

**BEFORE THE
RAILROAD COMMISSION OF TEXAS**

APPLICATION OF ALPINE HIGH	§	
PIPELINE LLC PURSUANT TO NGPA	§	GAS UTILITIES DOCKET NO. 10665
SECTION 311 FOR REVIEW OF THE	§	
REASONABLENESS OF	§	
TRANSPORTATION RATES	§	

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 Chapter 551 (Open Meetings) of the Texas Government Code. The Railroad Commission of Texas (“Commission”) adopts the following findings of fact, conclusions of law, and orders as follows:

FINDINGS OF FACT

1. Alpine High Pipeline LLC (“AHPL” or “Applicant”) owns and operates an intrastate natural gas pipeline within the State of Texas.
2. On October 20, 2017, AHPL filed with the Commission an application for review of the reasonableness of transportation rates under Section 311 of the NGPA.
3. On October 24, 2017, AHPL filed direct testimony and accompanying schedules supporting the application. On February 13, 2018, AHPL filed supplemental testimony updating the cost of service to reflect the reduction in the federal income tax rate under the Tax Cut and Jobs Act.
4. Applicant does not seek to change or modify any existing intrastate rates.
5. Due notice of this proceeding was served on all persons for whom Applicant performs § 311(a)(2) transportation services.
6. This docket was processed informally without an evidentiary hearing. No motion to intervene or statement of protest was filed.
7. AHPL has shown that a volumetric rate for interruptible transportation of \$0.13 per MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas is fair and equitable and not in excess of a cost-based rate.
8. Applicant has shown that a firm transportation rate consisting of a daily demand charge of \$0.12 per MMBtu, a usage rate of \$0.01 per MMBtu plus retention of a proportionate share

of actual system fuel and lost and unaccounted for gas is fair and equitable and not in excess of a cost-based rate.

9. Applicant has shown that a rate for “authorized overrun” service of \$0.13 MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas is fair and equitable and not in excess of a cost-based rate.

CONCLUSIONS OF LAW

1. AHPL is an intrastate “gas utility” under GURA § 101.003 (Definitions).
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 (2017).
3. The application is properly before the Commission pursuant to 15 U.S.C. § 3371, *et seq.*, and TEX. UTIL. CODE ANN. § 121.151 (West 2007 & Supp. 2016).
4. A volumetric rate for interruptible transportation of \$0.13 per MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas is fair and equitable and not in excess of a cost-based rate.
5. A firm transportation rate consisting of a daily demand charge of \$0.12 per MMBtu, a usage rate of \$0.01 per MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas is fair and equitable and not in excess of a cost-based rate.
6. A rate for “authorized overrun” service of \$0.13 MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas is fair and equitable and not in excess of a cost-based rate.

THE RAILROAD COMMISSION OF TEXAS hereby finds that a volumetric rate of \$0.13 per MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas for interruptible transportation service by Alpine High Pipeline, LLC is fair and equitable and not in excess of a cost-based rate.

THE RAILROAD COMMISSION OF TEXAS hereby finds that a firm transportation rate consisting of a daily demand charge of \$0.12 per MMBtu, a usage rate of \$0.01 per MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas is fair and equitable and not in excess of a cost-based rate.

THE RAILROAD COMMISSION OF TEXAS hereby finds that a rate for “authorized overrun” service of \$0.13 MMBtu plus retention of a proportionate share of actual system fuel and lost and unaccounted for gas 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 24th day of April, 2018.

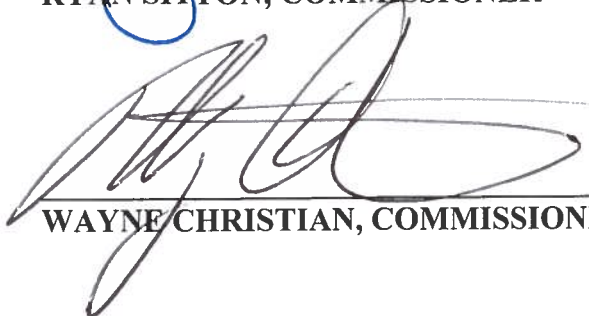
RAILROAD COMMISSION OF TEXAS



CHRISTI CRADDICK, CHAIRMAN



RYAN SITTON, COMMISSIONER



WAYNE CHRISTIAN, COMMISSIONER

ATTEST



SECRETARY