

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 5601 **COMPANY NAME: T & L GAS CO.**

TARIFF CODE: DS **RRC TARIFF NO: 34845**

CURRENT RATE COMPONENT

| <u>RATE COMP. ID</u> | <u>DESCRIPTION</u> |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GASCOMM | Gas Commodity Rate in the amount of \$3.50/Mcf |
| Gas Cost Adj. | Gas Cost Adjustment Applicability: This adjustment is applicable to all customers served by the utility, except for customers purchasing gas under a negotiated contract. Purchased Gas Adjustment: The monthly Purchased Gas Adjustment (PGA) shall be the cost of gas billed to the utility by the supplier(s) of gas to the system. The cost of gas shall be expressed in a per Mcf format by dividing the total amount purchased, plus all gas related costs from the supplier and third parties, in dollars by the amount of volume in Mcf purchased. The product, or Weighted Average Cost of Gas (WACOG), shall be called the PGA and billed to the customer per Mcf, or fraction thereof, consumed each month. The PGA shall be calculated using actual amounts invoiced and billed by the supplier for the same approximate period that meters are read, i.e., amounts invoiced and billed by the supplier in January will be applied to meters read in January and billed to the customer in the following month. The Base Cost of Gas is \$0.00 per Mcf. Any adjustment, refund and/or billing correction received by the utility for a prior period shall be included in the current months PGA calculation. The utility shall limit recovery of Lost and Unaccounted Gas (LUG) to actual, not to exceed a maximum of 5%, calculated each year for the twelve months ended June 30. In no case shall the utility collect more than its actual expense. Any over or under collection shall be refunded or collected within a reasonable amount of time after being discovered by the utility or regulating authority. |
| Pipeline Safety Fee 1 | Pipeline Safety Fee Surcharge: The Company shall pass on the Pipeline Safety and Regulatory Program Fee in an amount determined by the Commission for each service line reported to be in service at the end of each calendar year, pursuant to Texas Utilities Code Section 121.211 and 16 Texas Admin. Code Section 8.201. For the year 2019, 253 customer bills will be adjusted at a rate of \$1.24 per customer. The amount of the collection is based upon 253 service connections. The 2019 Fee was paid to the Commission on 3/23/2020 and billed to customers in the March-April, 2020 billing. |
| System Replen Fee | The System Replenishment Fee (SRF) shall be an individual line item charge, which is designated for distribution infrastructure replacement or expansion costs. The SRF will be utilized for an initial period of up to five (5) years. The SRF may be extended for an additional five (5) years with written approval from the Director of the Oversight and Safety Division. The necessity of the SRF shall be determined annually by the utility at the end of each calendar year. A Compliance Filing of the utility's need for continuation of the SRF, the projects completed in the previous calendar year, and the projects proposed for the current and subsequent calendar years shall be made and filed with the Director of the Oversight & Safety Division within forty-five (45) days after the end of each calendar year. A charge of up to \$2.00 per Mcf will be applied to all consumption by all classes of customers. The SRF shall not exceed \$2.00 per Mcf or be collected for a period more than five (5) years unless extended for an additional five (5) years with written approval from the Director of the Oversight and Safety Division. The SRF shall only be used to replace or expand the distribution system infrastructure, i.e., mains, service lines, risers, meters, etc. The SRF shall not be used to compensate the utility's employees, replace office equipment, vehicles, office supplies, normal operation and maintenance expenses or other non-infrastructure equipment. The utility shall account for all monies collected and expended on system replacement or expansion in the appropriate FERC USOA Gas Plant account as directed in FERC USOA Gas Plant Instruction 2d, as it relates to CIAC. |

RATE ADJUSTMENT PROVISIONS:

None

DELIVERY POINTS

| <u>ID</u> | <u>TYPE</u> | <u>UNIT</u> | <u>CURRENT CHARGE</u> | <u>EFFECTIVE DATE</u> | <u>CONFIDENTIAL</u> |
|--------------------------------------|-------------|-------------------------|-----------------------|-----------------------|---------------------|
| 112550 | D | Mcf | \$3.5000 | 05/01/2020 | Y |
| DESCRIPTION: **CONFIDENTIAL** | | | | | |
| Customer | 41578 | **CONFIDENTIAL** | | | |

TYPE SERVICE PROVIDED

| <u>TYPE OF SERVICE</u> | <u>SERVICE DESCRIPTION</u> | <u>OTHER TYPE DESCRIPTION</u> |
|------------------------|----------------------------|-------------------------------|
| F | Sale For Resale | |

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TUC APPLICABILITY**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Neither the gas utility nor the customer had an unfair advantage during the negotiations.

NOTE: (This fact cannot be used to support a Section 104.003(b) transaction if the rate to be charged or offered to be charged is to an affiliated pipeline.)

The rate is substantially the same as the rate between the gas utility and at least two of those customers under the same or similar conditions of service. Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.