pdf
- 2. Interim Cost Recovery and Rate Adjustment Report available at http://www.rrc.texas.gov/media/6084/newinfrastructure.pdf.

F. Gas Utility Docket Information

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

G. 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, Sheila Mendoza or Virgie Frausto at (512) 463-7167.

2. Natural Gas Tariffs and Rate Schedules available at http://www.rrc.texas.gov/gas-services/natural-gas-tariffs-and-rate-schedules/.

H. Common Carrier Pipeline Tariff Filings

- 1. Questions pertaining to the filing of common carrier pipeline tariffs should be directed to Sheila Mendoza at (512) 463-7023.
- 2. Common Carrier Pipeline Tariffs available at http://www.rrc.texas.gov/gas-services/common-carrier-pipeline-tariffs/.

I. Propane Distribution Systems

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

J. 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.

K. Compliance Filings

1. Questions regarding gas utilities docket compliance filing requirements should be referred to Christina Poole at (512) 463-7167 or by email at GUD_Compliance@rrc.texas.gov.

L. 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) 463-7167.
- 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 http://www.rrc.texas.gov/media/5671/informal-complaint-preliminary-information.pdf.

M. 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-meter-disconnections/.

N. Texas Utilities Codes

1. Available through the State of Texas website at http://www.statutes.legis.state.tx.us.

O. Texas Administrative Codes

1. 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.

P. Pending RRC Rules and Regulations

1. Pending rules and regulations available at http://www.rrc.state.tx.us/general-counsel/rules/.

Q. Proposed Form Amendments (PFD):

1. PFDs available at http://www.rrc.state.tx.us/about-us/resource-center/forms/proposed-form-changes/.

R. Hearings and Legal Analysis

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

S. 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 General Counsel Division at (512) 463-7149.