

**BEFORE THE
RAILROAD COMMISSION OF TEXAS**

APPLICATION FILED BY RED BLUFF	§	GAS UTILITIES DOCKET NO. 10752
EXPRESS PIPELINE, LLC PURSUANT	§	
TO NGPA § 311 FOR REVIEW OF THE	§	
REASONABLENESS OF A	§	
TRANSPORTATION RATE.	§	

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. Red Bluff Express Pipeline, LLC (“RBX” or “Applicant”) owns and operates an intrastate natural gas pipeline within the State of Texas.
2. On July 23, 2018, RBX filed with the Commission an application for review of the reasonableness of transportation rates under Section 311 of the Natural Gas Policy Act (NGPA).
3. On July 26, 2018, RBX filed direct testimony and accompanying schedules supporting the application.
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. RBX has shown that a volumetric rate for interruptible transportation of \$0.16 per MMBtu plus 0.65% retention for system fuel 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 \$0.14 per MMBtu, a usage rate of \$0.02 per MMBtu, and 0.65% retention for system fuel is fair and equitable and not in excess of a cost-based rate.

9. Applicant has shown that the rates for “park and loan” service of \$0.16 per MMBtu and “authorized overrun” service of \$0.16 per MMBtu, and 0.65% retention for system fuel, are fair and equitable and not in excess of cost-based rates.

CONCLUSIONS OF LAW

1. RBX 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 (2018).
3. The application is properly before the Commission pursuant to 15 U.S.C. § 3371, *et seq.*, and TEX. UTIL. CODE ANN. § 121.151 (Supp.).
4. A volumetric rate for interruptible transportation of \$0.16 per MMBtu, plus 0.65% retention for system fuel 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 \$0.14 per MMBtu, a usage rate of \$0.02 per MMBtu, and 0.65% retention for system fuel is fair and equitable and not in excess of a cost-based rate.
6. The rates for “park and loan” service of \$0.16 per MMBtu and “authorized overrun” service of \$0.16 per MMBtu, and 0.65% retention for system fuel are fair and equitable and not in excess of cost-based rates.

THE RAILROAD COMMISSION OF TEXAS hereby finds that a volumetric rate of \$0.16 per MMBtu plus 0.65% retention for system fuel for interruptible transportation service by Red Bluff Express 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 \$0.14 per MMBtu, a usage rate of \$0.02 per MMBtu, and 0.65% retention for system fuel is fair and equitable and not in excess of a cost-based rate.

THE RAILROAD COMMISSION OF TEXAS hereby finds that the rates for “park and loan” service of \$0.16 per MMBtu and “authorized overrun” service of \$0.16 per MMBtu, and 0.65% retention for system fuel are fair and equitable and not in excess of cost-based rates.

IT IS FURTHER ORDERED that all proposed findings of fact and conclusions of law not specifically adopted herein are DENIED.

SIGNED this 11th day of December 2018.

RAILROAD COMMISSION OF TEXAS


CHRISTI CRADDICK, CHAIRMAN


RYAN SITTON, COMMISSIONER


WAYNE CHRISTIAN, COMMISSIONER

ATTEST:


SECRETARY
