

**RAILROAD COMMISSION OF TEXAS**

<b>APPLICATION OF EASTRANS, LLC. PURSUANT TO NGPA SECTION 311 FOR REVIEW OF THE REASONABLENESS OF A TRANSPORTATION RATE.</b>	§ § § §	<b>GAS UTILITIES DOCKET NO. 10276</b>
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**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, *et seq.* (Vernon 2007 and Supp. 2013). The Railroad Commission of Texas adopts the following findings of fact, conclusions of law, and orders as follows:

**FINDINGS OF FACT**

1. EasTrans, LLC (“EasTrans” or “Applicant”) owns and operates an intrastate natural gas pipeline within the State of Texas.
2. On May 22, 2013, EasTrans filed with the Railroad Commission of Texas (Commission) an application for review of the reasonableness of a transportation rate under Section 311 of the NGPA.
3. On July 1, 2013, EasTrans filed direct testimony and accompanying schedules supporting the application.
4. On October 24, 2013, EasTrans filed with this Commission additional information and exhibits supporting the application.
5. On November 6, 2013, EasTrans filed responses to the Commission’s second set of inquiries affirming that expenses included in the Cost of Service calculation fully complied with 16 TEX. ADMIN. CODE § 7.5414 (2009).
6. It is reasonable to use EasTrans’ actual Capital Structure as of March 2013, consisting of debt and 48.55% equity, in determining the Rate of Return.
7. It is reasonable to use EasTrans’ actual Cost of Debt, 3.42%, in determining the Rate of

Return.

8. EasTrans' proposed Return on Equity of 12.25% was found to be reasonable.
9. EasTrans' proposed Rate of Return of 7.71% was found to be reasonable.
10. Applicant seeks the same referenced transportation rate previously approved by the Commission in GUD Nos. 7836, 8385, 8657, 9140, 9386, 9659 and 9857.
11. Applicant does not seek to change or modify any existing intrastate rates.
12. Due notice of this proceeding was served on all persons for whom Applicant performs NGPA § 311(a)(2) transportation services.
13. This docket was processed informally without an evidentiary hearing. No motion to intervene or statement of protest was filed.
14. EasTrans has shown that the requested rate of \$0.1773 per MMBtu for providing natural gas transportation service is fair and equitable and not in excess of a cost-based rate.

#### CONCLUSIONS OF LAW

1. EasTrans, LLC is an intrastate "gas utility" pursuant to TEX. UTIL. CODE § 101.003(7) (Vernon 2007 and Supp. 2013), § 121.001(a) (Vernon 2007).
2. Applicant transports natural gas on behalf of others pursuant to § 311(a)(2) of the Natural Gas Policy Act of 1978, 15 U.S.C. § 3371, *et seq.*, and 18 C.F.R. 284.121-126 (2009).
3. The application is properly before the Commission pursuant to 15 U.S.C. § 3371, *et seq.*, and TEX. UTIL. CODE § 121.151 (Vernon 2007).
4. A transportation rate of \$0.1773 per MMBtu is determined to be within the meaning of fair and equitable as per 15 U.S.C. §3371 and is not in excess of a cost-based rate.

**THE RAILROAD COMMISSION OF TEXAS** hereby finds that the rate of \$ 0.1773 per MMBtu for transportation service by EasTrans, LLC is fair and equitable and not in excess of a cost-based rate.

**IT IS FURTHER ORDERED** that all proposed findings of fact and conclusions of law not

specifically adopted herein are **DENIED**.

**SIGNED** this 18th day of December, 2013.

**RAILROAD COMMISSION OF TEXAS**

  
BARRY T. SMITHERMAN, CHAIRMAN

  
DAVID PORTER, COMMISSIONER

  
CHRISTI CRADDICK, COMMISSIONER

ATTEST:

SECRETARY

