

## Transco and Texas Eastern Pipeline Rate Proceedings

Recently we received questions regarding the Transco and Texas Eastern Pipeline rate proceedings and rate increases and we wanted to share our responses to the questions with everyone.

1. Does the utility intend to communicate the March 1 or June 1 pipeline rate increases and/or refunds, if required, to TSP customers? If so, what is your communication plan, timeline and will you provide copies of any such materials to ESCOs?

The Company will be communicating to all customers the bill impacts during their regular cycle prior to the start of the winter.

2. For each pipeline, when will the rate increase be passed through to ESCOs taking capacity release?

Transco's rate increase was already included in the current WACOC (current WACOC is \$0.5606/Dt which would have been \$0.5302/Dt without the Transco increase) for months starting after March 1<sup>st</sup> and through September in order to spread out the cost impact to customers and prevent a large spike. The remainder of the rate increase will be collected through the Capacity Release Service Adjustment from transportation customers for those incurred during this gas year and in the new WACOC starting November 1<sup>st</sup> for those incurred starting the next gas year.

3. Some utilities release pipeline capacity at their weighted average cost ("WACOG") of capacity which is typically set annually on November 1 of each year. Please explain whether the two pipelines rate proceedings referenced above impacts your WACOG capacity release to ESCOs including the anticipated timeline for rate impacts to ESCOs.

The WACOC for this year will remain the same and will be adjusted November 1 of this year for the following gas year. The Company will continue to monitor all rate case proceedings. The current estimated WACOC for November 1, 2019 based on public information is \$0.6063/Dt.

4. For each pipeline, when will the rate increase be passed through to full service customers?

The Transco rate increase was passed through to full service customers for the period starting March 2019 through September 2019 starting in November 2018 as explained in response #2. The Texas Eastern rate increase will be passed through to full service customers starting in June 2019.

5. If a lower rate than the pipeline initial application is approved, either through settlement or a final FERC decision, how will that subsequent rate reduction be handled by the utility?

Any refunds from the pipeline will follow the process explained in General Information Section IX of the Gas Tariff on Leaf 183.3.

6. Specific to the Transco rate proceeding only, please clarify whether the March 1, 2019 filed rates only impact incremental expansion rate schedules?

It impacts more than the incremental expansion rate schedules. Please refer to Transco's filing RP18-112.

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**If you have any responses, comments or questions, please forward them to [RetailAccess@coned.com](mailto:RetailAccess@coned.com), unless otherwise noted.**