

FIRST AMENDED
PROPOSAL FOR DECISION
ATTACHMENT D

Decision Summary - GUD No. 10506

| | | | | |
|-----------------|---|---------------|---|---------------|
| Note (1) | Revenue Requirement Requested: | \$ 82,613,050 | Revenue Requirement Recommended: | \$78,171,546 |
| Note (2) | Increase Requested in Revenues Requested: | \$ 13,245,440 | Change from Request: | (\$4,441,503) |
| | | | Total Increase in Revenues Recommended: | \$8,803,936 |

(1) Original Revenue Requirement Request was \$82,124,177; Increased \$58,561 via May 11, 2016 Errata Filing; Increased \$430,312 via June 30, 2016 Rebuttal Filing

(2) Noticed Increase is \$12.76 million; Noticed Proposed Volumetric Rate is \$0.00587; Errata Proposed Volumetric Rate is \$0.00637

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans | |
|-------------|---|------------|--------------|------------|--------------|------------|------------|------------|----------------|------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs | |
| Residential | Proposed Customer Charge | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 |
| | Recommended | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 |
| | Proposed Usage Charge Note (2) | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 |
| | Recommended - All | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 |
| | Average Monthly Usage (Ccf) | 38 | 38 | 58 | 58 | 43 | 43 | 43 | 43 | 43 |
| | Average Monthly Bill--Proposed Rates | \$ 22.22 | \$ 22.22 | \$ 22.34 | \$ 22.34 | \$ 22.25 | \$ 22.25 | \$ 22.25 | \$ 22.25 | \$ 22.25 |
| | Average Monthly Bill--Recommended Rates | \$ 20.35 | \$ 20.35 | \$ 22.80 | \$ 22.80 | \$ 20.96 | \$ 20.96 | \$ 20.96 | \$ 20.96 | \$ 20.96 |
| | Average Monthly Bill -- Current Rates | \$ 16.73 | \$ 15.70 | \$ 19.80 | \$ 17.57 | \$ 30.91 | \$ 12.52 | \$ 17.73 | \$ 21.36 | \$ 16.08 |

Rates and bill impacts for the remaining classes are found on "Examiner 2". Bill impacts exclude the cost of gas and only include the customer charge and usage charge

| Decision | Issue | Recommendation Adopt = 1 Deny = 0 | Schedule Impacted | Element Impacted | Revenue Req Impact** | Adjustment |
|--|---|---|---|---|----------------------------|---|
| 1 | Tapping Fees (Staff) Rate Base Addition | 0 | WKP C.a. Direct Plant | J43 J48 | \$88,956 | \$ 411,777 \$ 212,027 |
| 2 | CWC Adjustment (CEP) | 0 | SCH B-6 CWC | Q43 | (\$73,129) | (\$666,367) |
| 3 | Base Payroll Adjustment (CEP) | 0 | SCH G-4 Base Payroll | D36 E36 F36 | (\$650,398) | (\$308,227) (\$109,430) (\$174,908) |
| 4 | Overtime Payroll Adjustment (CEP) | 0 | SCH G-5 Overtime Payroll | D36 E36 F36 | (\$59,884) | (\$56,115) \$3,474 (\$1,605) |
| SERP Expense | | | | | | |
| 5 | Remove All (CEP) | 0 | SCH G-6 Benefits & PR Taxes | E75 G75 I75 | (\$74,866) | (\$1,805) (\$1,016) (\$71,010) |
| | or | | | | | |
| | Limited to Direct Payroll (Examiners) | 1 | Sch G-6 Benefits & PR Taxes | G75 I75 | (\$73,036) | (\$1,016) (\$71,010) |
| Short-Term Incentive Compensation | | | | | | |
| 6 | Alternative -- Remove Officer and Executive (TGS) | 0 | SCH G-8 Incentive Comp | D36 E36 | (\$600,903) | (\$297,833) (\$297,833) |
| | or | | | | | |
| | Primary -- Remove 90% (CEP) | 0 | SCH G-8 Incentive Comp | D36 E36 | (\$2,087,791) | (\$1,239,311) (\$665,070) |
| | or | | | | | |
| | Alternative -- Remove 50% (CEP) | 0 | SCH G-8 Incentive Comp | D36 E36 | (\$1,218,301) | (\$557,464) (\$557,464) |
| | or | | | | | |
| Remove modifier, Remove 50% (Examiners) | 1 | SCH G-8 Incentive Comp | D36 E36 | (\$1,548,860) | (\$921,005) (\$491,754) | |

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| Note (2) | Increase Requested in Revenues Requested: | \$ 13,245,440 | Change from Request: | (\$4,441,503) |
| | | | Total Increase in Revenues Recommended: | \$8,803,936 |

| Decision | Issue | Recommendation Adopt = 1 Deny = 0 | Schedule Impacted | Element Impacted | Revenue Req Impact** | Adjustment |
|----------|---|--|--|----------------------|-------------------------|--------------|
| | Long-Term Incentive Compensation | | | | | |
| | Alternative -- Remove Officer and Executive (TGS) | 0 | SCH G-8 Incentive Comp | | (\$309,706) | |
| | | | Shared Services Payroll | D36 | | (\$152,713) |
| | or | | Distrigas Payroll | E36 | | (\$152,713) |
| 7 | Remove 100% (CEP) | 0 | SCH G-8 Incentive Comp | | (\$605,875) | |
| | | | Shared Services Payroll | D36 | | (\$153,640) |
| | or | | Distrigas Payroll | E36 | | (\$443,862) |
| | 0% Financial Performance, 50% Retention (Examiners) | 1 | SCH G-8 Incentive Comp | | (\$493,603) | |
| | | | Shared Services Payroll | D36 | | (\$108,972) |
| | | | Distrigas Payroll | E36 | | (\$377,810) |
| | Payroll Tax Adjustment | (Dependent on Decisions 3,4 and 6 above) | Examiner 4 SCH G-9 Misc Adj | | included in 3,4,6 | \$0 |
| | | | EPSA Direct Payroll | E14 | | (\$82,306) |
| | | | Shared Services Payroll | F14 | | (\$32,391) |
| | | | Distrigas Payroll | G14 | | |
| 8 | Injuries & Damages Adjustment | 0 | SCH G-13 Inj & Dam | G33 | (\$15,918) | (\$15,697) |
| 9 | Journey Project and Expenses | 0 | WKP C.c Corp Plant | | (\$1,201,908) | |
| | | | ODC Distrigas - Corporate per Book | C70 | | (68,907,862) |
| | | | ODC Distrigas - 2013 Meals and Hotel | H70 | | 4,830 |
| | | | ODC Distrigas - 2015 Meals and Hotel | J70 | | 3,193 |
| | | | Employee Count - Corporate per Book | C71 | | (1,848,836) |
| | | | WKP C.c.1 Post Test Year | | | |
| | | | ODC Distrigas - Corporate per Book | C70 | | (69,289,871) |
| | | | ODC Distrigas - 2013 Meals and Hotel | H70 | | 4,830 |
| | | | ODC Distrigas - 2015 Meals and Hotel | J70 | | 3,193 |
| | | | Employee Count - Corporate per Book | C71 | | (1,848,836) |
| | | | WKP D.c Corp Reserves | | | |
| | | | ODC Distrigas - Corporate per Book | C73 | | (2,905,738) |
| | | | Employee Count - Corporate per Book | C74 | | (211,535) |
| | | | WKP D.c.1 Post Test Year | | | |
| | | | ODC Distrigas - Corporate per Book | C71 | | (4,623,779) |
| | | | Employee Count - Corporate per Book | C72 | | (257,756) |
| | | | WKP G.a.2.a | | | |
| | | | Acct 8700 Distr Gen Supervision | G118 | | (292) |
| | | | Acct 8800 Distr Other ODC Distrigas All | G190 | | (14,878) |
| | | | Acct 8800 Distr Other Expense | H191 | | (6,107) |
| | | | Acct 9200 A&G Salaries | G423 | | (6,414) |
| | | | Acct 9200 A&G Salaries Contra Labor | G424 | | (179) |
| | | | Acct 9210 A&G Supplies & Expense Mis | G603 | | (1,078) |
| | | | Acct 9210 S&E Cellular Phones | G604 | | (272) |
| | | | Acct 9230 A&G Outside SVC Misc | G952 | | (159) |

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| Note (2) | Increase Requested in Revenues Requested: | \$ 13,245,440 | Change from Request: | (\$4,441,503) |
| | | | Total Increase in Revenues Recommended: | \$8,803,936 |

| Decision | Issue | Recommendation Adopt = 1 Deny = 0 | Schedule Impacted | Element Impacted | Revenue Req Impact** | Adjustment |
|----------|--|---|--|--|-------------------------|------------|
| 10 | City of El Paso - Primary Recommendation Maintain GUD No. 9988 Depreciation Rates | 0 | WKP G-15.a.1 Direct | | (\$3,127,781) | |
| | | | 367 Mains | | | 1.80% |
| | | | 369 Meas. And Reg. Station Equipment | | | 1.86% |
| | | | 375.1 Structures and Improvements | | | 2.29% |
| | | | 375.2 Other System Structures | | | 2.69% |
| | | | 376 Mains | | | 1.88% |
| | | | 376.9 Mains - Cathodic Protection | | | 0.00% |
| | | | 378 Meas. And Reg. Station Equipment - General | | | 1.78% |
| | | | 379 Meas. And Reg. Station Equipment - City Gate | | | 1.51% |
| | | | 380 Services | | | 1.98% |
| | | | 381 Meters | | | 1.41% |
| | | | 383 House Regulators | | | 1.03% |
| | | | 385 Industrial Meas. And Reg. Station Equipment | | | 1.65% |
| | | | 386 Other Property on Customers' Premises | | | 1.88% |
| | | | 390.1 Structures and Improvements | | | 4.93% |
| | | | 390.2 Structures and Improvements | | | 4.93% |
| | | | 392 Transportation Equipment | | | 7.81% |
| | | | 396 Power Operated Equipment | | | 5.85% |
| | | | 391.1 Office Furniture and Fixtures | | | 6.49% |
| | | | 391.9 Computers and Electronic Equipment | | | 11.05% |
| | | | 393 Stores Equipment | | | 6.38% |
| | | | 394 Tools, Shop and Garage Equipment | | | 5.96% |
| | | | 397 Communication Equipment | | | 6.61% |
| | | | 398 Miscellaneous Equipment | | | 3.65% |
| | | | WKP G-15.b.1 TGS Div | | | |
| | | | 390.1 Structures and Improvements | | | -85.31% |
| | | | 390.2 Lease Premises | | | -85.31% |
| | | | 391.1 Office Furniture and Fixtures | | | 6.66% |
| | | | 391.9 Computers and Electronic Equipment | | | 4.06% |
| | | | 394 Tools, Shop and Garage Equipment | | | 6.67% |
| | | | 397 Communication Equipment | | | 6.66% |
| | | | 398 Miscellaneous Equipment | | | 6.67% |
| | | | WKP G-15.c.1 Corp | | | |
| | | | Banner Software | | | 2.615% |
| 11 | City of El Paso Alternative Depreciation Rates Service Life Change Recommendations | 0 | WKP G-15.a.1 Direct | | | |
| | | 0 | (367) Mains | J34 | (\$55,003) | 2.11% |
| | | 0 | (376) Mains | J45 | (\$280,815) | 1.73% |
| | | 0 | (376.9) Mains - Cathodic Protection Anodes | J46 | (\$169,217) | 2.82% |
| | | 1 | (380) Services | J50 | (\$205,010) | 2.20% |
| | | 0 | (381) Meters | J51 | (\$153,577) | 3.28% |
| | | 1 | (391.9) Computer & Equipment | J68 | (\$141,726) | 7.93% |
| | | 0 | (392) Transportation Equipment | J69 | (\$62,493) | 7.26% |
| | Net Salvage Change Recommendations | 1 | (367) Mains | J34 | (\$104,216) | 1.940% |
| | | 0 | (381) Meters | J51 | (\$103,575) | 3.420% |
| | | 0 | (392) Transportation Equipment | J69 | (\$35,870) | 8.210% |
| 12 | Pipeline Integrity Expense--Staff Remove from Rev Req; Continue Rider | 1 | Sch G-21 PIT' | D14 D20 | (\$539,121) | |
| | Duplicative Sales Tax--Staff TGS accepted Staff's adjustment | Removed | WKP C.a. Direct Plant | J31, J33, J43, J46, J48, J51, J63, J67, J70, | (\$32,262) | |

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| | | | Change from Request: | (\$4,441,503) |
| Note (2) | Increase Requested in Revenues Requested: | \$ 13,245,440 | Total Increase in Revenues Recommended: | \$8,803,936 |

| | | | | | |
|----|--|-------|----------------------------|---------------|---------------|
| 13 | Rate of Return | | | | |
| | a. Capital Structure | 0 | Schedule E | CEP | Staff |
| | Long-Term Debt | 39.9% | | (\$3,862,130) | (\$1,871,261) |
| | TGS (39.881%) | | | (\$3,867,104) | |
| | CEP (45%) | | | | (\$1,247,524) |
| | Common Equity | 60.1% | | | |
| | TGS (60.119%) | | | | |
| | CEP (55%) | | | | |
| | b. Return on Equity | | | | |
| | TGS - (10%) | 9.50% | manual | | |
| | CEP - (9%) | | | | |
| | CEP- (8.45%) if TGS proposed capital structure adopted | | | | |
| | STAFF - (9.25%) | | | | |
| | EXAMINERS' (9.5%) | | | | |
| | c. Cost of Debt | | | | |
| | TGS - (3.945%) | 3.95% | | | |
| | Resulting Rate of Return: | | | | 7.28% |

Revenue Neutral Impacts

| Decision | Issue | Recommendation Adopt = 1 Deny = 0 | Schedule Impacted | Element Impacted | |
|----------|--|---|--|-------------------------|---------------------|
| 14 | Customer Classification | | | | |
| | Mains | 0 | Classification Factors | I29 | 36.00% |
| | TGS Mains 52% Customer Related | | | | |
| | CEP Mains 36% Customer Related | | | | |
| | Services | 0 | Classified Rate Base | I28 | K28 |
| | TGS Services 100% Customer Related | | | | 70.00% |
| | CEP Services 70% Customer Related | | | | |
| 15 | Revenue Allocation - TGS - Decreases to Non Residential | | Class Revenue Allocation | | |
| | CEP/Staff/Examiners - No Decreases to Non Residential | 1 | | | |
| 16 | Rate Design--Customer Charge | | | | |
| | Residential | 3 | Residential | 0=TGS | 1=CEP |
| | - Staff \$13.50 | | | 2=Staff | 3 =Examiners |
| | - CEP Proportional Increase, Minimum Bill | | | 4 = 100% customer costs | |
| | - Examiners Current El Paso Environs Rate \$15.70 | | | | |
| | Commercial | 0 | Commercial | | \$38.21 |
| | Public Authority | 0 | Public Authority | | \$109.30 |
| | Industrial | 0 | Industrial | | \$576.75 |

GUD No. 10506
Examiner 2 - Proposed/Recommended Rates

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|--------------|------------|--------------|------------|--------------|------------|------------|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 | \$ 22.00 |
| Recommended | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 | \$ 15.70 |
| Proposed Usage Charge - All Note (2) | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 | \$ 0.00587 |
| Recommended - All | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 | \$ 0.12237 |
| Average Monthly Usage (Ccf) | 38 | 38 | 58 | 58 | 43 | 43 | 43 | 43 | 43 |
| Average Monthly Bill--Proposed Rates | \$ 22.22 | \$ 22.22 | \$ 22.34 | \$ 22.34 | \$ 22.25 | \$ 22.25 | \$ 22.25 | \$ 22.25 | \$ 22.25 |
| Average Monthly Bill--Recommended Rates | \$ 20.35 | \$ 20.35 | \$ 22.80 | \$ 22.80 | \$ 20.96 | \$ 20.96 | \$ 20.96 | \$ 20.96 | \$ 20.96 |
| Average Monthly Bill -- Current Rates | \$ 16.73 | \$ 15.70 | \$ 19.80 | \$ 17.57 | \$ 30.91 | \$ 12.52 | \$ 17.73 | \$ 21.36 | \$ 16.08 |

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|--------------|------------|--------------|------------|--------------|------------|------------|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 |
| Recommended | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 |
| Proposed First 500 Usage Charge | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 |
| Proposed Over 500 Usage Charge | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 |
| Recommended First 500 Usage Charge | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 |
| Recommended Over 500 Usage Charge | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 |
| Average Monthly Usage (Ccf) | 295 | 295 | 98 | 98 | 223 | 223 | 223 | 223 | 223 |
| Average Monthly Bill--Proposed Rates | \$ 62.45 | \$ 62.45 | \$ 46.79 | \$ 46.79 | \$ 56.73 | \$ 56.73 | \$ 56.73 | \$ 56.73 | \$ 56.73 |
| Average Monthly Bill--Recommended Rates | \$ 67.08 | \$ 67.08 | \$ 48.33 | \$ 48.33 | \$ 60.23 | \$ 60.23 | \$ 60.23 | \$ 60.23 | \$ 60.23 |
| Average Monthly Bill -- Current Rates | \$ 59.47 | \$ 55.45 | \$ 27.94 | \$ 24.17 | \$ 127.19 | \$ 35.03 | \$ 42.68 | \$ 64.38 | \$ 57.99 |

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|--------------|------------|---|------------|--------------|------------|------------|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 |
| Recommended | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 | \$ 39.00 |
| Winter (October-April) | | | | | | | | | |
| Proposed First 500 Usage Charge | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 |
| Proposed Over 500 Usage Charge | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 |
| Recommended First 500 Usage Charge | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 |
| Recommended Over 500 Usage Charge | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 |
| Summer (May-September) | | | | | | | | | |
| Proposed First 500 Usage Charge | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 |
| Proposed Over 500 Usage Charge | \$ 0.03950 | \$ 0.03950 | \$ 0.03950 | \$ 0.03950 | \$ 0.03950 | \$ 0.03950 | \$ 0.03950 | \$ 0.03950 | \$ 0.03950 |
| Recommended First 500 Usage Charge | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 |
| Recommended Over 500 Usage Charge | \$ 0.05520 | \$ 0.05520 | \$ 0.05520 | \$ 0.05520 | \$ 0.05520 | \$ 0.05520 | \$ 0.05520 | \$ 0.05520 | \$ 0.05520 |
| Average summer month usage (Ccf) | 202 | 202 | | | | | | | |
| Average winter month usage (Ccf) | 346 | 346 | | | | | | | |
| Average Monthly Bill--Proposed Rates | \$ 60.06 | \$ 60.06 | No customers received service under this tariff in the test year; thus no bill impact | | | | | | |
| Average Monthly Bill--Recommended Rates | \$ 64.54 | \$ 64.54 | | | | | | | |
| Average Monthly Bill -- Current Rates | \$ 57.64 | \$ 53.62 | | | | | | | |

GUD No. 10506
Examiner 2 - Proposed/Recommended Rates

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans | | |
|---------------------------|---|-------------|---|------------|--------------|------------|------------|------------|----------------|------------|--|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs | | |
| Commercial Transportation | Proposed Customer Charge | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | |
| | Recommended | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | |
| | Proposed First 500 Usage Charge | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | \$ 0.07950 | |
| | Proposed Over 500 Usage Charge | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | \$ 0.05950 | |
| | Recommended First 500 Usage Charge | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | \$ 0.09520 | |
| | Recommended Over 500 Usage Charge | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | \$ 0.07520 | |
| | Average Monthly Usage (Ccf) | 28,344 | | | | | | | | | |
| | Average Monthly Bill--Proposed Rates | \$ 2,096.47 | No customers received service under this tariff in the test year; thus no bill impact | | | | | | | | |
| | Average Monthly Bill--Recommended Rates | \$ 2,541.47 | | | | | | | | | |
| | Average Monthly Bill -- Current Rates | \$ 2,783.10 | | | | | | | | | |

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans | | |
|---|---------------------------------------|---|--------------|------------|--------------|------------|------------|------------|----------------|------------|------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs | | |
| Commercial Cogeneration Transportation | Proposed Customer Charge | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | |
| | Recommended | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | |
| | Winter (October-April) | | | | | | | | | | |
| | Proposed first 5,000 Usage Charge | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 |
| | Proposed next 95,000 Usage Charge | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 |
| | Proposed next 300,000 Usage Charge | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 |
| | Proposed Over 400,000 Usage Charge | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 |
| | Recommended first 5,000 Usage Charge | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 | \$ 0.06993 |
| | Recommended next 95,000 Usage Charge | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 | \$ 0.05993 |
| | Recommended next 300,000 Usage Charge | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 | \$ 0.04993 |
| Recommended Over 400,000 Usage Charge | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | \$ 0.03993 | |
| Summer (May-September) | | | | | | | | | | | |
| Proposed first 5,000 Usage Charge | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | |
| Proposed next 95,000 Usage Charge | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | |
| Proposed next 300,000 Usage Charge | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | |
| Proposed Over 400,000 Usage Charge | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | |
| Recommended first 5,000 Usage Charge | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | \$ 0.05992 | |
| Recommended next 95,000 Usage Charge | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | \$ 0.04991 | |
| Recommended next 300,000 Usage Charge | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | \$ 0.03992 | |
| Recommended Over 400,000 Usage Charge | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | \$ 0.02991 | |
| Average summer month usage (Ccf) | 91,010 | No customers received service under this tariff in the test year; thus no bill impact | | | | | | | | | |
| Average winter month usage (Ccf) | 89,419 | | | | | | | | | | |
| Average Monthly Bill--Proposed Rates | \$ 5,468.66 | | | | | | | | | | |
| Average Monthly Bill--Recommended Rates | \$ 5,468.65 | | | | | | | | | | |
| Average Monthly Bill -- Current Rates | \$ 6,335.53 | | | | | | | | | | |

GUD No. 10506
Examiner 2 - Proposed/Recommended Rates

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|--------------|------------|--------------|---|--------------|---|------------|---|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Recommended | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Proposed First 500 Usage Charge | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 |
| Proposed Over 500 Usage Charge | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 |
| Recommended First 500 Usage Charge | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 |
| Recommended Over 500 Usage Charge | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 |
| Average Monthly Usage (Ccf) | 982 | 982 | 247 | No customers received service under this tariff in the test year; thus no bill impact | 558 | No customers received service under this tariff in the test year; thus no bill impact | 558 | No customers received service under this tariff in the test year; thus no bill impact | |
| Average Monthly Bill--Proposed Rates | \$ 196.89 | \$ 196.89 | \$ 126.79 | | \$ 159.37 | | \$ 159.37 | | |
| Average Monthly Bill--Recommended Rates | \$ 213.10 | \$ 213.10 | \$ 130.87 | | \$ 168.58 | | \$ 168.58 | | |
| Average Monthly Bill -- Current Rates | \$ 200.29 | \$ 179.02 | \$ 72.62 | | \$ 283.44 | | \$ 85.11 | | |

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|--------------|---|--------------|------------|--------------|------------|------------|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Recommended | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Winter (October-April) | | | | | | | | | |
| Proposed First 500 Usage Charge | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 |
| Proposed Over 500 Usage Charge | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 |
| Recommended First 500 Usage Charge | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 |
| Recommended Over 500 Usage Charge | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 |
| Summer (May-September) | | | | | | | | | |
| Proposed First 500 Usage Charge | \$ 0.07848 | \$ 0.07848 | \$ 0.07848 | \$ 0.07848 | \$ 0.07848 | \$ 0.07848 | \$ 0.07848 | \$ 0.07848 | \$ 0.07848 |
| Proposed Over 500 Usage Charge | \$ 0.05848 | \$ 0.05848 | \$ 0.05848 | \$ 0.05848 | \$ 0.05848 | \$ 0.05848 | \$ 0.05848 | \$ 0.05848 | \$ 0.05848 |
| Recommended First 500 Usage Charge | \$ 0.09499 | \$ 0.09499 | \$ 0.09499 | \$ 0.09499 | \$ 0.09499 | \$ 0.09499 | \$ 0.09499 | \$ 0.09499 | \$ 0.09499 |
| Recommended Over 500 Usage Charge | \$ 0.07499 | \$ 0.07499 | \$ 0.07499 | \$ 0.07499 | \$ 0.07499 | \$ 0.07499 | \$ 0.07499 | \$ 0.07499 | \$ 0.07499 |
| Average summer month usage (Ccf) | 41 | No customers received service under this tariff in the test year; thus no bill impact | | | | | | | |
| Average winter month usage (Ccf) | 3,684 | | | | | | | | |
| Average Monthly Bill--Proposed Rates | \$ 297.32 | | | | | | | | |
| Average Monthly Bill--Recommended Rates | \$ 333.08 | | | | | | | | |
| Average Monthly Bill -- Current Rates | \$ 306.69 | | | | | | | | |

| | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|---|------------|--------------|------------|--------------|------------|------------|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Recommended | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Proposed First 500 Usage Charge | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 |
| Proposed Over 500 Usage Charge | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 |
| Recommended First 500 Usage Charge | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 |
| Recommended Over 500 Usage Charge | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 |
| Average Monthly Usage (Ccf) | | | | | | 2,128 | 2,128 | 2,128 | 2,128 |
| Average Monthly Bill--Proposed Rates | No customers received service under this tariff in the test year; thus no bill impact | | | | | \$ 298.29 | \$ 298.29 | \$ 298.29 | \$ 298.29 |
| Average Monthly Bill--Recommended Rates | | | | | | \$ 333.42 | \$ 333.42 | \$ 333.42 | \$ 333.42 |
| Average Monthly Bill -- Current Rates | | | | | | \$ 319.62 | \$ 362.08 | \$ 540.40 | \$ 401.64 |

GUD No. 10506
Examiner 2 - Proposed/Recommended Rates

| State and Federal Government - Note (3) | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|---|------------|--------------|------------|--------------|------------|------------|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Recommended | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 | \$ 100.00 |
| Proposed First 500 Usage Charge | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 |
| Proposed Over 500 Usage Charge | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 |
| Recommended First 500 Usage Charge | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 |
| Recommended Over 500 Usage Charge | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 |
| Average Monthly Usage (Ccf) | | | | | | | | | 515 |
| Average Monthly Bill--Proposed Rates | No customers received service under this tariff in the test year; thus no bill impact | | | | | | | | \$ 155.57 |
| Average Monthly Bill--Recommended Rates | | | | | | | | | \$ 164.07 |
| Average Monthly Bill -- Current Rates | | | | | | | | | \$ 130.10 |

| Public Authority Transportation | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|--------------|------------|---|------------|--------------|------------|------------|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 |
| Recommended | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 |
| Proposed First 500 Usage Charge | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 | \$ 0.10848 |
| Proposed Over 500 Usage Charge | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 | \$ 0.08848 |
| Recommended First 500 Usage Charge | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 | \$ 0.12499 |
| Recommended Over 500 Usage Charge | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 | \$ 0.10499 |
| Average Monthly Usage (Ccf) | 47,822 | | No customers received service under this tariff in the test year; thus no bill impact | | | | | | |
| Average Monthly Bill--Proposed Rates | \$ 4,641.29 | | | | | | | | |
| Average Monthly Bill--Recommended Rates | \$ 5,430.83 | | | | | | | | |
| Average Monthly Bill -- Current Rates | \$ 4,856.32 | | | | | | | | |

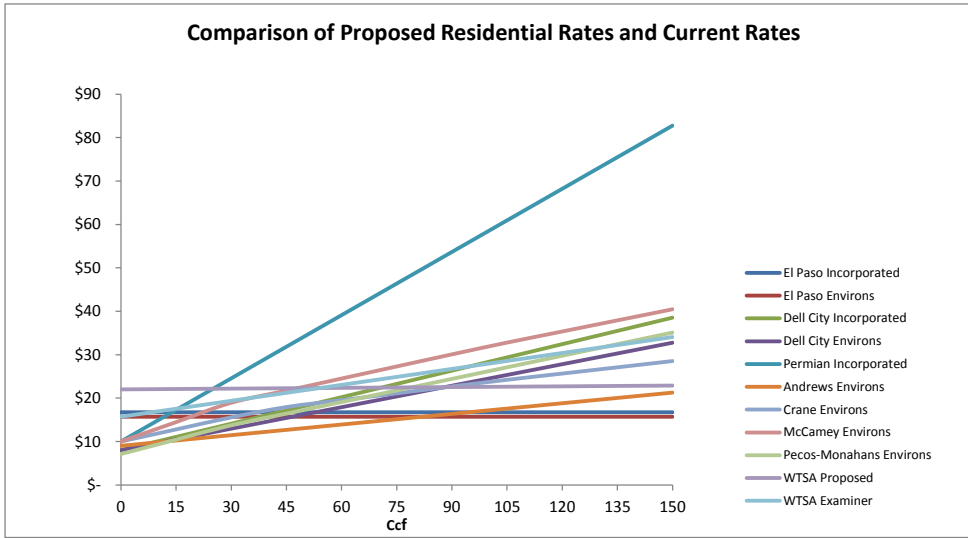
| Industrial | El Paso | El Paso | Dell City | Dell City | Permian | Andrews | Crane | McCamey | Pecos-Monahans |
|---|--------------|------------|---|------------|--------------|------------|---|------------|----------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs |
| Proposed Customer Charge | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 |
| Recommended | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 | \$ 200.00 |
| Proposed First 500 Usage Charge | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 |
| Proposed Over 500 Usage Charge | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 |
| Recommended First 500 Usage Charge | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 |
| Recommended Over 500 Usage Charge | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 |
| Average Monthly Usage (Ccf) | 3,431 | 3,431 | No customers received service under this tariff in the test year; thus no bill impact | | | 4,709 | No customers received service under this tariff in the test year; thus no bill impact | | 4,709 |
| Average Monthly Bill--Proposed Rates | \$ 512.96 | \$ 512.96 | | | | \$ 625.80 | | | \$ 625.80 |
| Average Monthly Bill--Recommended Rates | \$ 594.34 | \$ 594.34 | | | | \$ 737.50 | | | \$ 737.50 |
| Average Monthly Bill -- Current Rates | \$ 1,001.20 | \$ 697.54 | | | | \$ 579.90 | impact | | \$ 825.88 |

GUD No. 10506
Examiner 2 - Proposed/Recommended Rates

| | El Paso | | Dell City | | Permian | | Andrews | | Crane | | McCamey | | Pecos-Monahans | |
|----------------------------------|---|-------------|--------------|---|--------------|------------|------------|------------|------------|------------|------------|------------|----------------|------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs | Environs | Environs | Environs | Environs | Environs |
| Industrial Transportation | Proposed Customer Charge | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 |
| | Recommended | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 | \$ 400.00 |
| | Proposed First 500 Usage Charge | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 | \$ 0.10830 |
| | Proposed Over 500 Usage Charge | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 | \$ 0.08830 |
| | Recommended First 500 Usage Charge | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 | \$ 0.13202 |
| | Recommended Over 500 Usage Charge | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 | \$ 0.11202 |
| | Average Monthly Usage (Ccf) | 37,884 | 37,884 | No customers received service under this tariff in the test year; thus no bill impact | | | | | | | | | | |
| | Average Monthly Bill--Proposed Rates | \$ 3,755.16 | \$ 3,755.16 | | | | | | | | | | | |
| | Average Monthly Bill--Recommended Rates | \$ 4,653.77 | \$ 4,653.77 | | | | | | | | | | | |
| | Average Monthly Bill -- Current Rates | \$ 3,836.81 | \$ 3,922.68 | | | | | | | | | | | |

| | El Paso | | Dell City | | Permian | | Andrews | | Crane | | McCamey | | Pecos-Monahans | |
|--------------------------------|---|------------|--------------|---|--------------|------------|------------|------------|------------|------------|------------|------------|----------------|------------|
| | Incorporated | Environs | Incorporated | Environs | Incorporated | Environs | Environs | Environs | Environs | Environs | Environs | Environs | Environs | |
| Municipal Water Pumping | Proposed Customer Charge | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 | \$ 264.00 |
| | Recommended | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 | \$ 426.44 |
| | Proposed First 5,000 Usage Charge | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 |
| | Proposed Over 5,000 Usage Charge | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 |
| | Recommended First 5,000 Usage Charge | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 | \$ 0.06817 |
| | Recommended Over 5,000 Usage Charge | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 | \$ 0.05817 |
| | Average Monthly Usage (Ccf) | 7,118 | 7,118 | No customers received service under this tariff in the test year; thus no bill impact | | | | | | | | | | |
| | Average Monthly Bill--Proposed Rates | \$ 728.05 | \$ 728.05 | | | | | | | | | | | |
| | Average Monthly Bill--Recommended Rates | \$ 890.49 | \$ 890.49 | | | | | | | | | | | |
| | Average Monthly Bill -- Current Rates | \$ 895.96 | \$ 841.51 | | | | | | | | | | | |

(3) TGS proposes to provide this class with service under the Public Authority Tariff
Bill impacts exclude the cost of gas and only include the customer charge and usage



| Ccf | RESIDENTIAL | | | | | | | | | | WTSA Examiner |
|-----|----------------------|------------------|------------------------|--------------------|----------------------|------------------|----------------|------------------|-------------------------|---------------|---------------|
| | Current | | | | | Proposed | | | | | |
| | El Paso Incorporated | El Paso Environs | Dell City Incorporated | Dell City Environs | Permian Incorporated | Andrews Environs | Crane Environs | McCamey Environs | Pecos-Monahans Environs | WTSA Proposed | WTSA Examiner |
| 0 | \$ 16.73 | \$ 15.70 | \$ 8.00 | \$ 8.00 | \$ 10.00 | \$ 9.00 | \$ 10.00 | \$ 10.00 | \$ 7.11 | \$ 22.00 | \$ 15.70 |
| 15 | \$ 16.73 | \$ 15.70 | \$ 11.05 | \$ 10.48 | \$ 17.28 | \$ 10.23 | \$ 12.78 | \$ 14.46 | \$ 10.43 | \$ 22.09 | \$ 17.54 |
| 30 | \$ 16.73 | \$ 15.70 | \$ 14.11 | \$ 12.95 | \$ 24.55 | \$ 11.45 | \$ 15.55 | \$ 18.93 | \$ 13.75 | \$ 22.18 | \$ 19.37 |
| 45 | \$ 16.73 | \$ 15.70 | \$ 17.16 | \$ 15.43 | \$ 31.83 | \$ 12.68 | \$ 17.93 | \$ 21.71 | \$ 16.42 | \$ 22.26 | \$ 21.21 |
| 60 | \$ 16.73 | \$ 15.70 | \$ 20.21 | \$ 17.90 | \$ 39.11 | \$ 13.90 | \$ 19.51 | \$ 24.50 | \$ 19.09 | \$ 22.35 | \$ 23.04 |
| 75 | \$ 16.73 | \$ 15.70 | \$ 23.26 | \$ 20.38 | \$ 46.38 | \$ 15.13 | \$ 21.09 | \$ 27.28 | \$ 21.75 | \$ 22.44 | \$ 24.88 |
| 90 | \$ 16.73 | \$ 15.70 | \$ 26.32 | \$ 22.85 | \$ 53.66 | \$ 16.35 | \$ 22.67 | \$ 30.07 | \$ 24.42 | \$ 22.53 | \$ 26.71 |
| 105 | \$ 16.73 | \$ 15.70 | \$ 29.37 | \$ 25.33 | \$ 60.94 | \$ 17.58 | \$ 24.21 | \$ 32.78 | \$ 27.09 | \$ 22.62 | \$ 28.55 |
| 120 | \$ 16.73 | \$ 15.70 | \$ 32.42 | \$ 27.80 | \$ 68.21 | \$ 18.80 | \$ 25.65 | \$ 35.34 | \$ 29.75 | \$ 22.70 | \$ 30.38 |
| 135 | \$ 16.73 | \$ 15.70 | \$ 35.47 | \$ 30.28 | \$ 75.49 | \$ 20.03 | \$ 27.08 | \$ 37.90 | \$ 32.42 | \$ 22.79 | \$ 32.22 |
| 150 | \$ 16.73 | \$ 15.70 | \$ 38.53 | \$ 32.75 | \$ 82.77 | \$ 21.26 | \$ 28.52 | \$ 40.46 | \$ 35.09 | \$ 22.88 | \$ 34.06 |

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

SUMMARY OF REVENUE REQUIREMENT

| LINE NO. | DESCRIPTION | REFERENCE | PER BOOK (a) | ADJUSTMENTS (b) | TEST YEAR ADJUSTED (c) | Examiners' ADJUSTMENTS (d) |
|----------|---|-----------|-----------------|--------------------|------------------------------|----------------------------------|
| 1 | Rate Base | B | \$264,168,327 | \$1,838,416 | \$266,006,743 | (\$643,809) |
| 2 | Rate of Return | E | 7.2848% | 7.2848% | 7.2848% | |
| 3 | Required Return | | \$19,244,112 | \$133,925 | \$19,378,036 | (\$848,437) |
| 4 | Cost of Gas | G | 82,120,205 | (82,120,205) | 0 | |
| 5 | Depreciation and Amortization Expense | G | 9,317,108 | 1,897,330 | 11,214,438 | (457,399) |
| 6 | Taxes Other Than Income Taxes | G | 3,820,718 | 129,594 | 3,950,312 | (169,479) |
| 7 | Interest on Customer Deposits | G | 2,856 | 2,910 | 5,766 | 0 |
| 8 | Transmission and High-Pressure Distribution Expense | G | 293,590 | (963) | 292,627 | (531,680) |
| 9 | Distribution Expense | G | 14,360,954 | 522,003 | 14,882,956 | (73) |
| 10 | Customer Accounts Expense | G | 7,426,008 | 269,113 | 7,695,121 | (437) |
| 11 | Administrative and General Expense | G | 15,498,787 | (3,036,907) | 12,461,880 | (1,923,793) |
| 12 | Federal Income Tax | F | 8,123,998 | 49,839 | 8,173,838 | (451,396) |
| 13 | Revenue Requirement before Gross-up | | \$160,208,335 | (\$82,153,360) | \$78,054,973 | (\$4,382,693) |
| 14 | Test Year Adjusted Revenue | G | 143,844,508 | (74,476,898) | 69,367,610 | |
| 15 | Revenue Deficiency | | \$16,363,827 | (\$7,676,463) | \$8,687,364 | (\$4,382,693) |
| | Gross-up for Revenue Related Expenses: | Factors: | | | | |
| 16 | Uncollectible Expense | 0.0057410 | | | | |
| 17 | Texas Franchise Tax | 0.0075000 | | | | |
| 18 | Gross-Up Percentage | 0.0132410 | 219,581 | (103,008) | 116,573 | (58,810) |
| 19 | Total Revenue Deficiency | | \$16,583,408 | (\$7,779,471) | \$8,803,936 | (\$4,441,503) |
| 20 | Total Revenue Requirement (Line 13 + Line 18) | | \$160,427,916 | (\$82,256,368) | \$78,171,546 | (\$4,441,503) |

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

RATE BASE

| LINE NO. | DESCRIPTION | REFERENCE | PER BOOK (a) | ADJUSTMENTS (b) | TEST YEAR ADJUSTED (c) |
|------------------------------------|--|-----------|----------------------|--------------------|------------------------------|
| <u>NET PLANT IN SERVICE</u> | | | | | |
| 1 | Gross Plant In Service | C | \$381,988,743 | \$2,115,401 | \$384,104,144 |
| 2 | Completed Construction Not Classified | C-1 | 10,375,435 | 4,401,814 | 14,777,249 |
| 3 | Accumulated Reserves for Depreciation and Amortization | D | (94,187,562) | (1,110,160) | (95,297,722) |
| 4 | Net Plant in Service | | <u>\$298,176,615</u> | <u>\$5,407,056</u> | <u>\$303,583,671</u> |
| <u>OTHER RATE BASE ITEMS</u> | | | | | |
| 5 | Materials and Supplies Inventory | B-1 | \$2,359,925 | \$46,410 | \$2,406,335 |
| 6 | Prepayments | B-2 | 1,388,732 | (1,705) | 1,387,027 |
| 7 | Rule 8.209 Regulatory Asset - DIMP Deferrals | B-3 | 1,181,369 | 0 | 1,181,369 |
| 8 | Pension & FAS 106 Regulatory Asset | B-4 | 877,764 | 0 | 877,764 |
| 9 | Prepaid Pension Asset | B-5 | 9,145,462 | 0 | 9,145,462 |
| 10 | Cash Working Capital | B-6 | 0 | (3,613,345) | (3,613,345) |
| <u>NON-INVESTOR SUPPLIED FUNDS</u> | | | | | |
| 11 | Customer Deposits | B-7 | (\$5,241,504) | \$0 | (\$5,241,504) |
| 12 | Customer Advances | B-8 | (11,498,413) | 0 | (11,498,413) |
| 13 | Accumulated Deferred Taxes | B-9 | (32,221,622) | 0 | (32,221,622) |
| 14 | Total Rate Base | | <u>\$264,168,327</u> | <u>\$1,838,416</u> | <u>\$266,006,743</u> |

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

TOTAL PLANT IN SERVICE - DIRECT AND ALLOCATED

| LINE NO. | DESCRIPTION | REFERENCE | PER BOOK ACCT 1010 (a) | ADJUSTMENTS ACCT 1010 (b) | TEST YEAR ADJUSTED ACCT 1010 (c) |
|-------------|---|-----------|------------------------------|---------------------------------|---|
| 1 | Service Area Direct Plant In Service | WKP C.a | \$358,815,597 | \$3,255,609 | \$362,071,206 |
| 2 | Allocated TGS Division Plant In Service | WKP C.b | 3,688,700 | (14,276) | 3,674,424 |
| 3 | Allocated Corporate Plant In Service | WKP C.c | 19,484,446 | (1,125,931) | 18,358,515 |
| 4 | Total Plant In Service | | <u>\$381,988,743</u> | <u>\$2,115,401</u> | <u>\$384,104,144</u> |

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

COST OF CAPITAL

| LINE NO. | DESCRIPTION | RATIO | COST RATE % | COMPOSITE RATE % |
|-------------|----------------|-----------------|-------------|---------------------|
| | | (a) | (b) | (c) |
| 1 | Long-Term Debt | 39.881% | 3.945% | 1.573% |
| 2 | Common Equity | 60.119% | 9.500% | 5.711% |
| 3 | Total | <u>100.000%</u> | | <u>7.285%</u> |

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

FEDERAL INCOME TAX

| LINE NO. | DESCRIPTION | REFERENCE | PER BOOKS (a) | ADJUSTMENT (b) | TEST YEAR ADJUSTED (c) |
|-------------|--------------------------------------|-----------|------------------|-------------------|------------------------------|
| 1 | Rate Base | B | \$264,168,327 | \$1,838,416 | \$266,006,743 |
| 2 | Rate of Return | E | 7.2848% | 7.2848% | 7.2848% |
| 3 | Required Return | | \$19,244,112 | \$133,925 | \$19,378,036 |
| 4 | Less: Interest on Long-Term Debt (1) | | 4,156,686 | 28,927 | 4,185,613 |
| 5 | Net After Tax Income | | \$15,087,426 | 104,997 | \$15,192,423 |
| 6 | Less ITC Amortization | WKP F.a | 0 | 4,353 | 4,353 |
| 7 | Net | | \$15,087,426 | \$100,644 | \$15,188,070 |
| 8 | Gross-Up Factor [1 / (1-0.35)] | | 1.5384615 | 1.5384615 | 1.5384615 |
| 9 | Net Taxable Income | | \$23,211,424 | \$154,837 | \$23,366,261 |
| 10 | Tax Rate | | 35.0000% | 35.0000% | 35.0000% |
| 11 | Federal Income Tax | | \$8,123,998 | \$54,193 | \$8,178,191 |
| 12 | Less ITC Amortization | WKP F.a | 0 | 4,353 | 4,353 |
| 13 | Net Income Tax Expense | | \$8,123,998 | \$49,839 | \$8,173,838 |
| Note (1) | | | | | |
| 14 | Debt Component of Return | E | 1.5735% | | 1.5735% |
| 15 | Total Rate Base | B | \$264,168,327 | | \$266,006,743 |
| 16 | Interest on Long-Term Debt | | \$4,156,686 | | \$4,185,613 |

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

SUMMARY OF OPERATING REVENUE & EXPENSE ADJUSTMENTS

| LINE NO. | DESCRIPTION | REFERENCE | PER BOOK (a) | ADJUSTMENTS (b) | TEST YEAR ADJUSTED (c) |
|---------------------------|---|-----------|-----------------|--------------------|------------------------------|
| <u>OPERATING REVENUES</u> | | | | | |
| 1 | Gas Sales, Transportation & Other Utility Revenue | G-1,2,3 | \$143,844,508 | (\$74,476,898) | \$69,367,610 |
| <u>OPERATING EXPENSES</u> | | | | | |
| 2 | Cost of Gas | G-1 | \$82,120,205 | (\$82,120,205) | \$0 |
| 3 | Base Payroll Expense | G-4 | 12,897,360 | 979,485 | 13,876,845 |
| 4 | Overtime Payroll Expense | G-5 | 1,431,249 | 110,381 | 1,541,630 |
| 5 | Employee Benefits and Payroll Taxes | G-6 | 5,822,197 | 108,538 | 5,930,735 |
| 6 | Pension & FAS 106 Amortization | G-7 | 99,102 | 70,787 | 169,890 |
| 7 | Incentive Compensation | G-8 | 2,827,357 | (1,899,541) | 927,816 |
| 8 | Miscellaneous Adjustments | G-9 | 2,249,035 | (2,249,035) | 0 |
| 9 | Rents and Leases Adjustment | G-10 | 85,648 | 9,807 | 95,454 |
| 10 | Interest on Customer Deposits | G-11 | 2,856 | 2,910 | 5,766 |
| 11 | Uncollectible Expense | G-12 | 447,590 | (49,350) | 398,239 |
| 12 | Injuries and Damages | G-13 | 201,797 | 15,697 | 217,495 |
| 13 | Advertising Expense | G-14 | 54,608 | (500) | 54,108 |
| 14 | Depreciation and Amortization Expense | G-15 | 9,218,005 | 1,826,543 | 11,044,548 |
| 15 | Ad Valorem Tax Expense | G-16 | 2,809,684 | 658,227 | 3,467,911 |
| 16 | Texas Franchise Tax Expense | G-17 | 0 | 517,270 | 517,270 |
| 17 | Stores Load Clearing | G-18 | 81,794 | (10,340) | 71,455 |
| 18 | Transportation & Work Equipment Clearing | G-19 | 1,076,988 | 9,664 | 1,086,652 |
| 19 | Regulatory Expense | G-20 | 527,984 | (527,984) | 0 |
| 20 | Pipeline Integrity Expense | G-21 | 0 | 0 | 0 |
| 21 | Distrigas % Adjustment | G-22 | 0 | 210,521 | 210,521 |
| 22 | Unadjusted Expenses | | 10,886,765 | 0 | 10,886,765 |
| 23 | Total Operating Expense Adjustments | | \$132,840,224 | (\$82,337,125) | \$50,503,100 |
| 24 | Net Operating Revenue & Expense Adjustments | | \$11,004,283 | \$7,860,227 | \$18,864,510 |

TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015

SUMMARY OF OPERATING REVENUES & EXPENSES

| LINE NO. | DESCRIPTION | ACCOUNT NUMBER | SUB ACCOUNT | PER BOOK (a) | ADJUSTMENTS (b) | TEST YEAR ADJUSTED (c) |
|--|---|----------------|----------------|----------------------|-----------------------|------------------------------|
| REVENUE | | | | | | |
| 1 | Gas Sales Revenue | 480-482 | | \$138,326,485 | (\$74,285,636) | \$64,040,849 |
| 2 | Forfeited Discounts | 4870 | | 0 | 0 | 0 |
| 3 | Misc Fees | 4880 | | 1,214,819 | 492,589 | 1,707,408 |
| 4 | Transportation | 4893 | | 2,989,067 | 383,999 | 3,373,067 |
| 5 | Misc. Rent Revenue | 4930 | | 217,572 | 0 | 217,572 |
| 6 | Other Utility Revenue | 4950 | | 1,096,565 | (1,067,851) | 28,714 |
| 7 | Total Revenue | | | <u>\$143,844,508</u> | <u>(\$74,476,898)</u> | <u>\$69,367,610</u> |
| 8 | COST OF GAS | 805 | | <u>\$82,120,205</u> | <u>(\$82,120,205)</u> | <u>\$0</u> |
| DEPRECIATION & AMORTIZATION | | | | | | |
| 9 | Depreciation and Amortization Expense | 4030-4050 | | \$9,218,005 | \$1,826,543 | \$11,044,548 |
| 10 | Pension & FAS 106 Amortization Expense | 4073 | | 99,102 | 70,787 | 169,890 |
| 11 | Total Depr. & Amort. | | | <u>\$9,317,108</u> | <u>\$1,897,330</u> | <u>\$11,214,438</u> |
| TAXES OTHER THAN INCOME | | | | | | |
| 12 | Payroll | 4081 | | \$1,011,034 | (\$1,045,904) | (\$34,870) |
| 13 | Ad Valorem | 4081 | 190 | 2,809,684 | 658,227 | 3,467,911 |
| 14 | Revenue Related | 4081 | 133, 138 & 140 | 0 | 0 | 0 |
| 15 | Other | 4081 | 233 | 0 | 517,270 | 517,270 |
| 16 | Total Taxes Other Than Income | | | <u>\$3,820,718</u> | <u>\$129,594</u> | <u>\$3,950,312</u> |
| 17 | INTEREST ON CUSTOMER DEPOSITS | 4310 | | <u>\$2,856</u> | <u>\$2,910</u> | <u>\$5,766</u> |
| TRANSMISSION AND HIGH PRESSURE DISTRIBUTION | | | | | | |
| 18 | Underground Storage | 8140-8360 | | \$0 | \$0 | \$0 |
| 19 | Operation Supervision and Engineering | 8500 | | 7,422 | 0 | 7,422 |
| 20 | Transmission Communication Equip | 8520 | | 0 | 0 | 0 |
| 21 | Compressor Station Labor and Expenses | 8530 | | 0 | 0 | 0 |
| 22 | Mains Expenses | 8560 | | 281,575 | (987) | 280,588 |
| 23 | Measuring and Regulating Station Expenses | 8570 | | 1,140 | 93 | 1,233 |
| 24 | Trans/Compression of Gas by Others | 8580 | | 0 | 0 | 0 |
| 25 | Other Expenses | 8590 | | 81 | (69) | 12 |
| 26 | Rent | 8600 | | 0 | 0 | 0 |
| 27 | Maintenance Supervision and Engineering | 8610 | | 2,321 | 0 | 2,321 |
| 28 | Maintenance of Mains | 8630 | | 1,050 | 0 | 1,050 |
| 29 | Maintenance of Measuring and Regulating Station Equipme | 8650 | | 0 | 0 | 0 |
| 30 | Maintenance of Communication Equipment | 8660 | | 0 | 0 | 0 |
| 31 | Total Transmission | | | <u>\$293,590</u> | <u>(\$963)</u> | <u>\$292,627</u> |
| DISTRIBUTION OPERATIONS | | | | | | |
| 32 | Supervision and Engineering | 8700 | | \$818,705 | \$54,448 | \$873,153 |
| 33 | Distribution Load Dispatch | 8710 | | 272,010 | 20,820 | 292,831 |
| 34 | Mains & Services | 8740 | | 2,061,592 | 21,850 | 2,083,442 |
| 35 | Meas. Stat. Exp. - General | 8750 | | 102,670 | 5,301 | 107,970 |
| 36 | Meter & House Reg. Exp. - Ind. | 8760 | | 31,156 | 2,332 | 33,488 |
| 37 | Meter & House Reg. Exp.-City Gate | 8770 | | 1,943 | 138 | 2,081 |
| 38 | Meter & House Reg. Exp. | 8780 | | 2,180,986 | 95,060 | 2,276,046 |
| 39 | Customer Installation Exp | 8790 | | 1,713,655 | 95,352 | 1,809,007 |
| 40 | Other Expense | 8800 | | 1,233,218 | 39,358 | 1,272,576 |
| 41 | Rents | 8810 | | 84,524 | 0 | 84,524 |
| 42 | Corporate & Div. Exp. | 8820 | | 0 | 0 | 0 |
| 43 | Total Distribution Operations | | | <u>\$8,500,458</u> | <u>\$334,658</u> | <u>\$8,835,116</u> |

TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015
SUMMARY OF OPERATING REVENUES & EXPENSES

| LINE NO. | DESCRIPTION | ACCOUNT NUMBER | SUB ACCOUNT | PER BOOK | ADJUSTMENTS | TEST YEAR ADJUSTED |
|-------------------------------------|---|----------------|-------------|---------------|----------------|--------------------|
| | | | | (a) | (b) | (c) |
| <u>DISTRIBUTION MAINTENANCE</u> | | | | | | |
| 44 | Supervision and Engineering | 8850 | | \$56,702 | \$3,414 | \$60,116 |
| 45 | Struct. & Improv. | 8860 | | 157,580 | 19 | 157,599 |
| 46 | Mains | 8870 | | 2,997,511 | 79,550 | 3,077,060 |
| 47 | Meas. & Reg. Stat. Exp. - Gen | 8890 | | 700,396 | 26,083 | 726,479 |
| 48 | Meas. & Reg. Stat. Exp. - Ind. | 8900 | | 521,723 | 23,822 | 545,545 |
| 49 | Meas. & Reg. Stat. Exp. - City Gate | 8910 | | 4,469 | 209 | 4,678 |
| 50 | Maintenance of Services | 8920 | | 1,421,478 | 54,249 | 1,475,727 |
| 51 | Meters & House Reg. | 8930 | | 636 | 0 | 636 |
| 52 | Other Equipment | 8940 | | 0 | 0 | 0 |
| 53 | Clearing - Meter Shop - Small Meters | 8950 | | 0 | 0 | 0 |
| 54 | Clearing - Meter Shop - Large Meters | 8960 | | 0 | 0 | 0 |
| 55 | Total Distribution Maintenance | | | \$5,860,495 | \$187,345 | \$6,047,840 |
| 56 | Total Distribution Expense | | | \$14,360,954 | \$522,003 | \$14,882,956 |
| <u>CUSTOMER ACCOUNTING</u> | | | | | | |
| 57 | Supervision | 9010 | | \$162,164 | \$10,896 | \$173,060 |
| 58 | Meter Reading | 9020 | | 1,326,219 | 51,810 | 1,378,029 |
| 59 | Customer Accounting | 9030 | | 4,374,278 | 189,921 | 4,564,198 |
| 60 | Bad Debts | 9040 | | 447,590 | (49,350) | 398,239 |
| 61 | Miscellaneous | 9050 | | 403,941 | 28,871 | 432,811 |
| 62 | Total Customer Accounting | | | \$6,714,191 | \$232,148 | \$6,946,339 |
| <u>CUSTOMER INFORMATION</u> | | | | | | |
| 63 | Supervision | 9070 | | \$0 | \$0 | \$0 |
| 64 | Customer Assistance Expense | 9080 | | 529,793 | 32,070 | 561,863 |
| 65 | Inform. & Instruct. Adver. Exp. | 9090 | | 96,999 | 0 | 96,999 |
| 66 | Customer Service & Informational Svc. | 9100 | | 0 | 0 | 0 |
| 67 | Total Customer Information | | | \$626,792 | \$32,070 | \$658,862 |
| <u>SALES</u> | | | | | | |
| 68 | Supervision | 9110 | | \$0 | \$0 | \$0 |
| 69 | Demonstrating and Selling Expense | 9120 | | 78,061 | 4,895 | 82,956 |
| 70 | Advertising | 9130 | | 6,964 | 0 | 6,964 |
| 71 | Employee Sales Referrals | 9140 | | 0 | 0 | 0 |
| 72 | Misc. Gas Sales Expense | 9163 | | 0 | 0 | 0 |
| 73 | Total Sales | | | \$85,025 | \$4,895 | \$89,920 |
| 74 | Total Customer Accounts Expense | | | \$7,426,008 | \$269,113 | \$7,695,121 |
| <u>ADMINISTRATIVE & GENERAL</u> | | | | | | |
| 75 | Salaries | 9200 | | \$6,581,862 | (\$1,492,858) | \$5,089,005 |
| 76 | Office Supplies & Expenses | 9210 | | 1,937,643 | (81,141) | 1,856,502 |
| 77 | Transferred Credit | 9220 | | (3,327,090) | 0 | (3,327,090) |
| 78 | Outside Services | 9230 | | 604,575 | (114,961) | 489,614 |
| 79 | Property Insurance | 9240 | | 163,148 | 0 | 163,148 |
| 80 | Injuries & Damages | 9250 | | 166,667 | (51,912) | 114,755 |
| 81 | Employee Pensions & Benefits | 9260 | | 3,300,661 | (2,463,801) | 836,860 |
| 82 | Regulatory Commission Expense | 9280 | | 616,412 | (528,114) | 88,298 |
| 83 | Computer Services Expense | 9290 | | (5,750,793) | 4,905,819 | (844,974) |
| 84 | General Advertising Expense | 9301 | | 38,338 | (529) | 37,809 |
| 85 | Misc. General Expenses | 9302 | | 10,413,412 | (3,213,666) | 7,199,747 |
| 86 | Rents | 9310 | | 446,446 | 3,878 | 450,325 |
| 87 | Maintenance of General Plant | 9320 | | 307,505 | 377 | 307,882 |
| 88 | Misc. General Expenses | 9400's | | 0 | 0 | 0 |
| 89 | Total Administrative & General Expense | | | \$15,498,787 | (\$3,036,907) | \$12,461,880 |
| 90 | Total Operating Expense | | | \$132,840,224 | (\$82,337,125) | \$50,503,100 |
| 91 | Earnings Before Income Tax & Interest Expense | | | \$11,004,284 | \$7,860,227 | \$18,864,510 |

TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015

DEPRECIATION AND AMORTIZATION EXPENSE - SERVICE AREA DIRECT

| LINE NO. | DESCRIPTION | DIRECT AS ADJUSTED Acct 1010 PLANT (WKP C.a) | DIRECT AS ADJUSTED Acct 1060 CCNC (WKP C-1.a) | LESS LAND | LESS TRANSPORT & WORK EQUIP | LESS FULLY DEPRECIATED PLANT | PLUS DIMP DEFERRAL (Rule 8.209) | ADJUSTED DEPRECIABLE PLANT | ANNUAL DEPR/AMORT RATES | PROFORMA DIRECT DEPR & AMORT EXPENSE |
|---|--|--|---|---------------|-----------------------------|------------------------------|---------------------------------|----------------------------|-------------------------|--------------------------------------|
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| INTANGIBLE PLANT | | | | | | | | | | |
| 1 | (301) Organization | \$40,840 | \$0 | \$0 | \$0 | \$0 | \$0 | \$40,840 | 2.8300% | \$1,156 |
| 2 | (302) Franchises & Consents | 7,208 | 0 | 0 | 0 | (7,208) | 0 | 0 | 4.0000% | 0 |
| 3 | (303) Misc. Intangible | 726,412 | 0 | 0 | 0 | 0 | 0 | 726,412 | 3.3330% | 24,211 |
| 4 | Total Intangible Plant | \$774,461 | \$0 | \$0 | \$0 | (7,208) | \$0 | \$767,253 | | \$25,367 |
| GATHERING AND TRANSMISSION PLANT | | | | | | | | | | |
| 5 | (325) Land & Land Rights | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 |
| 6 | (327) Field Comprss Station Structutres | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 7 | (328) Field Meas/Reg Station Structures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 8 | (329) Other Structures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 9 | (332) Field Lines | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 10 | (333) Field Compressor Station Equip | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 11 | (334) Field Meas/Reg Station Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 12 | (336) Purification Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 13 | (337) Other Equip | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 14 | (365) Land & Land Rights | 77,482 | 0 | 0 | 0 | 0 | 0 | 77,482 | 0.0000% | 0 |
| 15 | (366) Meas/Reg Station Structures | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 16 | (367) Mains | 27,565,546 | 990,212 | 0 | 0 | 0 | 0 | 28,555,758 | 1.9400% | 553,982 |
| 17 | (368) Compressor Station Equip | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 18 | (369) Measure/Reg. Station Equipment | 1,339,447 | 122,219 | 0 | 0 | 0 | 0 | 1,461,666 | 3.3800% | 49,404 |
| 19 | (371) Other Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 20 | Total Gathering and Transmission Plant | \$28,982,475 | \$1,112,431 | \$0 | \$0 | \$0 | \$0 | \$30,094,906 | | \$603,386 |
| DISTRIBUTION PLANT | | | | | | | | | | |
| 21 | (374) Land & Land Rights | \$1,549,209 | \$0 | (\$1,549,209) | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 |
| 22 | (374.1) Land & Land Rights | 0 | (399) | 399 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 23 | (375.1) Structures & Improvements | 170,994 | 1,643 | 0 | 0 | 0 | 0 | 172,636 | 2.0400% | 3,522 |
| 24 | (375.2) Other Distr Systems Struct | 45,492 | 1,639 | 0 | 0 | 0 | 0 | 47,130 | 2.6200% | 1,235 |
| 25 | (376) Mains | 137,207,617 | 8,158,297 | 0 | 0 | 0 | 424,031 | 145,789,945 | 1.9200% | 2,799,167 |
| 26 | (376.9) Mains - Cathodic Protection Anodes | 19,637,501 | 0 | 0 | 0 | 0 | 0 | 19,637,501 | 3.6700% | 720,696 |
| 27 | (377) Compressor Station Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 28 | (378) Meas. & Reg. Station - General | 6,155,208 | 1,152,474 | 0 | 0 | 0 | 452 | 7,308,134 | 2.2200% | 162,241 |
| 29 | (379) Meas. & Reg. Station - C.G. | 2,953,583 | 210,363 | 0 | 0 | 0 | 0 | 3,163,946 | 1.6600% | 52,522 |
| 30 | (380) Services | 88,162,674 | 2,795,116 | 0 | 0 | 0 | 751,294 | 91,709,084 | 2.2000% | 2,017,600 |
| 31 | (381) Meters | 35,088,019 | 142,285 | 0 | 0 | 0 | 93 | 35,230,397 | 3.7100% | 1,307,048 |
| 32 | (382) Meter Installations | (0) | 0 | 0 | 0 | 0 | (12) | (12) | 0.0000% | 0 |
| 33 | (383) House Regulators | 10,519,334 | 13,829 | 0 | 0 | 0 | 114 | 10,533,277 | 2.4500% | 258,065 |
| 34 | (385) Indust. Meas. & Reg. Stat. Equipment | 9,952,862 | 389,452 | 0 | 0 | 0 | 5,396 | 10,347,710 | 2.1300% | 220,406 |
| 35 | (386) Other Property on Customer Premises | 624,137 | 0 | 0 | 0 | 0 | 0 | 624,137 | 4.6100% | 28,773 |
| 36 | (387) Meas. & Reg. Stat. Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 37 | Total Distribution Plant | \$312,066,628 | \$12,864,698 | (\$1,548,811) | \$0 | \$0 | \$1,181,369 | \$324,563,884 | | \$7,571,274 |

TEXAS GAS SERVICE COMPANY
 WEST TEXAS SERVICE AREA
 TWELVE MONTHS ENDED SEPTEMBER 30, 2015

DEPRECIATION AND AMORTIZATION EXPENSE - SERVICE AREA DIRECT

| LINE NO. | DESCRIPTION | DIRECT AS ADJUSTED Acct 1010 PLANT (WKP C.a) | DIRECT AS ADJUSTED Acct 1060 CCNC (WKP C-1.a) | LESS LAND | LESS TRANSPORT & WORK EQUIP | LESS FULLY DEPRECIATED PLANT | PLUS DIMP DEFERRAL (Rule 8.209) | ADJUSTED DEPRECIABLE PLANT | ANNUAL DEPR/AMORT RATES | PROFORMA DIRECT DEPR & AMORT EXPENSE |
|----------------------|--|--|---|---------------|-----------------------------|------------------------------|---------------------------------|----------------------------|-------------------------|--------------------------------------|
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| GENERAL PLANT | | | | | | | | | | |
| 38 | (389) Land & Land Rights | \$202,445 | \$0 | (\$202,445) | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 |
| 39 | (389.1) Land & Land Rights | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 40 | (390) Structures & Improvements | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 41 | (390.1) Structures & Improvements | 4,402,281 | 41,746 | 0 | 0 | 0 | 0 | 4,444,027 | 2.5900% | 115,100 |
| 42 | (390.2) Structures & Improvements | 96,070 | 0 | 0 | 0 | 0 | 0 | 96,070 | 2.3090% | 2,218 |
| 43 | (391) Office Furniture & Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 44 | (391.1) Office Furniture & Equipment | 908,322 | 1,618 | 0 | 0 | 0 | 0 | 909,940 | 6.4000% | 58,236 |
| 45 | (391.9) Computer & Equipment | 2,574,600 | 0 | 0 | 0 | 0 | 0 | 2,574,600 | 7.9300% | 204,166 |
| 46 | (392) Transportation Equipment | 3,363,929 | 133,777 | 0 | (3,497,706) | 0 | 0 | 0 | 9.4900% | 0 |
| 47 | (393) Stores Equipment | 62,305 | 0 | 0 | 0 | 0 | 0 | 62,305 | 6.5300% | 4,069 |
| 48 | (394) Tools, Shop & Garage | 3,332,817 | 89,645 | 0 | 0 | 0 | 0 | 3,422,462 | 6.3100% | 215,957 |
| 49 | (394.1) Tools, Shop & Garage | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 50 | (395) CNG Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0000% | 0 |
| 51 | (396) Major Work Equipment | 831,227 | 0 | 0 | (831,227) | 0 | 0 | 0 | 6.2600% | 0 |
| 52 | (397) Communication Equipment | 4,461,046 | 0 | 0 | 0 | 0 | 0 | 4,461,046 | 6.6500% | 296,660 |
| 53 | (398) Miscellaneous General Plant | 12,598 | 0 | 0 | 0 | 0 | 0 | 12,598 | 6.6700% | 840 |
| 54 | Total General Plant | \$20,247,642 | \$266,787 | (\$202,445) | (\$4,328,933) | \$0 | \$0 | \$15,983,050 | | \$897,246 |
| 55 | Total Plant in Service | \$362,071,206 | \$14,243,916 | (\$1,751,256) | (\$4,328,933) | (\$7,208) | \$1,181,369 | \$371,409,093 | | \$9,097,273 |
| 56 | Total Annualized Depreciation & Amortization Expense | | | | | | | | | \$9,097,273 |
| 57 | Test Year Depreciation & Amortization Expense (Accts. 403 & 404) | | | | | | | | | 7,912,356 |
| 58 | Adjustment to Test Year | | | | | | | | | \$1,184,917 |

Note: Depreciation Related to Transportation Work

| | Vehicles (392) | Work Equip (396) | Total | |
|----|-------------------------------|------------------|-----------|------------------------------|
| 59 | Plant in Service + CCNC | \$3,497,706 | \$831,227 | \$4,328,933 |
| 60 | Less Fully Depreciated Plant | 0 | 0 | 0 |
| 61 | Net Depreciable Plant | \$3,497,706 | \$831,227 | \$4,328,933 |
| 62 | Depreciation Rate | 9.490% | 6.260% | |
| 63 | Proforma Depreciation Expense | \$331,932 | \$52,035 | \$383,967 (to Schedule G-19) |

TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015

DEPRECIATION AND AMORTIZATION EXPENSE - TGS DIVISION

| LINE NO. | DESCRIPTION | TGS DIVISION | TGS DIVISION | LESS | ADJUSTED | ANNUAL | PROFORMA | ALLOCATION | TOTAL |
|---|--|-----------------|-------------------|-------------|-------------|------------|--------------|--------------|--------------|
| | | AS ADJUSTED | AS ADJUSTED | | | | TGS DIVISION | FACTOR | ALLOCATED |
| | | ACCT 1010 | TGS DIVISION TEST | FULLY | DEPRECIABLE | DEPR/AMORT | DEPR & AMORT | TO | TO |
| | | PLANT (WKP C.b) | YEAR ADJUSTED | DEPRECIATED | PLANT | RATES | EXPENSE | SERVICE AREA | SERVICE AREA |
| | | (a) | (b) | (c) | (e) | (f) | (g) | (h) | (i) |
| INTANGIBLE PLANT | | | | | | | | | |
| 1 | (301) Organization | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | | |
| 2 | (302) Franchises & Consents | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 3 | (303) Misc. Intangible | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 4 | Total Intangible Plant | \$0 | \$0 | \$0 | \$0 | | \$0 | | \$0 |
| GATHERING AND TRANSMISSION PLANT | | | | | | | | | |
| 5 | (325) Land & Land Rights | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | | |
| 6 | (327) Field Comprss Station Structres | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 7 | (328) Field Meas/Reg Station Structures | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 8 | (329) Other Structures | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 9 | (332) Field Lines | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 10 | (333) Field Compressor Station Equip | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 11 | (334) Field Meas/Reg Station Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 12 | (336) Purification Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 13 | (337) Other Equip | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 14 | (365) Land & Land Rights | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 15 | (366) Meas/Reg Station Structures | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 16 | (367) Mains | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 17 | (368) Compressor Station Equip | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 18 | (369) Measure/Reg. Station Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 19 | (371) Other Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 20 | Total Gathering and Transmission Plant | \$0 | \$0 | \$0 | \$0 | | \$0 | | \$0 |
| DISTRIBUTION PLANT | | | | | | | | | |
| 21 | (374) Land & Land Rights | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | | |
| 22 | (375.1) Structures & Improvements | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 23 | (376) Mains | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 24 | (377) Compressor Station Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 25 | (378) Meas. & Reg. Station - General | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 26 | (379) Meas. & Reg. Station - C.G. | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 27 | (380) Services | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 28 | (381) Meters | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 29 | (382) Meter Installations | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 30 | (383) House Regulators | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 31 | (385) Indust. Meas. & Reg. Stat. Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 32 | (386) Other Property on Customer Premises | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 33 | (387) Meas. & Reg. Stat. Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 34 | Total Distribution Plant | \$0 | \$0 | \$0 | \$0 | | \$0 | | \$0 |

GENERAL PLANT

| | | | | | | | | | |
|----|--|--------------------|-----------------|------------|--------------------|----------|--------------------|----------|------------------|
| 35 | (389) Land & Land Rights | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | 39.9277% | \$0 |
| 36 | (390.1) Structures & Improvements | 73,670 | 0 | 0 | 73,670 | 2.7700% | 2,041 | 39.9277% | 815 |
| 37 | (390.2) Leasehold Equipment | 149,951 | 0 | 0 | 149,951 | 17.3913% | 26,078 | 39.9277% | 10,412 |
| 38 | (391.1) Office Furniture & Fixtures | 1,053,819 | 11,054 | 0 | 1,064,874 | 6.6667% | 70,992 | 39.9277% | 28,345 |
| 39 | (391.2) Data Processing Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.9277% | 0 |
| 40 | (391.3) Office Machines | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.9277% | 0 |
| 41 | (391.4) Audio Visual Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.9277% | 0 |
| 42 | (391.6) Purchased Software | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.9277% | 0 |
| 43 | (391.9) Computer & Equipment | 6,720,161 | 1,656 | 0 | 6,721,817 | 14.2857% | 960,260 | 39.9277% | 383,410 |
| 44 | (392.6) Aircraft | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.9277% | 0 |
| 45 | (394) Tools | 24,408 | 0 | 0 | 24,408 | 6.6667% | 1,627 | 39.9277% | 650 |
| 46 | (394.2) Shop Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.9277% | 0 |
| 47 | (397) Communication Equipment | 1,180,684 | 0 | 0 | 1,180,684 | 6.6667% | 78,712 | 39.9277% | 31,428 |
| 48 | (398) Miscellaneous General Plant | 0 | 0 | 0 | 0 | 6.6667% | 0 | 39.9277% | 0 |
| 49 | Total General Plant | <u>\$9,202,693</u> | <u>\$12,711</u> | <u>\$0</u> | <u>\$9,215,404</u> | | <u>\$1,139,710</u> | | <u>\$455,060</u> |
| 50 | Total Plant in Service | <u>\$9,202,693</u> | <u>\$12,711</u> | <u>\$0</u> | <u>\$9,215,404</u> | | <u>\$1,139,710</u> | | <u>\$455,060</u> |
| 51 | Total Annualized Depreciation & Amortization Expense | | | | | | \$1,139,710 | 39.9277% | \$455,060 |
| 52 | Test Year Depreciation & Amortization Expense Accts 403 & 404 | | | | | | 399,166 | 39.9277% | 159,378 |
| 53 | Adjustment to Test Year | | | | | | <u>\$740,543</u> | 39.9277% | <u>\$295,682</u> |

54 NOTE: 390.2 Leasehold Equipment is an End of Life asset. The End of Life asset rate is calculated off of the remaining life every month. Thus, this rate will change every month.

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

DEPRECIATION AND AMORTIZATION EXPENSE - CORPORATE

| LINE NO. | DESCRIPTION | CORPORATE AS ADJUSTED ALLOCATED TO TGS Acct 1010 PLANT (WKP C.c) | CORPORATE AS ADJUSTED ALLOCATED TO TGS Acct 1060 CCNC (WKP C-1.c) | LESS FULLY DEPRECIATED PLANT | ADJUSTED DEPRECIABLE PLANT | ANNUAL DEPR/AMORT RATES | CORPORATE ALLOCATED TO TGS ANNUAL PROFORMA DEPR & AMORT EXP | ALLOCATION FACTOR TO SERVICE AREA | TOTAL ALLOCATED TO SERVICE AREA |
|---|--|--|---|------------------------------|----------------------------|-------------------------|---|-----------------------------------|---------------------------------|
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| <u>INTANGIBLE PLANT</u> | | | | | | | | | |
| 1 | (301) Organization | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | | |
| 2 | (302) Franchises & Consents | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 3 | (303) Misc. Intangible | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 4 | Total Intangible Plant | \$0 | \$0 | \$0 | \$0 | | \$0 | | \$0 |
| <u>GATHERING AND TRANSMISSION PLANT</u> | | | | | | | | | |
| 5 | (325) Land & Land Rights | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | | |
| 6 | (327) Field Comprss Station Strucutres | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 7 | (328) Field Meas/Reg Station Structures | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 8 | (329) Other Structures | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 9 | (332) Field Lines | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 10 | (333) Field Compressor Station Equip | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 11 | (334) Field Meas/Reg Station Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 12 | (336) Purification Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 13 | (337) Other Equip | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 14 | (365) Land & Land Rights | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 15 | (366) Meas/Reg Station Structures | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 16 | (367) Mains | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 17 | (368) Compressor Station Equip | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 18 | (369) Measure/Reg. Station Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 19 | (371) Other Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 20 | Total Gathering and Transmission Plant | \$0 | \$0 | \$0 | \$0 | | \$0 | | \$0 |
| <u>DISTRIBUTION PLANT</u> | | | | | | | | | |
| 21 | (374) Land & Land Rights | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | | |
| 22 | (375.1) Structures & Improvements | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 23 | (376) Mains | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 24 | (377) Compressor Station Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 25 | (378) Meas. & Reg. Station - General | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 26 | (379) Meas. & Reg. Station - C.G. | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 27 | (380) Services | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 28 | (381) Meters | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 29 | (382) Meter Installations | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 30 | (383) House Regulators | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 31 | (385) Indust. Meas. & Reg. Stat. Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 32 | (386) Other Property on Customer Premises | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 33 | (387) Meas. & Reg. Stat. Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | | |
| 34 | Total Distribution Plant | \$0 | \$0 | \$0 | \$0 | | \$0 | | \$0 |

**TEXAS GAS SERVICE COMPANY
WEST TEXAS SERVICE AREA
TWELVE MONTHS ENDED SEPTEMBER 30, 2015**

DEPRECIATION AND AMORTIZATION EXPENSE - CORPORATE

| LINE NO. | DESCRIPTION | CORPORATE | CORPORATE | LESS FULLY DEPRECIATED PLANT | ADJUSTED DEPRECIABLE PLANT | ANNUAL DEPR/AMORT RATES | CORPORATE | ALLOCATION FACTOR TO SERVICE AREA | TOTAL ALLOCATED TO SERVICE AREA |
|----------------------|--|--|---|------------------------------|----------------------------|-------------------------|---|-----------------------------------|---------------------------------|
| | | AS ADJUSTED ALLOCATED TO TGS Acct 1010 PLANT (WKP C.c) | AS ADJUSTED ALLOCATED TO TGS Acct 1060 CCNC (WKP C-1.c) | | | | ALLOCATED TO TGS ANNUAL PROFORMA DEPR & AMORT EXP | | |
| | | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| GENERAL PLANT | | | | | | | | | |
| 35 | (389) Land & Land Rights | \$0 | \$0 | \$0 | \$0 | 0.0000% | \$0 | 39.93% | \$0 |
| 36 | (390.1) Structures & Improvements | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 37 | (390.2) Leasehold Improvements | 442,716 | 11,903 | 0 | 454,619 | 10.1500% | 46,144 | 39.93% | 18,424 |
| 38 | (391.1) Office Furniture & Equipment | 735,159 | 0 | 0 | 735,159 | 6.6667% | 49,011 | 39.93% | 19,569 |
| 39 | (391.19) Airplane Hanger Furniture | 0 | 0 | 0 | 0 | 6.6667% | 0 | 39.93% | - |
| 40 | (391.2) Data Processing Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 41 | (391.3) Office Machines | 8,594 | 0 | 0 | 8,594 | 5.0000% | 430 | 39.93% | 172 |
| 42 | (391.4) Audio Visual Equipment | 302,965 | 0 | 0 | 302,965 | 20.0000% | 60,593 | 39.93% | 24,193 |
| 43 | (391.6) Purchased Software | 10,683,571 | 1,311,135 | 0 | 11,994,706 | 7.6923% | 922,670 | 39.93% | 368,401 |
| 44 | (391.6) Banner Software | 14,667,752 | 0 | 0 | 14,667,752 | 7.6923% | 1,128,289 | 39.93% | 450,500 |
| 45 | (391.6) PowerPlant System | 194,880 | 0 | 0 | 194,880 | 7.6923% | 14,991 | 39.93% | 5,985 |
| 46 | (391.6) Riskworks | 0 | 0 | 0 | 0 | 7.6923% | 0 | 39.93% | - |
| 47 | (391.6) Maximo | 1,122,322 | 0 | 0 | 1,122,322 | 7.6923% | 86,332 | 39.93% | 34,471 |
| 48 | (391.6) Dynamic Risk Assessment | 0 | 0 | 0 | 0 | 7.6923% | 0 | 39.93% | - |
| 49 | (391.6) Concur Project | 12,299 | 0 | (12,299) | 0 | 7.6923% | 0 | 39.93% | - |
| 50 | (391.6) Journey-Employee Count | 16,232,737 | 0 | 0 | 16,232,737 | 7.6923% | 1,248,672 | 39.93% | 498,566 |
| 51 | (391.6) Journey-Employee-ODC Distrigas | 477,214 | 0 | 0 | 477,214 | 7.6923% | 36,709 | 39.93% | 14,657 |
| 52 | (391.6) Ariba Software | 19,982 | 0 | 0 | 19,982 | 7.6923% | 1,537 | 39.93% | 614 |
| 53 | (391.8) Micro Computer Software | 1,079,205 | 0 | 0 | 1,079,205 | 13.1500% | 141,915 | 39.93% | 56,664 |
| 54 | (392.6) Aircraft | 0 | 0 | 0 | 0 | 6.2800% | 0 | 39.93% | - |
| 55 | (394.1) Tools | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 56 | (394.2) Shop Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 57 | (396) Major Work Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 58 | (397) Communication Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 59 | (397.2) Telephone Equipment | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 60 | (398) Miscellaneous General Plant | 0 | 0 | 0 | 0 | 0.0000% | 0 | 39.93% | - |
| 61 | Total General Plant | \$45,979,394 | \$1,323,038 | (\$12,299) | \$47,290,134 | | \$3,737,292 | | \$1,492,215 |
| 62 | Total Plant in Service | \$45,979,394 | \$1,323,038 | (\$12,299) | \$47,290,134 | | \$3,737,292 | | \$1,492,215 |
| 63 | Total Annualized Depreciation & Amortization Expense | | | | | | \$3,737,292 | 39.93% | \$1,492,215 |
| 64 | Test Year Depreciation & Amortization Expense Accts 403 & 404 | | | | | | 2,870,867 | 39.93% | 1,146,271 |
| 65 | Adjustment to Test Year | | | | | | \$866,425 | 39.93% | \$345,943 |

GUD No. 10506
Class Revenue Allocation

| LINE | DESCRIPTION | TOTAL | RESIDENTIAL | COMMERCIAL | INDUSTRIAL | PUBLIC AUTHORITY | WATER PUMPING | FORT BLISS |
|------|---|--------------|---------------|----------------|--------------|------------------|---------------|------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| 1 | Current Revenue-to-Cost Ratio (1) | 0.8874 | 0.7873 | 1.4130 | 3.6439 | 1.6423 | 4.7579 | 0.9786 |
| 2 | | | | | | | | |
| 3 | <u>Revenue Changes</u> | | | | | | | |
| 4 | Revenue-to-Cost Ratio | 1.0000 | 0.9191 | 1.4130 | 3.6439 | 1.6423 | 4.7579 | 1.0000 |
| 5 | Rate Design Revenue Increase | \$ 8,803,936 | \$ 14,151,511 | \$ (3,082,499) | \$ (726,908) | \$ (1,415,498) | \$ (158,198) | \$ 35,528 |
| 6 | % Increase - Non-Gas Revenue (2) | 12.69% | 27.02% | -29.23% | -72.56% | -39.11% | -78.98% | 2.18% |
| 7 | % Increase - Total Revenue (3) | 5.78% | 13.31% | -10.59% | -43.06% | -15.04% | -16.50% | 0.73% |
| 8 | <u>Revenue Allocation Two - Partial Movement Toward Cost of Service (4)</u> | | | | | | | |
| 9 | Revenue-to-Cost Ratio | 1.0000 | 0.9393 | 1.3098 | 2.9829 | 1.4817 | 3.8184 | 1.0000 |
| 10 | Rate Design Revenue Increase | \$ 8,803,936 | \$ 10,114,184 | \$ (770,625) | \$ (181,727) | \$ (353,875) | \$ (39,549) | \$ 35,528 |
| 11 | % Increase - Non-Gas Revenue (2) | 12.69% | 19.31% | -7.31% | -18.14% | -9.78% | -19.75% | 2.18% |
| 12 | % Increase - Total Revenue (3) | 5.78% | 9.51% | -2.65% | -10.76% | -3.76% | -4.12% | 0.73% |
| 13 | <u>Revenue Allocation for Reference Purposes - No Movement Toward Cost of Service for Classes Requiring Revenue Decreases (5)</u> | | | | | | | |
| 14 | Revenue-to-Cost Ratio | 1.0000 | 0.9191 | 1.4130 | 3.6439 | 1.6423 | 4.7579 | 1.0000 |
| 15 | Rate Design Revenue Increase | \$ 8,803,936 | \$ 8,768,408 | \$ - | \$ - | \$ - | \$ - | \$ 35,528 |
| 16 | % Increase - Non-Gas Revenue (2) | 12.69% | 16.74% | 0.00% | 0.00% | 0.00% | 0.00% | 2.18% |
| 17 | % Increase - Total Revenue (3) | 5.78% | 8.24% | 0.00% | 0.00% | 0.00% | 0.00% | 0.73% |

(1) Revenue-to-cost ratios are the ratios of each class' non-gas revenue (including revenue credits) to the cost of service.

(2) Non-gas revenue is the sum of as adjusted test year base revenue (*i.e.*, revenue from recurring monthly charges resulting from as adjusted billing determinants), service charge revenue, and other revenue credited to the cost of service for each class.

(3) Total revenue is the sum of non-gas revenue (see Note 2) and as adjusted gas costs. As adjusted gas costs are calculated by multiplying the test year average cost of gas (*i.e.*, test year gas cost revenue divided by unadjusted sales service volumes) by as adjusted sales service volumes.

(4) For each class with a cost of service required revenue decrease, one-fourth of the required decrease is implemented. The benefit of implementing less than the required decreases is assigned to the residential class.

(5) No revenue change assigned to a class for which the cost of service required revenue change calls for a decrease. The resulting benefit from not implementing the required decreases is assigned to the residential class.

Class Cost of Service Summary

| LINE | DESCRIPTION | TOTAL | RESIDENTIAL | COMMERCIAL | INDUSTRIAL | PUBLIC AUTHORITY | WATER PUMPING | FORT BLISS |
|------|---|---------------|---------------|----------------|--------------|---------------------|------------------|---------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| 1 | Customer Costs | \$ 58,134,176 | \$ 53,731,555 | \$ 3,570,095 | \$ 25,593 | \$ 438,008 | \$ 13,027 | \$ 355,898 |
| 2 | Demand Costs | \$ 19,414,365 | \$ 12,427,907 | \$ 3,748,422 | \$ 225,036 | \$ 1,703,261 | \$ 23,944 | \$ 1,285,794 |
| 3 | Commodity Costs | \$ 623,005 | \$ 364,827 | \$ 144,331 | \$ 24,307 | \$ 62,676 | \$ 5,126 | \$ 21,737 |
| 4 | Cost of Service Before Revenue Credits | \$ 78,171,546 | \$ 66,524,289 | \$ 7,462,848 | \$ 274,936 | \$ 2,203,946 | \$ 42,098 | \$ 1,663,429 |
| 5 | Revenues Credited to Cost of Service | \$ 2,594,873 | \$ 2,333,127 | \$ 213,367 | \$ 3,210 | \$ 25,805 | \$ 478 | \$ 18,885 |
| 6 | Total Cost of Service | \$ 75,576,673 | \$ 64,191,162 | \$ 7,249,481 | \$ 271,727 | \$ 2,178,140 | \$ 41,620 | \$ 1,644,545 |
| 7 | Revenue at Current Rates | \$ 66,772,737 | \$ 50,039,651 | \$ 10,331,980 | \$ 998,634 | \$ 3,593,639 | \$ 199,817 | \$ 1,609,017 |
| 8 | Filed Revenue Deficiency | \$ 8,803,935 | \$ 14,151,511 | \$ (3,082,499) | \$ (726,908) | \$ (1,415,498) | \$ (158,198) | \$ 35,528 |

GUD No. 10506
Revenue Proof

| Line | Description | Bills | Volumes | | Recommended Rates | | Calculated Revenue at | | Assigned Revenue | Rounding Diff. |
|------|-----------------------------|-----------|-----------------|-------------|-------------------|---------------|-----------------------|---------------|------------------|----------------|
| | | | | | Customer Charge | Usage Charges | Recommended Rates | | | |
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| 1 | Residential | 2,873,145 | | | \$ 15.70 | | \$45,108,377 | | | |
| 2 | | | All Ccf | 111,950,985 | | \$0.12237 | \$13,699,442 | | | |
| 3 | Residential Total | | | | | | | \$58,807,819 | \$ 58,808,059 | \$ (240) |
| 4 | | | | | | | | | | |
| 5 | Commercial | 168,159 | | | \$ 39.00 | | \$ 6,558,213 | | | |
| 6 | | | First 500 | 18,962,855 | | \$0.09520 | \$ 1,805,264 | | | |
| 7 | | | Over 500 | 19,352,609 | | \$0.07520 | \$ 1,455,316 | \$ 9,818,793 | | |
| 8 | Commercial Air Conditioning | 991 | | | \$ 39.00 | | \$ 38,667 | | | |
| 9 | | | <u>Oct.-Apr</u> | | | | | | | |
| 10 | | | First 500 | 68,253 | | \$0.09520 | \$ 6,498 | | | |
| 11 | | | Over 500 | 48,523 | | \$0.07520 | \$ 3,649 | | | |
| 12 | | | <u>May-Sep</u> | | | | | | | |
| 13 | | | First 500 | 22,150 | | \$0.07520 | \$ 1,666 | | | |
| 14 | | | Over 500 | 10,017 | | \$0.05520 | \$ 553 | \$ 51,032 | | |
| 15 | Commercial Transportation | 132 | | | \$ 400.00 | | \$ 52,800 | | | |
| 16 | | | First 500 | 66,373 | | \$0.09520 | \$ 6,319 | | | |
| 17 | | | Over 500 | 3,674,990 | | \$0.07520 | \$ 276,359 | \$ 335,478 | | |
| 18 | Cogeneration Transportation | 24 | | | \$ 400.00 | | \$ 9,600 | | | |
| 19 | | | <u>Oct.-Apr</u> | | | | | | | |
| 20 | | | First 5000 | 70,000 | | \$0.06993 | \$ 4,895 | | | |
| 21 | | | Next 95000 | 1,145,453 | | \$0.05993 | \$ 68,647 | | | |
| 22 | | | Next 300000 | 16,295 | | \$0.04993 | \$ 814 | | | |
| 23 | | | Over 400000 | - | | \$0.03993 | \$ - | | | |
| 24 | | | <u>May-Sep</u> | | | | | | | |
| 25 | | | First 5000 | 50,000 | | \$0.05992 | \$ 2,996 | | | |
| 26 | | | Next 95000 | 784,453 | | \$0.04991 | \$ 39,152 | | | |
| 27 | | | Next 300000 | 17,543 | | \$0.03992 | \$ 700 | | | |
| 28 | | | Over 400000 | - | | \$0.02991 | \$ - | \$ 126,804 | | |
| 29 | Commercial Total | | | | | | \$10,332,107 | \$ 10,331,980 | \$ | 127 |

GUD No. 10506
Revenue Proof

| Line | Description | Bills | Volumes | | Recommended Rates | | Calculated Revenue at | | Assigned Revenue | Rounding Diff. |
|------|-----------------------------------|--------|-----------------|-----------|-------------------|---------------|-----------------------|-------------------|------------------|----------------|
| | | | | | Customer Charge | Usage Charges | Recommended Rates | Recommended Rates | | |
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| 30 | | | | | | | | | | |
| 31 | Public Authority | 14,508 | | | \$ 100.00 | | \$ 1,450,829 | | | |
| 32 | | | First 500 | 3,164,208 | | \$0.12499 | \$ 395,494 | | | |
| 33 | | | Over 500 | 8,762,812 | | \$0.10499 | \$ 920,008 | \$ 2,766,331 | | |
| 34 | Public Authority Air Conditioning | 60 | | | \$ 100.00 | | \$ 6,000 | | | |
| 35 | | | <u>Oct.-Apr</u> | | | | | | | |
| 36 | | | First 500 | 14,155 | | \$0.12499 | \$ 1,769 | | | |
| 37 | | | Over 500 | 65,793 | | \$0.10499 | \$ 6,908 | | | |
| 38 | | | <u>May-Sep</u> | | | | | | | |
| 39 | | | First 500 | 2,789 | | \$0.09499 | \$ 265 | | | |
| 40 | | | Over 500 | 1,922 | | \$0.07499 | \$ 144 | \$ 15,086 | | |
| 41 | Public Authority Transportation | 132 | | | \$ 400.00 | | \$ 52,800 | | | |
| 42 | | | First 500 | 65,500 | | \$0.12499 | \$ 8,187 | | | |
| 43 | | | Over 500 | 7,155,646 | | \$0.10499 | \$ 751,271 | \$ 812,258 | | |
| 44 | Public Authority Total | | | | | | \$ 3,593,675 | \$ 3,593,639 | \$ | 36 |
| 45 | | | | | | | | | | |
| 46 | Industrial | 460 | | | \$ 200.00 | | \$ 91,920 | | | |
| 47 | | | First 500 | 120,209 | | \$0.13202 | \$ 15,870 | | | |
| 48 | | | Over 500 | 1,303,268 | | \$0.11202 | \$ 145,992 | \$ 253,782 | | |
| 49 | | | | | | | | | | |
| 50 | Industrial Transportation | 168 | | | \$ 400.00 | | \$ 67,200 | | | |
| 51 | | | First 500 | 78,000 | | \$0.13202 | \$ 10,298 | | | |
| 52 | | | Over 500 | 5,957,487 | | \$0.11202 | \$ 667,358 | \$ 744,855 | | |
| 53 | Industrial Total | | | | | | \$ 998,638 | \$ 998,634 | \$ | 3 |

GUD No. 10506
Revenue Proof

| Line | Description | Bills | Volumes | | Recommended Rates | | Calculated Revenue at | | Assigned Revenue | Rounding Diff. |
|------|------------------------------------|-------|------------|---------|-------------------|---------------|-----------------------|-------------------|------------------|----------------|
| | | | | | Customer Charge | Usage Charges | Recommended Rates | Recommended Rates | | |
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| 54 | | | | | | | | | | |
| 55 | Water Pumping | 239 | | | \$ 426.44 | | \$ 101,964 | | | |
| 56 | | | First 5000 | 634,497 | | \$0.06817 | \$ 43,254 | | | |
| 57 | | | Over 5000 | 938,600 | | \$0.05817 | \$ 54,598 | | | |
| 58 | Water Pumping Total | | | | | | \$ 199,816 | \$ 199,817 | \$ | (1) |
| 59 | | | | | | | | | | |
| 60 | | | | | | | | | | |
| 61 | Total Revenue - All Classes | | | | | | | | | |
| 62 | Recommended Rate Revenue | | | | | | \$73,932,054 | \$ 73,932,129 | | |
| 63 | Current Rate Revenue | | | | | | \$65,163,721 | \$ 65,163,721 | | |
| 64 | Revenue Change | | | | | | \$ 8,768,333 | \$ 8,768,408 | \$ | (75) |
| 65 | | | | | | | | | | |
| 66 | Fort Bliss Assigned Rev. Chge. (1) | | | | | | | \$ 35,528 | | |
| 67 | Total Change- All Classes | | | | | | | \$ 8,803,936 | | |
| 68 | | | | | | | | | | |
| 69 | | | | | | | | | | |
| 70 | Schedule A - Revenue Deficiency | | | | | | | \$ 8,803,936 | | |

(1) The amount reflects the revenue change assigned to Fort Bliss in the class revenue allocation shown on Schedule FJC-2.