

RAILROAD COMMISSION OF TEXAS

APPLICATION FILED BY EAGLE ROCK § GAS UTILITIES DOCKET NO. 10164
DESOTO PIPELINE L.P. PURSUANT TO §
NGPA SECTION 311 FOR REVIEW OF THE §
REASONABLENESS OF A §
TRANSPORTATION RATE §

ORDER

Notice of Open Meeting to consider this Order was duly posted with the Secretary of State within the time period provided by law pursuant to TEX. GOV'T CODE ANN. Chapter 551, *et seq.* The Railroad Commission of Texas adopts the following findings of fact, conclusions of law, and orders as follows:

FINDINGS OF FACT

1. Eagle Rock Desoto Pipeline L.P. (Applicant) owns and operates an intrastate natural gas pipeline within the State of Texas.
2. Applicant transports natural gas on behalf of others pursuant to §311(a)(2) of the Natural Gas Policy Act of 1978, 15 U.S.C. §3371, *et seq.*, and 18 C.F.R. 284.121-126 (2009).
3. On April 23, 2012, Applicant filed with the Railroad Commission of Texas (Commission) an application for review of the reasonableness of the transportation component of a natural gas city gate sales rate being charged under an existing gas sales contract.
4. Applicant seeks the same transportation rate approved in GUD No. 9515.
5. Applicant does not seek to change or modify any existing intrastate rates.
6. Due notice of this proceeding was served on all persons for whom Applicant performs §311(a)(2) transportation services.
7. This docket was processed informally without an evidentiary hearing. No motion to intervene or statement of protest was filed.
8. Applicant has shown that the rate of \$0.205 per MMBtu for the transportation component of a natural gas city gate sales rate is fair and equitable and not in excess of a cost-based rate.

CONCLUSIONS OF LAW

1. Applicant is an intrastate "gas utility" pursuant to TEX. UTIL. CODE §§101.003 and 121.001.
2. The application is properly before the Commission pursuant to 15 U.S.C. §3371, *et seq.*, 18 C.F.R. 284.121-126 (2009) and TEX. UTIL. CODE §§102.001 and 121.151.
3. A rate of \$0.205 per MMBtu for the transportation component of a natural gas city gate sales rate is fair and equitable and not in excess of a cost-based rate.

THE RAILROAD COMMISSION OF TEXAS hereby finds that the rate of \$0.205 per MMBtu for the transportation component of a natural gas city gate sales rate being charged under an existing gas sales contract by Eagle Rock Desoto Pipeline L.P. is fair and equitable and not in excess of a cost-based rate.

IT IS HEREBY ORDERED that Eagle Rock Desoto Pipeline L.P. shall comply with all applicable curtailment orders of the Commission.

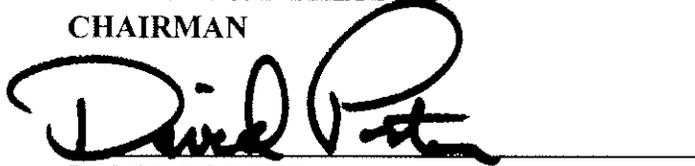
IT IS FURTHER ORDERED that all proposed findings of fact and conclusions of law not specifically adopted herein are **DENIED**.

SIGNED this 26th day of March, 2013.

RAILROAD COMMISSION OF TEXAS



**BARRY T. SMITHERMAN
CHAIRMAN**

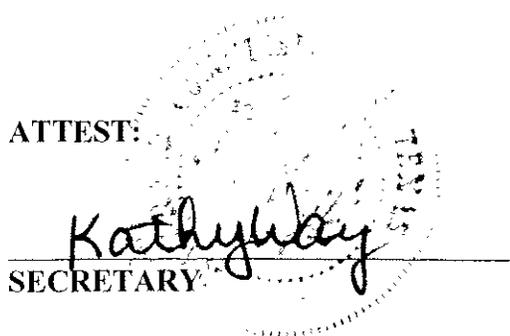
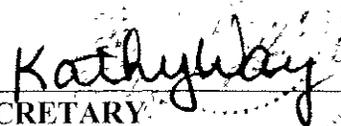


**DAVID PORTER
COMMISSIONER**



**CHRISTI CRADDICK
COMMISSIONER**

ATTEST:



SECRETARY