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GAS UTILITIES INFORMATION BULLETIN

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**No. 1129**

Wayne Christian, Chairman

Christi Craddick, Commissioner

Ryan Sitton, Commissioner

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

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

**DOCKET NO.:** 10958  
**CAPTION** Application filed by Centerpoint Energy Entex to show the City of Pine Forest and Sandy Oaks, Texas Surrendered Municipal Jurisdiction to the Railroad Commission of Texas.  
**DATE FILED --** 04/02/2020  
**FILED BY --** Keith Wall  
**EXAMINER --** Claudia Godoy  
**TECHNICAL --**

**DOCKET NO.:** 10959  
**CAPTION** Inquiry into the Failure of Energy Transfer Company to Comply with Safety Standards.  
**DATE FILED --** 04/13/2020  
**FILED BY --** Commission's Own Motion  
**EXAMINER --**  
**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**

<b>STATEMENT OF INTENT FILED BY</b>	§	
<b>CENTERPOINT ENERGY RESOURCES</b>	§	<b>HEARINGS DIVISION</b>
<b>CORP., D/B/A CENTERPOINT ENERGY</b>	§	
<b>ENTEX AND CENTERPOINT ENERGY</b>	§	
<b>TEXAS GAS, TO INCREASE RATES IN</b>	§	<b>GUD NO. 10920, CONSOLIDATED</b>
<b>THE BEAUMONT/EAST TEXAS DIVISION</b>	§	

**NOTICE OF HEARING**

**Summary of the Proceeding and Factual Matters Asserted.** On November 14, 2019, CenterPoint Energy Resources Corp., d/b/a/ CenterPoint Energy Entex and CenterPoint Energy Texas Gas (“CenterPoint”), filed with the Commission a statement of intent to increase gas utility rates within the incorporated and unincorporated areas in the Beaumont/East Texas Division (the “SOI”). Contemporaneously with its SOI, CenterPoint filed statements of intent to increase rates with the municipalities retaining original jurisdiction in the Beaumont/East Texas Division (together with the SOI, and to the extent the Commission acquires jurisdiction over these actions, the “Consolidated Requested Relief”).

The Commission has original jurisdiction over the environs in the Beaumont/East Texas Division and the 49 cities that ceded original jurisdiction to the Commission. The Commission also has appellate jurisdiction over the 49 cities that denied rate increases at the municipal level and 11 cities that approved the rate increases by operation of law.

On January 24, 2020, the issue of rate cases expense recovery was severed and docketed as GUD No. 10937.

On March 2, 2020, the parties notified the Examiners they had reached an agreement on principle that resolved all issues in the proceeding. On March 3, 2020, all deadlines in the exiting procedural schedule was abated. On March 26, 2020, the parties filed a Unanimous Settlement Agreement (the “Settlement”) and accompanying documents, which resolved all issues.

**Intervening Parties.** Intervenors in this case include the East Texas Coalition of Cities (“ETCC”), Staff of the Railroad Commission of Texas (“Staff”), the Alliance of CenterPoint Municipalities – Beaumont/East Texas Division (“ACM”), and the Cities of Beaumont and Sour Lake. The ETCC is a coalition comprised of the cities of Lindale, Tyler, Maud, Livingston, and Red Lick. The ACM includes the cities of Atlanta, Center, Crockett, Daingerfield, Jacksonville, Kilgore, Lone Star, Longview, Lufkin, Marshall, Mineola, Mount Pleasant, Nacogdoches, Rusk, and White Oak.

**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’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 CenterPoint 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:

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).

**Time, Place, and Nature of Hearing.** **IT IS DIRECTED** that the hearing on the merits shall commence at **10:00 a.m. on Thursday, April 30, 2020 via Skype**. Please check with Docket Services at [docketservices@rrc.texas.gov](mailto:docketservices@rrc.texas.gov) on how to participate by Skype. 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) 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 April 7, 2020.

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

**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  
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 <http://www.rrc.state.tx.us/gas-services/forms/>.
2. Copies of 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 <http://www.rrc.texas.gov/media/6085/annualearningsmonitoringreport.pdf>
2. Interim Cost Recovery and Rate Adjustment Report available at <http://www.rrc.texas.gov/media/6084/newinfrastructure.pdf>.

#### **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 Neabus at [https://rrcsearch3.neabus.com/esd3-rrc/index.php?\\_module=\\_esd&\\_action=\\_keysearch&profile=14](https://rrcsearch3.neabus.com/esd3-rrc/index.php?_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 <http://www.rrc.texas.gov/gas-services/natural-gas-tariffs-and-rate-schedules/>.

#### **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 <http://www.rrc.texas.gov/gas-services/common-carrier-pipeline-tariffs/>.

#### **I. Propane Distribution Systems**

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

#### **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](mailto: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 [GUD\\_Compliance@rrc.texas.gov](mailto: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](mailto: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 <http://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 <http://www.rrc.texas.gov/media/5671/informal-complaint-preliminary-information.pdf>.

**M. Non-Submetered Master Meter Disconnections**

1. 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 <http://www.rrc.texas.gov/gas-services/non-submetered-master-meter-disconnections/>.

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

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

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

**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.