

GAS UTILITIES INFORMATION BULLETIN

No. 1222

Christi Craddick, Chairman

Wayne Christian, Commissioner

Jim Wright, Commissioner

FEBRUARY 29, 2024 OVERSIGHT AND SAFETY DIVISION Kari French, Director

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SECTION 1: NEW APPEALS AND APPLICATIONS FILED

CASE NO: 00016391

CAPTION: Application of Atmos Energy Corp., Mid-Tex Division for Test Year 2023 Annual

Interim Rate Adjustment for the Unincorporated Mid-Tex Division.

DATE FILED -- 02/23/2024
FILED BY -- Chris Felan
EXAMINER -- Kari French
TECHNICAL -- Erik Gardner

CASE NO: 00016393

CAPTION: Application of Atmos Energy Corp., West Texas Division for Test Year 2023

Annual Interim Rate Adjustment for the Unincorporated West Texas Division.

DATE FILED -- 02/23/2024

FILED BY -- Phillip R. Littlejohn

EXAMINER -- Kari French **TECHNICAL** -- Zanu Laudat

CASE NO: 00016394

CAPTION: Application of Atmos Energy Corp., West Texas Division for Test Year 2023

Annual Interim Rate Adjustment for the West Texas Triangle Division.

DATE FILED -- 02/23/2024

FILED BY -- Philip R. Littlejohn

EXAMINER -- Kari French **TECHNICAL** -- Mimi Winetroub

CASE NO: 00016396

CAPTION: Application of Atmos Pipeline - Texas for Test Year 2023 Annual Interim Rate

Adjustment

DATE FILED -- 02/27/2024
FILED BY -- Gary L. Smith
EXAMINER -- Kari French
TECHNICAL -- David Bauman

CASE NO: 00016404

CAPTION: Application Filed by Universal Natural Gas, Inc. to Show the City of San Marcos,

Texas Surrendered Municipal Jurisdiction to the Railroad Commission of Texas.

DATE FILED -- 02/22/2024

FILED BY -- Hayley Cunningham EXAMINER -- Marzi Bolhassani

TECHNICAL --

CASE NO: 00016427

CAPTION: Application Filed by NextEra Energy Resources to Report the Sale of Acquisition

of Assets to Kinder Morgan.

DATE FILED -- 02/22/2024 **FILED BY** -- William Meyer **EXAMINER** -- Zanu Laudat

TECHNICAL --

BEFORE THE RAILROAD COMMISSION OF TEXAS

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STATEMENT OF INTENT OF
CENTERPOINT ENERGY RESOURCES
CORP., D/B/A CENTERPOINT ENERGY
ENTEX AND CENTERPOINT ENERGY
TEXAS GAS TO CHANGE RATES IN THE
UNINCORPORATED AREAS AND
MUNICIPALITIES THAT HAVE CEDED
ORIGINAL JURISDICTION WITHIN THE
HOUSTON, TEXAS COAST,
BEAUMONT/EAST TEXAS, AND SOUTH
TEXAS DIVISIONS

HEARINGS DIVISION OS-23-00015513, consolidated

NOTICE OF HEARING

Summary of the Proceeding and Factual Matters Asserted. On October 30, 2023, CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Entex and CenterPoint Energy Texas Gas ("CenterPoint Texas") filed with the Commission a statement of intent ("SOI") to change gas utility rates within its proposed Texas Division. The SOI was docketed as OS-23-00015513. As part of its rate filing, CenterPoint Texas requests that the Commission: (1) approve the tariffs and rate schedules attached to its SOI to become effective for bills rendered on and after December 4, 2023; (2) approve the consolidation its existing Houston, Texas Coast, South Texas, and Beaumont/East Texas Divisions into the new Texas Division; (3) approve the prudence of capital investment made in the proposed Texas Division through September 30, 2023; (4) approve new depreciation rates; (5) approve its requested accounting changes and treatments; (6) approve a surcharge to recover reasonable rate case expenses or otherwise sever consideration of rate case expenses into a separate docket; and (7) grant CenterPoint Texas such further relief to which it may be entitled by law.

CenterPoint Texas also filed statements of intent to increase rates with the municipalities that have original jurisdiction over rates within a municipality and municipalities that have ceded original jurisdiction to the Commission.

On November 15, 2023, the Commission suspended the effective date of CenterPoint Texas'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 February 13, 2024, all issues related to rate case expanses were severed into a separate proceeding and docketed as OS-24-00016343.

Intervening Parties. Intervenors in this case include the Staff of the Railroad Commission of Texas, Cities Served by CenterPoint Gas, the Alliance of CenterPoint Municipalities, the City of Houston, and the Steering Committee of Cities.

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 CenterPoint Texas's statement of intent to change rates.

Legal Authority and Jurisdiction. The Commission has, or may have, jurisdiction over CenterPoint Texas 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), and 121.051 (Gas Utility: Public Interest and Jurisdiction of Railroad Commission).

The presiding Administrative Law Judge ("ALJ") shall conduct the hearing pursuant to the requirements of Chapter 2001 (Administrative Procedure) of the Texas Government Code, 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, April 10, 2024, in the William B. Travis Building, located at 1701 North Congress Avenue, Austin, Texas. Please check with Docket Services (Room 12-110) 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) 474-2233. 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 ALJ, 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 February 27, 2024.

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.

6: MISCELLANEOUS

A. Gas Services Department Publication 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 2024 is 4.86%. All gas utilities should use 1.36% for the calendar year 2023 and 0.06% for calendar year 2022. This information can be found at: https://ftp.puc.texas.gov/public/puct-info/industry/electric/reports/HRates/HistRates.pdf

C. 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

Yvonne Jackson, Manager Carla Robinson, Auditor III 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
David Bauman, Financial Analyst
Erik Gardner, Financial Analyst
Marzi Bolhassani, Financial Analyst
Mimi Winetroub, Financial Analyst
Zanu Laudat, Financial Analyst
Andrea Maxwell, Research Specialist III, Team Lead
Janet Sims-Martin, Customer Service Representative IV
Malachi Chavelas-Miranda, Customer Service Representative IV
Marisol Gomez, Customer Service Representative IV
Telephone 512-463-7167

D. 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.

E. 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 Applications (GRIP) and Customer Notice available at: https://rrc.texas.gov/gas-services/gas-services-forms/

F. Gas Utility Docket Information

- 1. Orders and Proposals for Decision are published on the Commission's website 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

G. Natural Gas Tariff Filings

- Questions pertaining to the filing of tariffs and/or quality of service rules should be directed to Andrea Maxwell, Janet Sims-Martin, 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/

H. Common Carrier Pipeline Tariff Filings

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

I. Propane Distribution Systems

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

J. 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

K. Compliance Filings

1. Questions regarding gas utilities docket compliance filing requirements should be referred to David Bauman at (512) 463-7359 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) 463-7164.
- Informal Gas Purchasing, Selling, Transportation or Gathering Practice Complaints should be submitted online at https://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/.

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: https://www.rrc.texas.gov/gas-services/non-submetered-master-meter-disconnections/

N. Texas Utilities Codes

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

O. Texas Administrative Codes

1. Available at the State of Texas website at: https://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: https://www.rrc.texas.gov/general-counsel/rules/proposed-rules/

Q. Proposed Form Amendments (PFD):

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

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 Office of General Counsel 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 this Bulletin. For a more accurate status of pending cases, please call the Office of General Counsel at 512-463-7149.