

**BEFORE THE  
RAILROAD COMMISSION OF TEXAS**

<b>TEXAS GAS SERVICE COMPANY, A DIVISION OF ONEOK, INC.'S 2011 GAS RELIABILITY INFRASTRUCTURE PROGRAM RATE ADJUSTMENT FOR THE UNINCORPORATED AREAS OF THE EL PASO SERVICE AREA.</b>	<b>§ § § §</b>	<b>GAS UTILITIES DOCKET NO. 10223</b>
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**INTERIM RATE ADJUSTMENT ORDER**

Notice of Open Meeting to consider this Order was duly posted with the Secretary of State within the time period provided by law pursuant to TEX. GOV'T CODE ANN. Chapter 551 (Vernon 2010). The Railroad Commission of Texas adopts the following findings of fact and conclusions of law and orders as follows:

**FINDINGS OF FACT**

*Background*

1. Texas Gas Service Company, a Division of Oneok, Inc., (TGS) is a "gas utility," as that term is defined in the TEXAS UTILITY CODE, and is subject to the jurisdiction of the Railroad Commission of Texas (Commission).
2. TGS owns and operates a natural gas distribution system known as the El Paso Service Area (El Paso).
3. On December 4, 2012, TGS filed an application for an annual interim rate adjustment (IRA) applicable to the unincorporated customers located in the El Paso service area.
4. TGS requested that the IRA for all customer classes become effective on February 2, 2013.
5. On December 12, 2012, the Commission suspended implementation of TGS' proposed IRA until March 21, 2013, which is 45 days following the 60<sup>th</sup> day after the application.
6. Neither TEX. UTIL. CODE § 104.301 (Vernon 2010) nor 16 TEX. ADMIN. CODE § 7.7101 (2010) provide the opportunity for parties to intervene in the Commission's review of an application for an annual IRA.

7. 16 TEX. ADMIN. CODE § 7.7101 (2010) allows written comments or a protest, concerning the proposed IRA, to be filed with the Gas Services Division.
8. As of the date of this interim order, no comments or protests concerning this application have been received by the Commission.
9. This docket represents the second annual IRA for TGS in the El Paso service area since **GUD No. 10069**, the most recent rate case for the environs or unincorporated areas of TGS' El Paso service area.
10. The first IRA for the unincorporated areas of TGS' El Paso service area was GUD No. 10143, which was approved by the Commission on June 12, 2012.
11. Until promulgation of TEX. UTIL. CODE § 104.301 (Vernon 2010), a utility could not increase its rates subject to the Commission's jurisdiction without filing with the Commission a formal statement of intent rate case, including a comprehensive cost of service rate review.
12. The proposed IRA will allow TGS an opportunity to recover, subject to refund, a return on investment, depreciation expense, and related taxes on the incremental cost of infrastructure investment since its last rate case, without the necessity of filing a statement of intent rate case and without review by the Commission of TGS' comprehensive cost of service.

#### Applicability

13. This docket applies to only those rates over which the Commission has original jurisdiction, which includes the unincorporated areas of TGS' El Paso service area.
14. As of December 31, 2011, TGS had approximately 17,742 customers in the unincorporated areas of the El Paso service area. Of these, 17,155 were residential customers, 481 were commercial and commercial air conditioning customers, 6 were industrial customers, 95 were public authority and public authority air conditioning customers, 2 municipal water pumping customers, and 3 were transportation customers.

#### Most Recent Comprehensive Rate Case

15. TGS' most recent rate case for the area in which the IRA will be implemented is **GUD No. 10069**, *Application of Texas Gas Service Company, A Division of Oneok, Inc., to Increase Rates and Change Tariffs in the Environs of its El Paso Service Area*.
16. **GUD No. 10069** was filed on April 8, 2011.
17. The data used in **GUD No. 10069** was based on a test-year ending June 30, 2010.
18. The Commission signed the **GUD No. 10069** Final Order on June 27, 2011, and the rates became effective the same day.

19. The following chart shows the factors that were established in **GUD No. 10069**<sup>1</sup> to calculate the return on investment, depreciation expense, and incremental federal income taxes for TGS:

**Table 1.0**  
**Key IRA Factors**

Rate of Return – IRA Filings	8.651%
Rate of Return – Earnings Monitoring Report <sup>2</sup>	3.29%
Depreciation Rate, composite <sup>3</sup>	2.15%
Federal Income Tax Rate	35%

Interim Rate Adjustment

20. TGS seeks approval from the Commission for an adjustment to its revenue, based on incremental net utility plant investment, with regard to the following components: return on investment; depreciation expense; ad valorem taxes; revenue related taxes; and federal income taxes, Exhibit B.
21. The revenue amounts to be recovered through the proposed annual IRA for TGS are incremental to the revenue requirement established in the most recent rate case for TGS for the area in which the IRA is to be implemented, **GUD No. 10069**, and the first annual IRA for TGS for the area in which the IRA is to be implemented, **GUD No. 10143**.
22. TGS calculated and presented all incremental values for investment, accumulated depreciation, return on investment, depreciation expense, ad valorem taxes, and federal income taxes for the twelve-months ended December 31, 2011. Revenue related taxes are not included in TGS's calculation of the IRA. An existing rate schedule that was established by the Final Order in **GUD No. 10069** is applied to all revenues, including revenues that result from an IRA.
23. The value of TGS' invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment.
24. TGS is required to use the same factors to calculate the interim return on investment, depreciation expense, and incremental federal income tax as those established or used in the final order setting rates for TGS in the most recent rate case for the area in which the IRA is to be implemented, **GUD No. 10069**.

<sup>1</sup> Docket No. 10069 Final Order.

<sup>2</sup> Annual Earnings Monitoring Report for the 12 months ending December 31, 2011.

<sup>3</sup> Schedule IRA – 8 Total Current.

25. TGS filed the Commission's Annual Earnings Monitoring Report (EMR) as required by 16 TEX. ADMIN. CODE § 7.7101 (2010). The Company's actual rate of return is 3.29%, which is less than 0.75% in excess of the 8.651% allowed rate of return established in **GUD No. 10069**.
26. Gas Utilities Docket No. 10069, TGS' most recent Statement of Intent rate case for the unincorporated areas of the El Paso service area and the basis for the key factors in an Interim Rate Adjustment (IRA) calculation, was approved by the Commission on June 27, 2010. Customer Charges are shown in Column B, below.
27. Gas Utilities Docket No. 10143, TGS' IRA for the unincorporated areas of the El Paso service area, was approved by the Commission on June 12, 2012. Interim rate adjustments to the Customer Charges are shown in Column C, below.
28. This docket, Gas Utilities Docket No. 10143, is the *second* IRA application for the unincorporated areas of the El Paso service area. The proposed 2011 IRA adjustments are shown in Column D, below.
29. Under TEX. UTIL. CODE § 7.7101(l), TGS must file a rate case, Statement of Intent, supporting the IRA's not later than 180 days after the fifth anniversary of the date of its initial IRA, or by December 10, 2017.
30. Under TEX. ADMIN. CODE § 7.7101(j), "any change in investment and related expenses and revenues that have been included in any interim rate adjustment shall be fully subject to review for reasonableness and prudence" in the next rate case. Per TEX. ADMIN. CODE § 7.7101(i), "all amounts collected from customers under an interim rate adjustment tariff" are subject to refund until the conclusion of the next rate case.
31. When the current Customer Charge, the 2010 Interim Rate Adjustments, and proposed Interim Rate Adjustments (Columns B, C, and D) are added, the resulting customer charge for affected customer classes is shown in Column E, Table 2.0 below.

**Table 2.0**  
**El Paso Service Area Customer Charges and Interim Rate Adjustments (IRA)**

A	B	C	D	E
Customer Type	Customer Charge	2010 IRA	<i>Proposed</i> 2011 IRA	Total <i>Proposed</i> Customer Charge
Residential	\$10.80	\$0.31	\$0.41	\$11.52
Commercial	\$18.30	\$1.00	\$1.33	\$20.63
Commercial A/C	\$18.30	\$1.00	\$1.33	\$20.63
Public Authority	\$32.71	\$3.57	\$4.70	\$40.98
Public Authority A/C	\$32.71	\$3.57	\$4.70	\$40.98

Municipal Water Pumping	\$121.75	\$15.73	\$21.12	\$158.60
Industrial	\$84.01	\$11.84	\$15.69	\$111.54
Standby	\$125.00	\$11.84	\$15.69	\$152.53
Cogeneration	\$300.50	\$59.29	\$77.01	\$436.80
Transportation	\$300.50	\$59.29	\$77.01	\$436.80
<b>Docket No.</b>	<b>10069</b>	<b>10143</b>	<b>10223</b>	

Note: Applicable to the unincorporated areas of the El Paso Service Area

32. TGS filed its Annual Project Report as required by 16 TEX. ADMIN. CODE § 7.7101 (2010).
1. Net capital additions included in this docket totaled \$ 12,650,174.<sup>1</sup>
  2. Gross capital project additions totaled \$ 15,851,124.<sup>2</sup>
  3. Safety-related improvements/infrastructure projects totaled \$ 5,093,872, or 33.53 % of total additions<sup>3</sup>.
  4. Integrity testing projects totaled \$ 141,174, or 0.93% of total additions.<sup>4</sup>
33. TGS is required to allocate the revenue to be collected through the IRA among its customer classes in the same manner as the cost of service was allocated among its customer classes in its most recent rate case for the area in which the IRA is to be implemented, **GUD No. 10069**.
34. TGS' proposed the IRA as a flat rate to be applied to the monthly Customer Charge rather than to the usage rate.
35. The following allocation among customer classes is used to allocate the interim rate adjustment, Table 3.0 below:

**Table 3.0**  
**Revenue Requirement Allocation for the unincorporated areas of the El Paso Service Area**

Customer Type	Allocation Factors
Residential	0.7782
Commercial and Commercial A/C	0.1421
Public Authority and Public Authority A/C	0.0379
Municipal Water Pumping	0.0036
Industrial and Standby	0.0061
Transportation and Cogeneration	0.0321

36. TGS is required to show its annual IRA on its customers' monthly billing statements as a surcharge.

<sup>1</sup> Schedule IRA – 9.

<sup>2</sup> *Id*

<sup>3</sup> TGS' Response to Staff's RFI No. 1-6, and Schedule IRA – 9.

<sup>4</sup> TGS' Response to Staff's RFI No. 1-7, and Schedule IRA – 9.

37. The proposed IRA does not require an evidentiary proceeding; rather, TEX. UTIL. CODE § 104.301 (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101 (2010) require the regulatory authority to review a utility's method of calculating the IRA.
38. Due process protections are deferred until TGS files its next full statement of intent rate case.

#### Notice

39. The Company provided adequate notice to customers in the unincorporated areas of TGS' El Paso service area on January 16, 2013.

#### Comprehensive Rate Case Required

40. The Company is not required to initiate a rate case supporting a statement of intent, at the time it applies for an IRA.
41. Under 16 TEX. ADMIN. CODE § 7.7101 (I) (2010) a gas utility that implements an IRA and does not file a rate case before the fifth anniversary of the date its initial IRA became effective is required to file a rate case not later than the 180th day after that anniversary. TGS is required to file a statement of intent rate case not later than December 10, 2017.

#### Review of Interim Rate Adjustment

42. TGS presented its IRA calculation using the factors approved in **GUD No. 10069** for rate of return, depreciation, and federal income tax.
43. TGS' 2011 IRA is \$ 2,059,485, based on an incremental net utility plant investment increase of \$ 12,650,174<sup>1</sup>, of which approximately \$ 151,527 is attributed to the unincorporated area.
44. TGS negotiated a settlement with the El Paso Service Area Cities<sup>2</sup> and proposed to implement a lower, settled IRA, which is \$ 1,396,514, of which approximately \$ 102,760 is attributed to the unincorporated area.
45. TGS' proposed allocation methodology complies with TEX. UTIL. CODE § 104.301 (Vernon 2010), and with 16 TEX. ADMIN. CODE § 7.7101 (2010).

#### Reimbursements of Expense

46. As provided for in the statute and the rule, a gas utility that implements an IRA is required to reimburse the Commission for the utility's proportionate share of the Commission's annual

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<sup>1</sup> Schedule IRA – 3.

<sup>2</sup> The El Paso Service Area Cities include El Paso, Fabens, Vinton, Clint, Anthony, Horizon City and San Elizario, Texas.

costs related to the administration of the IRA mechanism.

47. After the Commission has finally acted on TGS' application for an IRA, the Director of the Gas Services Division will estimate TGS' proportionate share of the Commission's annual costs related to the processing of such applications.
48. In making the estimate of TGS' proportionate share of the Commission's annual costs related to the processing of such applications, the Director will take into account the number of utilities the Commission reasonably expects to file for IRAs during the fiscal year, and the costs expected to be incurred in processing such applications.
49. TGS is required to reimburse the Commission for the amount determined by the Director of the Gas Services Division, within thirty days after receipt of notice of the amount of the reimbursement.

### **CONCLUSIONS OF LAW**

1. Texas Gas Service Company (TGS) is a "gas utility" as defined in TEX. UTIL. CODE ANN. § 101.003(7) (Vernon 2010) and § 121.001 (Vernon 2010), and is therefore subject to the jurisdiction of the Railroad Commission of Texas (Commission).
2. The Commission has jurisdiction over TGS' applications for IRAs for incremental changes in investment, and the subject matter of this case under TEX. UTIL. CODE ANN. §102.001, §104.001, §104.002, and §104.301 (Vernon 2010).
3. Under TEX. UTIL. CODE ANN. §102.001 (Vernon 2010), the Commission has exclusive original jurisdiction over the rates and services of a gas utility that distributes natural gas in areas outside of a municipality and over the rates and services of a gas utility that transmits, transports, delivers, or sells natural gas to a gas utility that distributes the gas to the public.
4. Under the provisions of the TEX. UTIL. CODE ANN. § 104.301 (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101 (2010), TGS is required to seek Commission approval before implementing an IRA tariff to TGS' customers.
5. TGS filed its application for an IRA for changes in investment in accordance with the provisions of TEX. UTIL. CODE ANN. § 104.301 (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101 (2010).
6. TGS' application for an IRA was processed in accordance with the requirements of TEX. UTIL. CODE ANN. § 104.301 (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101 (2010).

7. In accordance with 16 TEX. ADMIN. CODE § 7.315 (2010), within thirty days of the effective date of any change to rates or services, TGS is required to file with the Gas Services Division of the Commission its revised tariffs.
8. TGS may not charge any rate that has not been successfully electronically filed and accepted as a tariff filing pursuant to TEX. UTIL. CODE ANN. §§ 102.151 and 104.002 (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.315 (2010).
9. In accordance with TEX. UTIL. CODE ANN. § 104.301(a) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(a) (2010), the filing date of TGS' most recent rate case, in which there is a final order setting rates for the area in which the IRA will apply, was no more than two years prior to the date TGS filed its initial IRA.
10. TGS is required, under TEX. UTIL. CODE ANN. § 104.301(e) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(d) (2010), to file with the Commission an annual project report, including the cost, need, and customers benefited by the change in investment, and describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year.
11. TGS shall include in all future annual IRA filings, relocation project reports that provide additional information about relocation project costs included in investment projects, in the same format as required in this docket.
12. TGS is required, under TEX. UTIL. CODE ANN. § 104.301(f) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(e) (2010), to file with the Commission an annual earnings-monitoring report demonstrating TGS' earnings during the preceding calendar year.
13. TGS is required, under 16 TEX. ADMIN. CODE § 7.7101(h) (2010), to recalculate its approved IRA annually and is required to file an application for an annual adjustment no later than 60 days prior to the one-year anniversary of the proposed implementation date of the previous IRA application.
14. In accordance with 16 TEX. ADMIN. CODE § 7.7101(i) (2010), all amounts collected from customers under TGS' IRA tariffs or rate schedules are subject to refund. The issues of refund amounts, if any, and whether interest should be included on refunded amounts and, if so, the rate of interest, shall be addressed in the rate case a gas utility files or the Commission initiates after the implementation of an IRA and shall be the subjects of specific findings of fact in the Commission's final order setting rates.
15. In accordance with 16 TEX. ADMIN. CODE § 7.7101(j) (2010), in the rate case that TGS files or the Commission initiates after the implementation of an IRA, any change in investment and related expenses and revenues that have been included in any IRA shall be fully subject to review for reasonableness and prudence. Upon issuance of a final order setting rates in the rate case that TGS files or the Commission initiates after the implementation of an IRA, any



change in investment and related expenses and revenues that have been included in any IRA shall no longer be subject to review for reasonableness or prudence.

16. The Commission has authority to suspend the implementation of the IRA, under TEX. UTIL. CODE ANN. § 104.301(a) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(e) (2010).
17. TGS provided adequate notice of its IRA, in accordance with TEX. UTIL. CODE ANN. § 104.301(a) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(b) (2010).
18. TGS' application for an IRA, as proposed, complies with all provisions of TEX. UTIL. CODE ANN. § 104.301 (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101 (2010).
19. TGS' IRA set forth in the findings of fact and conclusions of law in this Order comply with the provisions of TEX UTIL. CODE ANN. § 104.301 (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101 (2010).
20. In accordance with TEX. UTIL. CODE ANN. § 104.301(h) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(l) (2010), TGS shall file a comprehensive rate case for the areas in which the IRA is implemented, no later than the 180th day after the fifth anniversary of the date its initial IRA became effective, or December 10, 2017.
21. The Commission has authority, under TEX. UTIL. CODE ANN. § 104.301(j) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(m) (2010), to recover from TGS the proportionate share of the Commission's annual costs related to the administration of the IRA mechanism.

**IT IS THEREFORE ORDERED BY THE RAILROAD COMMISSION OF TEXAS THAT** Texas Gas Service Company's IRA for the unincorporated areas of the El Paso service area, as requested, and to the extent recommended to be approved in the findings of fact and conclusions of law, is **HEREBY APPROVED**, subject to refund, to be effective for bills rendered on or after the date of this order.

**IT IS FURTHER ORDERED THAT** TGS **SHALL** file with the Commission no later than December 10, 2017, a statement of intent to change rates as required under TEX. UTIL. CODE ANN. § 104.301(h) (Vernon 2010) and 16 TEX. ADMIN. CODE § 7.7101(l) (2010).

**IT IS FURTHER ORDERED THAT** within 30 days of this order TGS **SHALL** electronically file its IRA tariff, Exhibit A, in proper form that accurately reflect the rates approved by the Commission in this Order.

**IT IS FURTHER ORDERED THAT** TGS **SHALL** not charge any rate that has not been electronically filed and accepted by the Commission as a tariff.

**IT IS FURTHER ORDERED THAT** TGS **SHALL** reimburse the expenses incurred by the Commission in reviewing this application. The amount of this reimbursement shall be determined

by the Director of the Gas Services Division. This Order will not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE § 2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the order is served on the parties.

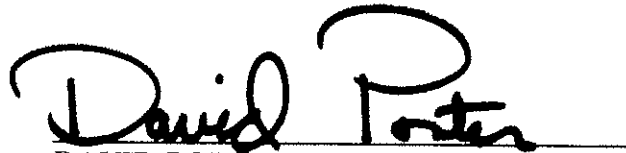
Any portion of TGS' application not expressly granted herein is overruled. All requested findings of fact and conclusions of law, which are not expressly adopted herein, are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

**SIGNED** this 26th day of February, 2013.

**RAILROAD COMMISSION OF TEXAS**



**BARRY T. SMITHERMAN**  
**CHAIRMAN**



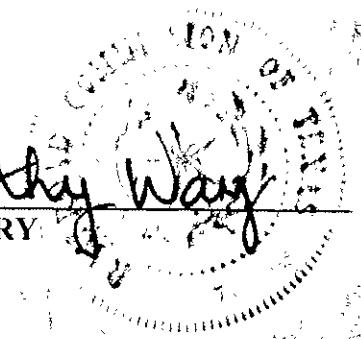
**DAVID PORTER**  
**COMMISSIONER**



**CHRISTI CRADDICK**  
**COMMISSIONER**

**ATTEST**

  
**SECRETARY**



**GUD NO. 10223**

**EXHIBIT A**

**Tariff**

**INTERIM RATE ADJUSTMENT**

**A. APPLICABILITY**

This Interim Rate Adjustment (IRA) applies to all general service rate schedules of Texas Gas Service Company (Company) currently in force in the unincorporated or environs areas of El Paso, Fabens, Vinton, Clint, Anthony, Socorro, Horizon City, and San Elizario, Texas. Applicable rate schedules include 1Z, 2Z, 2A, 2E, 2F, 2G, 4Z, SS-ENV, C-1, and T-1-ENV.

**B. PURPOSE**

Section 104.301, Subchapter G of the Texas Utility Code, effective on September 1, 2003, provides for an interim adjustment in a gas utility's monthly customer charge or initial block usage rate to recover the cost of changes in the utility's infrastructure investment and related expenses and revenues for providing gas utility service. The filing date of the utility's most recent rate case establishing rates for the area in which the interim rate adjustment will apply shall be no more than two years prior to the date the utility files its initial interim rate adjustment application for that area. The interim adjustment shall be recalculated on an annual basis, unless the utility files a written request and obtains approval from the regulatory authority to suspend the operation of the interim adjustment rate schedule for any year. This rate schedule establishes the interim adjustment provisions consistent with Section 104.301, Subchapter G of the Texas Utility Code.

**C. BILLING**

The following Interim Rate Adjustments will be added to the applicable Rate Schedule Customer Charge for each monthly billing period:

<b>Rate Schedule</b>	<b>Customer Class</b>	<b>Current Customer Charge</b>	<b>2010 Interim Rate Adjustment</b>	<b>2011 Interim Rate Adjustment</b>	<b>Total</b>
<del>1Z</del>	<del>Residential</del>	<del>\$10.80</del>	<del>\$0.31</del>	<del>\$0.41</del>	<del>\$11.52</del>
<del>2Z</del>	<del>Commercial</del>	<del>\$18.30</del>	<del>\$1.00</del>	<del>\$1.33</del>	<del>\$20.63</del>
<del>2A</del>	<del>Commercial A/C</del>	<del>\$18.30</del>	<del>\$1.00</del>	<del>\$1.33</del>	<del>\$20.63</del>
<del>2E</del>	<del>Public Authority</del>	<del>\$32.71</del>	<del>\$3.57</del>	<del>\$4.70</del>	<del>\$40.98</del>
<del>2F</del>	<del>Public Auth A/C</del>	<del>\$32.71</del>	<del>\$3.57</del>	<del>\$4.70</del>	<del>\$40.98</del>
	Municipal Water				
2G	Pumping	\$121.75	\$15.73	\$21.12	\$158.60
<del>4Z</del>	<del>Industrial</del>	<del>\$84.01</del>	<del>\$11.84</del>	<del>\$15.69</del>	<del>\$111.54</del>
SS-ENV	Standby	\$125.00	\$11.84	\$15.69	\$152.53
<del>C-1</del>	<del>Cogeneration</del>	<del>\$300.50</del>	<del>\$59.29</del>	<del>\$77.01</del>	<del>\$436.80</del>
T-1-ENV	Transportation	\$300.50	\$59.29	\$77.01	\$436.80

All applicable fees and taxes will be added to the above rate.

**D. COMPUTATION OF IRA RATE**

The amount the Company shall adjust its utility rates upward or downward under this rate schedule each calendar year is based on the difference between the value of the invested capital for the preceding calendar year and the value of the invested capital for the calendar year preceding that calendar year. The value of the invested capital is equal to the original cost of the investment at the time the investment was first dedicated to public use minus the accumulated depreciation related to that investment

### INTERIM RATE ADJUSTMENT

Based on the difference between the values of the invested capital amounts as determined above, the Company may adjust only the following related components of its revenue requirement: return on investment, depreciation expense, ad valorem taxes, revenue related taxes and incremental federal income taxes. The factors for these components shall be the same as those established in the Company's most recent rate case for the service area in which this interim rate adjustment is to be implemented.

The revenue requirement calculated pursuant to this rate schedule shall be allocated among the Company's customer classes for this service area in the same manner as the cost of service was allocated among customer classes in the Company's latest effective rates for this area.

#### **E. FILING WITH THE REGULATORY AUTHORITY**

1. The Company shall file either the initial interim adjustment or the annual interim adjustment with the regulatory authority at least 60 days before the proposed implementation date. During the 60-day period, the regulatory authority may act to suspend implementation of the adjustment.
2. The Company shall provide notice to customers by bill insert or direct mail not later than the 45<sup>th</sup> day after the date of filing the interim adjustment.
3. The Company shall file with the regulatory authority an annual report describing the investment projects completed and placed in service during the preceding calendar year and the investments retired or abandoned during the preceding calendar year. The annual report shall also state the cost, need, and customers benefited by the change in investment.
4. In addition, the Company shall file with the regulatory authority an annual earnings monitoring report demonstrating the Company's earnings during the preceding calendar year. Should the Company earn a return of more than 75 basis points above the return established in the latest effective rates implemented under this rate schedule, the Company shall file a statement stating the reasons why the rates are not unreasonable or in violation of the law.
5. After the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, any change in investment that has been included in an approved interim adjustment shall no longer be subject to subsequent review for reasonableness or prudence. All amounts collected under this rate schedule are subject to refund until the issuance of a final decision in the next rate case filing for this service area.
6. The Company shall file a rate case no later than the 180<sup>th</sup> day after the fifth anniversary date its initial interim rate adjustment for this service area became effective.
7. The provisions under Section 104.301, Subchapter G of the Texas Utility Code for this interim adjustment do not limit the power of the regulatory authority under Section 104.151.

**GUD NO. 10223**

**EXHIBIT B**

**Settlement Rates**

SUMMARY

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 PROPOSED CITIES SETTLEMENT RATES - ENVIRONS GRIP FILING

Current and Proposed Bill Information - With Gas Cost					
	Current	Proposed	Difference	% Change	
18					
19					
20					
21	Residential Customers				
22	Average Monthly Bill @ 6 Mcf	\$ 61.92	\$ 62.33	\$ 0.41	0.7%
23	Average Monthly Bill @ 4.2Mcf*	\$ 46.67	\$ 47.08	\$ 0.41	0.9%
24					
25	Commercial and Commercial A/C Customers				
26	Average Monthly Bill @ 30 Mcf	\$ 160.58	\$ 161.91	\$ 1.33	0.8%
27	Average Monthly Bill @ 22.6 Mcf*	\$ 125.46	\$ 126.79	\$ 1.33	1.1%
28					
29	Industrial Customers				
30	Average Monthly Bill @ 300 Mcf	\$ 1,882.39	\$ 1,898.08	\$ 15.69	0.8%
31	Average Monthly Bill @ 306.2 Mcf*	\$ 1,915.18	\$ 1,930.87	\$ 15.69	0.8%
32					
33	Public Authority and Public Authority A/C Customers				
34	Average Monthly Bill @ 300 Mcf	\$ 1,708.14	\$ 1,712.84	\$ 4.70	0.3%
35	Average Monthly Bill @ 107.7 Mcf*	\$ 644.98	\$ 649.68	\$ 4.70	0.7%
36					
37	Stand By Customers				
38	Average Monthly Bill @ 300 Mcf	\$ 7,524.59	\$ 7,540.28	\$ 15.69	0.2%
39	Average Monthly Bill @ 114.0 Mcf*	\$ 2,942.17	\$ 2,957.86	\$ 15.69	0.5%
40					
41	Municipal Water Pumping Customers				
42	Average Monthly Bill @ 300 Mcf	\$ 1,732.99	\$ 1,754.11	\$ 21.12	1.2%
43	Average Monthly Bill @ 658 Mcf*	\$ 3,621.16	\$ 3,642.28	\$ 21.12	0.6%
44					
45	Standard Transportation Customers				
46	Average Monthly Bill @ 3000 Mcf	\$ 16,427.87	\$ 16,504.88	\$ 77.01	0.5%
47	Average Monthly Bill @ 4373.2 Mcf*	\$ 23,691.35	\$ 23,768.36	\$ 77.01	0.3%

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50

Current and Proposed Bill Information - Without Gas Cost					
	Current	Proposed	Difference	% Change	
51					
52					
53					
54	Residential Customers				
55	Average Monthly Bill @ 6 Mcf	\$ 34.10	\$ 34.51	\$ 0.41	1.2%
56	Average Monthly Bill @ 4.2Mcf*	\$ 27.20	\$ 27.61	\$ 0.41	1.5%
57					
58	Commercial and Commercial A/C Customers				
59	Average Monthly Bill @ 30 Mcf	\$ 21.48	\$ 22.81	\$ 1.33	6.2%
60	Average Monthly Bill @ 22.6 Mcf*	\$ 20.67	\$ 22.00	\$ 1.33	6.4%
61					
62	Industrial and Stand By Customers				
63	Average Monthly Bill @ 300 Mcf	\$ 491.39	\$ 507.08	\$ 15.69	3.2%
64	Average Monthly Bill @ 306.2 Mcf*	\$ 495.44	\$ 511.13	\$ 15.69	3.2%
65					
66	Stand By Customers				
67	Average Monthly Bill @ 300 Mcf	\$ 6,133.59	\$ 6,149.28	\$ 15.69	0.3%
68	Average Monthly Bill @ 114.0 Mcf*	\$ 2,413.59	\$ 2,429.28	\$ 15.69	0.7%
69					
70	Public Authority and Public Authority A/C Customers				
71	Average Monthly Bill @ 300 Mcf	\$ 317.14	\$ 321.84	\$ 4.70	1.5%
72	Average Monthly Bill @ 176.7 Mcf*	\$ 145.61	\$ 150.31	\$ 4.70	3.2%
73					
74	Municipal Water Pumping Customers				
75	Average Monthly Bill @ 300 Mcf	\$ 341.99	\$ 363.11	\$ 21.12	6.2%
76	Average Monthly Bill @ 658 Mcf*	\$ 570.24	\$ 591.36	\$ 21.12	3.7%
77					
78	Standard Transportation Customers				
79	Average Monthly Bill @ 3000 Mcf	\$ 2,517.89	\$ 2,594.90	\$ 77.01	3.1%
80	Average Monthly Bill @ 4373.2 Mcf*	\$ 3,414.31	\$ 3,491.32	\$ 77.01	2.3%

81  
82  
83  
84

\*Average Bill usage per GUD 9988 and 10068 filings  
 Average bills exclude revenue related taxes and are computed using a 12 month average Cost of Gas for CY 2011

**GUD NO. 10223**

**EXHIBIT C**

**Schedules**





INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT

OF

TEXAS GAS SERVICE COMPANY, A DIVISION OF ONEOK INC.

TO THE

RAILROAD COMMISSION OF TEXAS

FOR THE

Twelve Month Period Ending December 31, 2011

Check one:

This is an original submission []

This is a revised submission []

Date of submission:

SUMMARY

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

Line No	Description	12/31/2010	12/31/2011	Reference
		Previous Year (b)	Current Year (c)	
1	Net Investment	\$ 147,377,130	\$ 160,027,304	(b) IRA-7 line 62+77 col (h) (c) IRA-8 line 62+73 col (h)
2	Increase in Net Investment		\$ 12,650,174	IRA-9 line 62 + 74 col (g)
3	Authorized Return on Capital		8.851%	IRA-15 line 6 col (d)
4				
5	Change in Return on Net Investment		\$ 1,094,327	Line 2 * Line 3
6	Change in Depreciation Expense		\$ 379,882	IRA-9 line 62 col (f)
7	Change in Federal, Revenue and Other Taxes		\$ 585,275	IRA-6 line 13 col (g) plus IRA-6 line 26 (c)
8	Change in Revenue Requirement		\$ 2,059,485	Sum of Lines 5 - 7
9	Less Settlement		\$ (862,971)	
10	Settled Change in Revenue Requirement		\$ 1,396,514	
11	Annual Number of Bills		2,786,422	
12	Increase Per Bill Per Month		See Below	
13	(to be applied to monthly customer charge or initial block rate, check on)			
14	<input checked="" type="checkbox"/> Monthly Customer Charge			
15	<input type="checkbox"/> Initial Block Rate			
16				

Current and Proposed Bill Information - With Gas Cost					
	Current	Proposed	Difference	% Change	
17					
18					
19					
20	<b>Residential Customers</b>				
21	Average Monthly Bill @ 6 Mcf	\$ 61.92	\$ 62.53	\$ 0.61	1.0%
22	Average Monthly Bill @ 4.2Mcf	\$ 46.67	\$ 47.28	\$ 0.61	1.3%
23					
24	<b>Commercial and Commercial A/C Customers</b>				
25	Average Monthly Bill @ 30 Mcf	\$ 160.58	\$ 162.55	\$ 1.97	1.2%
26	Average Monthly Bill @ 22.6 Mcf	\$ 125.46	\$ 127.43	\$ 1.97	1.6%
27					
28	<b>Industrial Customers</b>				
29	Average Monthly Bill @ 300 Mcf	\$ 1,882.39	\$ 1,905.53	\$ 23.14	1.2%
30	Average Monthly Bill @ 306.2 Mcf	\$ 1,915.18	\$ 1,938.32	\$ 23.14	1.2%
31					
32	<b>Public Authority and Public Authority A/C Customers</b>				
33	Average Monthly Bill @ 300 Mcf	\$ 1,708.14	\$ 1,715.07	\$ 6.93	0.4%
34	Average Monthly Bill @ 107.7 Mcf	\$ 644.98	\$ 651.91	\$ 6.93	1.1%
35					
36	<b>Stand By Customers</b>				
37	Average Monthly Bill @ 300 Mcf	\$ 7,524.59	\$ 7,547.73	\$ 23.14	0.3%
38	Average Monthly Bill @ 114.0 Mcf	\$ 2,942.17	\$ 2,965.31	\$ 23.14	0.8%
39					
40	<b>Municipal Water Pumping Customers</b>				
41	Average Monthly Bill @ 300 Mcf	\$ 1,732.99	\$ 1,764.14	\$ 31.15	1.8%
42	Average Monthly Bill @ 658 Mcf	\$ 3,621.16	\$ 3,652.31	\$ 31.15	0.8%
43					
44	<b>Standard Transportation Customers</b>				
45	Average Monthly Bill @ 3000 Mcf	\$ 16,427.87	\$ 16,541.42	\$ 113.55	0.7%
46	Average Monthly Bill @ 4373.2 Mcf	\$ 23,691.36	\$ 23,804.90	\$ 113.55	0.5%

Current and Proposed Bill Information - Without Gas Cost					
	Current	Proposed	Difference	% Change	
47					
48					
49					
50	<b>Residential Customers</b>				
51	Average Monthly Bill @ 6 Mcf	\$ 34.10	\$ 34.71	\$ 0.61	1.8%
52	Average Monthly Bill @ 4.2Mcf	\$ 27.20	\$ 27.81	\$ 0.61	2.2%
53					
54	<b>Commercial and Commercial A/C Customers</b>				
55	Average Monthly Bill @ 30 Mcf	\$ 21.48	\$ 23.45	\$ 1.97	9.2%
56	Average Monthly Bill @ 22.6 Mcf	\$ 20.67	\$ 22.64	\$ 1.97	9.5%
57					
58	<b>Industrial and Stand By Customers</b>				
59	Average Monthly Bill @ 300 Mcf	\$ 491.39	\$ 514.53	\$ 23.14	4.7%
60	Average Monthly Bill @ 306.2 Mcf	\$ 495.44	\$ 518.58	\$ 23.14	4.7%
61					
62	<b>Stand By Customers</b>				
63	Average Monthly Bill @ 300 Mcf	\$ 6,133.59	\$ 6,156.73	\$ 23.14	0.4%
64	Average Monthly Bill @ 114.0 Mcf	\$ 2,413.59	\$ 2,436.73	\$ 23.14	1.0%
65					
66	<b>Public Authority and Public Authority A/C Customers</b>				
67	Average Monthly Bill @ 300 Mcf	\$ 317.14	\$ 324.07	\$ 6.93	2.2%
68	Average Monthly Bill @ 176.7 Mcf	\$ 146.61	\$ 152.64	\$ 6.93	4.8%
69					
70	<b>Municipal Water Pumping Customers</b>				
71	Average Monthly Bill @ 300 Mcf	\$ 341.99	\$ 373.14	\$ 31.15	9.1%
72	Average Monthly Bill @ 658 Mcf	\$ 570.24	\$ 601.39	\$ 31.15	5.5%
73					
74	<b>Standard Transportation Customers</b>				
75	Average Monthly Bill @ 3000 Mcf	\$ 2,517.89	\$ 2,631.44	\$ 113.55	4.5%
76	Average Monthly Bill @ 4373.2 Mcf	\$ 3,414.31	\$ 3,527.86	\$ 113.55	3.3%

\*Average Bill usage per GUD 9988 and 10069 filings.  
Average bills exclude revenue related taxes and are computed using a 12 month average Cost of Gas for CY 2011

REVENUE RELATED AND OTHER TAXES

TEXAS GAS SERVICE COMPANY  
 ELPASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Line No.	Description	(a)	Total	Adjustments (1)	(c)	12 Month End As Adjusted (at Present Rates)	(d)	Adjustments (2)	(e)	12 Month End As Adjusted (at Proposed Rates)	(f)	Change	(g)
1	Non Revenue - Related												
2													
3	Ad Valorem Tax	\$	1,770,690	\$	118,397	\$	1,889,086	\$	153,214	\$	2,042,301	\$	153,214
4													
5	Revenue - Related												
6													
7	State Gross Receipts - Tax		Note 3		Note 3		Note 3		Note 3		Note 3		Note 3
8	Local Gross Receipts - Tax		Note 3		Note 3		Note 3		Note 3		Note 3		Note 3
9	Railroad Commission - Gas Utility Tax		Note 3		Note 3		Note 3		Note 3		Note 3		Note 3
10													
11	Total Revenue Related Taxes		Note 3		Note 3		Note 3		Note 3		Note 3		Note 3
12													
13	TOTAL TAXES OTHER THAN INCOME	\$	1,770,690	\$	118,397	\$	1,889,086	\$	153,214	\$	2,042,301	\$	153,214
14													
15													
16													
17	Note 1	Adjustment amount is the amount filed in the Company's 2012 GRIP filing.											
18	Note 2	Adjustment is the net change in investment multiplied by the ad valorem effective rate factor based on property tax payments paid in Calendar Year 2011. Also see Company's Schedule 5 in Attachment C.											
19	Note 3	Revenue related taxes are collected separately on the Customer's bill and are not part of the Company's revenue requirement.											

FEDERAL INCOME TAX

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Line No.	Description	Prior Year <sup>a</sup>	Amount	Current Year <sup>b</sup>	Amount
	(a)	(b)	(c)	(d)	(e)
1	Return on Investment				
2	Invested Capital (Rate Base)	\$ 147,377,130		\$ 160,027,304	
3	Rate of Return	8.6507%		8.6507%	
4	Return on Investment		\$ 12,749,136		\$ 13,843,463
5					
6	Interest Expense				
7	Invested Capital (Rate Base)	\$ 147,377,130		\$ 160,027,304	
8	Weighted Cost of Debt	2.5312%		2.5312%	
9	Interest Expense		\$ 3,730,404		\$ 4,050,605
10					
11	After Tax Income		\$ 9,018,732		\$ 9,792,858
12					
13	Less ITC Amortization		\$ (47,061)		\$ (37,166)
14					
15	Gross- Up Factor		1.538		1.538
16					
17	Before Tax Return		\$ 13,802,570		\$ 15,008,757
18					
19	Federal Income Tax Rate		35%		35%
20					
21	Federal Income Tax		\$ 4,830,899		\$ 5,253,065
22					
23	Less ITC Amortization		\$ (47,061)		\$ (37,166)
24					
25	Net Income Tax Expense		\$ 4,783,838		\$ 5,215,899
26	CHANGE IN FEDERAL INCOME TAX		\$ 432,061		

INVESTMENT DETAIL PREVIOUS - DIRECT AND ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
PER MOST RECENT RATE CASE  
ENVIRONS GRIP FILING

Line No	NARUC Account No	Note (see note tab)	FERC Account No	F E R C Account Titles (1)	Direct and Allocated Corporate and Division Original Cost (e)	Annual Depreciation (f)	Accumulated Depreciation (g)	Net Plant (h)
	(a)	(b)	(c)	(d)				
1								
2								
3				1 INTANGIBLE PLANT				
4	301	I	301	Organization	\$ -	\$ -	\$ -	\$ -
5	302	I	302	Franchises & Consents	5,766	-	5,766	-
6	303	I	303	Misc Intangible	189,989	6,332	172,692	17,297
7				Total Intangible Plant	\$ 195,755	\$ 6,332	\$ 178,458	\$ 17,297
8								
9				2. PRODUCTION AND GATHERING PLANT				
10	325	I	325	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
11	327	I	327	Field Compress Station Structures	-	-	-	-
12	328	I	328	Field Meas/Reg Station Structures	-	-	-	-
13	329	I	329	Other Structures	-	-	-	-
14	332	I	332	Field Lines	-	-	-	-
15	333	I	333	Field Compressor Station Equip	-	-	-	-
16	334	I	334	Field Meas/Reg Station Equipment	-	-	-	-
17	336	I	336	Purification Equipment	-	-	-	-
18	337	I	337	Other Equipment	-	-	-	-
19				Total Production and Gathering Plant	\$ -	\$ -	\$ -	\$ -
20								
21				4 TRANSMISSION PLANT				
22	365	I	365	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
23	366	I	366	Structures & Improvements	-	-	-	-
24	367	I	367	Mains	3,075,892	55,366	91,457	2,984,436
25	368	I	368	Compressor Station Equip	-	-	-	-
26	369	I	369	Measures/Reg Station Equipment	362,727	6,529	-	362,727
27	371	I	371	Other Equipment	-	-	-	-
28				Total Transmission Plant	\$ 3,438,619	\$ 61,895	\$ 91,457	\$ 3,347,163
29								
30				5 DISTRIBUTION PLANT				
31	374	I	374	Land & Land Rights	\$ 1,420,657	\$ -	\$ 32,783	\$ 1,387,874
32	375.1	I	375.1	Structures & Improvements	76,522	1,752	29,128	47,394
33	375.2	I	375.2	Other System Structures	6,135	165	3,555	2,580
34	376	I	376	Mains	100,797,646	1,894,996	39,250,770	61,546,876
35	377	I	377	Compressor Station Equipment	-	-	-	-
36	378	I	378	Meas & Reg Station - General	5,013,799	89,246	1,953,819	3,059,980
37	379	I	379	Meas & Reg Station - C G	1,794,315	27,094	1,012,315	782,000
38	380	I	380	Services	55,279,024	1,094,525	21,787,975	33,491,048
39	381	I	381	Meters	24,455,726	344,826	6,351,662	18,104,065
40	382	I	382	Motor installations	7,175	240	1,014	6,161
41	383	I	383	House Regulators	7,671,393	79,015	2,367,179	5,304,214
42	385	I	385	Indust Meas & Reg Stat Equipment	7,477,803	123,384	2,748,701	4,729,102
43	386	I	386	Other Property on Customer Premises	556,299	10,456	80,514	475,785
44	387	I	387	Other Equipment	-	-	-	-
45				Total Distribution Plant	\$ 204,556,496	\$ 3,665,701	\$ 75,619,415	\$ 128,937,081
46								
47				6 GENERAL PLANT				
48	389	I	389	Land & Land Rights	\$ 185,641	\$ -	\$ -	\$ 185,641
49	390.1	I	390.1	Structures & Improvements	3,786,596	131,375	297,204	3,489,362
50	390.2	I	390.2	Leasehold Improvements	259,684	4,490	169,889	89,795
51	390.21	I	390.21	Leasehold Equipment EOL	14,439	-	189	14,250
52	391	I	391	Office Furniture & Equipment	9,000,582	678,197	4,031,673	4,968,909
53	391.4	I	391.4	Audio Visual Equipment	5,512	-	3,996	1,517
54	391.9	I	391.9	Computers & Electronic Equipment	1,402,391	81,701	112,379	1,290,012
55	392	I	392	Transportation Equipment	1,449,365	187	183,332	1,266,034
56	393	I	393	Stores Equipment	82,692	5,278	19,211	63,481
57	394	I	394	Tools, Shop & Garage Equipment	2,939,906	175,283	454,455	2,485,452
58	395	I	395	Laboratory Equip (CNC)	-	-	-	-
59	396	I	396	Power Operated Equipment	670,399	-	460,659	189,740
60	397	I	397	Communication Equipment	908,414	60,495	53,810	855,604
61	398	I	398	Miscellaneous General Plant	107,672	3,981	(68,091)	175,764
62				Total General plant	\$ 20,814,295	\$ 1,140,984	\$ 5,738,705	\$ 15,075,589
63								
64				Total Original Cost Plant in Service	\$ 229,005,165	\$ 4,874,913	\$ 81,628,035	\$ 147,377,130

INVESTMENT DETAIL PREVIOUS - DIRECT

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
PER MOST RECENT RATE CASE  
ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	F.E.R.C. Account Titles (1) (d)	Direct Original Cost (e)	RRC Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)
1									
2									
3				1. INTANGIBLE PLANT					
4	301		301	Organization		0.00%			\$ -
5	302		302	Franchises & Consents	5,766	4.00%		5,766	-
6	303		303	Misc. Intangible	189,989	3.33%	6,332	172,692	17,297
7				Total Intangible Plant	\$ 195,755		\$ 6,332	\$ 178,458	\$ 17,297
8									
9				2. PRODUCTION AND GATHERING PLANT					
10	325		325	Land & Land Rights					\$ -
11	327		327	Field Compress Station Structures					-
12	328		328	Field Meas/Reg Station Structures					-
13	329		329	Other Structures					-
14	332		332	Field Lines					-
15	333		333	Field Compressor Station Equip					-
16	334		334	Field Meas/Reg Station Equipment					-
17	336		336	Purification Equipment					-
18	337		337	Other Equipment					-
19				Total Production and Gathering Plant	\$ -		\$ -	\$ -	\$ -
20									
21				4. TRANSMISSION PLANT					
22	365		365	Land & Land Rights		0.00%	\$ -		\$ -
23	366		366	Structures & Improvements		0.00%	-		-
24	367		367	Mains	\$ 3,075,892	1.80%	55,366	91,457	2,984,436
25	368		368	Compressor Station Equip		0.00%	-		-
26	369		369	Measure/Reg. Station Equipment	\$ 362,727	1.80%	6,529		362,727
27	371		371	Other Equipment		0.00%	-		-
28				Total Transmission Plant	\$ 3,438,619		\$ 61,895	\$ 91,457	\$ 3,347,163
29									
30				5. DISTRIBUTION PLANT					
31	374		374	Land & Land Rights	\$ 1,420,657	0.00%	\$ -	\$ 32,783	\$ 1,387,874
32	375.1		375.1	Structures & Improvements	76,522	2.29%	1,752	29,128	47,394
33	375.2		375.2	Other System Structures	6,135	2.69%	165	3,555	2,580
34	376		376	Mains	100,797,646	1.88%	1,894,996	39,250,770	61,546,876
35	377		377	Compressor Station Equipment	0	0.00%	-	-	-
36	378		378	Meas. & Reg. Station - General	5,013,799	1.78%	89,246	1,953,819	3,059,980
37	379		379	Meas. & Reg. Station - C G.	1,794,315	1.51%	27,094	1,012,315	782,000
38	380		380	Services	55,279,024	1.98%	1,094,525	21,787,975	33,491,048
39	381		381	Meters	24,455,728	1.41%	344,826	6,351,662	18,104,065
40	382		382	Meter Installations	7,175	3.35%	240	1,014	6,161
41	383		383	House Regulators	7,671,393	1.03%	79,015	2,367,179	5,304,214
42	385		385	Indust. Meas. & Reg. Stat. Equipment	7,477,803	1.65%	123,384	2,748,701	4,729,102
43	386		386	Other Property on Customer Premises	558,299	1.88%	10,458	80,514	475,785
44	387		387	Other Equipment	0	0.00%	-	-	-
45				Total Distribution Plant	\$ 204,556,496		\$ 3,665,701	\$ 75,619,415	\$ 128,937,081
46									
47				6 GENERAL PLANT					
48	389		389	Land & Land Rights	\$174,669	0.00%	\$ -		\$ 174,669
49	390.1		390.1	Structures & Improvements	3,755,854	4.93%	185,164	286,791	3,469,063
50	390.2		390.2	Leasehold Improvements	60,371	4.93%	2,976	10,489	49,882
51	390.21		390.21	Leasehold Equipment EOL	-				-
52	391		391	Office Furniture & Equipment	1,120,640	6.49%	72,730	254,184	866,456
53	391.4		391.4	Audio Visual Equipment	-	11.05%	-	-	-
54	391.9		391.9	Computers & Electronic Equipment	354,281	11.05%	39,148	(51,144)	405,425
55	392		392	Transportation Equipment	1,446,631	0.00%	-	182,329	1,264,303
56	393		393	Stores Equipment	82,692	8.38%	5,276	19,211	63,481
57	394		394	Tools, Shop & Garage Equipment	2,930,722	5.96%	174,671	450,957	2,479,765
58	395		395	Laboratory Equip (CNG)		0.00%	-	-	-
59	396		396	Power Operated Equipment	670,399	0.00%	-	480,659	189,740
60	397		397	Communication Equipment	402,108	6.61%	26,579	(38,089)	440,197
61	398		398	Miscellaneous General Plant	105,980	3.65%	3,868	(69,379)	175,359
62				Total General plant	\$ 11,104,346		\$ 510,412	\$ 1,528,007	\$ 9,578,339
63									
64				Total Original Cost Plant in Service	\$ 219,295,217		\$ 4,244,341	\$ 77,415,337	\$ 141,879,880

INVESTMENT DETAIL PREVIOUS - ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
PER MOST RECENT RATE CASE  
ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	F.I.E.R.C. Account Titles (1) (d)	Corporate and Division Allocated Original Cost (e)	Division Depreciation Rate <sup>c</sup> (f)	Corporate Depreciation Rate <sup>d</sup> (g)	Annual Depreciation* (h)	Accumulated Depreciation** (i)	Corporate and Division Allocated Net Plant (j)
1										
2										
3				INTANGIBLE PLANT						
4	301		301	Organization		0.00%	0.00%	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents		0.00%		-	-	-
6	303		303	Misc. Intangible		0.00%	0.00%	-	-	-
7				Total Intangible Plant	\$ -			\$ -	\$ -	\$ -
8										
9				TRANSMISSION PLANT						
10	367		367	Mains		0.00%	0.00%	\$ -	\$ -	\$ -
11	369		369	Meas. & Reg Stations Equip		0.00%	0.00%	-	-	-
12				Total Transmission Plant	\$ -			\$ -	\$ -	\$ -
13										
14				DISTRIBUTION PLANT						
15	374		374	Land & Land Rights		0.00%	0.00%	\$ -	\$ -	\$ -
16	375.1		375.1	Structures & Improvements		0.00%	0.00%	-	-	-
17	375.2		375.2	Other System Structures		0.00%	0.00%	-	-	-
18	376		376	Mains		0.00%	0.00%	-	-	-
19	377		377	Compressor Station Equipment		0.00%	0.00%	-	-	-
20	378		378	Meas. & Reg. Station - General		0.00%	0.00%	-	-	-
21	379		379	Meas. & Reg Station - C.G.		0.00%	0.00%	-	-	-
22	380		380	Services		0.00%	0.00%	-	-	-
23	381		381	Meters		0.00%	0.00%	-	-	-
24	382		382	Meter Installations		0.00%	0.00%	-	-	-
25	383		383	House Regulators		0.00%	0.00%	-	-	-
26	385		385	Indust Meas. & Reg Stat. Equipment		0.00%	0.00%	-	-	-
27	386		386	Other Property on Customer Premises		0.00%	0.00%	-	-	-
28	387		387	Meas. & Reg. Stat. Equipment		0.00%	0.00%	-	-	-
29				Total Distribution Plant	-			-	-	-
30										
31				GENERAL PLANT						
32	389		389	Land & Land Rights	\$ 10,972	0.00%	0.00%	\$0	\$ -	\$ 10,972
33	390.1		390.1	Structures & Improvements	30,742	11.45%	-85.31%	(53,789)	10,413	20,329
34	390.2		390.2	Leasehold Improvements	199,313	0.00%	0.00%	-	159,400	39,913
35	390.21		390.21	Leasehold Equipment EOL	14,439	10.53%	0.00%	1,513	189	14,250
36	391		391	Office Furniture & Equipment	338,893	5.88%	6.66%	21,853	160,611	178,281
37	391.2		391.2	Data Processing Equipment	705,263	7.42%	0.00%	35,781	344,592	360,672
38	391.3		391.3	Office Machines	1,301	5.99%	0.00%	78	(4,044)	5,345
39	391.4		391.4	Audio Visual Equipment	5,512	9.45%	0.00%	521	3,996	1,517
40	391.6	k.	391.6	Purchased Software	6,595,685	0.00%	0.00%	523,770	3,120,492	3,475,193
41	391.8		391.8	Micro Computer Equipment	238,801	10.61%	0.00%	23,465	155,838	82,962
42	391.9		391.9	Computers & Electronic Equipment	1,048,110	0.00%	4.06%	42,553	163,523	884,587
43	392		392	Transportation Equipment	1,804	10.00%	0.00%	180	121	1,683
44	392.3		392.3	Transportation Equipment (Trucks 3/4 to 3 Ton)	820	0.00%	0.00%	-	834	(14)
45	392.5		392.5	Trailers	110	5.55%	0.00%	6	49	61
46	393		393	Stores Equipment		0.00%	0.00%	-	-	-
47	394		394	Tools, Shop & Garage	9,185	5.97%	6.67%	612	3,498	5,687
48	395		395	Laboratory Equipment		0.00%	0.00%	-	-	-
49	396		396	Major Work Equipment		0.00%	0.00%	-	-	-
50	397		397	Communication Equipment	507,307	11.68%	6.66%	33,916	91,899	415,408
51	398		398	Miscellaneous General Plant	1,692	0.00%	6.67%	113	1,287	405
52				Total General Plant	\$ 9,709,948			\$ 630,572	\$ 4,212,698	\$ 5,497,250
53										
54				Total Allocated Original Cost Plant in Service	\$ 9,709,948			\$ 630,572	\$ 4,212,698	\$ 5,497,250
					\$9,709,948					

INVESTMENT DETAIL CURRENT - DIRECT AND ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

Line No	NARUC Account No (e)	Note (see note tab) (b)	FERC Account No. (c)	F E R C Account Titles (1) (d)	Direct and Allocated Corporate and Division Original Cost (e)	Annual Depreciation (f)	Accumulated Depreciation (g)	Net Plant (h)
1								
2								
3				1. INTANGIBLE PLANT				
4	301	m	301	Organization	\$ -	\$ -	\$ -	\$ -
5	302	m	302	Franchises & Consents	5,766	-	5,766	-
6	303	m	303	Misc Intangible	189,989	8,332	179,024	10,965
7				Total Intangible Plant	\$ 195,755	\$ 8,332	\$ 184,790	\$ 10,965
8								
9				2. PRODUCTION AND GATHERING PLANT				
10	325	m	325	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
11	327	m	327	Field Compress Station Structures	-	-	-	-
12	328	m	328	Field Meas/Reg Station Structures	-	-	-	-
13	329	m	329	Other Structures	-	-	-	-
14	332	m	332	Field Lines	-	-	-	-
15	333	m	333	Field Compressor Station Equip	-	-	-	-
16	334	m	334	Field Meas/Reg Station Equipment	-	-	-	-
17	336	m	336	Purification Equipment	-	-	-	-
18	337	m	337	Other Equipment	-	-	-	-
19				Total Production and Gathering Plant	\$ -	\$ -	\$ -	\$ -
20								
21				4 TRANSMISSION PLANT				
22	365	m	365	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
23	366	m	366	Structures & Improvements	-	-	-	-
24	367	m	367	Mains	4,257,270	78,631	(966,913)	5,224,183
25	368	m	368	Compressor Station Equip	-	-	-	-
26	369	m	369	Measure/Reg Station Equipment	480,844	8,655	7,793	473,051
27	371	m	371	Other Equipment	-	-	-	-
28				Total Transmission Plant	\$ 4,738,113	\$ 85,286	\$ (959,120)	\$ 5,697,234
29								
30				5 DISTRIBUTION PLANT				
31	374	m	374	Land & Land Rights	\$ 1,420,657	\$ -	\$ 32,783	\$ 1,387,874
32	375.1	m	375.1	Structures & Improvements	78,522	1,752	30,880	45,641
33	375.2	m	375.2	Other System Structures	14,080	379	3,800	10,280
34	376	m	376	Mains	107,149,586	2,014,412	40,988,154	66,161,432
35	377	m	377	Compressor Station Equipment	-	-	-	-
36	378	m	378	Meas & Reg Station - General	4,914,295	87,474	2,033,727	2,880,569
37	379	m	379	Meas & Reg Station - C G	1,835,089	27,710	1,040,578	794,511
38	380	m	380	Services	58,740,258	1,183,057	22,890,817	36,049,439
39	381	m	381	Meters	25,722,884	362,893	6,344,526	19,378,358
40	382	m	382	Meter Installations	8,833	296	323	8,510
41	383	m	383	House Regulators	7,948,038	81,865	2,375,743	5,572,295
42	385	m	385	Indust Meas & Reg. Stat. Equipment	7,897,099	131,952	2,831,403	5,185,695
43	386	m	386	Other Property on Customer Premises	556,299	10,458	90,972	465,327
44	387	m	387	Other Equipment	-	-	-	-
45				Total Distribution Plant	\$ 216,383,637	\$ 3,882,049	\$ 78,463,706	\$ 137,919,932
46								
47				6 GENERAL PLANT				
48	389	m	389	Land & Land Rights	\$ 185,363	\$ -	\$ -	\$ 185,363
49	390.1	m	390.1	Structures & Improvements	3,974,277	140,172	462,242	3,512,035
50	390.2	m	390.2	Leasehold Improvements	288,284	5,021	172,553	125,712
51	390.21	m	390.21	Leasehold Equipment EOL	14,072	1,475	1,659	12,413
52	391	m	391	Office Furniture & Equipment	9,145,567	895,002	4,743,181	4,402,385
53	391.4	m	391.4	Audio Visual Equipment	65,807	7,186	4,402	61,405
54	391.9	m	391.9	Computers & Electronic Equipment	2,471,336	163,713	206,879	2,264,457
55	392	m	392	Transportation Equipment	2,233,118	182	308,432	1,924,684
56	393	m	393	Stores Equipment	60,959	3,889	28,057	32,901
57	394	m	394	Tools, Shop & Garage Equipment	3,188,839	190,705	635,119	2,563,520
58	395	m	395	Laboratory Equip (CNG)	-	-	-	-
59	396	m	396	Power Operated Equipment	741,823	-	521,435	220,388
60	397	m	397	Communication Equipment	1,039,013	69,883	119,638	919,375
61	398	m	398	Miscellaneous General Plant	110,547	4,122	(83,988)	174,535
62				Total General plant	\$ 23,538,783	\$ 1,281,128	\$ 7,139,609	\$ 16,399,174
63								
64				Total Original Cost Plant in Service	\$ 244,856,288	\$ 5,254,795	\$ 84,828,984	\$ 160,027,304



INVESTMENT DETAIL CURRENT - DIRECT

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see lab) (b)	FERC Account No. (c)	F E R C. Account Titles (1) (d)	Direct Original Cost (e)	RRC Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)
1									
2									
3				1. INTANGIBLE PLANT					
4	301		301	Organization	\$ -	0.00%	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents	5,766	4.00%	-	5,766	-
6	303		303	Misc. Intangible	189,989	3.33%	6,332	179,024	10,965
7				Total Intangible Plant	<u>\$ 195,755</u>		<u>\$ 6,332</u>	<u>\$ 184,790</u>	<u>\$ 10,965</u>
8									
9				2. PRODUCTION AND GATHERING PLANT					
10	325		325	Land & Land Rights	\$ -		\$ -	\$ -	\$ -
11	327		327	Field Compress Station Structures	-		-	-	-
12	328		328	Field Meas/Reg Station Structures	-		-	-	-
13	329		329	Other Structures	-		-	-	-
14	332		332	Field Lines	-		-	-	-
15	333		333	Field Compressor Station Equip	-		-	-	-
16	334		334	Field Meas/Reg Station Equipment	-		-	-	-
17	336		336	Purification Equipment	-		-	-	-
18	337		337	Other Equipment	-		-	-	-
19				Total Production and Gathering Plant	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
20									
21				4. TRANSMISSION PLANT					
22	365		365	Land & Land Rights	-	0.00%	\$ -	\$ -	\$ -
23	366		366	Structures & Improvements	-	0.00%	-	-	-
24	367		367	Mains	\$ 4,257,270	1.80%	78,631	(966,913)	5,224,183
25	368		368	Compressor Station Equip	-	0.00%	-	-	-
26	369		369	Measure/Reg. Station Equipment	480,844	1.80%	8,655	7,793	473,051
27	371		371	Other Equipment	-	0.00%	-	-	-
28				Total Transmission Plant	<u>\$ 4,738,113</u>		<u>\$ 85,286</u>	<u>\$ (959,120)</u>	<u>\$ 5,697,234</u>
29									
30				5. DISTRIBUTION PLANT					
31	374		374	Land & Land Rights	\$ 1,420,657	0.00%	0	\$ 32,783	\$ 1,387,874
32	375.1		375.1	Structures & Improvements	76,522	2.29%	1,752	30,880	45,641
33	375.2		375.2	Other System Structures	14,080	2.69%	379	3,800	10,280
34	376		376	Mains	107,149,586	1.88%	2,014,412	40,988,154	66,161,432
35	377		377	Compressor Station Equipment	-	0.00%	-	-	-
36	378		378	Meas. & Reg. Station - General	4,914,295	1.78%	87,474	2,033,727	2,880,569
37	379		379	Meas. & Reg. Station - C.G.	1,835,089	1.51%	27,710	1,040,578	794,511
38	380		380	Services	58,740,256	1.98%	1,163,057	22,690,817	36,049,439
39	381		381	Meters	25,722,884	1.41%	362,693	6,344,526	19,378,358
40	382		382	Meter Installations	8,833	3.35%	296	323	8,510
41	383		383	House Regulators	7,948,038	1.03%	81,865	2,375,743	5,572,295
42	385		385	Indust. Meas. & Reg. Stat. Equipment	7,997,099	1.65%	131,952	2,831,403	5,165,695
43	386		386	Other Property on Customer Premises	556,299	1.88%	10,458	90,972	465,327
44	387		387	Other Equipment	-	0.00%	-	-	-
45				Total Distribution Plant	<u>\$ 216,383,637</u>		<u>\$ 3,882,049</u>	<u>\$ 78,463,706</u>	<u>\$ 137,919,932</u>
46									
47				6. GENERAL PLANT					
48	389		389	Land & Land Rights	\$ 174,669	0.00%	\$ -	\$ -	\$ 174,669
49	390.1		390.1	Structures & Improvements	3,944,315	4.93%	194,455	448,663	3,495,652
50	390.2		390.2	Leasehold Improvements	101,848	4.93%	5,021	12,352	89,496
51	390.21		390.21	Leasehold Equipment EOL	-	0.00%	-	-	-
52	391		391	Office Furniture & Equipment	1,139,835	6.49%	73,975	329,212	810,623
53	391.4		391.4	Audio Visual Equipment	60,435	11.05%	6,678	-	60,435
54	391.9		391.9	Computers & Electronic Equipment	906,674	11.05%	100,187	(7,384)	914,057
55	392		392	Transportation Equipment	2,230,451	0.00%	-	307,272	1,923,179
56	393		393	Stores Equipment	60,959	6.38%	3,889	28,057	32,901
57	394		394	Tools, Shop & Garage Equipment	3,189,390	5.96%	190,088	630,976	2,558,414
58	395		395	Laboratory Equip (CNG)	-	0.00%	-	-	-
59	396		396	Power Operated Equipment	741,823	0.00%	-	521,435	220,388
60	397		397	Communication Equipment	513,016	6.61%	33,910	(8,156)	521,172
61	398		398	Miscellaneous General Plant	107,655	3.65%	3,929	(65,414)	173,069
62				Total General plant	<u>\$ 13,171,069</u>		<u>\$ 612,133</u>	<u>\$ 2,197,013</u>	<u>\$ 10,974,056</u>
63									
64				Total Original Cost Plant in Service	<u>\$ 234,488,575</u>		<u>\$ 4,585,800</u>	<u>\$ 79,886,388</u>	<u>\$ 154,602,187</u>

INVESTMENT DETAIL CURRENT - ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

Line No.	NARUC Account No (a)	Note: (see note tab) (b)	FERC Account No (c)	F.I.E.R.C. Account Titles (1) (d)	Corporate and Division Allocated Original Cost (e)	Division Depreciation Rate <sup>c</sup> (f)	Corporate Depreciation Rate <sup>c</sup> (g)	Annual Depreciation <sup>f</sup> (h)	Accumulated Depreciation <sup>d</sup> (i)	Corporate and Division Allocated Net Plant (j)
1										
2										
3				INTANGIBLE PLANT						
4	301		301	Organization	\$ -	0.00%	0.00%	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents	-	0.00%	0.00%	-	-	-
6	303		303	Misc. Intangible	-	0.00%	0.00%	-	-	-
7				Total Intangible Plant	\$ -			\$ -	\$ -	\$ -
8										
9				TRANSMISSION PLANT						
10	367		367	Mains	\$ -	0.00%	0.00%	\$ -	\$ -	\$ -
11	369		369	Meas & Reg Stations Equip	-	0.00%	0.00%	-	-	-
12				Total Transmission Plant	\$ -			\$ -	\$ -	\$ -
13										
14				DISTRIBUTION PLANT						
15	374		374	Land & Land Rights	\$ -	0.00%	0.00%	\$ -	\$ -	\$ -
16	375.1		375.1	Structures & Improvements	-	0.00%	0.00%	-	-	-
17	375.2		375.2	Other System Structures	-	0.00%	0.00%	-	-	-
18	376		376	Mains	-	0.00%	0.00%	-	-	-
19	377		377	Compressor Station Equipment	-	0.00%	0.00%	-	-	-
20	378		378	Meas. & Reg. Station - General	-	0.00%	0.00%	-	-	-
21	379		379	Meas. & Reg. Station - C.G.	-	0.00%	0.00%	-	-	-
22	380		380	Services	-	0.00%	0.00%	-	-	-
23	381		381	Meters	-	0.00%	0.00%	-	-	-
24	382		382	Meter Installations	-	0.00%	0.00%	-	-	-
25	383		383	House Regulators	-	0.00%	0.00%	-	-	-
26	385		385	Indust. Meas. & Reg. Stat. Equipment	-	0.00%	0.00%	-	-	-
27	386		386	Other Property on Customer Premises	-	0.00%	0.00%	-	-	-
28	387		387	Meas. & Reg. Stat. Equipment	-	0.00%	0.00%	-	-	-
29				Total Distribution Plant	\$ -			\$ -	\$ -	\$ -
30										
31				GENERAL PLANT						
32	389		389	Land & Land Rights	\$ 10,694	0.00%	0.00%	\$ -	\$ -	\$ 10,694
33	390.1		390.1	Structures & Improvements	29,962	-85.31%	11.45%	(54,283)	13,579	16,382
34	390.2		390.2	Leasehold Improvements	196,416	0.00%	1200.00%	-	160,200	36,216
35	390.21		390.21	Leasehold Equipment EOL	14,072	0.00%	11.76%	1,475	1,659	12,413
36	391		391	Office Furniture & Equipment	345,342	6.66%	5.88%	22,045	182,814	162,528
37	391.2		391.2	Data Processing Equipment	738,691	0.00%	0.00%	43,511	377,071	361,620
38	391.3		391.3	Office Machines	1,268	0.00%	5.99%	76	(3,866)	5,133
39	391.4		391.4	Audio Visual Equipment	5,372	0.00%	9.45%	508	4,402	970
40	391.6	k.	391.6	Purchased Software	6,692,163	0.00%	0.00%	531,175	3,681,829	3,010,334
41	391.8		391.8	Micro Computer Equipment	228,268	0.00%	10.61%	24,219	176,122	52,146
42	391.9		391.9	Computers & Electronic Equipment	1,564,663	4.06%	0.00%	63,525	214,263	1,350,400
43	392		392	Transportation Equipment	1,758	0.00%	10.00%	176	294	1,465
44	392.3		392.3	Transportation Equipment (Trucks 3/4 to 3 Ton)	799	0.00%	0.00%	-	813	(14)
45	392.5		392.5	Trailers	107	0.00%	5.55%	6	53	54
46	393		393	Stores Equipment	-	0.00%	0.00%	-	-	-
47	394		394	Tools, Shop & Garage	9,250	6.67%	5.97%	617	4,143	5,107
48	395		395	Laboratory Equipment	-	0.00%	0.00%	-	-	-
49	396		396	Major Work Equipment	-	0.00%	5.03%	-	(0)	0
50	397		397	Communication Equipment	525,997	6.66%	11.68%	35,752	127,794	398,203
51	398		398	Miscellaneous General Plant	2,892	6.67%	0.00%	193	1,427	1,466
52				Total General Plant	\$ 10,367,714			\$ 668,995	\$ 4,942,596	\$ 5,425,118
53										
54				Total Allocated Original Cost Plant in Service	\$ 10,367,714			\$ 668,995	\$ 4,942,596	\$ 5,425,118

INVESTMENT DETAIL - DIRECT AND ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	F.E.R.C. Account Titles (d)	Original Cost (e)	Annual Depreciation <sup>a</sup> (f)	Accumulated Depreciation <sup>b</sup> (g)	Net Plant (h)
1								
2								
3				1. INTANGIBLE PLANT				
4	301			301 Organization	\$ -	\$ -	\$ -	\$ -
5	302			302 Franchises & Consents	-	-	-	-
6	303			303 Misc. Intangible	-	-	6,332	(6,332)
7				Total Intangible Plant	\$ -	\$ -	\$ 6,332	\$ (6,332)
8								
9				2. PRODUCTION AND GATHERING PLANT				
10	325			325 Land & Land Rights	\$ -	\$ -	\$ -	\$ -
11	327			327 Field Compress Station Structures	-	-	-	-
12	328			328 Field Meas/Reg Station Structures	-	-	-	-
13	329			329 Other Structures	-	-	-	-
14	332			332 Field Lines	-	-	-	-
15	333			333 Field Compressor Station Equip	-	-	-	-
16	334			334 Field Meas/Reg Station Equipment	-	-	-	-
17	336			336 Purification Equipment	-	-	-	-
18	337			337 Other Equipment	-	-	-	-
19				Total Production and Gathering Plant	\$ -	\$ -	\$ -	\$ -
20								
21				4. TRANSMISSION PLANT				
22	365			365 Land & Land Rights	\$ -	\$ -	\$ -	\$ -
23	366			366 Structures & Improvements	-	-	-	-
24	367			367 Mains	1,181,377	21,265	(1,058,370)	2,239,747
25	368			368 Compressor Station Equip	-	-	-	-
26	369			369 Measure/Reg. Station Equipment	118,117	2,126	7,793	110,324
27	371			371 Other Equipment	-	-	-	-
28				Total Transmission Plant	\$ 1,299,494	\$ 23,391	\$ (1,050,577)	\$ 2,350,071
29								
30				5. DISTRIBUTION PLANT				
31	374			374 Land & Land Rights	\$ -	\$ -	\$ -	\$ -
32	375.1			375.1 Structures & Improvements	-	-	1,752	(1,752)
33	375.2			375.2 Other System Structures	7,944	214	245	7,699
34	376			376 Mains	6,351,940	119,416	1,737,384	4,614,556
35	377			377 Compressor Station Equipment	-	-	-	-
36	378			378 Meas. & Reg. Station - General	(99,504)	(1,771)	79,907	(179,412)
37	379			379 Meas. & Reg. Station - C.G.	40,774	616	28,263	12,512
38	380			380 Services	3,461,233	68,532	902,842	2,558,391
39	381			381 Meters	1,267,156	17,867	(7,136)	1,274,293
40	382			382 Meter Installations	1,658	56	(691)	2,349
41	383			383 House Regulators	276,645	2,849	8,564	268,081
42	385			385 Indust. Meas. & Reg. Stat. Equipment	519,295	8,568	82,702	436,593
43	386			386 Other Property on Customer Premises	-	-	10,458	(10,458)
44	387			387 Other Equipment	-	-	-	-
45				Total Distribution Plant	\$ 11,827,141	\$ 216,347	\$ 2,844,290	\$ 8,982,851
46								
47				6. GENERAL PLANT				
48	389			389 Land & Land Rights	\$ (279)	\$ -	\$ -	\$ (279)
49	390.1			390.1 Structures & Improvements	187,681	8,797	165,038	22,643
50	390.2			390.2 Leasehold Improvements	38,580	532	2,663	35,917
51	390.21			390.21 Leasehold Equipment EOL	(366)	1,475	1,470	(1,837)
52	391			391 Office Furniture & Equipment	144,985	16,805	711,508	(566,523)
53	391.4			391.4 Audio Visual Equipment	60,295	7,186	408	59,889
54	391.9			391.9 Computers & Electronic Equipment	1,068,945	82,011	94,500	974,445
55	392			392 Transportation Equipment	783,751	(5)	125,100	658,651
56	393			393 Stores Equipment	(21,733)	(1,387)	8,847	(30,580)
57	394			394 Tools, Shop & Garage Equipment	258,733	15,421	180,664	78,069
58	395			395 Laboratory Equip (CNG)	-	-	-	-
59	396			396 Power Operated Equipment	71,424	-	40,776	30,648
60	397			397 Communication Equipment	129,599	9,167	65,828	63,771
61	398			398 Miscellaneous General Plant	2,874	141	4,104	(1,229)
62				Total General plant	\$ 2,724,488	\$ 140,144	\$ 1,400,903	\$ 1,323,585
63								
64				Total Original Cost Plant in Service	\$ 15,851,124	\$ 379,882	\$ 3,200,949	\$ 12,650,174

INVESTMENT DETAIL - DIRECT

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

Line No.	NARUC Account No.	Note: (see note tab)	FERC Account No.	F. E. R. C. Account Titles	Original Cost	Annual Depreciation	Accumulated Depreciation <sup>a</sup>	Net Plant
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1								
2								
3				1. INTANGIBLE PLANT				
4	301		301	Organization	\$ -	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents	-	-	-	-
6	303		303	Misc. Intangible	-	-	6,332	(6,332)
7				Total Intangible Plant	\$ -	\$ -	\$ 6,332	\$ (6,332)
8								
9				2. PRODUCTION AND GATHERING PLANT				
10	325		325	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
11	327		327	Field Compress Station Structures	-	-	-	-
12	328		328	Field Meas/Reg Station Structures	-	-	-	-
13	329		329	Other Structures	-	-	-	-
14	332		332	Field Lines	-	-	-	-
15	333		333	Field Compressor Station Equip	-	-	-	-
16	334		334	Field Meas/Reg Station Equipment	-	-	-	-
17	336		336	Purification Equipment	-	-	-	-
18	337		337	Other Equipment	-	-	-	-
19				Total Production and Gathering Plant	\$ -	\$ -	\$ -	\$ -
20								
21				4. TRANSMISSION PLANT				
22	365		365	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
23	366		366	Structures & Improvements	-	-	-	-
24	367		367	Mains	1,181,377	-	(1,058,370)	2,239,747
25	368		368	Compressor Station Equip	-	-	-	-
26	369		369	Measure/Reg. Station Equipment	118,117	-	7,793	110,324
27	371		371	Other Equipment	-	-	-	-
28				Total Transmission Plant	\$ 1,299,494	\$ -	\$ (1,050,577)	\$ 2,350,071
29								
30				5. DISTRIBUTION PLANT				
31	374		374	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
32	375.1		375.1	Structures & Improvements	-	-	1,752	(1,752)
33	375.2		375.2	Other System Structures	7,944	-	245	7,699
34	376		376	Mains	6,351,940	-	1,737,384	4,614,556
35	377		377	Compressor Station Equipment	-	-	-	-
36	378		378	Meas. & Reg. Station - General	(99,504)	-	79,907	(179,412)
37	379		379	Meas. & Reg. Station - C G.	40,774	-	28,263	12,512
38	380		380	Services	3,461,233	-	902,842	2,558,391
39	381		381	Meters	1,267,156	-	(7,136)	1,274,293
40	382		382	Meter Installations	-	-	(691)	2,349
41	383		383	House Regulators	276,645	-	8,564	268,081
42	385		385	Indust. Meas. & Reg. Stat. Equipment	519,295	-	82,702	436,593
43	386		386	Other Property on Customer Premises	-	-	10,458	(10,458)
44	387		387	Other Equipment	-	-	-	-
45				Total Distribution Plant	\$ 11,827,141	\$ -	\$ 2,844,290	\$ 8,982,851
46					\$ 11,827,141			
47				6. GENERAL PLANT				
48	389		389	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
49	390.1		390.1	Structures & Improvements	188,461	-	165,038	23,423
50	390.2		390.2	Leasehold Improvements	41,477	-	2,663	38,814
51	390.21		390.21	Leasehold Equipment EOL	-	-	1,470	-
52	391		391	Office Furniture & Equipment	19,195	-	711,508	(692,313)
53	391.4		391.4	Audio Visual Equipment	60,435	-	406	-
54	391.9		391.9	Computers & Electronic Equipment	552,392	-	94,500	457,892
55	392		392	Transportation Equipment	783,820	-	125,100	658,720
56	393		393	Stores Equipment	(21,733)	-	8,847	(30,580)
57	394		394	Tools, Shop & Garage Equipment	258,668	-	180,664	78,004
58	395		395	Laboratory Equip (CNG)	-	-	-	-
59	396		396	Power Operated Equipment	71,424	-	40,776	30,648
60	397		397	Communication Equipment	110,909	-	65,828	45,081
61	398		398	Miscellaneous General Plant	1,674	-	4,104	(2,429)
62				Total General plant	\$ 2,066,723	\$ -	\$ 1,400,903	\$ 607,261
63								
64				Total Original Cost Plant in Service	\$ 15,193,358	\$ -	\$ 3,200,949	\$ 11,933,850

INVESTMENT DETAIL - ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Line No.	NARUC Account No.	Note: (see note tab)	FERC Account No.	F.E.R.C. Account Titles (d)	Original Cost (e)	Annual Depreciation (f)	Accumulated Depreciation <sup>h</sup> (g)	Net Plant (h)
	(a)	(b)	(c)					
1								
2								
3				INTANGIBLE PLANT				
4	301		301	Organization	\$ -	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents	-	-	-	-
6	303		303	Misc. Intangible	-	-	-	-
7				Total Intangible Plant	\$ -	\$ -	\$ -	\$ -
8								
9				TRANSMISSION PLANT				
10	367		367	Mains	\$ -	\$ -	\$ -	\$ -
11	369		369	Meas & Reg Stations Equip	-	-	-	-
12				Total Transmission Plant	\$ -	\$ -	\$ -	\$ -
13								
14				DISTRIBUTION PLANT				
15	374		374	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
16	375.1		375.1	Structures & Improvements	-	-	-	-
17	375.2		375.2	Other System Structures	-	-	-	-
18	376		376	Mains	-	-	-	-
19	377		377	Compressor Station Equipment	-	-	-	-
20	378		378	Meas. & Reg. Station - General	-	-	-	-
21	379		379	Meas. & Reg. Station - C.G.	-	-	-	-
22	380		380	Services	-	-	-	-
23	381		381	Meters	-	-	-	-
24	382		382	Meter Installations	-	-	-	-
25	383		383	House Regulators	-	-	-	-
26	385		385	Indust. Meas. & Reg. Stat. Equipment	-	-	-	-
27	386		386	Other Property on Customer Premises	-	-	-	-
28	387		387	Meas. & Reg. Stat. Equipment	-	-	-	-
29				Total Distribution Plant	\$ -	\$ -	\$ -	\$ -
30								
31				GENERAL PLANT				
32	389		389	Land & Land Rights	\$ (279)	\$ -	\$ -	\$ (279)
33	390.1		390.1	Structures & Improvements	(780)	(494)	3,166	(3,947)
34	390.2		390.2	Leasehold Improvements	(2,897)	-	800	(3,697)
35	390.21		390.21	Leasehold Equipment EOL	(366)	(38)	1,470	(1,837)
36	391		391	Office Furniture & Equipment	6,450	192	22,202	(15,753)
37	391.2		391.2	Data Processing Equipment	33,428	7,730	32,479	949
38	391.3		391.3	Office Machines	(33)	(2)	179	(212)
39	391.4		391.4	Audio Visual Equipment	(140)	(13)	406	(546)
40	391.6		391.6	Purchased Software	96,478	7,406	561,336	(464,859)
41	391.8		391.8	Micro Computer Equipment	(10,532)	755	20,283	(30,816)
42	391.9		391.9	Computers & Electronic Equipment	516,553	20,972	50,740	465,813
43	392		392	Transportation Equipment	(46)	(5)	173	(219)
44	392.3		392.3	Transportation Equipment (Trucks 3/4 to 3 Ton)	(21)	-	(21)	0
45	392.5		392.5	Trailers	(3)	(0)	5	(8)
46	393		393	Stores Equipment	-	-	-	-
47	394		394	Tools, Shop & Garage	65	5	645	(580)
48	395		395	Laboratory Equipment	-	-	-	-
49	396		396	Major Work Equipment	-	-	(0)	0
50	397		397	Communication Equipment	18,690	1,836	35,895	(17,204)
51	398		398	Miscellaneous General Plant	1,200	80	139	1,061
52				Total General Plant	\$ 657,766	\$ 38,423	\$ 729,898	\$ (72,132)
53								
54				Total Allocated Original Cost Plant in Service	\$ 657,766	\$ 38,423	\$ 729,898	\$ (72,132)

INVESTMENT DETAIL ADDITIONS - DIRECT AND ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	F. E. R. C. Account Titles (1) (d)	Original Cost (e)	Annual Depreciation* (g)	Accumulated Depreciation <sup>f</sup> (h)	Net Plant (i)
1								
2								
3				1. INTANGIBLE PLANT				
4	301	n.	301	Organization	\$ -	\$ -	\$ -	\$ -
5	302	n.	302	Franchises & Consents	-	-	-	-
6	303	n.	303	Misc. Intangible	-	-	6,332	(6,332)
7				Total Intangible Plant	\$ -	\$ -	\$ 6,332	\$ (6,332)
8								
9				2. PRODUCTION AND GATHERING PLANT				
10	325	n.	325	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
11	327	n.	327	Field Compress Station Structures	-	-	-	-
12	328	n.	328	Field Meas/Reg Station Structures	-	-	-	-
13	329	n.	329	Other Structures	-	-	-	-
14	332	n.	332	Field Lines	-	-	-	-
15	333	n.	333	Field Compressor Station Equip	-	-	-	-
16	334	n.	334	Field Meas/Reg Station Equipment	-	-	-	-
17	336	n.	336	Purification Equipment	-	-	-	-
18	337	n.	337	Other Equipment	-	-	-	-
19				Total Production and Gathering Plant	\$ -	\$ -	\$ -	\$ -
20								
21				4. TRANSMISSION PLANT				
22	365	n.	365	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
23	366	n.	366	Structures & Improvements	-	-	-	-
24	367	n.	367	Mains	2,096,508	37,737	(1,058,370)	3,154,878
25	368	n.	368	Compressor Station Equip	-	-	-	-
26	369	n.	369	Measure/Reg. Station Equipment	118,117	2,126	7,793	110,324
27	371	n.	371	Other Equipment	-	-	-	-
28				Total Transmission Plant	\$ 2,214,625	\$ 39,863	\$ (1,050,577)	\$ 3,265,202
29								
30				5. DISTRIBUTION PLANT				
31	374	n.	374	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
32	375.1	n.	375.1	Structures & Improvements	-	-	1,752	(1,752)
33	375.2	n.	375.2	Other System Structures	7,944	214	245	7,699
34	376	n.	376	Mains	6,774,824	127,367	1,737,384	5,037,440
35	377	n.	377	Compressor Station Equipment	-	-	-	-
36	378	n.	378	Meas. & Reg. Station - General	(433,706)	(7,720)	79,907	(513,613)
37	379	n.	379	Meas. & Reg. Station - C G.	41,091	620	28,263	12,829
38	380	n.	380	Services	3,483,603	68,975	902,842	2,580,761
39	381	n.	381	Meters	1,577,858	22,248	(7,136)	1,584,994
40	382	n.	382	Meter Installations	6,459	216	(691)	7,150
41	383	n.	383	House Regulators	347,982	3,584	8,564	339,418
42	385	n.	385	Indust. Meas. & Reg. Stat. Equipment	555,446	9,165	82,702	472,744
43	386	n.	386	Other Property on Customer Premises	-	-	10,458	(10,458)
44	387	n.	387	Other Equipment	-	-	-	-
45				Total Distribution Plant	\$ 12,361,503	\$ 224,670	\$ 2,844,290	\$ 9,517,212
46								
47				6. GENERAL PLANT				
48	389	n.	389	Land & Land Rights	\$ (356)	\$ -	\$ -	\$ (356)
49	390.1	n.	390.1	Structures & Improvements	195,229	9,560	165,038	30,191
50	390.2	n.	390.2	Leasehold Improvements	37,173	(49,606)	2,663	34,510
51	390.21	n.	390.21	Leasehold Equipment EOL	(468)	(55)	1,470	-
52	391	n.	391	Office Furniture & Equipment	149,621	4,143	711,914	(562,293)
53	391.9	n.	391.9	Computers & Electronic Equipment	1,061,542	81,711	94,500	967,042
54	392	n.	392	Transportation Equipment	792,636	(6)	125,100	667,536
55	393	n.	393	Stores Equipment	-	-	8,847	(8,847)
56	394	n.	394	Tools, Shop & Garage Equipment	258,668	15,417	180,664	78,004
57	395	n.	395	Laboratory Equip (CNG)	-	-	-	-
58	396	n.	396	Power Operated Equipment	71,424	-	40,776	30,648
59	397	n.	397	Communication Equipment	126,017	8,322	65,828	60,189
60	398	n.	398	Miscellaneous General Plant	2,862	140	4,104	(1,241)
61				Total General plant	\$ 2,694,348	\$ 69,625	\$ 1,400,903	\$ 1,295,383
62								
63				Total Original Cost Plant in Service	\$ 17,270,475	\$ 334,158	\$ 3,200,949	\$ 14,071,465

INVESTMENT DETAIL ADDITIONS - DIRECT

TEXAS GAS SERVICE COMPANY  
EL PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

Line No	NARUC Account No (a)	Note (see note tab) (b)	FERC Account No (c)	F E R C Account Titles (d)	Direct Original Cost (e)	RRC Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation <sup>9</sup> (h)	Net Plant (i)
1									
2									
3				1 INTANGIBLE PLANT					
4	301		301	Organization	\$ -	0.00%	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents	-	4.00%	-	-	-
6	303		303	Misc. Intangible	-	3.33%	-	6,332	(6,332)
7				Total Intangible Plant	\$ -		\$ -	\$ 6,332	\$ (6,332)
8									
9				2. PRODUCTION AND GATHERING PLANT					
10	325		325	Land & Land Rights	\$ -		\$ -	\$ -	\$ -
11	327		327	Field Compress Station Structures	-		-	-	-
12	328		328	Field Meas/Reg Station Structures	-		-	-	-
13	329		329	Other Structures	-		-	-	-
14	332		332	Field Lines	-		-	-	-
15	333		333	Field Compressor Station Equip	-		-	-	-
16	334		334	Field Meas/Reg Station Equipment	-		-	-	-
17	336		336	Purification Equipment	-		-	-	-
18	337		337	Other Equipment	-		-	-	-
19				Total Production and Gathering Plant	\$ -		\$ -	\$ -	\$ -
20									
21				4 TRANSMISSION PLANT					
22	365		365	Land & Land Rights	\$ -	0.00%	\$ -	\$ -	\$ -
23	366		366	Structures & Improvements	-	0.00%	-	-	-
24	367		367	Mains	2,096,508	1.80%	37,737	(1,058,370)	3,154,878
25	368		368	Compressor Station Equip	-	0.00%	-	-	-
26	369		369	Measure/Reg. Station Equipment	118,117	1.80%	2,126	7,793	110,324
27	371		371	Other Equipment	-	0.00%	-	-	-
28				Total Transmission Plant	\$ 2,214,625		\$ 39,863	\$ (1,050,577)	\$ 3,265,202
29									
30				5 DISTRIBUTION PLANT					
31	374		374	Land & Land Rights	\$ -	0.00%	\$ -	\$ 0	\$ -
32	375.1		375.1	Structures & Improvements	-	2.29%	-	1,752	(1,752)
33	375.2		375.2	Other System Structures	7,944	2.69%	214	245	7,699
34	376		376	Mains	6,774,824	1.88%	127,367	1,737,384	5,037,440
35	377		377	Compressor Station Equipment	-	0.00%	-	-	-
36	378		378	Meas & Reg. Station - General	(433,706)	1.78%	(7,720)	79,907	(513,613)
37	379		379	Meas & Reg. Station - C G	41,091	1.51%	620	28,263	12,829
38	380		380	Services	3,483,603	1.98%	68,975	902,842	2,580,761
39	381		381	Meters	1,577,858	1.41%	22,248	(7,136)	1,584,994
40	382		382	Meter Installations	6,459	3.35%	216	(691)	7,150
41	383		383	House Regulators	347,982	1.03%	3,584	8,564	339,418
42	385		385	Indust. Meas & Reg. Stat. Equipment	555,446	1.65%	9,165	82,702	472,744
43	386		386	Other Property on Customer Premises	-	1.88%	-	10,458	(10,458)
44	387		387	Other Equipment	-	0.00%	-	-	-
45				Total Distribution Plant	\$ 12,361,503		\$ 224,670	\$ 2,844,290	\$ 9,517,212
46									
47				6 GENERAL PLANT					
48	389		389	Land & Land Rights	\$ -	0.00%	\$ -	\$ -	\$ -
49	390.1		390.1	Structures & Improvements	196,226	4.93%	9,674	161,872	34,354
50	390.2		390.2	Leasehold Improvements	41,477	4.93%	2,045	1,863	39,614
51	390.21		390.21	Leasehold Equipment EOL	-	0.00%	-	-	-
52	391		391	Office Furniture & Equipment	79,630	6.49%	5,168	75,028	4,602
53	391.4		391.4	Audio Visual Equipment	-	0.00%	-	-	-
54	391.9		391.9	Computers & Electronic Equipment	552,392	11.05%	61,039	43,760	508,632
55	392		392	Transportation Equipment	792,725	0.00%	-	124,944	667,781
56	393		393	Stores Equipment	-	6.38%	-	8,847	(8,847)
57	394		394	Tools, Shop & Garage Equipment	258,668	5.96%	15,417	180,019	78,649
58	395		395	Laboratory Equip (CNG)	-	0.00%	-	-	-
59	396		396	Power Operated Equipment	71,424	0.00%	-	40,776	30,648
60	397		397	Communication Equipment	110,909	6.61%	7,331	29,933	80,975
61	398		398	Miscellaneous General Plant	1,674	3.65%	61	3,964	(2,290)
62				Total General plant	\$ 2,105,126		\$ 100,735	\$ 671,005	\$ 1,434,120
63									
64				Total Original Cost Plant in Service	\$ 16,681,253		\$ 365,268	\$ 2,471,051	\$ 14,210,202

INVESTMENT DETAIL ADDITIONS - ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY

EL PASO SERVICE AREA

FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011

ENVIRONS GRIP FILING

Line No.	NARUC Account No.	FERC Account No.	F. E. R. C. Account Titles (1)	Division Original Cost (e)	Allocated to El Paso 37.2860% (f)	Corporate Original Cost (g)	Allocated to El Paso 37.2860% (h)	Division Depreciation Rate (i)	Corporate Depreciation Rate (j)	Annual Depreciation (k)	Accumulated Depreciation (l)	Net Plant (m)
1												
2												
3												
4	301	J	301 Organization	\$ -	\$ -	\$ -	\$ -	0.0000%	0.0000%	\$ -	\$ -	\$ -
5	302	J	302 Franchises & Consents	-	-	-	-	0.0000%	0.0000%	-	-	-
6	303	J	303 Misc Intangible	-	-	-	-	0.0000%	0.0000%	-	-	-
7			Total Intangible Plant	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
8												
9			TRANSMISSION PLANT									
10	367	J	367 Mains	\$ -	\$ -	\$ -	\$ -	0.0000%	0.0000%	\$ -	\$ -	\$ -
11	369	J	369 Meas & Reg Stations Equip	-	-	-	-	0.0000%	0.0000%	-	-	-
12			Total Transmission Plant	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
13												
14			DISTRIBUTION PLANT									
15	374	J	374 Land & Land Rights	\$ -	\$ -	\$ -	\$ -	0.0000%	0.0000%	\$ -	\$ -	\$ -
16	375.1	J	375.1 Structures & Improvements	-	-	-	-	0.0000%	0.0000%	-	-	-
17	375.2	J	375.2 Other System Structures	-	-	-	-	0.0000%	0.0000%	-	-	-
18	376	J	376 Mains	-	-	-	-	0.0000%	0.0000%	-	-	-
19	377	J	377 Compressor Station Equipment	-	-	-	-	0.0000%	0.0000%	-	-	-
20	378	J	378 Meas. & Reg. Station - General	-	-	-	-	0.0000%	0.0000%	-	-	-
21	379	J	379 Meas. & Reg. Station - C. G.	-	-	-	-	0.0000%	0.0000%	-	-	-
22	380	J	380 Services	-	-	-	-	0.0000%	0.0000%	-	-	-
23	381	J	381 Meters	-	-	-	-	0.0000%	0.0000%	-	-	-
24	382	J	382 Meter Installations	-	-	-	-	0.0000%	0.0000%	-	-	-
25	383	J	383 House Regulators	-	-	-	-	0.0000%	0.0000%	-	-	-
26	385	J	385 Indust. Meas. & Reg. Stat. Equipment	-	-	-	-	0.0000%	0.0000%	-	-	-
27	386	J	386 Other Property on Customer Premises	-	-	-	-	0.0000%	0.0000%	-	-	-
28	387	J	387 Meas. & Reg. Stat. Equipment	-	-	-	-	0.0000%	0.0000%	-	-	-
29			Total Distribution Plant	\$ -	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
30												
31			GENERAL PLANT									
32	389	J	389 Land & Land Rights	\$ -	\$ -	\$ (948)	\$ (356)	0.0000%	0.0000%	\$ -	\$ -	\$ (356)
33	390.1	J	390.1 Structures & Improvements	-	-	(2,656)	(997)	-85.3100%	11.4500%	(114)	3,166	(4,164)
34	390.2	J	390.2 Leasehold Improvements	-	-	(11,463)	(4,304)	0.0000%	1200.0000%	(51,651)	800	(5,104)
35	390.21	J	390.21 Leasehold Equipment EOL	-	-	(1,247)	(466)	0.0000%	117647%	(55)	1,470	(1,938)
36	391	J	391 Office Furniture & Equipment	17,890	6,718	(7,065)	(2,660)	6.6600%	5.8800%	291	22,202	(18,145)
37	391.2	J	391.2 Data Processing Equipment	-	-	75,764	28,449	0.0000%	0.0000%	-	32,479	(4,031)
38	391.3	J	391.3 Office Machines	-	-	(112)	(42)	0.0000%	5.9900%	(3)	179	(221)
39	391.4	J	391.4 Audio Visual Equipment	-	-	(476)	(179)	0.0000%	9.4500%	(17)	406	(585)
40	391.6	J	391.6 Purchased Software	-	-	132,956	49,924	0.0000%	0.0000%	-	561,336	(511,413)
41	391.8	J	391.8 Micro Computer Equipment	-	-	(32,539)	(12,218)	0.0000%	10.6100%	(1,296)	20,283	(32,502)
42	391.9	J	391.9 Computers & Electronic Equipment	-	-	(156)	(59)	4.0600%	0.0000%	20,671	50,740	458,409
43	392	J	392 Transportation Equipment	1,355,960	509,150	(71)	(27)	0.0000%	10.0000%	(6)	173	(231)
44	392.3	J	392.3 Transportation Equipment (Trucks 3/4 to 3 Ton)	-	-	(10)	(4)	0.0000%	0.0000%	(0)	5	(8)
45	392.5	J	392.5 Trailers	-	-	(10)	(4)	0.0000%	5.5500%	(0)	5	(8)
46	393	J	393 Stores Equipment	-	-	-	-	0.0000%	0.0000%	-	-	(645)
47	394	J	394 Tools, Shop & Garage	-	-	-	-	6.6700%	5.9700%	-	645	(645)
48	395	J	395 Laboratory Equipment	-	-	-	-	0.0000%	0.0000%	-	-	-
49	396	J	396 Major Work Equipment	-	-	-	-	0.0000%	0.0000%	-	-	-
50	397	J	397 Communication Equipment	41,063	15,419	(825)	(310)	0.0000%	5.0300%	-	(0)	0
51	398	J	398 Miscellaneous General Plant	3,164	1,188	-	-	6.6600%	11.6800%	991	35,895	(20,786)
52			Total General Plant	\$ 1,418,077	\$ 532,474	\$ 151,132	\$ 56,748	6.6700%	0.0000%	\$ (31,110)	\$ 729,898	\$ (140,676)
53												
54			Total Allocated Original Cost Plant in Service	\$ 1,418,077	\$ 532,474	\$ 151,132	\$ 56,748			\$ (31,110)	\$ 729,898	\$ (140,676)



## FOOTNOTES

TEXAS GAS SERVICE COMPANY  
EI PASO SERVICE AREA  
FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
ENVIRONS GRIP FILING

### Use for Footnotes

- a. IRA-6 - Original Column Heading changed from YEAR 1
- b. IRA-6 - Original Column Heading changed from YEAR 2  
IRA-7b & IRA-8b - See ICR WKP 3b for All Division and Corporate Depreciation Rates and
- c. Calculation of Annual Depreciation Expense
- d. IRA-7b & IRA-8b - See ICR WKP 2d.2 for Calculation of Accumulated Depreciation.
- e. IRA-9 & IRA-10- Annual Depreciation is the Difference between balances in column (f ) on IRA-8 and IRA-7.
- f. IRA-9 & IRA-10 - Accumulated Depreciation is the difference between balances in column (g) on IRA-8 and IRA-7
- g. IRA-9a & IRA-10a - Accumulated Depreciation is the difference between balances in column (h) on IRA-8a and IRA-7a
- h. IRA-9b & IRA-10b - Accumulated Depreciation is the difference between balances in column (i) on IRA-8b and IRA-7b
- i. IRA-10a - Change in Annual Depreciation Expense calculated on plant additions.  
IRA-10b - Corporate and Division change in Annual Depreciation Expense calculated on plant additions. Refer to ICR Schedules, WKP 3b for additional detail on how these amounts are
- j. calculated.
- k. IRA-7b, IRA-8b & IRA-10b - For Depreciation Rates refer to ICR Schedules, WKP 3b.
- l. IRA-7 - Depreciation Rates Supplied on IRA-7a and IRA-7b
- m. IRA-8 - Depreciation Rates Supplied on IRA-8a and IRA-8b
- n. IRA-10 - Depreciation Rates shown on IRA-10a and IRA-10b

INVESTMENT DETAIL RETIREMENTS - DIRECT AND ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see note lab) (b)	FERC Account No. (c)	F.E.R.C. Account Titles (1) (d)	Direct Original Cost (e)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)
1								
2								
3				1. INTANGIBLE PLANT				
4	301		301	Organization	\$ -	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents	-	-	-	-
6	303		303	Misc. Intangible	-	-	-	-
7				Total Intangible Plant	\$ -	\$ -	\$ -	\$ -
8								
9				2. PRODUCTION AND GATHERING PLANT				
10	325		325	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
11	327		327	Field Compress Station Structures	-	-	-	-
12	328		328	Field Meas/Reg Station Structures	-	-	-	-
13	329		329	Other Structures	-	-	-	-
14	332		332	Field Lines	-	-	-	-
15	333		333	Field Compressor Station Equip	-	-	-	-
16	334		334	Field Meas/Reg Station Equipment	-	-	-	-
17	336		336	Purification Equipment	-	-	-	-
18	337		337	Other Equipment	-	-	-	-
19				Total Production and Gathering Plant	\$ -	\$ -	\$ -	\$ -
20								
21				4. TRANSMISSION PLANT				
22	365		365	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
23	366		366	Structures & Improvements	-	-	-	-
24	367		367	Mains	(915,131)	-	-	(915,131)
25	368		368	Compressor Station Equip	-	-	-	-
26	369		369	Measure/Reg. Station Equipment	-	-	-	-
27	371		371	Other Equipment	-	-	-	-
28				Total Transmission Plant	\$ (915,131)	\$ -	\$ -	\$ (915,131)
29								
30				5. DISTRIBUTION PLANT				
31	374		374	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
32	375.1		375.1	Structures & Improvements	-	-	-	-
33	375.2		375.2	Other System Structures	-	-	-	-
34	376		376	Mains	(88,683)	-	-	(88,683)
35	377		377	Compressor Station Equipment	-	-	-	-
36	378		378	Meas. & Reg. Station - General	-	-	-	-
37	379		379	Meas. & Reg. Station - C.G.	(317)	-	-	(317)
38	380		380	Services	(22,370)	-	-	(22,370)
39	381		381	Meters	(315,503)	-	-	(315,503)
40	382		382	Meter Installations	-	-	-	-
41	383		383	House Regulators	(71,337)	-	-	(71,337)
42	385		385	Indust. Meas. & Reg. Stat. Equipment	(36,151)	-	-	(36,151)
43	386		386	Other Property on Customer Premises	-	-	-	-
44	387		387	Other Equipment	-	-	-	-
45				Total Distribution Plant	\$ (534,361)	\$ -	\$ -	\$ (534,361)
46								
47				6. GENERAL PLANT				
48	389		389	Land & Land Rights	\$ -	\$ -	\$ -	\$ -
49	390.1		390.1	Structures & Improvements	(7,765)	-	-	(7,765)
50	390.2		390.2	Leasehold Improvements	-	-	-	-
51	391		391	Office Furniture & Equipment	-	-	-	-
52	391.9		391.9	Computers & Electronic Equipment	-	-	-	-
53	392		392	Transportation Equipment	(8,905)	-	-	(8,905)
54	393		393	Stores Equipment	(21,733)	-	-	(21,733)
55	394		394	Tools, Shop & Garage Equipment	-	-	-	-
56	395		395	Laboratory Equip (CNG)	-	-	-	-
57	396		396	Power Operated Equipment	-	-	-	-
58	397		397	Communication Equipment	-	-	-	-
59	398		398	Miscellaneous General Plant	-	-	-	-
60				Total General plant	\$ (38,403)	\$ -	\$ -	\$ (38,403)
61								
62				Total Original Cost Plant in Service	\$ (1,487,895)	\$ -	\$ -	\$ (1,487,895)

INVESTMENT DETAIL RETIREMENTS - DIRECT

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	F E.R.C. Account Titles (d)	Direct Original Cost (e)	RRC Approved Depreciation Rate (f)	Annual Depreciation (g)	Accumulated Depreciation (h)	Net Plant (i)
1									
2									
3				1. INTANGIBLE PLANT					
4	301		301	Organization	\$ -	0.00%	\$ -	\$ -	\$ -
5	302		302	Franchises & Consents	-	4.00%	-	-	-
6	303		303	Misc. Intangible	-	3.33%	-	-	-
7				Total Intangible Plant	\$ -		\$ -	\$ -	\$ -
8									
9				2. PRODUCTION AND GATHERING PLANT					
10	325		325	Land & Land Rights	\$ -		\$ -	\$ -	\$ -
11	327		327	Field Compress Station Structures	-		-	-	-
12	328		328	Field Meas/Reg Station Structures	-		-	-	-
13	329		329	Other Structures	-		-	-	-
14	332		332	Field Lines	-		-	-	-
15	333		333	Field Compressor Station Equip	-		-	-	-
16	334		334	Field Meas/Reg Station Equipment	-		-	-	-
17	336		336	Purification Equipment	-		-	-	-
18	337		337	Other Equipment	-		-	-	-
19				Total Production and Gathering Plant	\$ -		\$ -	\$ -	\$ -
20									
21				4 TRANSMISSION PLANT					
22	365		365	Land & Land Rights	\$ -	0.00%	\$ -	\$ -	\$ -
23	366		366	Structures & Improvements	-	0.00%	-	-	-
24	367		367	Mains	(915,131)	1.80%	-	-	(915,131)
25	368		368	Compressor Station Equip	-	0.00%	-	-	-
26	369		369	Measure/Reg. Station Equipment	-	1.80%	-	-	-
27	371		371	Other Equipment	-	0.00%	-	-	-
28				Total Transmission Plant	\$ (915,131)		\$ -	\$ -	\$ (915,131)
29									
30				5. DISTRIBUTION PLANT					
31	374		374	Land & Land Rights	\$ -	0.00%	\$ -	\$ -	\$ -
32	375.1		375.1	Structures & Improvements	-	2.29%	-	-	-
33	375.2		375.2	Other System Structures	-	2.69%	-	-	-
34	376		376	Mains	(88,683)	1.88%	-	-	(88,683)
35	377		377	Compressor Station Equipment	-	0.00%	-	-	-
36	378		378	Meas. & Reg. Station - General	-	1.78%	-	-	-
37	379		379	Meas. & Reg. Station - C.G.	(317)	1.51%	-	-	(317)
38	380		380	Services	(22,370)	1.98%	-	-	(22,370)
39	381		381	Meters	(315,503)	1.41%	-	-	(315,503)
40	382		382	Meter Installations	-	3.35%	-	-	-
41	383		383	House Regulators	(71,337)	1.03%	-	-	(71,337)
42	385		385	Indust. Meas. & Reg. Stat. Equipment	(36,151)	1.65%	-	-	(36,151)
43	386		386	Other Property on Customer Premises	-	1.88%	-	-	-
44	387		387	Other Equipment	-	0.00%	-	-	-
45				Total Distribution Plant	\$ (534,361)		\$ -	\$ -	\$ (534,361)
46									
47				6. GENERAL PLANT					
48	389		389	Land & Land Rights	\$ -	0.00%	\$ -	\$ -	\$ -
49	390.1		390.1	Structures & Improvements	(7,765)	4.93%	-	-	(7,765)
50	390.2		390.2	Leasehold Improvements	-	4.93%	-	-	-
51	390.21		390.21	Leasehold Equipment EOL	-	0.00%	-	-	-
52	391		391	Office Furniture & Equipment	-	6.49%	-	-	-
53	391.9		391.9	Computers & Electronic Equipment	-	11.05%	-	-	-
54	392		392	Transportation Equipment	(8,905)	11.05%	-	-	(8,905)
55	393		393	Stores Equipment	(21,733)	0.00%	-	-	(21,733)
56	394		394	Tools, Shop & Garage Equipment	-	6.38%	-	-	-
57	395		395	Laboratory Equip (CNG)	-	5.96%	-	-	-
58	396		396	Power Operated Equipment	-	0.00%	-	-	-
59	397		397	Communication Equipment	-	0.00%	-	-	-
60	398		398	Miscellaneous General Plant	-	6.61%	-	-	-
61				Total General plant	\$ (38,403)		\$ -	\$ -	\$ (38,403)
62									
63				Total Original Cost Plant in Service	\$ (1,487,895)		\$ -	\$ -	\$ (1,487,895)

INVESTMENT DETAIL RETIREMENTS - ALLOCATED CORPORATE AND DIVISION

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Line No.	NARUC Account No. (a)	Note: (see note tab) (b)	FERC Account No. (c)	F.E.R.C. Account Titles (d)	Allocated Corporate and Division Original Cost (e)	Allocated to El Paso 37.2860% (f)	Depreciation Rate (g)	Annual Depreciation (h)	Accumulated Depreciation to El Paso (i)	Net Plant (j)
					\$ -	\$ -		\$ -	\$ -	\$ -
					\$ -	\$ -		\$ -	\$ -	\$ -
				Total	\$ -	\$ -		\$ -	\$ -	\$ -

WEIGHTED AVERAGE COST OF CAPITAL

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA

FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Per Last Rate Case:  
 Docket Nos. 9988 & 10069

Line No.	Description	Investment Balance (a)	Percent of Total (b)	Cost (c)	Weighted Cost (d)
1	Common Equity	\$ 60,044,780	0.5924	10.330%	6.11949%
2	Preferred Stock				
3	Preferred Trust Securities				
4	Long-Term Debt	\$ 41,313,728	0.4076	6.210%	2.53120%
5	Short-Term Debt				
6	Total	\$ 101,358,509	100%		8.65069%

ALLOCATION OF INVESTMENT RECOVERY

TEXAS GAS SERVICE COMPANY  
 EL PASO SERVICE AREA  
 FOR THE PERIOD BEGINNING JANUARY 1, 2011, AND ENDING DECEMBER 31, 2011  
 ENVIRONS GRIP FILING

Allocation Factors Per Rate Case - Docket Nos. 9988 & 10069	
Residential	0.7782
Commercial and Commercial A/C	0.1421
Industrial and Stand By	0.0061
Public Authority and Public Authority A/C	0.0379
Municipal Water Pumping	0.0036
Standard Transportation	0.0321
Total System	<u>1.00</u>

Allocation Factors Requested in this filing	
Residential	0.7782
Commercial and Commercial A/C	0.1421
Industrial and Stand By	0.0061
Public Authority and Public Authority A/C	0.0379
Municipal Water Pumping	0.0036
Standard Transportation	0.0321
Total System	<u>1.0000</u>

New Investment Recovery Distribution		
Requested Recovery Amount		\$ 1,396,514
Residential	0.7782	1,086,737
Commercial and Commercial A/C	0.1421	198,482
Industrial and Stand By	0.0061	8,473
Public Authority and Public Authority A/C	0.0379	52,879
Municipal Water Pumping	0.0036	5,048
Standard Transportation	0.0321	44,895
Total System	<u>1.0000</u>	<u>\$ 1,396,514</u>