



1301 South Mopac Expressway, Suite 400
Austin, Texas 78746
texasgasservice.com

February 21, 2025

VIA EMAIL

Honorable Mayor and Council Members of

Austin, Bee Cave, Buda, Cedar Park, Cuero, Dripping Springs, Georgetown, Gonzales, Kyle, Lakeway, Lockhart, Luling, Marble Falls, Mustang Ridge, Nixon, Pflugerville, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas and the environs of Bastrop, Tx

RE: Annual Reporting Requirement per Rate Schedule Pipeline Integrity Testing (PIT) Rider for the Central-Gulf Service Area served by Texas Gas Service Company

Texas Gas Service Company, a Division of ONE Gas, Inc., (“TGS” or the “Company”) was authorized recovery of Pipeline Integrity Testing (“PIT”) expenses for the above captioned cities of the Central-Gulf Service Area (“CGSA”) pursuant to Rate Schedule PIT Rider approved by the Railroad Commission of Texas in Gas Utilities Case No. 17471. TGS is filing this letter in compliance with the annual reporting requirements of the PIT Rider rate schedule.

For the calendar year ending December 31, 2024, the Company incurred Pipeline Integrity Testing expense adjustments in the CGSA totaling \$19,102. As a result of the 2024 annual PIT report, the Company was authorized to refund \$15,609. During the period April 2024 through December 2024, the Company refunded \$6,270. The Company estimates it will refund an additional \$9,339 during the period January through March 2025, leaving no balance uncollected. As a result of the 2023 annual PIT report, the Company was authorized to recover \$49,397. During the period April 2023 through March 2024, the Company recovered \$47,762, leaving a balance of \$1,635 under collected, which will be added to the recovery during 2025 as set forth in the tariff. The Company has calculated a rate of \$0.00010 per Ccf to be charged to customers for the 12-month period, April 2025 through March 2026.

Enclosed are a copy of the PIT-Rider tariff showing the \$0.00010 rate, a copy of the proposed Public Notice and supporting documentation. The proposed Public Notice follows the same format as that of the notice previously approved under the prior PIT Rider.

If you have any questions or concerns, please contact me at stacey.mctaggart@onegas.com or at 512-370-8354.

Respectfully submitted,

Stacey McTaggart
Rates and Regulatory Director

PIPELINE INTEGRITY TESTING (PIT) SURCHARGE RIDER

A. APPLICABILITY

The Pipeline Integrity Testing Surcharge (PIT) rate as set forth in Section (B) below is for the recovery of costs associated with pipeline integrity testing as defined in Rate Schedule PIT. This rate shall apply to the following gas sales and standard transportation rate schedules of Texas Gas Service Company, a Division of ONE Gas, Inc. currently in force in the Company's Central-Gulf Service Area ("CGSA") within the incorporated and unincorporated areas of Austin, Bee Cave, Buda, Cedar Park, Cuero, Dripping Springs, Georgetown, Gonzales, Hutto, Kyle, Lakeway, Lockhart, Luling, Marble Falls, Mustang Ridge, Nixon, Pflugerville, Rollingwood, Shiner, Sunset Valley, West Lake Hills and Yoakum, Texas and in the environs area of Bastrop, Texas: 10, 15, 20, 25, 30, 40, C-1, CNG-1, T-1, 1Z, 1Y, 2Z, 2Y, 3Z, 4Z, C-1-ENV, CNG-1-ENV and T-1-ENV.

B. PIT RATE

\$0.00010 per Ccf

This rate will be in effect until all approved and expended pipeline integrity testing expenses are recovered under the applicable rate schedules.

C. OTHER ADJUSTMENTS

Taxes: Plus applicable taxes and fees (including franchises fees) related to above.

D. CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

PUBLIC NOTICE
2025 CGSA Pipeline Integrity Testing Rider

Texas Gas Service Company, a Division of ONE Gas, Inc., (the “Company” or “TGS”) hereby gives notice of rates to be charged from April 2025 through March 2026 under the Pipeline Integrity Testing (“PIT”) Rider applicable to the Central-Gulf Service Area (“CGSA”) incorporated and environs areas of Austin, Bee Cave, Buda, Cedar Park, Cuero, Dripping Springs, Georgetown, Gonzales, Hutto, Kyle, Lakeway, Lockhart, Luling, Marble Falls, Mustang Ridge, Nixon, Pflugerville, Rollingwood, Shiner, Sunset Valley, West Lake Hills, and Yoakum, Texas and in the environs area of Bastrop, Texas. The PIT Rider permits the Company to recover the cost of pipeline safety testing that the Company is required to perform by law.

The effect of the PIT Rider on the various customer classes within the CGSA is set forth in the table below:

Rate Schedule	PIT Rate per Ccf	Average Monthly Bill Impact	Number of Customers
Residential	\$0.00010	\$0.00	268,234
Commercial	\$0.00010	\$0.03	11,344
Industrial	\$0.00010	\$0.20	24
Public Authority	\$0.00010	\$0.19	570
Compressed Natural Gas	\$0.00010	\$0.00*	1
Standard Transportation	\$0.00010	\$0.38	816

*Customer has zero volumes.

Persons with questions or who want more information about this filing may contact the Company at 1-800-700-2443. A copy of the filing will be available for inspection during normal business hours at the Company’s office at 9228 Tuscany Way, Austin, Texas, or on the Company's website at <https://www.texasgasservice.com/RateInformation/CentralGulf>.

Texas Gas Service Company, a Division of ONE Gas, Inc.
Central Gulf Service Area- Central Texas cities only
Pipeline Integrity Testing Rider
Rate Calculation

Line	Description	Amount
1	Pipeline Integrity Testing Costs Deferred in 2024	\$ 19,102
2	Prior years true-up	1,759
3	Total to Recover April 2025 through March 2026	<u>\$20,860</u>
4	Annual Volumes (Ccf)	<u>170,276,343</u>
5	PIT Rider Rate per Ccf for April 2025 through March 2026	<u>\$0.00010</u>
6	(Line 3 divided by Line 4)	

Texas Gas Service Company, a Division of ONE Gas, Inc.
Central Gulf Service Area- Central Texas cities only
Pipeline Integrity Testing Rider
Bill Impact

Line	Rate Schedule	Bills	Customers	Volumes	Average Use per Customer	PIT Rate per Ccf	Average Monthly Bill Impact
1	Residential (Note 1)	3,218,807	268,234	88,098,783	27	\$ 0.0001	\$ 0.00
2	Commercial (Note 1)	136,132	11,344	40,515,095	295	\$ 0.0001	\$ 0.03
3	Industrial	285	24	594,634	2,009	\$ 0.0001	\$ 0.20
4	Public Authority	6,844	570	3,787,355	1,914	\$ 0.0001	\$ 0.19
5	Compressed Natural Gas	12	1	-	-	\$ 0.0001	\$ -
6	Standard Transportation	9,787	816	37,280,476	3,809	\$ 0.0001	\$ 0.38
		<u>\$ 3,371,867</u>	<u>\$ 280,989</u>	<u>\$ 170,276,343</u>			

Note 1: Residential and Commercial classes were discontinued for Small/Large rate schedules in Case No. 17471.

Note 2: Public Schools Space Heat was discontinued in this case, and customers on this tariff now classify as Public Authority.

Note 3: From the customer bill impacts in Case No. 17471.

Texas Gas Service Company, a Division of ONE Gas, Inc.
Central Gulf Service Area- Central Texas cities only
Pipeline Integrity Testing Rider
True-up of prior years recovery of Pipeline Integrity Testing expenses

Line	Description	Amount	
1	Approved 2022 Amount to Recover	\$49,397	
2	Recoveries Apr-Dec 2023	<u>(25,811)</u>	
3	Unrecovered 2022 PIT Expenses at 12/13/2023	\$23,586	
4	Recoveries Jan - Mar 2024	<u>(21,950)</u>	
5	Unrecovered 2022 PIT Expenses at 3/31/2024	\$1,635	
6	Interest on Under (Over) Recovery at WACOC	<u>123</u>	
7	Remaining 2022 Costs to recover (refund)	<u><u>\$1,759</u></u>	\$1,759
8	Approved 2023 Amount to Recover	(\$15,609)	
9	Recoveries Apr-Dec 2024	<u>6,270</u>	
10	Unrecovered 2023 PIT Expenses at 12/13/2024	<u>(\$9,339)</u>	
11	Estimated recoveries Jan-Mar 2025	<u>\$9,339</u>	
12	Estimated unrecovered 2023 PIT Expenses at 3/31/2025	<u><u>\$0</u></u>	<u>\$0</u>
13	Total Prior Year True-Up		<u><u>\$1,759</u></u>

Texas Gas Service Company, a Division of ONE Gas, Inc.
Central Gulf Service Area- Central Texas cities only
Pipeline Integrity Testing Rider
Deferred Pipeline Integrity Testing Expense

Project Number	Project Description	Expenditure	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Jul-24	Sep-24	Oct-24	Nov-24	Dec-24	Grand Total
		Type													
091.082.7200.010018	(2025 IMP) LINE 2100 SEG 1 & 2 - ECDA SURVEY/PIPELINE	Contractor													
	ASSESSMENT	Supplied Labor			14,179.32						4,799.76				18,979.08
091.082.7200.010019	(2025 IMP) LINE 2200 SEG 3 - ECDA SURVEY/PIPELINE	Contractor													
	ASSESSMENT	Supplied Labor			122.55										122.55
Grand Total			0.00	0.00	14,301.87	0.00	0.00	0.00	0.00	0.00	4,799.76	0.00	0.00	0.00	\$ 19,101.63

Texas Gas Service Company, a Division of ONE Gas, Inc.
Central Gulf Service Area- Central Texas cities only
Pipeline Integrity Testing Rider
Recovery of Pipeline Integrity Testing Expense

Recoveries

January-24	(8,456.45)	
February-24	(8,643.37)	
March-24	(4,850.50)	(21,950.32)
April-24	860.76	
May-24	679.90	
June-24	627.50	
July-24	540.64	
August-24	528.77	
September-24	531.11	
October-24	577.13	
November-24	648.54	
December-24	1,276.11	6,270.46
Total Net Recoveries in 2024	(15,679.86)	