



**TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC.
2020 COST OF SERVICE ADJUSTMENT
FOR THE RIO GRANDE VALLEY SERVICE AREA**

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April 30, 2020

The Honorable Mayors and Members of the City Councils
of the following Texas Cities:

Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas

Dear Mayors and Members of the City Councils:

On March 13, 2020, Governor Greg Abbott declared a State of Disaster in Texas for all Texas counties in response to the novel coronavirus (COVID-19) pandemic. In an effort to ensure the safety of the general public and Texas Gas Service Company, a Division of ONE Gas, Inc. ("Company") employees during the COVID-19 concerns, TGS is sending the documents applicable to the foregoing Cost of Service Adjustment ("COSA") filing electronically, via e-mail, to each municipality in the Rio Grande Valley Service Area ("RGVSA"). In addition, the COSA tariff requires a signed and notarized affidavit to accompany the filing, however due to the guidelines and requirements concerning business operations during the COVID-19 pandemic, TGS will provide the signed and notarized affidavit when it can be safely accomplished.

The Company hereby files, via e-mail to the e-mail addresses listed below, its 2020 annual COSA filing pursuant to the COSA Clause, Rate Schedule No. 1-1, for the incorporated areas of its RGVSA which includes Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas ("RGVSA Cities").

The 2020 COSA filing shows an overall revenue requirement increase of \$1,924,585, which means that customers in the RGVSA Cities will receive an increase in rates. A residential customer using an average of 12 Ccf of gas per month would experience a monthly bill increase of \$1.48 per month. The proposed change in rates will affect approximately 57,124 residential, 3,722 commercial, 463 public authority, 31 industrial, 23 commercial standard transportation, 4 public authority standard transportation, and 17 industrial standard transportation customers in the incorporated areas of the RGVSA. Pursuant to the terms of the COSA Clause, the Cities may elect to take no action, and the proposed rate adjustment will be deemed approved July 29, 2020. If a City elects to act, it must do so by July 29, 2020 (ninety days from the date of filing). As specified by the COSA Clause, this proposed rate change will become effective the first billing cycle of August 2020 (meters read on and after July 29, 2020).

During the 2019 test year, the Company increased investments in the RGVSA to modernize infrastructure and upgrade the system. Section C of the COSA Clause states that in any year the percentage change in total calendar year operating expenses (excluding costs to provide public notice and reimburse rate filing



expenses) shall not exceed 5 percent. For purposes of this year's filing, the actual percentage change was 9.92% and was therefore limited to the 5 percent referenced in the COSA Clause.

Attached to this filing and incorporated herein are Schedules 1 through 7 and workpapers which were prepared consistent with the terms of the COSA Clause. These schedules and workpapers support the overall increase in the Company's RGVSA revenues of \$1,924,585, of which \$1,777,887 is attributable to the RGVSA incorporated areas. Also included with the filing are RGVSA Rate Schedules 10, 20, 30, 40, and T-1, which reflect an increase to the monthly customer charge for all gas sales and standard transport customers and an increase in the volumetric rate for residential customers.

In closing, Texas Gas Service Company appreciates your consideration of the Cost of Service Adjustment filing. We look forward to continuing to provide safe and reliable gas service to customers within the Cities.

Sincerely,

Stephanie G. Houle
Texas Gas Service Company
Barton Skyway IV
1301 S. Mopac, Suite 400
Austin, Texas 78746
(512) 370-8273
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Stephanie.Houle@onegas.com

Attachments

cc: Thomas Brocato, Attorney for Certain RGV Cities

Transmitted via e-mail to:

Alamo City Secretary (arangel@alamotexas.org)
Alton City Secretary (baudelia.rojas@alton-tx.gov)
Brownsville City Clerk (griselda@cob.us)
Combes Town Secretary (agutierrez@townofcombes.com)
Donna City Secretary (lalderrama@cityofdonna.org)
Edcouch City Secretary (mannyhernandez@cityofedcouch.org)
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La Feria City Secretary (amorales@cityoflaferia.com)
La Joya City Secretary (jsabala@cityoflajoya.com)
La Villa City Secretary (citysecretary@cityoflavilla.org)
Laguna Vista City Secretary (cs@lvtexas.us)
Los Fresnos City Secretary (jmoya@citylf.us)
Lyford City Secretary (cityoflyford@lyfordtx.us)



McAllen City Secretary (plara@mcallen.net)
Mercedes City Secretary (jcastillo@cityofmercedes.com)
Mission City Secretary (acarrillo@missiontexas.us)
Palm Valley City Secretary (srtrevino@palmvalleytx.com)
Palmhurst City Secretary (richardgarcia@cityofpalmhurst.com)
Palmview City Secretary (avillarreal@cityofpalmview.us)
Penitas City Secretary (citysecretary@cityofpenitas.com)
Pharr City Clerk (hilda.pedraza@pharr-tx.gov)
Port Isabel City Secretary (citysecretaryofpi@yahoo.com)
Primera Finance Coordinator (adriana.villegas@cityofprimera.com)
Progreso City Clerk (liz.villarreal25@yahoo.com)
Rancho Viejo Asst Town Secretary (townhall@ranchoviejotexas.com)
Rancho Viejo Town Administrator (fblanco@ranchoviejotexas.com)
Raymondville City Secretary (d.garza@raymondvilletx.us)
Rio Hondo City Administrator (bmedina@riohondo.us)
San Benito City Secretary (rmcginnis@cityofsanbenito.com)
San Juan City Secretary (dcavazos@sjtx.us)
Santa Rosa City Secretary (mgonzalez@cityofsantarosatx.com)
Weslaco City Secretary (nacantu@weslacotx.gov)

**2020 RGVSA INCORPORATED
COSA
PUBLIC NOTICE**

**PUBLIC NOTICE OF PROPOSED RATE INCREASE
TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC.
RGVSA INCORPORATED COSA FILED APRIL 30, 2020**

Pursuant to Rio Grande Valley Service Area ("RGVSA") Rate Schedule No. 1-1, Texas Gas Service Company, a Division of ONE Gas, Inc. ("Company") filed a 2020 Cost of Service Adjustment ("COSA") with the RGVSA municipal regulatory authorities which includes the Cities of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas on April 30, 2020.

The Company proposes to increase rates in the incorporated areas of the RGVSA by the amounts listed below. Pursuant to Rate Schedule No. 1-1, proposed rates will become effective with meters read on and after July 29, 2020. The change in rates will affect approximately 57,124 residential, 3,722 commercial, 463 public authority, 31 industrial, 23 commercial standard transportation, 4 public authority standard transportation and 17 industrial standard transportation customers in the RGVSA incorporated areas. The proposed change constitutes a "major change" as that term is defined by Section 104.101 of the Texas Utilities Code.

Customer Class	Current Monthly Customer Charge	Proposed Monthly Customer Charge	Monthly Customer Charge Increase	Volumetric (per Ccf) Increase	Average Monthly Customer Bill Increase	% Increase without Cost of Gas	% Increase with Cost of Gas	Average Monthly Usage per Ccf for Bill Impacts
Residential	\$16.52	\$17.02	\$0.50	\$0.08290	\$1.48	6.75%	5.84%	12
Commercial	\$81.35	\$95.07	\$13.72	N/A	\$13.72	6.27%	3.98%	435
Commercial - Church	\$63.35	\$77.07	\$13.72	N/A	\$13.72	17.84%	15.37%	43
Commercial Standard Transport	\$423.35	\$437.07	\$13.72	N/A	\$13.72	2.09%	N/A	13,145
Public Authority	\$68.84	\$83.16	\$14.32	N/A	\$14.32	7.86%	5.34%	298
Public Authority Standard Transport	\$423.84	\$438.16	\$14.32	N/A	\$14.32	2.26%	N/A	13,210
Industrial	\$338.83	\$459.04	\$120.21	N/A	\$120.21	8.59%	4.99%	3,496
Industrial Standard Transport	\$588.83	\$709.04	\$120.21	N/A	\$120.21	8.19%	N/A	25,434
2019 Cost of Gas was \$0.2890/Ccf excluding revenue related taxes.								

The adjustment to rates was calculated on the Company's total revenue requirement for service in the RGVSA which includes customers residing in both the incorporated areas and the surrounding environs. The incorporated areas' share of the service area-wide increase of \$1,924,585 is approximately \$1,777,887. If approved, the proposed rates will increase the Company's RGVSA revenues by 4.80 percent when gas cost revenues are included or by 6.19 percent when gas cost revenues are excluded.

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 5602 E. Grimes Rd., Harlingen, Texas 78550 or on the Company's website at <https://www.texasgasservice.com/rate-information/rio-grande-valley>. Any affected person within an incorporated area may contact his or her city council.

De conformidad con la Clase de Tarifa número 1-1 del Área de Servicio del Río Grande (de aquí en adelante, "RGVSA", por sus siglas en inglés), la compañía Texas Gas Service, una división de ONE Gas, Inc. (de aquí en adelante, la "Compañía"), presentó el 30 de abril del 2020 una solicitud para implementar un Ajuste por el Costo del Servicio (de aquí en adelante, "COSA", por sus siglas en inglés) para el 2020 ante las autoridades regulatorias municipales del RGVSA, que incluye las Ciudades de Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, y Weslaco, Texas. La Compañía propone aumentar las tarifas en las áreas incorporadas del RGVSA. De conformidad con la Clase de Tarifa número 1-1, la fecha propuesta para la entrada en vigor de las tarifas propuestas es para los contadores leídos a partir del 29 de julio del 2020.

Cualquier persona que tenga una pregunta específica o que desee obtener información adicional acerca de este asunto, puede contactar a la Compañía al teléfono 1-800-700-2443. Si desea revisar la tarifa COSA presentada por la Compañía, puede encontrar una copia completa durante el horario normal de trabajo en las oficinas de la Compañía localizadas en 5602 East Grimes, Harlingen, Texas 78550, o visitando la página de internet de la Compañía en <https://www.texasgasservice.com/rate-information/rio-grande-valley>. Cualquier persona que se vea afectada dentro de las áreas incorporadas puede contactar a su consejo municipal.

**2020 RGVSA INCORPORATED
COSA
RATE SCHEDULES (TARIFFS)**

RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. A residential consumer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development. This rate is only available to full requirements customers of Texas Gas Service Company, a Division of ONE Gas, Inc.

TERRITORY

The Rio Grande Valley Service Area includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of	\$17.02 plus
All Ccf @	\$ 0.54067 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Energy Efficiency Program: Adjustments in accordance with the provisions of the Energy Efficiency Program, Rate Schedule 1EE, if applicable.

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

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

CONDITIONS

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

Supersedes Same Sheet Dated
July 29, 2019

Meters Read On and After
July 29, 2020

COMMERCIAL SERVICE RATE

APPLICABILITY

Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of Texas Gas Service Company, a Division of ONE Gas, Inc.

TERRITORY

The Rio Grande Valley Service Area includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$95.07 plus (For Commercial Service)
\$77.07 plus (For Church Service)

All Ccf @ \$0.31650 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Energy Efficiency Program: Adjustments in accordance with the provisions of the Energy Efficiency Program, Rate Schedule 1EE, if applicable.

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

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

CONDITIONS

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

INDUSTRIAL SERVICE RATE

APPLICABILITY

Applicable to any qualifying industrial customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government.

Division B	- Mining - all Major Groups
Division D	- Manufacturing - all Major Groups
Divisions E and J	- Utility and Government - facilities generating power for resale only

TERRITORY

The Rio Grande Valley Service Area includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of	\$ 459.04 plus
All Ccf @	\$0.30336 per Ccf

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1-INC.

Pipeline Integrity Testing Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

Rate Schedule RCE: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider.

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

CONDITIONS

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

TRANSPORTATION SERVICE RATE

APPLICABILITY

Applicable to customers who have elected Transportation Service not otherwise specifically provided for under any other rate schedule.

Service under this rate schedule is available for the transportation of customer-owned natural gas through Texas Gas Service Company, a Division of ONE Gas, Inc.'s (the "Company") distribution system. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

AVAILABILITY

Natural gas service under this rate schedule is available to any individually metered, non-residential customer for the transportation of customer owned natural gas through the Company's Rio Grande Valley distribution system which includes the incorporated areas of Alamo, Alton, Brownsville, Combes, Donna, Edcouch, Edinburg, Elsa, Harlingen, Hidalgo, La Feria, La Joya, La Villa, Laguna Vista, Los Fresnos, Lyford, McAllen, Mercedes, Mission, Palm Valley, Palmhurst, Palmview, Penitas, Pharr, Port Isabel, Primera, Progreso, Rancho Viejo, Raymondville, Rio Hondo, San Benito, San Juan, Santa Rosa, and Weslaco, Texas. Such service shall be provided at any point on the Company's System where adequate capacity and gas supply exists, or where such capacity and gas supply can be provided in accordance with the applicable rules and regulations and at a reasonable cost as determined by the Company in its sole opinion.

COST OF SERVICE RATE

During each monthly billing period, a customer charge per meter per month listed by customer class as follows:

Commercial	\$437.07 per month
Industrial	\$709.04 per month
Public Authority	\$438.16 per month

Plus – All Ccf per monthly billing period listed by customer class as follows:

Commercial	The First 5000 Ccf @	\$0.31650 per Ccf
	All Over 5000 Ccf @	\$0.01777 per Ccf

TRANSPORTATION SERVICE RATE

(Continued)

Industrial	The First 5000 Ccf @	\$0.30336 per Ccf
	All Over 5000 Ccf @	\$0.03453 per Ccf
Public Authority	The First 5000 Ccf @	\$0.38068 per Ccf
	All Over 5000 Ccf @	\$0.01595 per Ccf

ADDITIONAL CHARGES

- 1) A charge will be made each month to recover the cost of taxes paid to the State of Texas pursuant to Texas Utilities Code, Chapter 122 as such may be amended from time to time which are attributable to the transportation service performed hereunder.
- 2) A charge will be made each month to recover the cost of any applicable franchise fees paid to the cities.
- 3) In the event the Company incurs a demand or reservation charge from its gas supplier(s) or transportation providers in the unincorporated areas of the Rio Grande Valley Service Area, the customer may be charged its proportionate share of the demand or reservation charge based on benefit received by the customer.
- 4) Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider RCE.
- 5) The billing shall reflect adjustments in accordance with provisions of the Pipeline Integrity Testing Rider, Rate Schedule PIT.

SUBJECT TO

- 1) Tariff T-TERMS, General Terms and Conditions for Transportation.
- 2) Transportation of natural gas hereunder may be interrupted or curtailed at the discretion of the Company in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residential and other higher priority customers served. The curtailment priority of any customer served under this schedule shall be the same as the curtailment priority established for other customers served pursuant to the Company's rate schedule which would otherwise be available to such customer.
- 3) Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**2020 RGVSA INCORPORATED
COSA
SCHEDULES AND WORKPAPERS**

SUMMARY OF RATE ADJUSTMENT

LINE NO.	DESCRIPTION	TWELVE MONTHS ENDED DEC. 2019	ALLOWABLE REVENUE REQUIREMENT	TWELVE MONTHS ENDED DEC. 2018	INCR(DEC)
1	Rate Base	\$128,127,568		\$116,986,782	\$11,140,786
2	Rate of Return	7.3491%		7.3491%	
3	Required Return	9,416,249		8,597,499	\$818,750
4	Depreciation and Amortization	4,965,934		4,577,763	388,171
5	Taxes Other Than FIT (Ad Valorem only)	908,547		861,368	47,179
6	Federal Income Tax	1,995,022		1,810,778	184,244
7	Rate Base Related	17,285,752		\$15,847,408	\$1,438,344
8	Taxes Other Than FIT (excludes Ad Valorem)	512,150		555,652	(43,502)
9	Interest on Customer Deposits	56,997		31,500	25,497
10	Transmission and Distribution Expenses	7,605,945		6,491,159	1,114,786
11	Customer Related Expenses	2,101,941		2,111,971	(10,031)
12	Administrative & General	6,169,346		5,772,497	396,850
13	O&M Expense Related	\$16,446,379		\$14,962,779	\$1,483,600
14	Revenue Requirement (Line 7 + Line 13)	\$33,732,131	\$32,996,670	\$30,810,187	\$2,921,944
15	Test Year Sales, Transport, and Misc. Revenues	(31,086,519)	(31,086,519)	(30,810,187)	(276,332)
16	Revenue Deficiency	2,645,612	1,910,151	\$0	\$2,645,612
17	Gross up for Texas Franchise Tax	0.0075	19,992	14,434	0
	Gross up for Uncollectible Expense	0.0000	0	0	19,992
18	Total Cost of Service Adjustment (grossed up for Texas Franchise Tax rate of 0.0075)	\$2,665,604	\$1,924,585	\$0	\$2,665,604

TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC.
2020 RGVSA IS COSA TYE DEC 2019
SUMMARY OF RATE ADJUSTMENT

NOTES TO SCHEDULE 1:

	TWELVE MONTHS ENDED DEC. 2019	ALLOWABLE REVENUE REQUIREMENT
Note 1: Calculation of Allowable Revenue Requirement		
1 Current Rate Base Related	\$17,285,752	\$17,285,752
2 Current O&M Expense Related (Allowable is limited to percentage increase below)	16,446,379	15,710,918
3 Revenue Requirement from current year	<u>\$33,732,131</u>	<u>\$32,996,670</u>
4 Prior Rate Base Related	\$15,847,408	\$15,847,408
5 Prior O&M Expense Related	14,962,779	14,962,779
6 Revenue Requirement from prior year	<u>\$30,810,187</u>	<u>\$30,810,187</u>
7 Total Change in Return and Expenses	<u>\$2,921,944</u>	<u>\$2,186,483</u>

Calculation of Limitation on Expense Increase

Actual Operating Expense Change Percentage	9.9200%	
Limitation on Expenses*		5.0000%

* Determined by Terms of Cost of Service Adjustment Clause (The actual percentage change in total calendar year operating expenses shall not exceed five percent (5%), provided that the costs for the Company to provide public notice and reimburse City and Company rate case expenses as required herein, shall not be included in calculating the 5% limitation.

ALLOWABLE EXPENSES

LINE NO.	DESCRIPTION	FERC ACCOUNT	TWELVE MONTHS ENDED DEC. 2019	TWELVE MONTHS ENDED DEC. 2018	INCR(DEC)
1	Depreciation and Amortization	403-405	\$4,965,934	\$4,577,763	\$388,171
2	Taxes Other Than FIT*	408	1,420,697	1,417,020	3,677
3	Interest on Customer Deposits	431	56,997	31,500	25,497
4	Transmission and Distribution Expenses	850-894	7,605,945	6,491,159	1,114,786
5	Customer Related Expenses	901-916	2,101,941	2,111,971	(10,031)
6	Administrative & General	920-932	6,169,346	5,772,497	396,850
7	Total		<u>\$22,320,860</u>	<u>\$20,401,909</u>	<u>\$1,918,951</u>

* Includes Texas Franchise Tax. Excludes City Franchise Fees, Gross Receipts, and any other revenue-based tax.

RETURN ON INVESTMENT

LINE NO.	DESCRIPTION	TWELVE MONTHS ENDED DEC. 2019	TWELVE MONTHS ENDED DEC. 2018	INCR(DEC)
1	Net Plant in Service (Year to Date Balance)	\$145,275,292	\$133,927,030	\$11,348,261
2	RRC 8.209 Regulatory Asset Balance (Year to Date Balance)	145,898	224,272	(78,374)
3	Other Rate Base Items*	5,497,144	4,552,936	944,208
4	Customer Deposits (Acct. 235) (Year to Date Balance)	(2,901,653)	(2,999,489)	97,836
5	Customer Advances (Acct.252) (Year to Date Balance)	(1,803,048)	(2,128,426)	325,377
6	Deferred Income Taxes	(18,086,065)	(16,589,541)	(1,496,524)
7	Rate Base	\$128,127,568	\$116,986,782	\$11,140,786
8	Rate of Return**	7.349%	7.349%	7.349%
9	Return on Investment	\$9,416,249	\$8,597,499	\$818,750

* Other Rate Base Items

Materials and Supplies Inventory (13 month avg ending balances through Dec. 2019)	\$1,069,804
Prepayments (13 month avg ending balances through Dec 2019 including Prepaid Pension Asset)	5,674,699
Cash Working Capital***	(1,247,359)
Total Other Rate Base Items	\$5,497,144

** Settled rate of return in rate case TYE 2016. See Note 1 below.

*** Cash Working Capital (per the COSA tariff) – shall be calculated using the lead/lag days from rate case TYE 2016.

NOTE 1				
COST OF CAPITAL				
LINE NO.	DESCRIPTION	RATIO	COST RATE %	COMPOSITE RATE %
		(a)	(b)	(c)
1	Long-Term Debt	38.71%	3.94%	1.53%
2	Common Equity	61.29%	9.50%	5.82%
3	Total	100.00%		7.35%

TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC.
2020 RGVSA IS COSA TYE DEC 2019

CASH WORKING CAPITAL

LINE NO.	DESCRIPTION	TEST YEAR AMOUNT (a)	AVERAGE DAILY QUANTITY (b)	REVENUE LAG (c)	REFERENCE (d)	EXPENSE LAG (e)	REFERENCE (f)	NET (LEAD)/LAG DAYS (g)	WORKING CAPITAL REQUIREMENTS (h)
	Operations and Maintenance Expenses								
1	Purchased Gas Costs	\$8,994,306	\$24,642	38.63	A	(40.41)	B	(1.77)	(\$43,731)
2	Labor - Regular Payroll Expense	5,823,360	15,954	38.63	A	(22.13)	C	16.50	263,254
3	Labor - Annual Incentive Comp	1,016,072	2,784	38.63	A	(243.29)	C	(204.66)	(569,718)
4	Non-Labor - Other O&M Expense	9,037,800	24,761	38.63	A	(42.82)	C	(4.18)	(103,588)
5	<u>Total O&M Expenses</u>	<u>\$24,871,538</u>	<u>\$68,141</u>						<u>(\$453,782)</u>
	Federal Income Taxes								
6	Current Income Taxes	\$1,995,022	\$5,466	38.63	A	(37.00)	D	1.63	\$8,930
7	Deferred Income Taxes		0	0.00		0.00		0.00	0
8	<u>Total Federal Income Taxes</u>	<u>\$1,995,022</u>	<u>\$5,466</u>						<u>\$8,930</u>
	Taxes Other Than Income Taxes								
9	FICA	\$324,624	\$889	38.63	A	(12.49)	E	26.14	\$23,247
10	Federal Unemployment	3,986	11	38.63	A	(30.19)	E	8.44	92
11	State Unemployment	10,728	29	38.63	A	(30.19)	E	8.44	248
12	State Gross Receipts	712,196	1,951	38.63	A	(75.90)	E	(37.27)	(72,714)
13	Local Franchise Tax	1,975,136	5,411	38.63	A	(112.61)	E	(73.97)	(400,299)
14	State Franchise Tax	172,812	473	38.63	A	46.71	E	85.34	40,406
15	Ad Valorem	908,546.85	2,489	38.63	A	(194.00)	E	(155.36)	(386,724)
16	Sales Tax	1,674,845	4,589	38.63	A	(35.48)	E	3.16	14,491
17	RRC Gas Utility Tax	7,474	20	38.63	A	(92.97)	E	(54.34)	(1,113)
18	<u>Taxes Other Than Income Taxes</u>	<u>\$5,790,349</u>	<u>\$15,864</u>	<u>38.63</u>	<u>A</u>	<u>(62.02)</u>			<u>(\$782,365)</u>
19	<u>Interest on Customer Deposits</u>	<u>\$56,997</u>	<u>\$156</u>	<u>38.63</u>	<u>A</u>	<u>(167.62)</u>	<u>F</u>	<u>(128.98)</u>	<u>(\$20,141)</u>
20	<u>Depreciation Expense</u>	<u>\$4,965,934</u>	<u>\$13,605</u>	<u>0.00</u>		<u>0.00</u>		<u>0.00</u>	<u>\$0</u>
21	<u>Return</u>	<u>\$9,416,249</u>	<u>\$25,798</u>	<u>0.00</u>		<u>0.00</u>		<u>0.00</u>	<u>\$0</u>
22	<u>Total</u>	<u>\$47,096,089</u>	<u>\$129,030</u>						<u>(\$1,247,359)</u>

TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC.
2020 RGVSA IS COSA TYE DEC 2019

FEDERAL INCOME TAXES

LINE NO.	DESCRIPTION	TWELVE	TWELVE	
		MONTHS ENDED DEC. 2019	MONTHS ENDED DEC. 2018	INCR(DEC)
1	Taxable Income (Schedule 3, Line 9)	\$9,416,249	\$8,597,499	\$818,750
2	Interest On Long Term Debt (Schedule 3, Line 7 x 1.526%)*	(1,955,567)	(1,785,529)	(170,038)
3	Net Taxable Income before parking adjustment	\$7,460,682	\$6,811,970	\$648,712
4	Add: Parking Expense - no longer tax deductible under TCJA***	44,395	0	44,395
5	Net After Tax Income	\$7,505,077	\$6,811,970	\$693,107
6	Federal Income Taxes**	\$1,995,022	\$1,810,778	\$184,244

* Interest on Long Term Debt is the Debt Cost Component of Return (1.526% from the rate case TYE 12/31/2016) multiplied by rate base.

** Tax factor of 0.265823 is the income tax rate of 21% divided by (1 minus the 21% tax rate) for the period ending Dec 2017 and the period ending Dec 2018.

*** Per IRS Notice 2018-99, the Tax Cuts and Jobs Act of 2017 added Code Section 274(a)(4) precluding employers from deducting for tax purposes the amount paid to a third party for the use of a parking lot.

BASE REVENUES

LINE NO.	DESCRIPTION	FERC ACCT	TWELVE MONTHS ENDED DEC. 2019
1	Gas Sales Revenue	480-482	\$35,263,081
2	Less: Cost of Gas		(8,994,306)
3	Annualized to Current Rates		1,307,273
4	Base Gas Sales Revenue		<u>\$27,576,048</u>
5	Misc. Service Fees	487-488	\$467,524
6	Less: Return on Gas in Storage		(45,823)
7			<u>\$421,701</u>
8	Transportation Revenue	489.3	\$2,351,935
9	Less: Estimated Revenue		(9,626)
10	Annualized to Current Rates		746,461
11	Base Transportation Revenue		<u>\$3,088,770</u>
12	Total Base Revenues		<u><u>\$31,086,519</u></u>

*Annualized Revenues at Current Rates per Proof of Revenue filed pursuant to Section 104.111.

RATE DESIGN AND PROOF OF REVENUE

LINE NO.	CUSTOMER CLASS	PERCENT OF REVENUES PER RGV Inc Settlement Agreement (a)	ANNUAL REV. REQ. INCREASE (SCH 1) (b)	ANNUAL BILLS CY 2019 (c)	Monthly Customer Charge Increase - Note 1 (d)	Total Customer Charge Increase (e) (c) * (d)	ANNUAL NORMALIZED VOLUMES (f)	Monthly Volume Charge - Note 1 (g)	Total Volumetric Increase/ (Decrease) (h) (f)*(g)	Total Increase/ (Decrease) (i) (e)+(h)
1	Residential	55.71%	\$1,072,187	725,365	0.50	\$362,683	8,558,497	0.08290	\$709,504	\$1,072,187
2	Commercial and Commercial Standard Transport	33.42%	643,196	46,891	13.72	643,196	22,876,024			\$643,196
3	Public Authority and Public Authority Standard Transport	4.68%	90,071	6,289	14.32	90,071	2,958,409			\$90,071
4	Industrial and Industrial Standard Transport	6.19%	119,132	991	120.21	119,132	13,292,978			\$119,132
5	Grand Total	100.00%	\$1,924,585	779,536	149	\$1,215,081	47,685,908		\$709,504	\$1,924,585
6	Annual Revenue Requirement Increase (Sch 1)			\$1,924,585						
7	Total Base Revenues (Sch 1)			31,086,519						
8	Revenue Requirement plus Gross up for Texas Franchise Tax			\$33,011,104						

Note 1 Cost of Service Adjustment Clause; Rate Schedule 1-1 Section C. states: " The first \$0.50 of the residential rate adjustment shall be included in the residential monthly Customer Charge of the applicable rate schedules with the excess of that amount applied to the Commodity Charge. The rate adjustment shall be included in the monthly Customer Charge of all other applicable rate schedules."

RATE DESIGN AND PROOF OF REVENUE

RGVSA Incorporated and RGVSA Environs - Breakout of Customer Charge Revenue Increase/(Decrease):						
CUSTOMER CLASS	TOTAL REQUIRED INCREASE	INCORPORATED REQUIRED INCREASE	ENVIRONS REQUIRED INCREASE	TOTAL BILL COUNT CY 2019	INCORPORATED BILL COUNT CY 2019	ENVIRONS BILL COUNT CY 2019
Residential	\$362,683	\$342,746	\$19,937	725,365	685,492	39,873
Commercial and Commercial Standard Transport	643,196	616,490	26,707	46,891	44,944	1,947
Public Authority and Public Authority Standard Transport	90,071	80,289	9,782	6,289	5,606	683
Industrial and Industrial Standard Transport	119,132	68,882	50,249	991	573	418
	\$1,215,081	\$1,108,407	\$106,674	779,536	736,615	42,921
	100.00%	91.22%	8.78%	100.00%	94.49%	5.51%

RGVSA Incorporated and RGVSA Environs - Breakout of Delivery Charge Revenue Increase/(Decrease):					
TOTAL REQUIRED INCREASE	INCORPORATED REQUIRED INCREASE	ENVIRONS REQUIRED INCREASE	TOTAL ANNUAL VOLUME CY 2019	INCORPORATED ANNUAL VOLUME CY 2019	ENVIRONS ANNUAL VOLUME CY 2019
\$709,504	\$669,480	\$40,024	8,558,497	8,075,706	482,791
\$0	\$0.00	\$0.00	22,876,024	21,857,665	1,018,358
\$0	\$0.00	\$0.00	2,958,409	2,403,760	554,650
\$0	\$0.00	\$0.00	13,292,978	8,820,960	4,472,019
\$709,504	\$669,480	\$40,024	47,685,908	41,158,091	6,527,817
100.00%	94.36%	5.64%	100.00%	86.31%	13.69%

RGVSA Grand Total Breakout of Revenue Increase/(Decrease)		
TOTAL	INCORPORATED	ENVIRONS
1,072,187	1,012,226	59,960
643,196	616,490	26,707
90,071	80,289	9,782
119,132	68,882	50,249
\$1,924,585	\$1,777,887	\$146,698
100.00%	92.38%	7.62%

Current Bill Count:	% Share of Revenue Impact	Annual Bill Count	% Share of Current Bills
Alamo	523,984	15,939	2.04%
Alton	2,877	1,912	0.25%
Brownsville	263,200	174,915	22.44%
Combes	2,081	1,383	0.18%
Donna	31,739	21,093	2.71%
Edcouch	6,260	4,160	0.53%
Edinburg	66,297	44,059	5.65%
Elsa	13,619	9,051	1.16%
Harlingen	121,349	80,645	10.35%
Hidalgo	4,728	3,142	0.40%
La Feria	12,434	8,263	1.06%
La Joya	3,520	2,339	0.30%
La Villa	4,493	2,986	0.38%
Laguna Vista	1,931	1,283	0.16%
Los Fresnos	8,669	5,761	0.74%
Lyford	3,954	2,628	0.34%
McAllen	161,011	107,003	13.73%
Mercedes	41,248	27,412	3.52%
Mission	80,760	53,671	6.88%
Palm Valley	1,273	846	0.11%
Palmhurst	311	207	0.03%
Palmview	2,996	1,991	0.26%
Penitas	954	634	0.08%
Pharr	66,857	44,431	5.70%
Port Isabel	10,512	6,986	0.90%
Primera	5,190	3,449	0.44%
Progreso	305	203	0.03%
Rancho Viejo	1,959	1,302	0.17%
Raymondville	22,700	15,086	1.94%
Rio Hondo	4,623	3,072	0.39%
San Benito	52,180	34,677	4.45%
San Juan	28,962	19,247	2.47%
Santa Rosa	4,621	3,071	0.39%
Weslaco	50,812	33,768	4.33%
Environs	106,674	42,921	5.51%
Total	\$1,215,081	779,536	100.00%
Incorporated Areas Share	\$1,108,407	736,615	94.49%
	Avg Monthly Bill Count	64,961	
	Avg Monthly Incorp. Customer Count	61,385	

RGVSA Incorporated Customer Count by Class	Annual Bill Count	Avg Monthly Customer Count
RESIDENTIAL	685,492	57,124
COMMERCIAL	44,669	3,722
COMMERCIAL STANDARD TRANSPORT	275	23
PUBLIC AUTHORITY	5,558	463
PUBLIC AUTHORITY STANDARD TRANSPORT	48	4
INDUSTRIAL	369	31
INDUSTRIAL STANDARD TRANSPORT	204	17
	736,615	61,385

	AVERAGE USAGE (Ccf)	CURRENT MONTHLY BILLS	PROPOSED MONTHLY BILLS EFFECTIVE IN 2020	MONTHLY BILL \$ CHANGE	MONTHLY BILL % CHANGE
RESIDENTIAL					
Cost of Service Only	12	\$21.92	\$23.40	\$1.48	6.75%
Total Bill *	12	\$25.33	\$26.81	\$1.48	5.84%
COMMERCIAL					
Cost of Service Only	435	\$218.94	\$232.65	\$13.72	6.27%
Total Bill *	435	\$344.59	\$358.31	\$13.72	3.98%
COMMERCIAL - CHURCH					
Cost of Service Only	43	\$76.89	\$90.61	\$13.72	17.84%
Total Bill *	43	\$89.26	\$102.98	\$13.72	15.37%
COMMERCIAL STANDARD TRANSPORT					
Cost of Service Only	13,145	\$656.94	\$670.66	\$13.72	2.09%
Total Bill	N/A	N/A	N/A	N/A	N/A
PUBLIC AUTHORITY					
Cost of Service Only	298	\$182.26	\$196.58	\$14.32	7.86%
Total Bill *	298	\$268.38	\$282.70	\$14.32	5.34%
PUBLIC AUTHORITY STANDARD TRANSPORT					
Cost of Service Only	13,210	\$634.54	\$648.86	\$14.32	2.26%
Total Bill	N/A	N/A	N/A	N/A	N/A
INDUSTRIAL					
Cost of Service Only	3,496	\$1,399.45	\$1,519.67	\$120.21	8.59%
Total Bill *	3,496	\$2,410.03	\$2,530.25	\$120.21	4.99%
INDUSTRIAL STANDARD TRANSPORT					
Cost of Service Only	25,434	\$1,467.07	\$1,587.29	\$120.21	8.19%
Total Bill	N/A	N/A	N/A	N/A	N/A

* Total Bill includes 12 month average COG of \$0.2890/CCF and excludes revenue related taxes.

PROOF OF REVENUES

Current Year Revenue Impact

\$ 1,924,585

Line No.	CURRENT RATES	Increase (Decrease) from last rate filing	PROPOSED RATES	CURRENT CALENDAR YEAR BILLS	CALENDAR YEAR VOLUMES	REVENUE AT CURRENT RATES	REVENUE AT PROPOSED RATES	CURRENT YEAR REVENUE IMPACT	Avg customer count and usage per month (in current yr.)
1	RESIDENTIAL								
2	\$16.52	\$0.50	\$17.02	725,365		\$11,983,030	\$12,345,712	\$362,683	60,447.08
3	\$0.45777	\$0.08290	\$0.54067		8,558,497	3,917,823	4,627,327	709,504	12
4				725,365	8,558,497	\$15,900,853	\$16,973,039	\$1,072,187	
5	COMMERCIAL								
6	\$81.35	\$13.72	\$95.07	43,654		\$3,551,253	\$4,150,048	\$598,795	3,638
7	\$0.31650		\$0.31650		18,977,147	6,006,267	6,006,267	0	435
8				43,654	18,977,147	\$9,557,520	\$10,156,315	\$598,795	
9	COMMERCIAL - CHURCH								
10	\$63.35	\$13.72	\$77.07	2,950		\$186,883	\$227,347	\$40,465	246
11	\$0.31650		\$0.31650		126,216	39,947	39,947	0	43
12				2,950	126,216	\$226,830	\$267,294	\$40,465	
13	COMMERCIAL STANDARD TRANSPORT								
14	\$423.35	\$13.72	\$437.07	287		\$121,501	\$125,438	\$3,937	24
15									13,145
16	\$0.31650		\$0.31650		1,178,181	372,894	372,894		
17	\$0.01777		\$0.01777		2,594,480	46,104	46,104		
18				287	3,772,661	\$540,499	\$544,436	\$3,937	
23	PUBLIC AUTHORITY								
24	\$68.84	\$14.32	\$83.16	6,205		\$427,152	\$516,020	\$88,868	517
25	\$0.38068		\$0.38068		1,848,769	703,790	703,790	0	298
26				6,205	1,848,769	\$1,130,942	\$1,219,810	\$88,868	
27	PUBLIC AUTHORITY STANDARD TRANSPORT								
28	\$423.84	\$14.32	\$438.16	84		\$35,603	\$36,806	\$1,203	7
29									13,210
30	\$0.38068		\$0.38068		202,364	77,036	77,036		
31	\$0.01595		\$0.01595		907,276	14,471	14,471		
32				84	1,109,640	\$127,110	\$128,313	\$1,203	
33	INDUSTRIAL								
34	\$338.83	\$120.21	\$459.04	543		\$183,985	\$249,261	\$65,276	45
35	\$0.30336		\$0.30336		1,898,464	575,918	575,918	0	3,496
36				543	1,898,464	\$759,903	\$825,179	\$65,276	
37	INDUSTRIAL STANDARD TRANSPORT								
38	\$588.83	\$120.21	\$709.04	448		\$263,796	\$317,652	\$53,856	37
39								0	25,434
40	\$0.30336		\$0.30336		5,289,540	1,604,635	1,604,635		
41	\$0.03453		\$0.03453		6,104,974	210,805	210,805		
42				448	11,394,514	\$2,079,236	\$2,133,092	\$53,856	
43									
44				779,536	47,685,908	\$30,322,893	\$32,247,478	\$1,924,585	
45				Gas Sales		\$27,576,048	\$29,441,637		
46				Standard Transport		2,746,845	2,805,841		
47				Total		\$30,322,893	\$32,247,478		
48				Custom Transport		341,925	341,925		
49				Misc. Fees		421,701	421,701		
50						\$31,086,519	\$33,011,104	\$1,924,585	
51				Equals Sch 5, Line 12		Equals Sch 1, Line 14 plus Sch 1 Line 17			

For Public Notice											
Line No.	Customer Class	Current Monthly Customer Charge	Proposed Monthly Customer Charge	Monthly Customer Charge Increase	Current Volumetric (per Ccf) Rate	Proposed Volumetric (per Ccf) Rate	Volumetric (per Ccf) Increase	RGVSA Average Monthly Customer Bill Increase	% Increase without Cost of Gas	% Increase with Cost of Gas	RGVSA Average Monthly Usage for Bill Impacts
1	RESIDENTIAL	\$16.52	\$17.02	\$0.50	\$0.45777	\$0.54067	\$0.08290	\$1.48	6.75%	5.84%	12
2	COMMERCIAL	\$81.35	\$95.07	\$13.72	N/A for COSA change	N/A for COSA change	N/A for COSA change	\$13.72	6.27%	3.98%	435
3	COMMERCIAL - CHURCH	\$63.35	\$77.07	\$13.72	N/A for COSA change	N/A for COSA change	N/A for COSA change	\$13.72	17.84%	15.37%	43
4	COMMERCIAL STANDARD TRANSPORT	\$423.35	\$437.07	\$13.72	N/A for COSA change	N/A for COSA change	N/A for COSA change	\$13.72	2.09%	N/A	13,145
5	PUBLIC AUTHORITY	\$68.84	\$83.16	\$14.32	N/A for COSA change	N/A for COSA change	N/A for COSA change	\$14.32	7.86%	5.34%	298
6	PUBLIC AUTHORITY STANDARD TRANSPORT	\$423.84	\$438.16	\$14.32	N/A for COSA change	N/A for COSA change	N/A for COSA change	\$14.32	2.26%	N/A	13,210
7	INDUSTRIAL	\$338.83	\$459.04	\$120.21	N/A for COSA change	N/A for COSA change	N/A for COSA change	\$120.21	8.59%	4.99%	3,496
8	INDUSTRIAL STANDARD TRANSPORT	\$588.83	\$709.04	\$120.21	N/A for COSA change	N/A for COSA change	N/A for COSA change	\$120.21	8.19%	N/A	25,434

Calendar year 2019 average Cost of Gas per Ccf was \$0.2890 Excluding related taxes

TOTAL PLANT IN SERVICE

LINE NO.	DESCRIPTION	ADJUSTED BALANCE at 12/31/2019		
		RGVSA DIRECT PLANT	TGS DIV & CORP ALLOCATED PLANT	TOTAL RGVSA PLANT
<u>INTANGIBLE PLANT</u>				
1	(301) Organization	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0
3	(303) Misc. Intangible	0	0	0
4	Total Intangible Plant	\$0	\$0	\$0
<u>TRANSMISSION PLANT</u>				
5	(365.1) Land	\$23,277	\$0	\$23,277
6	(365.2) Rights-Of-Way	37,579	0	37,579
7	(366) Meas/Reg Station Structures	27,231	0	27,231
8	(367) Mains	16,883,511	0	16,883,511
9	(368) Compressor Station Equipment	19,687	0	19,687
10	(369) Measure/Reg Station Equip	5,777,046	0	5,777,046
11	(371) Other Equipment	54,971	0	54,971
12	Total Transmission Plant	\$22,823,303	\$0	\$22,823,303
<u>DISTRIBUTION PLANT</u>				
13	(374) Land & Land Rights	\$40,409	\$0	\$40,409
14	(375) Structures & Improvements	114,218	0	114,218
15	(376) Mains	51,461,954	0	51,461,954
16	(378) Meas. & Reg. Station - General	3,096,823	0	3,096,823
17	(379) Meas. & Reg. Station - C.G.	1,742,097	0	1,742,097
18	(380) Services	41,213,355	0	41,213,355
19	(381) Meters	13,486,347	0	13,486,347
20	(382) Meter Installations	0	0	0
21	(383) House Regulators	4,534,914	0	4,534,914
22	(385) Indust. Meas. & Reg. Stat. Equipment	1,324,858	0	1,324,858
23	(386) Other Property on Customer Premises	6,144	0	6,144
24	(387) Other Equipment	0	0	0
25	Total Distribution Plant	\$117,021,119	\$0	\$117,021,119
<u>GENERAL PLANT</u>				
26	(389) Land & Land Rights	\$127,368	\$0	\$127,368
27	(390) Structures & Improvements	1,881,626	154,369	2,035,995
28	(391) Office Furniture & Equipment	1,399,943	4,982,958	6,382,901
29	(392) Transportation Equipment	3,622,848	0	3,622,848
30	(393) Stores Equipment	13,701	0	13,701
31	(394) Tools, Shop & Garage	3,359,054	1,953	3,361,007
32	(395) Laboratory Equipment	0	0	0
33	(396) Major Work Equipment	428,346	0	428,346
34	(397) Communication Equipment	5,161,755	107,727	5,269,481
35	(398) Miscellaneous General Plant	0	0	0
36	Total General plant	\$15,994,641	\$5,247,007	\$21,241,648
37	Total Orig Cost Plant in Service	\$155,839,063	\$5,247,007	\$161,086,069

PLANT IN SERVICE
RGVSA DIRECT

LINE NO.	DESCRIPTION	RGVSA DIRECT PER BOOK BALANCE @12/31/2019	ADJUSTMENTS	ADJUSTED RGVSA DIRECT BALANCE @12/31/2019
<u>INTANGIBLE PLANT</u>				
1	(301) Organization	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0
3	(303) Misc. Intangible	0	0	0
4	Total Intangible Plant	\$0	\$0	\$0
<u>TRANSMISSION PLANT</u>				
5	(365.1) Land	\$23,277	\$0	\$23,277
6	(365.2) Rights-Of-Way	37,579	0	37,579
7	(366) Meas/Reg Station Structures	27,231	0	27,231
8	(367) Mains	16,883,511	0	16,883,511
9	(368) Compressor Station Equipment	19,687	0	19,687
10	(369) Measure/Reg Station Equip	5,777,046	0	5,777,046
11	(371) Other Equipment	54,971	0	54,971
12	Total Transmission Plant	\$22,823,303	\$0	\$22,823,303
<u>DISTRIBUTION PLANT</u>				
13	(374) Land & Land Rights	\$40,409	\$0	\$40,409
14	(375) Structures & Improvements	114,218	0	114,218
15	(376) Mains	51,461,954	0	51,461,954
16	(378) Meas. & Reg. Station - General	3,096,823	0	3,096,823
17	(379) Meas. & Reg. Station - C.G.	1,742,097	0	1,742,097
18	(380) Services	41,213,355	0	41,213,355
19	(381) Meters	13,486,347	0	13,486,347
20	(382) Meter Installations	0	0	0
21	(383) House Regulators	4,534,914	0	4,534,914
22	(385) Indust. Meas. & Reg. Stat. Equipment	1,324,858	0	1,324,858
23	(386) Other Property on Customer Premises	6,144	0	6,144
24	(387) Other Equipment	0	0	0
25	Total Distribution Plant	\$117,021,119	\$0	\$117,021,119
<u>GENERAL PLANT</u>				
26	(389) Land & Land Rights	\$127,368	\$0	\$127,368
27	(390) Structures & Improvements	1,881,626	0	1,881,626
28	(391) Office Furniture & Equipment	1,399,943	0	1,399,943
29	(392) Transportation Equipment	3,622,848	0	3,622,848
30	(393) Stores Equipment	13,701	0	13,701
31	(394) Tools, Shop & Garage	3,359,054	0	3,359,054
32	(395) Laboratory Equipment	0	0	0
33	(396) Major Work Equipment	428,346	0	428,346
34	(397) Communication Equipment	5,161,755	0	5,161,755
35	(398) Miscellaneous General Plant	0	0	0
36	Total General plant	\$15,994,641	\$0	\$15,994,641
37	Total Orig Cost Plant in Service	\$155,839,063	\$0	\$155,839,063

PLANT IN SERVICE
TGS DIVISION AND CORPORATE ALLOCATED TO TGS DIVISION

Adjusted Balances at 12/31/2019						
LINE NO.	DESCRIPTION	TGS DIVISION	ALLOCATED CORPORATE TO TGS DIV	TOTAL	ALLOCATE TO RGVSA 9.7343%	(Based on customers)
<u>INTANGIBLE PLANT</u>						
1	(301) Organization	\$0	\$0	\$0	\$0	
2	(302) Franchises & Consents	0	0	0	0	
3	(303) Misc. Intangible	0	0	0	0	
4	Total Intangible Plant	\$0	\$0	\$0	\$0	
<u>TRANSMISSION PLANT</u>						
5	(365.1) Land	\$0	\$0	\$0	\$0	
6	(365.2) Rights-Of-Way	0	0	0	0	
7	(366) Meas/Reg Station Structures	0	0	0	0	
8	(367) Mains	0	0	0	0	
9	(368) Compressor Station Equipment	0	0	0	0	
10	(369) Measure/Reg Station Equip	0	0	0	0	
11	(371) Other Transmission System Equipment	0	0	0	0	
12	Total Transmission Plant	\$0	\$0	\$0	\$0	
<u>DISTRIBUTION PLANT</u>						
13	(374) Land & Land Rights	\$0	\$0	\$0	\$0	
14	(375) Structures & Improvements	0	0	0	0	
15	(376) Mains	0	0	0	0	
16	(378) Meas. & Reg. Station - General	0	0	0	0	
17	(379) Meas. & Reg. Station - C.G.	0	0	0	0	
18	(380) Services	0	0	0	0	
19	(381) Meters	0	0	0	0	
20	(383) House Regulators	0	0	0	0	
21	(385) Indust. Meas. & Reg. Stat. Equipment	0	0	0	0	
22	(386) Other Property on Customer Premises	0	0	0	0	
23	(387) Other Equipment	0	0	0	0	
23	Total Distribution Plant	\$0	\$0	\$0	\$0	
<u>GENERAL PLANT</u>						
24	(389) Land & Land Rights	\$0	\$0	\$0	\$0	
25	(390) Structures & Improvements	180,270	1,405,555	1,585,824	154,369	
26	(391) Office Furniture & Equipment	2,747,453	48,442,232	51,189,685	4,982,958	
27	(392) Transportation Equipment	0	0	0	0	
28	(393) Stores Equipment	0	0	0	0	
29	(394) Tools, Shop & Garage	20,066	0	20,066	1,953	
30	(395) Laboratory Equipment	0	0	0	0	
31	(396) Major Work Equipment	0	0	0	0	
32	(397) Communication Equipment	1,080,989	25,684	1,106,673	107,727	
33	(398) Miscellaneous General Plant	0	0	0	0	
34	Total General plant	\$4,028,778	\$49,873,471	\$53,902,248	\$5,247,007	
35	Total Orig Cost Plant in Service	\$4,028,778	\$49,873,471	\$53,902,248	\$5,247,007	

TOTAL COMPLETED CONSTRUCTION NOT CLASSIFIED (CCNC)

LINE NO.	DESCRIPTION	Adjusted Balances at 12/31/2019		
		RGVSA DIRECT CCNC	TGS DIV & CORP ALLOCATED CCNC	TOTAL RGVSA CCNC
<u>INTANGIBLE PLANT</u>				
1	(301) Organization	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0
3	(303) Misc. Intangible	0	0	0
4	Total Intangible CCNC	\$0	\$0	\$0
<u>TRANSMISSION PLANT</u>				
5	(367) Mains	\$2,765,080	\$0	\$2,765,080
6	(369) Measure/Reg. Station Equipment	394,186	0	394,186
7	(371) Other Transmission System Equipment	1,638	0	1,638
8	Total Transmission CCNC	\$3,160,904	\$0	\$3,160,904
<u>DISTRIBUTION PLANT</u>				
9	(374) Land & Land Rights	\$163	\$42,315	\$42,478
10	(375) Structures & Improvements	0	0	0
11	(376) Mains	3,922,839	0	3,922,839
12	(378) Meas. & Reg. Station - General	300,812	0	300,812
13	(379) Meas. & Reg. Station - C.G.	14,683	0	14,683
14	(380) Services	390,767	0	390,767
15	(381) Meters	287,174	0	287,174
16	(382) Meter Installations	5,909	0	5,909
17	(383) House Regulators	9,529	0	9,529
18	(385) Indust. Meas. & Reg. Stat. Equipment	449,051	0	449,051
19	(386) Other Property on Customer Premises	0	0	0
20	(387) Other Equipment	0	42,315	42,315
21	Total Distribution CCNC	\$5,380,928	\$42,315	\$5,423,243
<u>GENERAL PLANT</u>				
22	(389) Land & Land Rights	\$0	\$0	\$0
23	(390) Structures & Improvements	45,994	292,689	338,683
24	(391) Office Furniture & Equipment	21,143	384,833	405,976
25	(392) Transportation Equipment	0	0	0
26	(393) Stores Equipment	0	0	0
27	(394) Tools, Shop & Garage	37,207	0	37,207
28	(395) Laboratory Equipment	0	0	0
29	(396) Major Work Equipment	5,980	0	5,980
30	(397) Communication Equipment	8,868	0	8,868
31	(398) Miscellaneous General Plant	8,323	0	8,323
32	Total General CCNC	\$127,515	\$677,522	\$805,037
33	Total Orig Cost CCNC	\$8,669,347	\$719,837	\$9,389,184

COMPLETED CONSTRUCTION NOT CLASSIFIED (CCNC)
 RGVSA DIRECT

LINE NO.	DESCRIPTION	RGVSA DIRECT PER BOOK BALANCE @12/31/2019	ADJUSTMENTS	ADJUSTED RGVSA DIRECT BALANCE @12/31/2019
<u>INTANGIBLE PLANT</u>				
1	(301) Organization	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0
3	(303) Misc. Intangible	0	0	0
4	Total Intangible CCNC	\$0	\$0	\$0
<u>TRANSMISSION PLANT</u>				
5	(367) Mains	\$2,765,080	\$0	\$2,765,080
6	(369) Measure/Reg. Station Equipment	394,186	0	394,186
7	(371) Other Transmission System Equipment	1,638	0	1,638
8	Total Transmission CCNC	\$3,160,904	\$0	\$3,160,904
<u>DISTRIBUTION PLANT</u>				
9	(374) Land & Land Rights	\$163	\$0	\$163
10	(375) Structures & Improvements	0	0	0
11	(376) Mains	3,922,839	0	3,922,839
12	(378) Meas. & Reg. Station - General	300,812	0	300,812
13	(379) Meas. & Reg. Station - C.G.	14,683	0	14,683
14	(380) Services	390,767	0	390,767
15	(381) Meters	287,174	0	287,174
16	(382) Meter Installations	5,909	0	5,909
17	(383) House Regulators	9,529	0	9,529
18	(385) Indust. Meas. & Reg. Stat. Equipment	449,051	0	449,051
19	(386) Other Property on Customer Premises	0	0	0
20	(387) Other Equipment	0	0	0
21	Total Distribution CCNC	\$5,380,928	\$0	\$5,380,928
<u>GENERAL PLANT</u>				
22	(389) Land & Land Rights	\$0	\$0	\$0
23	(390) Structures & Improvements	45,994	0	45,994
24	(391) Office Furniture & Equipment	21,143	0	21,143
25	(392) Transportation Equipment	0	0	0
26	(393) Stores Equipment	0	0	0
27	(394) Tools, Shop & Garage	37,207	0	37,207
28	(395) Laboratory Equipment	0	0	0
29	(396) Major Work Equipment	5,980	0	5,980
30	(397) Communication Equipment	8,868	0	8,868
31	(398) Miscellaneous General Plant	8,323	0	8,323
32	Total General CCNC	\$127,515	\$0	\$127,515
33	Total Orig Cost CCNC	\$8,669,347	\$0	\$8,669,347

COMPLETED CONSTRUCTION NOT CLASSIFIED (CCNC)

TGS DIVISION AND CORPORATE ALLOCATED TO TGS DIVISION

Adjusted Balances at 12/31/2019					
LINE NO.	DESCRIPTION	TGS DIVISION	ALLOCATED CORPORATE TO TGS DIV	TOTAL	ALLOCATE TO RGVSA 9.7343% (Based on customers)
<u>INTANGIBLE PLANT</u>					
1	(301) Organization	\$0	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0	0
3	(303) Misc. Intangible	0	0	0	0
4	Total Intangible CCNC	\$0	\$0	\$0	\$0
<u>TRANSMISSION PLANT</u>					
5	(367) Mains	\$0	\$0	\$0	\$0
6	(369) Measure/Reg. Station Equipment	0	0	0	0
7	(371) Other Transmission System Equipment	0	0	0	0
8	Total Transmission CCNC	\$0	\$0	\$0	\$0
<u>DISTRIBUTION PLANT</u>					
9	(374) Land & Land Rights	\$434,697	\$0	\$434,697	\$42,315
10	(375) Structures & Improvements	0	0	0	0
11	(376) Mains	0	0	0	0
12	(378) Meas. & Reg. Station - General	0	0	0	0
13	(379) Meas. & Reg. Station - C.G.	0	0	0	0
14	(380) Services	0	0	0	0
15	(381) Meters	0	0	0	0
16	(383) House Regulators	0	0	0	0
17	(385) Indust. Meas. & Reg. Stat. Equipment	0	0	0	0
18	(386) Other Property on Customer Premises	0	0	0	0
19	Total Distribution CCNC	\$434,697	\$0	\$434,697	\$42,315
<u>GENERAL PLANT</u>					
20	(389) Land & Land Rights	\$0	\$0	\$0	\$0
21	(390) Structures & Improvements	2,995,111	11,672	3,006,783	292,689
22	(391) Office Furniture & Equipment	0	3,953,373	3,953,373	384,833
23	(392) Transportation Equipment	0	0	0	0
24	(393) Stores Equipment	0	0	0	0
25	(394) Tools, Shop & Garage	0	0	0	0
26	(395) Laboratory Equipment	0	0	0	0
27	(396) Major Work Equipment	0	0	0	0
28	(397) Communication Equipment	0	0	0	0
29	(398) Miscellaneous General Plant	0	0	0	0
30	Total General CCNC	\$2,995,111	\$3,965,044	\$6,960,156	\$677,522
31	Total Orig Cost CCNC	\$3,429,809	\$3,965,044	\$7,394,853	\$719,837

TOTAL ACCUMULATED RESERVES FOR DEPRECIATION AND AMORTIZATION

LINE NO.	DESCRIPTION	ADJUSTED BALANCE at 12/31/2019		
		RGVSA DIRECT RESERVES	TGS DIV & CORP ALLOCATED RESERVES	TOTAL RGVSA RESERVES
<u>INTANGIBLE PLANT</u>				
1	(301) Organization	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0
3	(303) Misc. Intangible	0	0	0
4	Total Intangible Plant	\$0	\$0	\$0
<u>TRANSMISSION PLANT</u>				
5	(365.2) Rights-Of-Way	\$0	\$0	\$0
6	(366) Meas/Reg Station Structures	(9,517)	0	(9,517)
7	(367) Mains	2,296,337	0	2,296,337
8	(368) Compressor Station Equipment	(5,659)	0	(5,659)
9	(369) Measure/Reg Station Equip	(165,941)	0	(165,941)
10	(371) Other Transmission System Equipment	(7,836)	0	(7,836)
11	Total Transmission Plant	\$2,107,384	\$0	\$2,107,384
<u>DISTRIBUTION PLANT</u>				
12	(374) Land & Land Rights	(\$35,457)	\$0	(\$35,457)
13	(375) Structures & Improvements	(63,452)	0	(63,452)
14	(376) Mains	(11,754,739)	0	(11,754,739)
15	(378) Meas. & Reg. Station - General	(651,056)	0	(651,056)
16	(379) Meas. & Reg. Station - C.G.	270,400	0	270,400
17	(380) Services	211,702	0	211,702
18	(381) Meters	(6,549,257)	0	(6,549,257)
19	(382) Meter Installations	(4,064)	0	(4,064)
20	(383) House Regulators	(1,172,669)	0	(1,172,669)
21	(385) Indust. Meas. & Reg. Stat. Equipment	(54,946)	0	(54,946)
22	(386) Other Property on Customer Premises	(5,725)	0	(5,725)
23	(387) Other Equipment	0	0	0
24	Total Distribution Plant	(\$19,809,264)	\$0	(\$19,809,264)
<u>GENERAL PLANT</u>				
25	(389) Land & Land Rights	\$0	\$0	\$0
26	(390) Structures & Improvements	109,009	(68,067)	40,942
27	(391) Office Furniture & Equipment	(1,146,804)	(1,743,590)	(2,890,394)
28	(392) Transportation Equipment	(625,522)	0	(625,522)
29	(393) Stores Equipment	(12,651)	0	(12,651)
30	(394) Tools, Shop & Garage	(1,485,773)	(953)	(1,486,726)
31	(395) Laboratory Equipment	0	0	0
32	(396) Major Work Equipment	(102,298)	0	(102,298)
33	(397) Communication Equipment	(2,356,546)	(65,491)	(2,422,037)
34	(398) Miscellaneous General Plant	631	(26)	605
35	Total General plant	(\$5,619,955)	(\$1,878,127)	(\$7,498,082)
36	Total Accumulated Reserves For Depreciation	(\$23,321,834)	(\$1,878,127)	(\$25,199,962)

ACCUMULATED RESERVES FOR DEPRECIATION AND AMORTIZATION
RGUSA DIRECT

LINE NO.	DESCRIPTION	RGV DIRECT PER BOOK BALANCE @12/31/2019	ADJUSTMENTS	ADJUSTED RGV DIRECT BALANCE @12/31/2019
<u>INTANGIBLE PLANT</u>				
1	(301) Organization	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0
3	(303) Misc. Intangible	0	0	0
4	Total Intangible Plant	\$0	\$0	\$0
<u>TRANSMISSION PLANT</u>				
5	(365.2) Rights-Of-Way	\$0	\$0	\$0
6	(366) Meas. & Reg. Station Structures	(9,517)	0	(9,517)
7	(367) Mains	2,296,337	0	2,296,337
8	(368) Compressor Station Equipment	(5,659)	0	(5,659)
9	(369) Meas. & Reg. Station Equip	(165,941)	0	(165,941)
10	(371) Other Transmission System Equipment	(7,836)	0	(7,836)
11	Total Transmission Plant	2,107,384	\$0	\$2,107,384
<u>DISTRIBUTION PLANT</u>				
12	(374) Land & Land Rights	(\$35,457)	\$0	(\$35,457)
13	(375) Structures & Improvements	(63,452)	0	(63,452)
14	(376) Mains	(11,754,739)	0	(11,754,739)
15	(378) Meas. & Reg. Station - General	(651,056)	0	(651,056)
16	(379) Meas. & Reg. Station - C.G.	270,400	0	270,400
17	(380) Services	211,702	0	211,702
18	(381) Meters	(6,549,257)	0	(6,549,257)
19	(382) Meter Installations	(4,064)	0	(4,064)
20	(383) House Regulators	(1,172,669)	0	(1,172,669)
21	(385) Indust. Meas. & Reg. Stat. Equipment	(54,946)	0	(54,946)
22	(386) Other Property on Customer Premises	(5,725)	0	(5,725)
23	(387) Other Equipment	0	0	0
24	Total Distribution Plant	(\$19,809,264)	\$0	(\$19,809,264)
<u>GENERAL PLANT</u>				
25	(389) Land & Land Rights	\$0	\$0	\$0
26	(390) Structures & Improvements	109,009	0	109,009
27	(391) Office Furniture & Equipment	(1,146,804)	0	(1,146,804)
28	(392) Transportation Equipment	(625,522)	0	(625,522)
29	(393) Stores Equipment	(12,651)	0	(12,651)
30	(394) Tools, Shop & Garage	(1,485,773)	0	(1,485,773)
31	(395) Laboratory Equipment	0	0	0
32	(396) Major Work Equipment	(102,298)	0	(102,298)
33	(397) Communication Equipment	(2,356,546)	0	(2,356,546)
34	(398) Miscellaneous General Plant	631	0	631
35	Total General plant	(\$5,619,955)	\$0	(\$5,619,955)
36	Total Accumulated Reserves For Depreciation	(\$23,321,834)	\$0	(\$23,321,834)

TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC.
2020 RGVSA IS COSA TYE DEC 2019

ACCUMULATED RESERVES FOR DEPRECIATION AND AMORTIZATION
TGS DIVISION AND CORPORATE ALLOCATED TO TGS DIVISION

		Adjusted Balances at 12/31/2019			
LINE NO.	DESCRIPTION	TGS DIVISION	ALLOCATED CORPORATE TO TGS DIV	TOTAL	ALLOCATE TO RGVSA 9.7343% (Based on customers)
<u>INTANGIBLE PLANT</u>					
1	(301) Organization	\$0	\$0	\$0	\$0
2	(302) Franchises & Consents	0	0	0	0
3	(303) Misc. Intangible	0	0	0	0
4	Total Intangible Plant	\$0	\$0	\$0	\$0
<u>DISTRIBUTION PLANT</u>					
5	(374) Land & Land Rights	\$0	\$0	\$0	\$0
6	(375) Structures & Improvements	0	0	0	0
7	(376) Mains	0	0	0	0
8	(378) Meas. & Reg. Station - General	0	0	0	0
9	(379) Meas. & Reg. Station - C.G.	0	0	0	0
10	(380) Services	0	0	0	0
11	(381) Meters	0	0	0	0
12	(382) Meter Installations	0	0	0	0
13	(383) House Regulators	0	0	0	0
14	(385) Indust. Meas. & Reg. Stat. Equipment	0	0	0	0
15	(386) Other Property on Customer Premises	0	0	0	0
16	(387) Other Equipment	0	0	0	0
17	Total Distribution Plant	\$0	\$0	\$0	\$0
<u>GENERAL PLANT</u>					
18	(389) Land & Land Rights	\$0	\$0	\$0	\$0
19	(390) Structures & Improvements	(125,450)	(573,800)	(699,250)	(68,067)
20	(391) Office Furniture & Equipment	(982,632)	(16,929,185)	(17,911,817)	(1,743,590)
21	(392) Transportation Equipment	0	0	0	0
22	(393) Stores Equipment	0	0	0	0
23	(394) Tools, Shop & Garage	(9,790)	0	(9,790)	(953)
24	(395) Laboratory Equipment	0	0	0	0
25	(396) Major Work Equipment	0	0	0	0
26	(397) Communication Equipment	(669,792)	(2,993)	(672,785)	(65,491)
27	(398) Miscellaneous General Plant	(269)	0	(269)	(26)
28	Total General plant	(\$1,787,932)	(\$17,505,978)	(\$19,293,910)	(\$1,878,127)
29	Total Accumulated Reserves For Depreciation	(\$1,787,932)	(\$17,505,978)	(\$19,293,910)	(\$1,878,127)

PER BOOK RGVSA DIRECT AND ALLOCATED OPERATING EXPENSES

					TYE Dec. 2019		
LINE NO.	DESCRIPTION	ACCT. NO.	SUB ACCT.	DIRECT SERVICE AREA PER BOOKS	ALLOCATED DIVISION TO SERVICE AREA PER BOOKS	TOTAL SERVICE AREA AND ALLOCATED DIVISION PER BOOKS	
				(a)	(b)	(c)	
<u>Deprec. & Amort. Expense</u>							
1	Depreciation and Amortization Expense	4030-4050		\$4,460,564	\$505,370	\$4,965,934	
2	Pension & FAS 106 Amortization Expense	4073		0	0	0	
3	Total Depr. & Amort.			\$4,460,564	\$505,370	\$4,965,934	
<u>Taxes Other Than Income</u>							
4	Payroll	4081		\$0	\$254,359	\$254,359	
5	Ad Valorem	4081	190	1,032,027	(9,039)	1,022,988	
6	Revenue Related	4081	133,138 & 140	0	0	0	
7	Other	4081	131, 233, 995	0	114,508	114,508	
8	Total Taxes Other Than Income			\$1,032,027	\$359,828	\$1,391,855	
9	<u>Interest on Customer Deposits</u>	4310		\$56,997	\$0	\$56,997	
10	<u>Storage Misc.</u>	8140-8360		\$0	\$55	\$55	
<u>Transmission & High-Pressure Distribution</u>							
11	Operation Supervision and Engineering	8500		\$0	\$679	\$679	
12	Transmission Communication Equip	8520		0	0	0	
13	Compressor Station Labor and Expenses	8530		0	1	1	
14	Mains Expenses	8560		395,633	43,570	439,203	
15	Measuring and Regulating Station Expenses	8570		103,718	155	103,873	
16	Trans/Compression of Gas by Others	8580		0	0	0	
17	Other Expenses	8590		2,728	445	3,173	
18	Rent	8600		16,940	611	17,551	
19	Maintenance Supervision and Engineering	8610		0	1,491	1,491	
20	Maintenance of Mains	8630		96,181	160	96,341	
21	Measuring and Regulating Station Expenses	8640		0	0	0	
22	Maintenance of Measuring and Regulating Station Equipment	8650		21,698	161	21,860	
23	Maintenance of Communication Equipment	8660		0	0	0	
24	Total Transmission			\$636,899	\$47,275	\$684,174	
<u>Distribution Operations</u>							
25	Supervision and Engineering	8700		\$218,757	\$84,047	\$302,804	
26	Distribution Load Dispatch	8710		0	51,751	51,751	
27	Mains & Services	8740		2,053,174	9,711	2,062,886	
28	Meas. & Reg. Stat. Exp. - General	8750		157,970	10,042	168,011	
29	Meas. & Reg. Stat. Exp. - Ind.	8760		37,248	10,565	47,814	
30	Meas. & Reg. Stat. Exp. - City Gate	8770		80,008	838	80,846	
31	Meter & House Reg. Exp.	8780		885,524	6,203	891,727	
32	Customer Installation Exp	8790		219,215	19	219,234	
33	Other Expense	8800		265,680	40,360	306,041	
34	Rents	8810		14,118	0	14,118	
35	Corporate & TGS Division Expenses Credit	8820		0	0	0	
36	Total Distribution Operations			\$3,931,694	\$213,537	\$4,145,231	
<u>Distribution Maintenance</u>							
37	Supervision and Engineering	8850		\$0	\$0	\$0	
38	Struct. & Improv.	8860		208,462	\$1,825	210,287	
39	Mains	8870		1,839,477	11,466	1,850,943	
40	Meas. & Reg. Stat. Exp. - Gen	8890		454,539	1,217	455,756	
41	Meas. & Reg. Stat. Exp. - Ind.	8900		104,447	5,921	110,368	
42	Meas. & Reg. Stat. Exp. - City Gate	8910		22,830	39	22,869	
43	Maintenance of Services	8920		127,973	0	127,973	
44	Meters & House Reg.	8930		0	0	0	
45	Other Equipment	8940		0	0	0	
46	Clearing - Meter Shop - Small Meters	8950		0	0	0	
47	Clearing - Meter Shop - Large Meters	8960		0	0	0	
48	Total Distribution Maintenance			\$2,757,728	\$20,468	\$2,778,196	
49	Total Distribution			\$6,689,422	\$234,006	\$6,923,428	

PER BOOK RGVSA DIRECT AND ALLOCATED OPERATING EXPENSES

TYE Dec. 2019						
LINE NO.	DESCRIPTION	ACCT. NO.	SUB ACCT.	DIRECT SERVICE AREA PER BOOKS	ALLOCATED DIVISION TO SERVICE AREA PER BOOKS	TOTAL SERVICE AREA AND ALLOCATED DIVISION PER BOOKS
<u>Customer Accounting</u>						
50	Supervision	9010		\$0	\$30,227	\$30,227
51	Meter Reading	9020		785,760	1,482	787,242
52	Customer Accounting	9030		14,194	722,787	736,981
53	Bad Debts	9040		266,298	0	266,298
54	Miscellaneous	9050		0	72,104	72,104
55	Total Customer Accounting			\$1,066,252	\$826,600	\$1,892,852
<u>Customer Information</u>						
56	Supervision	9070		\$0	\$15	\$15
57	Customer Assistance Expense	9080		146,380	43,432	189,812
58	Inform. & Instruct. Advert. Exp.	9090		0	17,213	17,213
59	Customer Svc and Informational Svc	9100		0	0	0
60	Total Customer Information			\$146,380	\$60,659	\$207,039
<u>Sales</u>						
61	Supervision	9110		\$0	\$0	\$0
62	Demonstrating and Selling Expense	9120		0	0	0
63	Advertising	9130		2,508	677	3,185
64	Employee Sales Referrals	9140		0	0	0
65	Misc. Gas Sales Expense	9163		0	0	0
66	Total Sales			\$2,508	\$677	\$3,185
67	Total Customer Accounts Expense			\$1,215,139	\$887,937	\$2,103,076
<u>Administrative & General</u>						
68	Salaries	9200		\$108,856	\$1,306,899	\$1,415,755
69	Office Supplies & Expenses	9210		202,387	\$200,840	403,227
70	Transferred Credit	9220		0	(884,529)	(884,529)
71	Outside Services	9230		5,739	\$55,056	60,795
72	Property Insurance	9240		0	\$42,962	42,962
73	Injuries & Damages	9250		(82,601)	\$428,329	345,728
74	Employee Pensions & Benefits	9260		8,360	\$1,108,607	1,116,967
75	Regulatory Commission Expenses	9280		48,751	\$16,816	65,567
76	Duplicate Charges - Credit	9290		0	0	0
77	General Advertising Expenses	9301		2,572	33	2,605
78	Miscellaneous General Expenses	9302		295,168	3,417,368	3,712,536
79	Rents	9310		6,149	156,803	162,952
80	Maintenance of General Plant	9320		1,011	37,712	38,723
81	Misc. General Expenses	9400's		0	0	0
82	Total A&G Operations			\$596,391	\$5,886,895	\$6,483,287
83	Total Operating Expense			\$14,687,439.47	\$7,921,366	\$22,608,805

COMPARE CURRENT COSA TO TYE DEC. 2018 RGVSA COSA

LINE NO.	DESCRIPTION	ACCT NO.	SUB ACCT.	2019	2018	VARIANCE
	<u>Deprec. & Amort. Expense</u>					
1	Depreciation and Amortization Expense	4030-4050		\$4,965,934	\$4,577,763	\$388,171
2	Pension & FAS 106 Amortization Expense	4073		0	0	0
3	Total Depr. & Amort.			\$4,965,934	\$4,577,763	\$388,171
	<u>TAXES OTHER THAN INCOME TAXES (excludes revenue related)</u>					
4	Payroll	4081		\$339,338	\$380,447	(\$41,109)
5	Ad Valorem	4081	190	908,547	861,368	47,179
6	Revenue Related	4081	133,138 & 140	0	0	0
7	Other	4081	131, 233, 995	172,812	175,205	(2,393)
8	Total Taxes Other Than Income Taxes			1,420,697	\$1,417,020	\$3,677
9	<u>Interest on Customer Deposits</u>	4310		\$56,997	\$31,500	\$25,497
10	<u>Storage Misc.</u>	8140-8360		\$6	\$10	(\$4)
	<u>Transmission & High Pressure Distribution</u>					
11	Operation Supervision and Engineering	8500		\$679	\$671	\$8
12	Transmission Communication Equip	8520		0	0	0
13	Compressor Station Labor and Expenses	8530		1	250	(248)
14	Mains Expenses	8560		439,197	621,585	(182,388)
15	Measuring and Regulating Station Expenses	8570		103,873	161,969	(58,096)
16	Trans/Compression of Gas by Others	8580		0	0	0
17	Other Expenses	8590		3,173	9,852	(6,679)
18	Rent	8600		17,551	16,846	705
19	Maintenance Supervision and Engineering	8610		1,491	222	1,270
20	Maintenance of Mains	8630		96,302	119,320	(23,018)
21	Measuring and Regulating Station Expenses	8640		0	46	(46)
22	Maintenance of Measuring and Regulating Station Equipment	8650		21,860	72,843	(50,983)
23	Maintenance of Communication Equipment	8660		0	0	0
24	Total Transmission			\$684,129	\$1,003,605	(\$319,475)
	<u>Distribution Operations</u>					
25	Supervision and Engineering	8700		\$302,252	\$262,735	\$39,517
26	Distribution Load Dispatch	8710		51,735	46,419	5,317
27	Mains & Services	8740		2,062,870	1,370,956	691,913
28	Meas. & Reg. Stat. Exp. - General	8750		168,011	159,807	8,204
29	Meas. & Reg. Stat. Exp. - Ind.	8760		47,814	59,754	(11,941)
30	Meas. & Reg. Stat. Exp. - City Gate	8770		80,846	116,400	(35,555)
31	Meter & House Reg. Exp.	8780		891,615	788,143	103,472
32	Customer Installation Exp	8790		219,234	397,565	(178,331)
33	Other Expense	8800		305,133	467,743	(162,610)
34	Rents	8810		14,118	13,430	688
35	Corporate & TGS Division Expenses Credit	8820		0	0	0
36	Total Distribution Operations			\$4,143,627	\$3,682,952	\$460,674
	<u>Distribution Maintenance</u>					
37	Supervision and Engineering	8850		\$0	\$0	\$0
38	Struct. & Improv.	8860		210,287	90,029	120,258
39	Mains	8870		1,850,938	1,173,827	677,111
40	Meas. & Reg. Stat. Exp. - Gen	8890		455,756	307,534	148,222
41	Meas. & Reg. Stat. Exp. - Ind.	8900		110,366	105,561	4,805
42	Meas. & Reg. Stat. Exp. - City Gate	8910		22,869	8,697	14,173
43	Maintenance of Services	8920		127,973	118,954	9,019
44	Meters & House Reg.	8930		0	0	0
45	Other Equipment	8940		0	0	0
46	Clearing - Meter Shop - Small Meters	8950		0	0	0
47	Clearing - Meter Shop - Large Meters	8960		0	0	0
48	Total Distribution Maintenance			\$2,778,189	\$1,804,602	\$973,587
49	Total Distribution			\$6,921,816	\$5,487,554	\$1,434,262

COMPARE CURRENT COSA TO TYE DEC. 2018 RGVSA COSA

LINE NO.	DESCRIPTION	ACCT NO.	SUB ACCT.	2019	2018	VARIANCE
	<u>Customer Accounting</u>					
50	Supervision	9010		\$30,012	\$28,090	\$1,922
51	Meter Reading	9020		787,242	715,662	71,580
52	Customer Accounting	9030		736,875	844,970	(108,095)
53	Bad Debts	9040		266,298	245,148	21,150
54	Miscellaneous	9050		72,103	70,376	1,728
55	Total Customer Accounting			\$1,892,530	\$1,904,245	(\$11,715)
	<u>Customer Information</u>					
56	Supervision	9070		\$14.85	\$0	\$15
57	Customer Assistance Expense	9080		188,998	177,956	11,043
58	Inform. & Instruct. Advert. Exp.	9090		17,213	21,908	(4,696)
59	Customer Svc and Informational Svc	9100		0	0	0
60	Total Customer Information			\$206,226	\$199,864	\$6,362
	<u>Sales</u>					
61	Supervision	9110		\$0	\$0	\$0
62	Demonstrating and Selling Expense	9120		0	(491)	491
63	Advertising	9130		3,185	8,354	(5,169)
64	Employee Sales Referrals	9140		0	0	0
65	Misc. Gas Sales Expense	9163		0	0	0
66	Total Sales			\$3,185	\$7,863	(\$4,678)
67	Total Customer Accounts Expense			\$2,101,941	\$2,111,971	(\$10,031)
	<u>Administrative & General</u>					
68	Salaries	9200		\$1,415,468	\$1,352,698	\$62,770
69	Office Supplies & Expenses	9210		364,516	369,651	(5,135)
70	Transferred Credit	9220		-884,529	(874,677)	(9,852)
71	Outside Services	9230		60,795	59,424	1,371
72	Property Insurance	9240		42,962	40,236	2,726
73	Injuries & Damages	9250		345,728	124,061	221,667
74	Employee Pensions & Benefits	9260		1,500,404	1,810,263	(309,860)
75	Regulatory Commission Expenses	9280		65,567	64,441	1,127
76	Duplicate Charges - Credit	9290		0	0	0
77	General Advertising Expense	9301		2,605	1,829	775
78	Misc. General Expenses	9302		3,054,157	2,598,974	455,183
79	Rents	9310		162,952	179,132	(16,180)
80	Maintenance of General Plant	9320		38,723	46,464	(7,741)
81	Misc. General Expenses	9400's		0	0	0
82	Total A&G Operations			\$6,169,346	\$5,772,497	\$396,850
83	Total Operating Expense			\$22,320,866	\$20,401,919	\$1,918,947

CUSTOMER ALLOCATION FACTORS

Customer Allocation Factors:

		Average Monthly Customer Count (includes final billed) @12/31/19	Allocation Factor
<u>Texas Gas Service Division</u>			
1	RGV	64,970	9.7343%
2	CTSA	265,845	39.8307%
3	NTSA	16,062	2.4064%
4	Borger/Skellytown	5,514	0.8262%
5	GCSA	44,635	6.6875%
6	WTSA	270,413	40.5150%
7	Total TGS	667,439	100.000%