

WEST TEXAS GAS, INC. FOURTH )  
ANNUAL GAS RELIABILITY ) RAILROAD COMMISSION  
INFRASTRUCTURE PROGRAM ) OF TEXAS  
INTERIM RATE ADJUSTMENT FOR )  
THE UNINCORPORATED AREAS OF )  
TEXAS

**FOURTH ANNUAL GAS RELIABILITY INFRASTRUCTURE PROGRAM INTERIM RATE  
ADJUSTMENT OF WEST TEXAS GAS, INC. FOR THE UNINCORPORATED AREAS OF  
TEXAS**

**TO THE HONORABLE RAILROAD COMMISSION OF TEXAS:**

COMES NOW West Texas Gas, Inc., (hereinafter the "Company") and, in accordance with Section 104.301 of the Texas Utilities Code (the "Utilities Code") files this Fourth Annual Gas Reliability Infrastructure Program Interim Rate Adjustment for the unincorporated areas of the Company's Texas service areas and respectfully show the Commission as follows:

**I. BUSINESS ADDRESS**

The Company's business address and telephone number are:

West Texas Gas, Inc.  
211 N. Colorado  
Midland, Texas 79701  
(432) 682-4349

**II. AUTHORIZED REPRESENTATIVE**

The Company's authorized representatives for service of all pleadings and other documents are:

Richard D. Hatchett, President  
JJ King, Vice President – Gas Marketing  
Amanda Edgmon – Regulatory Reporting Accountant  
West Texas Gas, Inc.  
211 N. Colorado  
Midland, Texas 79701

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Email: [rhatchett@westtexasgas.com](mailto:rhatchett@westtexasgas.com)  
[jking@westtexasgas.com](mailto:jking@westtexasgas.com)  
[aedgmon@westtexasgas.com](mailto:aedgmon@westtexasgas.com)

and

Dan Renner  
Parsley Coffin Renner LLP  
98 San Jacinto Blvd, Suite 1450  
Austin, Texas 78701  
Telephone: (512) 879-0900  
Facsimile: (512) 879-0912  
Email: [dan.renner@pcrllp.com](mailto:dan.renner@pcrllp.com)

General inquiries concerning this Application should be directed to Mr. Hatchett, Mr. King, and Mrs. Edgmon at the above-stated address and telephone number. All pleadings, motions, orders, and other documents filed in this proceeding should be served on Mr. Renner, preferably by e-mail, at the above stated addresses.

### III. SCOPE OF FILING

The Company is making this filing in accordance with the provisions of Section 104.301 of the Utilities Code. Pursuant to Section 104.301, a gas utility that has filed a rate case within the preceding two years may file a tariff or rate schedule that provides for an annual gas reliability infrastructure program interim rate adjustment in the utility's monthly customer charge or initial block rate to recover the cost of changes in the investment in service for gas utility services. The Company filed a rate case, GUD No. 10235, on January 24, 2013 using a test-year ending June 30, 2012. The Final Order in GUD No. 10235, was signed by the Commission on June 13, 2013. WTG's application for its first annual interim rate adjustment, Docket No. 10418, was filed on January 13, 2015. The Commission signed the Interim Rate Adjustment Order on April 28, 2015. WTG's application for its second annual interim rate adjustment, Docket No. 10479, was filed on November 10, 2015. The Commission signed the Interim Rate Adjustment Order on February 23, 2016. WTG's application for its fourth annual interim rate adjustment, Docket No. 10563, was filed on November 2, 2016. The Commission signed the Interim Rate Adjustment Order on January 24, 2017.

This fourth interim rate adjustment is timely filed and based on the difference between the value of the invested capital for the preceding calendar year, or 2016, and the value of invested capital for the calendar year preceding that calendar year, or 2015, except that capital costs relating to a 42-mile 10" mainline project are being excluded from the interim rate adjustment calculation because the allocation methods established in Docket No. 10235 would unfairly burden WTG jurisdictional customers. WTG will defer including the capital costs for this 10" mainline until its next rate case. This filing is made in accordance with the methodologies approved in GUD No. 10235 for West Texas Gas, Inc.

#### IV. CONTENTS OF FILING

This filing is segregated into five sections labeled as follows:

1. Tab 1 – Application for Interim Adjustment
2. Tab 2 – A copy of the Company's notice to customers and related affidavit
3. Tab 3 – The Company's rate schedules showing the effect of the Interim Adjustment
4. Tab 4 – Interim Cost Recovery & Rate Adjustment Report

This section consists of an Excel workbook and contains information based on approved Railroad Commission forms, including but not limited to:

- Calculation of Interim Rate Adjustment (Schedule A) with all supporting schedules and workpapers
- Plant Additions Report (WP Plant Additions)

In accordance with 16 TAC Rule §7.7101, this report describes the utility investment projects completed and placed in service for the Company during the period from January 1, 2016 through December 31, 2016. The Plant Additions Report includes the capital cost incurred, date and need of expenditure, customers benefitted, and location of capital investment plus other information identifying each transaction.

5. Tab 5 – Annual Earnings Monitoring Report

## V. NOTICE

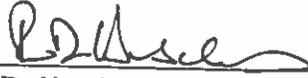
The Company will provide notice of this proceeding to affected customers by direct mail within 45 days after filing in accordance with Section 104.301.

## VI. PRAYER FOR RELIEF

WHEREFORE, PREMISES CONSIDERED, the Company respectfully requests that the Company's proposed notice in English and Spanish be approved, the Commission either approve the 2017 Annual Gas Reliability Infrastructure Program Interim Rate Adjustment Rate Schedules attached hereto or allow the 2017 Annual Gas Reliability Infrastructure Program Interim Rate Adjustment Rate Schedules to go into effect by operation of law and award the Company such other and further relief to which the Company may show itself to be justly entitled.

Respectfully submitted,

West Texas Gas, Inc.

By:   
Richard D. Hatchett  
President