

## STATUS REPORT FOR ATMOS/TXU GAS DOCKETS

\*\*\* SEE BOLDED TEXT IN STATUS SECTION FOR ACTION NEEDED BY CITIES \*\*\*

DOCKET NO./ DATE FILED	DESCRIPTION	WHERE PENDING	STATUS
<b>GUD No. 9400</b> Filed 5/2003  TXU Appeal: GN402652 Filed 8/17/2004	<b>Full rate case</b> filed by TXU using 2002 test year and asking for \$70 million rate increase, uniform rates throughout entire TXU Gas service area, and to shift more of total costs to residential customers	Travis County (Austin) District Court	Final Order was issued by the RRC on May 25, 2004, granting an \$11.5 million annual rate increase, approving uniform rates throughout the system and shifting \$17.6 million in costs from the commercial and industrial classes to the residential class; the Final Order was appealed by TXU, all of the city groups, and Chaparral Steel; the appeal dockets have been inactive since the initial filings other than interventions filed by various parties to the original RRC docket.
<b>GUD No. 9460</b> Filed 5/2003 Severed 10/2004	<b>Curtailment rules</b> tariff severed from GUD No. 9400	RRC	Closed docket: After transition to Atmos in October, 2004, company filed motion to withdraw and Commission dismissed.
<b>GUD No. 9461</b> Filed 5/2003 Severed 10/2004	<b>Quality of service rules</b> tariff severed from GUD No. 9400	RRC	Active docket: cities have taken the position that service rules and regulations are within the exclusive jurisdiction of cities and RRC does not have appellate jurisdiction as rates are not involved; briefing as to jurisdictional and other threshold issues will be filed in January and early February with a ruling by the examiner scheduled for late February or early March; hearing on the merits in June if not dismissed.
<b>GUD No. 9462</b> Filed 5/2003 Severed 10/2004	<b>Line extension policy</b> tariff severed from GUD No. 9400	RRC	Active docket: cities have taken the position that line extension policy determinations are within the exclusive jurisdiction of cities and RRC does not have appellate jurisdiction as rates are not involved; company has filed a motion to dismiss; examiner asked for clarification of what rules will apply if docket is dismissed; further ruling expected in January or February, 2005.
<b>GUD No. 9463</b> Filed 5/2003 Severed 10/2004	<b>Rider CAIF (capital adjustment investment factor) tariff</b> severed from GUD No. 9400	RRC	Pending but inactive docket: Proposed tariff is similar to GRIP statute and was included in the May 2003 rate filing package before the GRIP legislation had finally passed. Atmos may dismiss this docket now that RRC has adopted a GRIP rule to govern cases over which the RRC has original jurisdiction.

<b>DOCKET NO./ DATE FILED</b>	<b>DESCRIPTION</b>	<b>WHERE PENDING</b>	<b>STATUS</b>
<b>GUD No. 9517</b> Filed 5/2003 Severed 4/2004	<b>Rate case expense issue</b> severed from GUD No. 9400	RRC	Hearing in October, 2004; Proposal for Decision issued December 15, 2004; examiner recommended approval of all expenses claimed by Atmos/TXU and by cities (total: \$10.1 million); 3 year surcharge recovery mechanism recommended with same cost-shifting to residential class as approved in GUD No. 9400.
<b>GUD No. 9530</b> Filed 9/2004	<b>Triennial (11/1/2000-10/31/2003) gas cost prudence review</b>	RRC	Active docket: Informal discovery, review of information by consultants and discussions with company in progress; hearing on merits currently scheduled for May 16, 2005, if no settlement. <b>INTERVENTION RESOLUTIONS NEEDED FROM CITIES NO LATER THAN THE END OF JANUARY, 2005.</b> ***(see below re cities from which resolutions have been received.)
<b>City specific</b> Filed 12/14-17/2004	Notice of <b>GRIP in-city distribution rate increase</b> to be effective 2/15/05 unless suspended by Cities	Cities	Active cases in each city: Atmos is asking for an additional \$8.5 million (\$6.7 from distribution rates; \$1.8 in pipeline rates) in annual revenue due to “new” investments during calendar year 2003. <b>CITIES MUST FILE SUSPENSION RESOLUTIONS BEFORE FEBRUARY 15 - IF POSSIBLE, SHOULD BE PASSED BY MID-JANUARY.</b>
<b>GUD No. 9560</b> Filed 12/17/2004	Notice of <b>GRIP pipeline and environs rate increase</b> to be effective 2/15/05 unless suspended by RRC (RRC has limited its suspensions to 45 days)	RRC	Active docket: This is the first GRIP filing at the RRC and the RRC staff has not determined what procedure will be used for these filings or what input city representatives may have. Discussions during the GRIP rulemaking suggested that only limited participation by cities may be allowed. A plan of action is being developed. The suspension resolution referenced above for the city filings will authorize intervention in the RRC docket if allowed by the RRC.

\*\*\* GUD No. 9530 Intervention Resolutions received from Cities of Arlington, Benbrook, Kerrville & Robinson.