



RAILROAD COMMISSION OF TEXAS

OFFICE OF GENERAL COUNSEL

MEMORANDUM

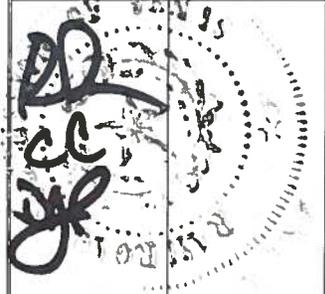
TO: Chairman David Porter
Commissioner Christi Craddick
Commissioner Ryan Sitton

FROM: Haley Cochran, Attorney— General Counsel Section
Office of General Counsel 

THROUGH: Alexander C. Schoch, General Counsel 

DATE: November 29, 2016

SUBJECT: Proposed Amendment of 16 TAC §§2.1, 7.315,
7.7101, 8.210, 8.301, and 18.11, to update the
Commission's domain name.

December 6, 2016		
Approved	Denied	Abstain
		

Attached is Staff's recommendation to publish proposed amendments to 16 Tex. Admin. Code §§2.1, 7.315, 7.7101, 8.210, 8.301, and 18.11. The amendments are proposed to correct outdated references to Commission web pages and email addresses.

Staff requests the Commission's approval to publish the proposed amendments in the *Texas Register* for a 30-day comment period. If approved at conference on December 6th, the proposal should appear in the December 23, 2016 issue of the *Texas Register*. The proposal and an online comment form would also be made available on the Commission's website the day after conference, giving interested persons more than two additional weeks to review and submit comments to the Commission.

cc: Kimberly Corley, Executive Director
Wei Wang, Chief Financial Officer

1 The Railroad Commission of Texas (Commission) proposes to amend §7.315, relating to Filing
2 of Tariffs, and §7.7101, relating to Interim Rate Adjustments, to correct references to the Commission's
3 website.

4 Kari French, Director, Oversight and Safety Division, has determined that for each year of the
5 first five years the proposed amendments will be in effect, there will be no fiscal effect on state or local
6 government or persons required to comply as a result of the proposed amendments.

7 Ms. French has determined that for each year of the first five years that the amendments will be
8 in effect the primary public benefit would be the correction of an outdated reference.

9 The Commission has determined that the proposed amendments will not have an adverse
10 economic effect on small businesses or micro-businesses.

11 The Commission has also determined that the proposed amendments will not affect a local
12 economy. Therefore, the Commission has not prepared a local employment impact statement pursuant to
13 Texas Government Code, §2001.022.

14 The Commission has determined that the amendments do not meet the statutory definition of a
15 major environmental rule as set forth in Texas Government Code, §2001.0225(a); therefore, a regulatory
16 analysis conducted pursuant to that section is not required.

17 Comments on the proposal may be submitted to Rules Coordinator, Office of General Counsel,
18 Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967; online at
19 www.rrc.texas.gov/legal/rules/comment-form-for-proposed-rulemakings; or by electronic mail to
20 rulescoordinator@rrc.texas.gov. The Commission will accept comments until noon (12:00 p.m.) on
21 Monday, January 23, 2017, which is 31 days after publication in the *Texas Register*. The Commission
22 finds that this comment period is reasonable because the proposal and an online comment form will be
23 available on the Commission's web site more than two weeks prior to *Texas Register* publication of the
24 proposal, giving interested persons additional time to review, analyze, draft, and submit comments. The

1 Commission encourages all interested persons to submit comments no later than the deadline. The
2 Commission cannot guarantee that comments submitted after the deadline will be considered. For further
3 information, call Ms. French at (512) 463-8559. The status of Commission rulemakings in progress is
4 available at www.rrc.texas.gov/legal/rules/proposed-rules.

5 The Commission proposes the amendments under Texas Utilities Code, §102.001, which gives
6 the Railroad Commission exclusive original jurisdiction over the rates and services of a gas utility
7 distributing natural gas or synthetic natural gas in areas outside a municipality; Texas Utilities Code,
8 §102.151, which requires gas utilities to file schedules showing all rates for a gas utility service, product,
9 or commodity offered by the gas utility and each rule or regulation that relates to or affects a rate of the
10 gas utility or a gas utility service, product, or commodity furnished by the gas utility; Texas Utilities
11 Code, §104.001, which vests in the Railroad Commission all the authority and power of this state to
12 ensure compliance with the obligations of gas utilities in Texas Utilities Code, Title 3, Subtitle A, and
13 which authorizes the Commission to adopt rules for determining the classification of customers and
14 services; and Texas Utilities Code, §104.301, relating to a utility's ability to file with the Commission a
15 tariff or rate schedule that provides for an interim adjustment in the utility's monthly customer charge or
16 initial block rate to recover the cost of changes in the investment in capital for gas utility service.

17 Texas Utilities Code §§102.001, 102.151, 104.001, and 104.301 are affected by the proposed
18 amendments.

19 Statutory authority: Texas Utilities Code, §§102.001, 102.151, 104.001, and 104.301.

20 Cross reference to statutes: Texas Utilities Code Chapters 102 and 104.

21
22 §7.315. Filing of Tariffs.

23 (a) Filing requirements for all tariffs. Each gas utility shall file with the Commission through the
24 Commission's web site using an electronic format as prescribed by the Commission and the instructions

1 contained in the Electronic Data Interchange (EDI) manual on the Commission's web site a tariff
2 complying with minimum requirements as defined in subsections (c) and (d) of this section for all rates
3 which are within the original or appellate jurisdiction of the Commission and which are currently in force
4 for any gas utility service, product, or commodity. If the rate charged is based on a formula or requires a
5 calculation to determine the unit rate to be charged, the utility shall, in the tariff filing, identify and report
6 all components used in the calculation of the unit rate, including each component of the cost of gas. Each
7 utility providing gas distribution system service or sales shall file, as part of the rates, copies of all rules
8 and regulations relating to or affecting rates, utility service, products, or commodities furnished by the
9 gas utility. Electronic filing instructions may be obtained on the Gas Services page of [from] the
10 Commission's web site [~~at www.rrc.state.tx.us/electronic_filing/electronic_filing.html~~].

11 (b) - (f) (No change.)

12
13 §7.7101. Interim Rate Adjustments.

14 (a) - (c) (No change.)

15 (d) Annual project report. A gas utility seeking to implement an interim rate adjustment shall
16 electronically file with the Commission an annual project report as part of the application.

17 (1) The annual project report shall be made on a form approved by the Commission and
18 found on the Gas Services page of [made available via] the Commission's website [~~at~~
19 ~~<http://www.rrc.state.tx.us/divisions/gs/giforms/index.html>~~].

20 (2) - (3) (No change.)

21 (e) Annual earnings monitoring report. A gas utility seeking to implement an interim rate
22 adjustment shall electronically file with the Commission an annual earnings monitoring report as part of
23 the application.

24 (1) The annual earnings monitoring report shall be made on a form approved by the

1 Commission and **found on the Gas Services page of** ~~[made available via]~~ the Commission's website [at
2 <http://www.rrc.state.tx.us/divisions/gas/gasforms/index.html>].

3 (2) (No change.)

4 (f) - (m) (No change.)

5
6 This agency hereby certifies that the proposal has been reviewed by legal counsel and found to
7 be within the agency's authority to adopt.

8 Issued in Austin, Texas on December 6, 2016.

9 Filed with the Office of the Secretary of State on December 6, 2016.



Haley Cochran
Rules Attorney, Office of General Counsel
Railroad Commission of Texas