

RAILROAD COMMISSION OF TEXAS
Oversight and Safety Division
Gas Services Department



NOTICE TO GAS TRANSPORTERS

Regarding Natural Gas Transportation Standards and Code of Conduct

Texas Administrative Code, Title 16, Chapter 7, Subchapter G, Code of Conduct (“Code of Conduct”) specifies standards of conduct governing the provision of gas transportation services to prevent discrimination prohibited by Tex. Nat. Res. Code §§ 111.081, et seq. and the Texas Utilities Code, Titles 3 and 4. Railroad Commission of Texas (“Commission”) Rule 7.7001(b) states the following:

(b) Code of conduct. A transporter that provides transportation services for any shipper (including affiliate shippers) shall:

- (1) apply any tariff or contract provision for transportation services which provides for discretion in the application of the provision in a similar manner to similarly-situated shippers.
- (2) enforce any tariff or contract provision for transportation services if there is no discretion stated in the tariff or contract in the application of the provision in a similar manner to similarly-situated shippers.
- (3) not give any shipper preference in the provision of transportation services over any other similarly-situated shippers.
- (4) process requests for transportation services from any shipper in a similar manner and within a similar period of time as it does for any other similarly-situated shipper; and maintain its books of account in such a fashion that transportation services provided to an affiliate can be identified and segregated.

Commission Rule 7.7003 authorizes administrative penalties and other remedies for discrimination. Transporters, including affiliates, that are subject to the Code of Conduct must comply with all standards of the Code of Conduct. All transporters are reminded to review their procedures and operations to assure that they are in compliance with the Code of Conduct.

Potential violations of the Code of Conduct may be addressed by filing an informal complaint or a formal complaint. Parties desiring to file an informal complaint are encouraged to review the Commission’s informal complaint rules in Title 16, Texas Administrative Code, Chapter 2. For information regarding how to file an informal complaint, please visit <https://www.rrc.texas.gov/gas-services/complaint-filing/procedure-for-filing-and-responding-to-informal-complaints/>. A formal complaint may be initiated by contacting the Market Oversight Section of the Commission at

MOS@rrc.texas.gov. Parties desiring to file a formal complaint are encouraged to review the Commission's rules of practice and procedure in Title 16, Texas Administrative Code, Chapter 1. Filing an informal complaint is not a prerequisite to filing a formal complaint.

If you have questions regarding this notice, please contact the Commission at MOS@rrc.texas.gov.

Please Forward to the Appropriate Section of Your Company