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# GAS UTILITIES INFORMATION BULLETIN

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**No. 1076**

Christi Craddick, Chairman

Ryan Sitton, Commissioner

Wayne Christian, Commissioner

JANUARY 31, 2018  
OVERSIGHT AND SAFETY DIVISION  
Kari French, Director

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

**DOCKET NO.** -- **10682**  
**CAPTION** -- Appeal filed by CPR Pipeline, LLC to Review Commission Staff's Decision in GUD No. 10664, Application of Petroleum Fuels Company, Inc. for the Review of the Relocation Cost Recovery for the Columbus System located in Colorado County, Texas.  
**DATE FILED** -- 01/19/2018  
**FILED BY** -- Karl Nalepa  
**EXAMINER** -- Jennifer Cook  
**TECHNICAL** -- Rose Ruiz

**DOCKET NO.** -- **10683**  
**CAPTION** -- Inquiry into the Failure of Phillips 66 Pipeline LLC to Comply with Safety Standards.  
**DATE FILED** -- 01/24/2018  
**FILED BY** -- Commission's Own Motion  
**EXAMINER** --  
**TECHNICAL** --

**DOCKET NO.** -- **10684**  
**CAPTION** -- Inquiry into the Failure of Nustar Logistics, L.P. to Comply with Safety Standards.  
**DATE FILED** -- 01/24/2018  
**FILED BY** -- Commission's Own Motion  
**EXAMINER** --  
**TECHNICAL** --

**DOCKET NO.** -- **10685**  
**CAPTION** -- Inquiry into the Failure of Sunoco Pipeline L.P. to Comply with Safety Standards.  
**DATE FILED** -- 01/24/2018  
**FILED BY** -- Commission's Own Motion  
**EXAMINER** --  
**TECHNICAL** --

**DOCKET NO.** -- **10686**  
**CAPTION** -- Inquiry into the Failure of Phillips 66 Pipeline LLC to Comply with Safety Standards.  
**DATE FILED** -- 01/24/2018  
**FILED BY** -- Commission's Own Motion  
**EXAMINER** --  
**TECHNICAL** --

**DOCKET NO.** -- **10687**  
**CAPTION** -- Inquiry into the Failure of Wehner Multifamily Management Co. to Comply with Safety Standards.  
**DATE FILED** -- 01/24/2018  
**FILED BY** -- Commission's Own Motion  
**EXAMINER** --  
**TECHNICAL** --

**DOCKET NO.** -- **10688**  
**CAPTION** -- Inquiry into the Failure of Texas Community propane, LTD. to Comply with Safety Standards.  
**DATE FILED** -- 01/24/2018  
**FILED BY** -- Commission's Own Motion  
**EXAMINER** --  
**TECHNICAL** --

**DOCKET NO.** -- **10689**  
**CAPTION** -- Inquiry into the Failure of Atmos Pipeline - Texas to Comply with Safety Standards.  
**DATE FILED** -- 01/24/2018  
**FILED BY** -- Commission's Own Motion  
**EXAMINER** --  
**TECHNICAL** --

**DOCKET NO.** -- **10690**  
**CAPTION** -- Application filed by Targa Midland Gas Pipeline LLC Pursuant to Natural Gas Policy Act, Section 311 for Review of the Reasonableness of a Transportation Rate.  
**DATE FILED** -- 01/31/2018  
**FILED BY** -- John K. Arnold  
**EXAMINER** -- Frank Tomicek  
**TECHNICAL** --

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

[Office of General Counsel Weekly Hearing Schedules for 2017](#)

**BEFORE THE  
RAILROAD COMMISSION OF TEXAS**

**STATEMENT OF INTENT OF TEXAS GAS §  
SERVICE COMPANY, A DIVISION OF §  
ONE GAS, INC. TO INCREASE UTILITY § GAS UTILITIES DOCKET No. 10656  
RATES WITHIN THE § (consolidated)  
UNINCORPORATED AREAS OF THE RIO §  
GRANDE VALLEY SERVICE AREA §**

**NOTICE OF HEARING**

**Summary of the Proceeding** – On October 13, 2017, Texas Gas Services Company, a Division of One Gas, Inc., (“TGS”) filed with the Railroad Commission of Texas (“Commission”) a Statement of Intent to Increase Utility Rates Within the Unincorporated Areas of the Rio Grande Service Area, which was docketed as GUD No. 10656. On November 17, 2017, TGS filed with the Commission an amended Statement of Intent. Staff of the Railroad Commission of Texas (“Staff”) intervened in this docket. On January 15, 2018, a Unanimous Settlement Agreement between Staff and TGS was filed. The rate case expenses associated with GUD No. 10656 that were severed into Docket No. 10662 have been re-consolidated. The settlement agreement was admitted in evidence at the January 31, 2018 hearing previously scheduled for the merits of this docket.

**NOTICE IS HEREBY GIVEN THAT** a public hearing will be held, at the time and place set out below, to consider any additional issues of fact and law raised in or relevant to the Statement of Intent and Unanimous Settlement Agreement not already addressed at the previous hearing. The issues that may be addressed at the hearing include, but are not limited to, the following:

1. Additional review, if necessary, of the justness and reasonableness of the Unanimous Settlement Agreement with attachments filed in this docket.

2. Any other issues raised in the pleadings, evidence, or argument that are necessary for the Commission to render a final decision on the merits of this case.

***Legal Authority and Jurisdiction.*** The Commission has, or may have, jurisdiction over Onalaska and the matters at issue in this proceeding pursuant to GURA Sections 102.001 (Railroad Commission Jurisdiction), 104.001 (Authorization to Establish and Regulate Rates), and pursuant to Chapter 121 (Gas Pipelines) of the Texas Utilities Code, including 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 Administrative Law Judges and the Technical Examiners 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 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 /or Chapter 121 (Gas Pipelines) of the Texas Utilities Code; 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 for additional review of the Unanimous Settlement Agreement shall commence at **11:00 a.m. on Tuesday, February 13, 2018**, at the Commission's offices in the William B. Travis Building, 1701 North Congress Avenue, Austin, Texas, 12<sup>th</sup> floor, room 12-126. 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** file a Notice of Intent to Appear seven days prior to the scheduled hearing and 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 (Proceeding 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, 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.

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Dana Avant Lewis  
Administrative Law Judge  
Hearings Division

### **SECTION 3: STATUS OF PENDING CASES**

None at this time.

### **SECTION 4: NOTICES OF DISMISSAL**

None at this time.

### **SECTION 5: ORDERS OF THE COMMISSION**

**GUD No. 10640:** Petition for De Novo Review by Atmos Energy Corp., Mid-Tex Division, of the denial by the City of Dallas of the Dallas Annual Rate Review Mechanism. ([Order Motion for Rehearing \(01/23/2018\)](#)).

**GUD No. 10679:** Statement of Intent of SiEnergy, LP, to Increase Gas Utility Rates in Central and South Texas. ([Suspension Order 01/23/2018](#))

**GUD No. 10455:** Consolidated complaints of Targa Liquids Marketing and Trade, LLC (Targa), Pioneer Natural Resources USA, Inc. (Pioneer), ConocoPhillips Company (ConocoPhillips), and ELTM, LP, f/k/a Enbridge Liquids Transportation Marketing, LP (ELTM), to Establish Common Carrier Rates for West Texas LPG Pipeline Limited Partnership (WTXP). ([Order for Limited Scope Remand 01/23/2018](#))

### **SECTION 6: MISCELLANEOUS**

#### **Kari French, OVERSIGHT AND SAFETY DIRECTOR**

#### **1. OFFICE OF THE DIRECTOR**

##### **A. Publications**

1. Texas Utilities Code Titles 3 and 4. Now available at the State of Texas' website at:  
<http://www.statutes.legis.state.tx.us>

Special Rules of Practice and Procedure and Substantive Rules. Now available via the Commission's website at:

[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=16&pt=1&ch=7](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=16&pt=1&ch=7)

2. Annual Report for Fiscal Year – Now available via the Commission’s website at:  
<http://www.rrc.texas.gov/gas-services/publications-statistics/gas-utility-annual-statistical-reports/>
3. Six MCF Monthly Residential Gas Bill Analysis for Twenty-five Texas Cities - Now available via the Commission’s website at:  
<http://www.rrc.texas.gov/gas-services/publications-statistics/six-mcf-report/>

**B. Interest Rate on Customer Deposits**

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.

<https://www.puc.texas.gov/industry/electric/reports/HRates/HistRates.pdf>

**2. UTILITY AUDIT SECTION**

**A. Maintains headquarters and three district offices as follows:**

Headquarters - William B. Travis Building  
1701 North Congress, P. O. Box 12967, Austin, Texas 78701 Telephone (512) 463-7022  
3180 Fax (512) 475-3180  
Ed Abrahamson, Director, Utility Audit Section  
Pearl Rodriguez, Program Specialist  
Diana Serrano, Accounting Technician

Fort Worth - City Hall 13th Street Annex, 401 W. 13<sup>th</sup> St Suite B Telephone (817) 882-8966  
Fax (817) 882-8951  
Josh Settle, Senior Auditor  
Yolandra Davis, Senior Auditor

Austin District - P. O. Box 12967, Austin, Texas 78711-2967  
Stephen Cooper, Advising Auditor Telephone (512) 463-7119

Houston District - 1706 Seamist Drive, Suite 501 Telephone (713) 869-8425  
Houston, TX 77008-3135 Fax (713) 869-3219  
Margie Stoney, Project Auditor  
Larry Alcorn, Auditor  
Dale Francis, Senior Auditor  
Konata Uzoma, Senior Auditor  
Vonetta Jackson, Auditor

**B. Gas Utility Tax, Annual Reports and Audit Reports**

1. Questions relating to gas utility tax, call Pearl Rodriguez at (512) 463-7022.
2. Questions relating to annual reports, call Pearl Rodriguez at (512) 463-7022.
3. Inquiries relating to audit reports, call Pearl Rodriguez at (512) 463-7022.

<http://www.rrc.state.tx.us/gas-services/forms/>

C. **Available Information**

Gas Utility Annual Reports - Now available via Commission's website at:  
<https://rrcsearch3.neubus.com/esd3-rrc/index.php?module=esd&action=keysearch&profile=13>

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 seven to ten business days for completion of requests. Inquiries regarding copies should be directed to the Audit Section at (512) 463-7022, or Fax your request to (512) 475-3180.

3. **MARKET OVERSIGHT**

A. Maintains the following office to assist you:

Headquarters - William B. Travis Building  
1701 North Congress, P.O. Box 12967, Austin, Texas 78711 Telephone (512) 463-7167  
Mark Evarts, Director

B. **Gas Utilities Information Bulletin**

Published on the Commission's website at:  
<http://www.rrc.texas.gov/gas-services/publications-statistics/gas-utilities-information-bulletins/>

C. **Proposals For Decision**

Published on the Commission's web site at:  
<http://www.rrc.texas.gov/hearings/dockets/gas-utility-dockets/>

D. **Tariff Filings**

Questions pertaining to the filing of tariffs and/or quality of service rules should be directed to Claudia Godoy, Andrea Matamoros, Virgie Frausto, or Sheila Mendoza at (512) 463-7167.

E. **Curtailments**

Curtailment questions should be referred to (512) 463-7167 or by email at [naturalgascurtailment@rrc.texas.gov](mailto:naturalgascurtailment@rrc.texas.gov). Curtailment reports made Monday through Friday, 8:00 a.m. to 5:00 p.m., should be made to (512) 463-7167. Curtailment reports made during hours other than those specified above and holidays, should be made to (512) 463-6788.

F. **Compliance Filings**

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](mailto:GUD_Compliance@rrc.texas.gov).

G. **Complaints and Inquiries**

All complaints and inquiries relating to the gas utility industry should be directed to the Market Oversight Section at (512) 463-7164 or by email at [GasComplaints@rrc.texas.gov](mailto:GasComplaints@rrc.texas.gov).

H. **Pending RRC Rules and Regulations:**

<http://www.rrc.state.tx.us/general-counsel/rules/>

I. **Proposed Form Amendments:**

<http://www.rrc.state.tx.us/about-us/resource-center/forms/proposed-form-changes/>

4. **HEARINGS AND LEGAL ANALYSIS**

A. **Miscellaneous**

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.



**B. Status of Pending Cases**

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.