

# GAS UTILITIES INFORMATION BULLETIN

# No. 1121

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

DECEMBER 13, 2019 OVERSIGHT AND SAFETY DIVISION Kari French, Director

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# SECTION 1: NEW APPEALS AND APPLICATIONS FILED

**DOCKET NO.:** 10921

**CAPTION** Inquiry into The Failure of Texas Gas Service Company to Comply with Safety

Standards.

**DATE FILED** -- 12/03/2019

FILED BY -- Commission's Own Motion

EXAMINER --TECHNICAL --

**DOCKET NO.:** 10922

**CAPTION** Inquiry into the Failure of Houston Pipe Line Company LP to Comply with Safety

Standards.

**DATE FILED** -- 12/03/2019

FILED BY -- Commission's Own Motion

EXAMINER --

TECHNICAL --

**DOCKET NO.:** 10923

**CAPTION** Application filed by Atmos Pipeline - Texas for Approval of Abandonment to

Atmos Energy Corp., Mid-Tex Division Related to Service and Facilities to One

Residential Customer in; Line L-26, Falls County, Texas.

**DATE FILED** -- 12/10/2019

FILED BY -- Charles Yarbrough EXAMINER -- Claudia Godoy

TECHNICAL --

**DOCKET NO.:** 10924

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

Abandonment to One Residential Customers in; Line L-26, Falls County, Texas.

**DATE FILED** -- 12/10/2019

FILED BY -- Charles Yarbrough EXAMINER -- Claudia Godoy

TECHNICAL --

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

Office of General Counsel Weekly Hearing Schedules for 2019

# **BEFORE THE** RAILROAD COMMISSION OF TEXAS

RATE CASE EXPENSES SEVERED § FROM GUD NO. 10779, § § CONSOLIDATED, PETITION FOR DE NOVO REVIEW OF THE DENIAL OF § THE STATEMENT OF INTENT FILED § BY ATMOS ENERGY CORP., MID-TEX § **DIVISION (ATMOS), BY THE CITIES** OF BALCH SPRINGS, BANDERA, **BELTON, ET AL.** 

# **HEARINGS DIVISION GAS UTILITY DOCKET NO. 10796**

# **NOTICE OF HEARING**

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Summary of the Proceeding and Factual Matters Asserted. Atmos Energy Corporation, Mid-Tex Division ("Atmos"), filed with the Railroad Commission of Texas ("Commission") three related appeals of municipal actions of 47 total cities that denied Atmos's proposed rate increases at the city level. The Commission docketed the first appeal, filed on October 11, 2018, as GUD No. 10779. Subsequently, Atmos filed its second appeal on November 2, 2018 and third appeal on November 27, 2018, respectively docketed as GUD Nos. 10788 and 10794. On December 4, 2018, the Administrative Law Judge consolidated the three appeals into GUD No. 10779 and severed the rate case expenses portion of the consolidated appeals into this separate docket, GUD No. 10796. On May 21, 2019, the Commission signed a Final Order in GUD No. 10779. On August 6, 2019, the Commission signed an Order Denying Motions for Rehearing.

On November 5, 2019, Atmos filed a Unanimous Stipulation and Settlement Agreement relating to rate case expenses ("Settlement"), signed by the following parties: Atmos and Atmos Texas Municipalities ("ATM").

Parties. Participating parties in this docket include Atmos (Applicant) and ATM (Intervenor).

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 relevant to the rate case expenses associated with GUD No. 10779, described above, and this severed docket. The scope of the hearing may be limited to the parties' settlement.

Legal Authority and Jurisdiction. The Commission has, or may have, jurisdiction over 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 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, 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:

- 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 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), and particularly Commission Rule § 7.5530 (Allowable Rate Case Expenses).

**Time, Place, and Nature of Hearing**. **IT IS DIRECTED** that the hearing on the merits shall commence at **1:30 p.m. on Monday, January 27, 2020**, in the William B. Travis Building, located at 1701 North Congress Avenue, Austin, Texas. Please check with Docket Services (Room 12-123) 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 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, 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 December 12, 2019.

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 <a href="http://www.rrc.state.tx.us/gas-services/publications-statistics/six-mcf-report/">http://www.rrc.state.tx.us/gas-services/publications-statistics/six-mcf-report/</a>.

# **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 Mary Anderson, Compliance Analyst Caitlynn M. Caskey, Accounting Technician 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
Amy Bruce, Financial Analyst
Christina Poole, Financial Analyst
Claudia Godoy, Financial Analyst
Frank Tomicek, Financial Analyst
Sarah Montoya-Foglesong, Financial Analyst
Andrea Maxwell, Research Specialist II Team Lead
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>.
- 2. 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">https://rrcsearch3.neubus.com/esd3-rrc/index.php</a>? module =esd& action =keysearch&profile=14.

# 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: <a href="http://texreg.sos.state.tx.us/public/readtac\$ext.ViewTAC?tac\_view=4&ti=16&pt=1&ch=7/2">http://texreg.sos.state.tx.us/public/readtac\$ext.ViewTAC?tac\_view=4&ti=16&pt=1&ch=7/2</a>.

### 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.