

# GAS UTILITIES INFORMATION BULLETIN

# No. 1139

Wayne Christian, Chairman Christi Craddick, Commissioner Ryan Sitton, Commissioner

SEPTEMBER 15, 2020 OVERSIGHT AND SAFETY DIVISION Kari French, Director

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# **SECTION 1: NEW APPEALS AND APPLICATIONS FILED**

**CASE NO**.: 00004522

**CAPTION** Rate Case Expenses Severed From OS-20-00004347; Statement of Intent of West

Texas Gas, Inc., to Increase Gas Utility Rates within the Unincorporated Areas in

Texas.

**DATE FILED** -- 09/11/2020

**FILED BY** -- Commission's Own Motion

**EXAMINER** -- John Dodson **TECHNICAL** -- James Currier

**CASE NO**.: 00004532

**CAPTION** Application Filed by Enterprise Texas Pipeline LLC to Report the Acquisitions of

Assets from Enterprise GS LLC.

**DATE FILED** -- 09/11/2020

FILED BY -- Steven F. Dalhoff EXAMINER -- Claudia Godoy

TECHNICAL --

**CASE NO**.: 00004590

**CAPTION** Application filed by Atmos Energy Corp., Mid-Tex Division for Approval of

Abandonment to Nine Residential Customers in; Line L-14, Bell County, Texas.

**DATE FILED** -- 09/15/2020

FILED BY -- Charles Yarbrough EXAMINER -- Tariq Usman

TECHNICAL --

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

Office of General Counsel Weekly Hearing Schedules for 2020

# BEFORE THE RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

STATEMENT OF INTENT OF EPCOR	§	
GAS TEXAS, INC., TO CHANGE GAS	§	
UTILITY RATES WITHIN THE	§	GAS UTILITIES DOCKET
UNINCORPORATED AREAS OF	§	
AUSTIN, COLORADO, GRIMES,	§	NO. 10988
HARRIS, MONTGOMERY, AND	§	
WALLER COUNTIES, TEXAS	§	

# **NOTICE OF HEARING**

Summary of the Proceeding and Factual Matters Asserted. On June 29, 2020, EPCOR Gas Texas, Inc. ("EPCOR"), filed with the Commission a statement of intent to change gas utility rates within the unincorporated areas of Austin, Colorado, Grimes, Harris, Montgomery, and Waller Counties, Texas (the "SOI"). The SOI was docketed as GUD No. 10988. As part of its rate filing, EPCOR's request includes that the Commission: (1) establish new rates for customers within the unincorporated areas served by EPCOR consistent with its proposed rate schedules and tariffs; (2) approve new depreciation rates; (3) find EPCOR has fully complied with the Commission's Accounting Order in GUD No. 10695; (4) approve the prudence of capital investment for the period of October 1, 2012 through June 30, 2020; (5) find that EPCOR's proposal to consolidate its affiliated gas utility, Alamo Pipeline LLC, into EPCOR and to establish base rates that reflect this consolidation as well as that of its affiliate, Pinehurst Utility Construction LLC, into EPCOR's local distribution company operations is consistent with the public interest; (6) establish factors required to use the Interim Rate Adjustment mechanism; and (7) grant EPCOR any further relief to which it may be entitled.

Contemporaneously with its SOI, TGS filed a statement of intent to change rates with the City of Magnolia, which retains its exclusive original jurisdiction (together with the SOI, and to the extent the Commission acquires jurisdiction over these actions, the "Consolidated Requested Relief").

On August 4, 2020, the Commission suspended the effective date for EPCOR's rate increase for 150 days, pursuant to Section 104.107 (Rate Suspension; Deadline) of the Gas Utility Regulatory Act ("GURA") of the Texas Utilities Code.

On July 29, 2020, the issue of rate cases expense recovery was severed and docketed as GUD No. 10997.

On September 4, 2020, EPCOR Gas, the City of Magnolia, and Commission Staff notified the presiding Administrative Law Judge ("ALJ") and Technical Examiners that a settlement had been reached.

**Parties.** Participating parties in this docket include EPCOR Gas (Applicant), Commission Staff (Intervenor), the City of Magnolia (Intervenor), and High Meadow Ranch Community Association (Protestant).

**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 — EPCOR's Consolidated Requested Relief. The scope of the hearing may be limited to the parties' settlement.

Legal Authority and Jurisdiction. The Commission has, or may have, jurisdiction over EPCOR 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 ("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 9:30 a.m. on Wednesday, October 21, 2020 via the Zoom video conferencing platform. Please check with Docket Services at docketservices@rrc.texas.gov on how to participate by Zoom. 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 and video capabilities on Zoom is required. For good cause shown, the ALJ may permit telephonic appearance on the Zoom platform 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 September 14, 2020.

DEE MARLO CHICO
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 <a href="http://www.rrc.state.tx.us/gas-services/publications-statistics/gas-utilities-information-bulletins/">http://www.rrc.state.tx.us/gas-services/publications-statistics/gas-utilities-information-bulletins/</a>.
- 2. Rate Review Handbook available at <a href="http://www.rrc.state.tx.us/media/41964/rate-review-handbook-2017.pdf">http://www.rrc.state.tx.us/media/41964/rate-review-handbook-2017.pdf</a>.
- 3. Gas Utilities Annual Statistics available at <a href="http://www.rrc.state.tx.us/gas-services/publications-statistics/2017-gas-utility-annual-statistical-reports/">http://www.rrc.state.tx.us/gas-services/publications-statistics/2017-gas-utility-annual-statistical-reports/</a>.
- 4. Gas Storage Statistics available at <a href="http://www.rrc.state.tx.us/gas-services/publications-statistics/gas-storage-statistics/">http://www.rrc.state.tx.us/gas-services/publications-statistics/</a>.
- 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: <a href="https://www.puc.texas.gov/industry/electric/reports/HRates/HistRates.pdf">https://www.puc.texas.gov/industry/electric/reports/HRates/HistRates.pdf</a>

# 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:**

Stephen Cooper, Director, Utility Audit Section Janeen Metcalf, Compliance Analyst II

Telephone: 512-463-7022

#### **Fort Worth District:**

City Hall 13<sup>th</sup> Street Annex 401 West 13<sup>th</sup> 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
Christina Poole, Financial Analyst
Claudia Godoy, Financial Analyst
Frank Tomicek, Financial Analyst
Sarah Montoya-Foglesong, Financial Analyst
Tariq Usman, Financial Analyst
Andrea Maxwell, Research Specialist II Team Lead
David Bauman, Customer Service Representative IV
Erik Gardner, Customer Service Representative IV
Janet Sims, Customer Service Representative IV
Sheila Mendoza, Research Specialist
Telephone: 512-463-7167

#### D. Audit Forms

- 1. Gas Utility Tax and Annual Forms available at <a href="http://www.rrc.state.tx.us/gas-services/forms/">http://www.rrc.state.tx.us/gas-services/forms/</a>.
- Copies of Gas Utility Annual Reports available on Neubus at: <a href="https://rrcsearch3.neubus.com/esd3-rrc/index.php?">https://rrcsearch3.neubus.com/esd3-rrc/index.php?</a> 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 <a href="http://www.rrc.texas.gov/media/6084/newinfrastructure.pdf">http://www.rrc.texas.gov/media/6084/newinfrastructure.pdf</a>.

#### 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 <a href="https://rrcsearch3.neubus.com/esd3-rrc/index.php?module\_=esd&\_action\_=keysearch&profile=14">https://rrcsearch3.neubus.com/esd3-rrc/index.php?module\_=esd&\_action\_=keysearch&profile=14</a>.

# 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 <a href="http://www.rrc.texas.gov/gas-services/natural-gas-tariffs-and-rate-schedules/">http://www.rrc.texas.gov/gas-services/natural-gas-tariffs-and-rate-schedules/</a>.

# 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 <a href="http://www.rrc.texas.gov/gas-services/common-carrier-pipeline-tariffs/">http://www.rrc.texas.gov/gas-services/common-carrier-pipeline-tariffs/</a>.

#### I. Propane Distribution Systems

1. Propane distribution price cap information is available at: <a href="http://www.rrc.texas.gov/gas-services/propane-distribution-systems/">http://www.rrc.texas.gov/gas-services/propane-distribution-systems/</a>.

#### 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 <a href="mailto:GUD\_Compliance@rrc.texas.gov">GUD\_Compliance@rrc.texas.gov</a>.

#### 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 <a href="http://www.rrc.texas.gov/gas-services/complaint-filing/informal-gas-transportation-purchase-complaint-preliminary-information-online-form/">http://www.rrc.texas.gov/gas-services/complaint-filing/informal-gas-transportation-purchase-complaint-preliminary-information-online-form/</a> or at 512-463-7167.
- 3. Informal Complaint Preliminary Information form available at <a href="http://www.rrc.texas.gov/media/5671/informal-complaint-preliminary-information.pdf">http://www.rrc.texas.gov/media/5671/informal-complaint-preliminary-information.pdf</a>.

#### 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 <a href="http://www.rrc.texas.gov/gas-services/non-submetered-master-meter-disconnections/">http://www.rrc.texas.gov/gas-services/non-submetered-master-meter-disconnections/</a>.

#### 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 <a href="http://www.rrc.state.tx.us/general-counsel/rules/">http://www.rrc.state.tx.us/general-counsel/rules/</a>.

### Q. Proposed Form Amendments (PFD):

1. PFDs available at <a href="http://www.rrc.state.tx.us/about-us/resource-center/forms/proposed-form-changes/">http://www.rrc.state.tx.us/about-us/resource-center/forms/proposed-form-changes/</a>.

## 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.