



**INTERIM COST RECOVERY AND RATE ADJUSTMENT REPORT
OF
HUGHES NATURAL GAS, INC.**

TO THE

RAILROAD COMMISSION OF TEXAS

FOR THE

Twelve Month Period Ending 12/31/2017

Check one:

This is an original submission [x]

This is a revised submission []

Date of submission: _____

HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

GENERAL QUESTIONS

If additional space is required, please attach pages providing the requested information.

1. State the exact name of the utility.

HUGHES NATURAL GAS, INC.

2. State the date when the utility was originally organized.

May 15, 1996

3. Report any change in name during the most recent year and state the effective date.

N/A

4. State the name, title, phone number, email address, and office address of the officer of the utility to whom correspondence should be addressed concerning this report.

Frank Hicks
Director of Gas Operations
(281) 766-1276
Fhicks@epcor.com
31830 STATE HIGHWAY 249 SUITE A, PINEHURST TX 77362

5. State the name, title, phone number, email address, and office address of any other individual designated the utility to answer questions regarding this report (optional).

Frank Hicks
Director of Gas Operations
(281) 766-1276
Fhicks@epcor.com
31830 STATE HIGHWAY 249 SUITE A, PINEHURST TX 77362

6. State the location of the office where the Company's accounts and records are kept.

31830 STATE HIGHWAY 249 SUITE A, PINEHURST TX 77362

HUGHES NATURAL GAS, INC.
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7. IF THIS IS A REVISED REPORT, provide the schedule number, line number, an column designation where each change input data appears.
8. Please provide a customer count for environs and total customers across all customer classes served by HNG as of December 31, 2017.

	Customer Counts				
	<u>Total</u>	<u>Residential</u>	<u>Commercial</u>	<u>Public Author.</u>	<u>Resale</u>
Environs	3,871	3,810	53	8	0
Incorporated	425	367	58	0	0
	<u>4,296</u>	<u>4,177</u>	<u>111</u>	<u>8</u>	<u>0</u>

9. Provide the amount in both dollars and percentage of all projects to be recovered in this IRA filing that is attributed to Steel Pipe Replacement programs.

None.

10. Provide the amount in both dollars and percentage of all projects to be recovered in this IRA filing that is attributed to integrity testing.

None.

11. Did the company include any meal expenses over \$25.00 per meal in the project amounts included in this docket?

No.

12. Did the Company include employee travel for hotel expense greater than \$150.00 per night in the project amounts included in this docket? If so, provide detail for hotel amounts over \$150.00 per night. Please also provide employee expense report policy and limits utilized by the Company.

No. All expenses for meals and travel must be approved in advance and have been limited to offsite training sessions.

HUGHES NATURAL GAS, INC.
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13. Did the Company include any first class travel or meals and travel for spouses in this docket? If so, provide detail.

No.

14. Residential, Commercial, Public Authority and resale customers on file with the Commission other than those Interim Rate Adjustments to the customer charges proposed in this filing.

We hereby affirm we are not proposing any other changes to the existing rates or tariffs for Residential, Commercial, Public Authority or Resale customers.

15. Has the corporate structure of HNG and its affiliates changed since the issuance of the Final Order in GUD 10190?

Yes.

16.

Has the Company's request for bid process as developed in accordance with GUD 10190, Finding of Fact 19, changed since it was provided to the Commission on June 20, 2016?

No.

17. Referencing IRA-12 Project List, please identify by project number all projects that included furniture (desks, chairs, Cabinets), building enhancements, and/or remodeling that might include refrigerators, freezers, microwaves, artwork etc. If these amounts have been removed, provide a schedule and evidence of the adjustment.

Projects 6455, 6456, 6457 included in IRA-12, Lines 804-806. These amounts have not been removed.

HUGHES NATURAL GAS, INC.
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18. Please indicate whether a COSA for the same period was filed with the City of Magnolia, and if so, please provide the status of that filing.

Yes, the COSA was filed on June 1, 2018, and will become effective on September 1, 2018, assuming City Council does not take exception to the filing.

19. Please provide the Company's projected integrity testing schedule for the environs service areas.

Integrity testing is only required when new facilities are put into service.

20. Were any payments to an affiliate capitalized in projects in this instant project?

Yes.

21. Were any projects completed as relocations of facilities at the request of a governmental authority and did the Company verify the requesting governmental authority was unable to reimburse the Company for the relocation?

One relocation project is included, related to the road-widening of FM 1774. The requesting governmental agency was unable to reimburse HNG for the relocation.

HUGHES NATURAL GAS, INC.
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22. Please provide a comparison between the customer and commodity charges proposed in this instant docket with the customer and commodity charges currently in effect in the Company's incorporated service area(s) and the customer and commodity charges proposed in the most recent COSA filed with the City of Magnolia. Please provide the same average bill information based on average consumption in January and average consumption in July.

	<u>Volumes (Mcf)</u>	<u>Environs</u>	<u>Incorporated</u>
Current Charges			
Monthly Customer Charge		\$36.93	\$20.42
Volumetric Fee (\$/Mcf)		\$7.05	\$8.9978
2017 Avg. cost of gas		\$7.75	\$7.75
Average monthly bill			
RRC Residential Standard	6	\$125.73	\$120.91
RRC Commercial Standard	30	\$480.93	\$522.85
HNG Usage July 2017	2.24	\$70.08	\$57.94
HNG Usage January 2017	8.85	\$167.91	\$168.64
Average per Customer	51.45	\$1,220.81	\$1,418.63
Proposed Charges			
Monthly Customer Charge		\$39.40	\$21.44
Volumetric Fee (\$/Mcf)		\$7.05	\$9.4477
2017 Avg. cost of gas		\$7.75	\$7.75
Average monthly bill			
RRC Residential Standard	6	\$128.20	\$124.63
RRC Commercial Standard	30	\$483.40	\$537.37
HNG Usage July 2017	2.24	\$72.55	\$59.96
HNG Usage January 2017	8.85	\$170.38	\$173.64

HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
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HUGHES NATURAL GAS INC.'S NOTICE OF ANNUAL GAS RELIABILITY
INFRASTRUCTURE PROGRAM (GRIP) INTERIM RATE ADJUSTMENT

Pursuant to Texas Utilities Code Section 104.301, on June 1, 2018, Hughes Natural Gas, Inc. ("Hughes" or the "Company") filed its annual Gas Reliability Infrastructure Program ("GRIP") interim rate adjustment with the Railroad Commission of Texas ("Commission"). This annual GRIP adjustment will apply to all standard sales service customers served by the Company in the unincorporated areas of Austin, Colorado, Grimes, Harris, Waller, Washington and Montgomery Counties, except for customers within the City of Magnolia.

Pursuant to the Commission's rules, this annual Interim Rate Adjustment is designed to recover the incremental costs related to the capital investments the Company has made in its natural gas distribution system from January 1, 2017 to December 31, 2017. Those costs are incremental to and not included in the rates currently in effect for the unincorporated areas of Hughes' service territory. The Company's calculation of the Interim Rate Adjustment amount that would be added to the current monthly customer charge on customer bills is shown below. The current monthly customer charge is \$18.35 per month. The 2013 Interim Rate Adjustment is \$7.83, the 2014 Interim Rate Adjustment is \$4.19, the 2015 Interim Rate Adjustment is \$3.18, the 2016 Interim Rate Adjustment is \$3.38 and the proposed 2017 Interim Rate Adjustment is \$2.47, resulting in a proposed monthly customer charge of \$39.40 per month.

A residential customer receiving a bill for 6 Mcf will see a bill of approximately \$128.20 including gas costs, which would constitute an increase of approximately 1.96% in unincorporated areas. A residential customer receiving a bill for 6 Mcf will see a bill of approximately \$81.70 excluding gas costs, which would constitute an increase of approximately 3.12% in unincorporated areas. A commercial customer receiving a bill for 30 Mcf will see a bill of approximately \$483.40 including gas costs, which would constitute an increase of approximately 0.51% in unincorporated areas. A commercial customer receiving a bill for 30 Mcf will see a bill of approximately \$250.90 excluding gas costs, which would constitute an increase of approximately 0.99% in unincorporated areas. These monthly bills are based on a gas cost of \$7.75 per Mcf, which changes monthly pursuant to the Gas Cost Adjustment Clause.

A complete copy of the Interim Rate Adjustment filing, with supporting documents, filed with the Railroad Commission of Texas on June 1, 2018, is available for inspection in the HNG office located at 31830 State Hwy 249, Pinehurst, Texas 77362, or may be downloaded from HNG's website, www.hughesnaturalgas.com. Persons with specific questions or who want information about this filing may contact HNG at (281) 766-1290. In addition, any affected person may file written comments or a protest concerning the proposed annual Interim Rate Adjustment with Gas Services, Market Oversight Section, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967. Please reference GUD 10734 in your written comment or protest.

Summary
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

LINE NO.	DESCRIPTION	PER GRIP AT 12/31/16	INCREASE	PER BOOK As of 12/31/2017
	(a)	(b)	(c)	(d)
1	Utility Plant Investment	\$19,114,296	\$1,617,846	\$20,732,142
2	(376) Mains - CapGas CIAC (See Footnote 1)	(\$75,263)	\$0	(\$75,263)
3	Accum. Depr CapGas CIAC (See Footnote 1)	\$73,036	\$2,227	\$75,263
4	Acquisition Adjustment (See Footnote 2)	(\$259,949)	\$64,988	(\$194,962)
5	Accumulated Depreciation	(\$4,613,345)	(\$865,145)	(\$5,478,490)
6	Net Investment	<u>\$14,238,775</u>	<u>\$819,916</u>	<u>\$15,058,690</u>
7	Increase (Decrease) in Net Investment		\$819,916	
8	Authorized Return on Capital (See Footnote 3)		9.00%	
9	Change in Return on Net Investment		<u>\$73,792</u>	
10	Depreciation Expense	688,610		731,959
11	CapGas CIAC Depreciation (See Footnote 1)	<u>(1,882)</u>		<u>(1,882)</u>
		686,728		730,077
12	Change in Depreciation Expense		\$43,349	
13	Change in Ad Valorem Tax (See Footnote 4)		\$0	
14	Change in Revenue-Related Taxes (See Footnote 4)		\$0	
15	Change in Federal Tax		<u>\$12,826</u>	
16	Change in Revenue Requirement (See Footnote 6)		<u>\$129,968</u>	
			<u>Monthly Fee</u>	<u>Volumetric Fee</u>
17	Billing Determinants (See Footnote 5)		52,594	225,546
18	Proposed IRA:		<u><u>\$2.47</u></u>	<u><u>\$0.00</u></u>
19	Resulting impact on revenues:		\$129,907.18	\$0.00
20	Revenue deferred:		\$60.41	

Current and Proposed Bill Information - With Gas Cost (See Footnote 5)					
		<u>Current</u>	<u>Proposed</u>	<u>Difference</u>	<u>% Change</u>
21	Residential Customers Average Monthly Bill @ 6 MCF	\$125.73	\$128.20	\$2.47	1.96%
22	Commercial Customers Average Monthly Bill @ 30 MCF	\$480.93	\$483.40	\$2.47	0.51%
Current and Proposed Bill Information - Without Gas Cost					
23	Residential Customers Average Monthly Bill @ 6 MCF	\$79.23	\$81.70	\$2.47	3.12%
24	Commercial Customers Average Monthly Bill @ 30 MCF	\$248.43	\$250.90	\$2.47	0.99%

HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

Proposed Tariff Update for Section 1.2:

1.2 (A) Rates.

The following rates are effective for bills rendered on and after the date of the Commission's Final Order in Gas Utilities Docket No. 10190:

- 1.2.1** Monthly Customer Charge, residential and commercial customers:
\$17.10, applies per meter, per month
- 1.2.2** Volumetric Fee, residential and commercial customers:
\$7.05. applies per thousand cubic feet (Mcf)

(B) Rates.

The following rates are effective for bills rendered one year after the date of the Commission's Final Order in Gas Utilities Docket No. 10190:

- 1.2.3** Monthly Customer Charge, residential and commercial customers:
\$18.35, applies per meter, per month
- 1.2.4** Volumetric Fee, residential and commercial customers:
\$7.05. applies per thousand cubic feet (Mcf)

(C) Rates.

The following rates are effective for bills rendered on and after January 1, 2015

- 1.2.5** Monthly Customer Charge, residential and commercial customers:
\$18.35 Applies per meter, per month
\$7.83 2013 IRA Surcharge

\$26.18 Total applies per meter, per month
- 1.2.6** Volumetric Fee, residential and commercial customers:
\$7.05. applies per thousand cubic feet (Mcf)

(D) Rates.

The following rates are effective for bills rendered on and after the date of the Commission's Final Order concerning the 2014 IRA:

- 1.2.7** Monthly Customer Charge, residential and commercial customers:
\$18.35 Applies per meter, per month
\$7.83 2013 IRA Surcharge
\$4.19 2014 IRA Surcharge

\$30.37 Total applies per meter, per month
- 1.2.8** Volumetric Fee, residential and commercial customers:
\$7.05. applies per thousand cubic feet (Mcf)

(E) Rates.

The following rates are effective for bills rendered on and after the date of the Commission's Final Order concerning the 2015 IRA:

1.2.9 Monthly Customer Charge, residential and commercial customers:

\$18.35	Applies per meter, per month
\$7.83	2013 IRA Surcharge
\$4.19	2014 IRA Surcharge
<u>\$3.18</u>	2015 IRA Surcharge
\$33.55	Total applies per meter, per month

1.2.10 Volumetric Fee, residential and commercial customers:

\$7.05. applies per thousand cubic feet (Mcf)

(F) Rates.

The following rates are effective for bills rendered on and after September 1, 2016:

1.2.11 Monthly Customer Charge, residential customers with Primary Meters:

\$18.35	Applies per meter, per month
\$7.83	2013 IRA Surcharge
\$4.19	2014 IRA Surcharge
<u>\$3.18</u>	2015 IRA Surcharge
\$33.55	Total applies per meter, per month

1.2.12 Monthly Customer Charge, residential customers with Secondary Meters:
\$12.50, applies per secondary meter, per month;

1.2.13 Monthly Customer Charge, commercial customers:

\$18.35	Applies per meter, per month
\$7.83	2013 IRA Surcharge
\$4.19	2014 IRA Surcharge
<u>\$3.18</u>	2015 IRA Surcharge
\$33.55	Total applies per meter, per month

1.2.12 Volumetric Fee, residential and commercial customers:

\$7.05. applies per thousand cubic feet (Mcf)

(G) Rates.

The following rates are effective for bills rendered on and after the date of the Commission's Final Order concerning the 2016 IRA:

1.2.13 Monthly Customer Charge, residential customers with Primary Meters:

\$18.35	Applies per meter, per month
\$7.83	2013 IRA Surcharge
\$4.19	2014 IRA Surcharge
\$3.18	2015 IRA Surcharge
<u>\$3.38</u>	2016 IRA Surcharge
\$36.93	Total applies per meter, per month

1.2.14 Monthly Customer Charge, residential customers with Secondary Meters:
\$12.50, applies per secondary meter, per month;

1.2.15 Monthly Customer Charge, commercial customers:

\$18.35 Applies per meter, per month

\$7.83	2013 IRA Surcharge
\$4.19	2014 IRA Surcharge
\$3.18	2015 IRA Surcharge
\$3.38	2016 IRA Surcharge
<u>\$36.93</u>	Total applies per meter, per month

- 1.2.16** Volumetric Fee, residential and commercial customers:
\$7.05. applies per thousand cubic feet (Mcf)

(H) Rates.

The following rates are effective for bills rendered on and after the date of the Commission's Final Order concerning the 2017 IRA:

- 1.2.13** Monthly Customer Charge, residential customers with Primary Meters:
- | | |
|----------------|------------------------------------|
| \$18.35 | Applies per meter, per month |
| \$7.83 | 2013 IRA Surcharge |
| \$4.19 | 2014 IRA Surcharge |
| \$3.18 | 2015 IRA Surcharge |
| \$3.38 | 2016 IRA Surcharge |
| \$2.47 | 2017 IRA Surcharge |
| <u>\$39.40</u> | Total applies per meter, per month |

- 1.2.14** Monthly Customer Charge, residential customers with Secondary Meters:
\$12.50, applies per secondary meter, per month;

- 1.2.15** Monthly Customer Charge, commercial customers:
- | | |
|----------------|------------------------------------|
| \$18.35 | Applies per meter, per month |
| \$7.83 | 2013 IRA Surcharge |
| \$4.19 | 2014 IRA Surcharge |
| \$3.18 | 2015 IRA Surcharge |
| \$3.38 | 2016 IRA Surcharge |
| \$2.47 | 2017 IRA Surcharge |
| <u>\$39.40</u> | Total applies per meter, per month |

- 1.2.16** Volumetric Fee, residential and commercial customers:
\$7.05. applies per thousand cubic feet (Mcf)

Revenue Related and Other Taxes
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

			12 Month End	12 Month End	
	Total	Adjustments*	(Present Rates)	(Proposed Rates)	Change
	(a)	(b)	(c)	(e)	(f)
Non Revenue - Related					
1	Ad Valorem Tax	<i>These Taxes are surcharged each year according to approved Tariff.</i>			
Revenue - Related					
2	State Gross Receipts - Tax	<i>These Taxes are surcharged each year according to approved Tariff.</i>			
3	Local Gross Receipts - Tax	N/A			
4	Railroad Commission - Gas Utility Tax	N/A			
5	Total Revenue Related Taxes				
6	TOTAL TAXES OTHER THAN INCOME	\$0.00			
* Reference All Adjustments					

Federal Income Tax
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

	12/31/2016	12/31/2017
Description	Amount	Amount
Return on Investment		
Invested Capital (Rate Base)	\$14,238,775	\$15,058,690
Rate of Return	9.000%	9.000%
Return on Investment	\$1,281,490	\$1,355,282
Interest Expense		
Invested Capital (Rate Base)	\$14,238,775	\$15,058,690
Weighted Cost of Debt	3.115%	3.115%
Interest Expense	\$443,538	\$469,078
Before Tax Return	\$837,952	\$886,204
Federal Income Tax Rate	21.00%	21.00%
Gross-up Factor = $1 + (D27 / (1 - D27))$	1.2658	1.2658
Federal Income Tax	\$222,747	\$235,573

CHANGE IN FEDERAL INCOME TAX

\$12,826

Investment Detail
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Period Ending 12/31/2016

FERC Account No.	FERC Account Titles	Original Cost	RRC Approved Depr. Rate	Annual Depreciation	Accumulated Depreciation	Net Plant
	Intangible	300	n/a	n/a		300
	DISTRIBUTION PLANT					
(374)	Land & Land Rights	49,488	n/a	n/a	n/a	49,488
(376)	Mains	13,313,628	2.50%	332,841	2,256,936	11,056,692
(379)	Meas & Reg Station	527,528	3.03%	15,984	123,739	403,789
(380)	Services	1,831,031	4.00%	73,241	525,294	1,305,737
(381)	Meters	2,460,130	4.00%	98,405	1,130,507	1,329,623
(383)	Regulators	316,648	4.00%	12,666	118,390	198,258
	Total Distribution Plant	18,498,453		533,137	4,154,866	14,343,587
	GENERAL PLANT					
(391)	(391) Office Furniture & Equipmen	19,221	10.00%	1,922	16,084	3,137
(392)	(392) Transportation Equipment	257,209	33.33%	85,728	179,446	77,763
(397)	(397) Comm., Comp & Software	240,834	20.00%	48,167	207,884	32,950
(398)	(398) Miscellaneous General Plant	98,279	20.00%	19,656	55,065	43,214
	Total General Plant	615,543		155,473	458,479	157,064
		<u>19,114,296</u>		<u>688,610</u>	<u>4,613,345</u>	<u>14,500,951</u>

Investment Detail
Current Investment
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

FERC Account No.	FERC Account Titles	Original Cost	RRC Approved Depr. Rate	Annual Depreciation	Accumulated Depreciation	Net Plant
	Intangible	300	n/a	n/a	n/a	300
	DISTRIBUTION PLANT					
(374)	Land & Land Rights	49,596	n/a	n/a	n/a	49,596
(376)	Mains	14,747,028	2.50%	368,676	2,831,618	11,915,411
(379)	Meas & Reg Station	527,528	3.03%	15,984	155,528	372,000
(380)	Services	1,838,056	4.00%	73,522	646,849	1,191,208
(381)	Meters	2,605,759	4.00%	104,230	1,268,152	1,337,607
(383)	Regulators	334,401	4.00%	13,376	133,972	200,429
	Total Distribution Plant	20,102,369		575,788	5,036,118	15,066,251
	GENERAL PLANT					
(391)	(391) Office Furniture & Equipmen	25,665	10.00%	2,567	17,480	8,186
(392)	(392) Transportation Equipment	246,377	33.33%	82,117	174,928	71,449
(397)	(397) Comm., Comp & Software	209,861	20.00%	41,972	183,395	26,466
(398)	(398) Miscellaneous General Plant	147,570	20.00%	29,514	66,569	81,001
	Total General Plant	629,473		156,170	442,372	187,101
		<u>20,732,142</u>		<u>731,959</u>	<u>5,478,490</u>	<u>15,253,652</u>

Net Investment
(Investment To Be Recovered Through Interim Filing)
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

FERC Account No.	FERC Account Titles	Net Change Original Cost	RRC Approved Depr. Rate	Annual Depreciation	Additions	Retirements
	Intangible	-			-	-
	DISTRIBUTION PLANT					
(374)	Land & Land Rights	108	n/a	n/a	108	-
(376)	Mains	1,433,400	2.50%	35,835	1,454,156	(20,756)
(379)	Meas & Reg Station	-	3.03%	0	-	-
(380)	Services	7,025	4.00%	281	16,746	(9,720)
(381)	Meters	145,629	4.00%	5,825	174,517	(28,888)
(383)	Regulators	17,753	4.00%	710	21,585	(3,832)
	Total Distribution Plant	<u>1,603,916</u>		<u>42,651</u>	<u>1,667,113</u>	<u>(63,197)</u>
	GENERAL PLANT					
(391)	(391) Office Furniture & Equipmen	6,444	10.00%	644	6,444	-
(392)	(392) Transportation Equipment	(10,832)	33.33%	(3,610)	113,387	(124,219)
(397)	(397) Comm., Comp & Software	(30,973)	20.00%	(6,195)	4,881	(35,854)
(398)	(398) Miscellaneous General Plant	49,291	20.00%	9,858	49,291	-
	Total General Plant	<u>13,930</u>		<u>698</u>	<u>174,003</u>	<u>(160,073)</u>
		<u><u>1,617,846</u></u>		<u><u>43,349</u></u>	<u><u>1,841,116</u></u>	<u><u>(223,270)</u></u>

Investment Detail-Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

FERC Account No.	FERC Account Titles	Original Cost	RRC Approved Depr. Rate	Annual Depreciation
	Intangible	n/a	n/a	n/a
	DISTRIBUTION PLANT			
(374)	Land & Land Rights	108	n/a	-
(376)	Mains	1,454,156	2.50%	36,354
(379)	Meas & Reg Station	-	3.03%	-
(380)	Services	16,746	4.00%	670
(381)	Meters	174,517	4.00%	6,981
(383)	Regulators	21,585	4.00%	863
	Total Distribution Plant	<u>1,667,113</u>		<u>44,868</u>
	GENERAL PLANT			
(391)	(391) Office Furniture & Equipmen	6,444	10.00%	644
(392)	(392) Transportation Equipment	113,387	33.33%	37,792
(397)	(397) Comm., Comp & Software	4,881	20.00%	976
(398)	(398) Miscellaneous General Plant	49,291	20.00%	9,858
	Total General Plant	<u>174,003</u>		<u>49,271</u>
		<u><u>1,841,116</u></u>		<u><u>94,139</u></u>

FOOTNOTES:
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

Footnote 1

CIAC represents amount identified in GUD 10190 associated with the CapGas acquisition.
Accumulated amount represents 12 months of 2016 at \$1,432.08 per month

Footnote 2

Per GUD 10190 Settlement Agreement Article I :

- B.** A negative acquisition amount of \$536,148 associated with the CapGas acquisition will be included in rate base for the purpose of setting rates in this docket as reflected in Updated exhibit CEL-6
- C.** The total negative acquisition amount on HNG's books and records shall be amortized over twelve years below the line beginning at the date incurred.

Calculate Net Acquisition Adjustment at 12/31/2017 Per Settlement Agreement

Negative Acquisition Adjustment Per Settlement 9/30/12	(\$536,148)
Amortization included in the 2013 GRIP Filing	\$81,236
Amortization included in the 2014 GRIP Filing	\$64,988
Amortization included in the 2015 GRIP Filing	\$64,988
Amortization included in the 2016 GRIP Filing	\$64,988
Amortize 12 Months Per Settlement (\$5.415 per month)	\$64,988
Net Acquisition Adjustment as of 12/31/17.	<u><u>(\$194,962)</u></u>

Footnote 3

Cost of Capital:

The capital structure stipulated to in the GUD 10190 Settlement Agreement represents a proxy.
The overall rate of return and the individual components are consistent with recent Commission precedent and the Examiners found that they were just and reasonable.

Footnote 4

Ad Valorem and Revenue Related Taxes are surcharged each year according to approved Tariff.

Footnote 5

Annualized Billing Determinants - 2017 Annual Report

	Bill Counts					
	<u>Total</u>	<u>Residential</u>	<u>Res. Secondary</u>	<u>Commercial</u>	<u>Public Author.</u>	<u>Resale</u>
Environs	47,564	46,543	242	656	119	4
Incorporated	5,030	4,321	0	709	0	0
	<u>52,594</u>	<u>50,864</u>	<u>242</u>	<u>1,365</u>	<u>119</u>	<u>4</u>

Volumes (Mcf)

Environs	199,240
Incorporated	<u>26,306</u>
	225,546

Increase per Bill per Month	\$2.47
Cost of Gas (per Mcf):	\$7.75

FOOTNOTES:
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

Footnote 6
Reconciliation of Revenue Requirement Increase

Plant Description	Additions	Retirements	Net Plant	Depr Rates	Depr Expense	Return	FIT	Total
Land & Land Rights (374)	108	-	108	n/a	-	10	2	11
Mains (376)	1,454,156	(20,756)	1,433,400	2.50%	35,835	129,006	22,424	187,265
Meas & Reg Station (379)	-	-	-	3.03%	-	-	-	-
Services (380)	16,746	(9,720)	7,025	4.00%	281	632	110	1,023
Meters (381)	174,517	(28,888)	145,629	4.00%	5,825	13,107	2,278	21,210
Regulators (383)	21,585	(3,832)	17,753	4.00%	710	1,598	278	2,586
Office Furniture & Equipment (391)	6,444	-	6,444	10.00%	644	580	101	1,325
Trans Equip (392)	113,387	(124,219)	(10,832)	33.33%	(3,610)	(975)	(169)	(4,755)
Comm, Comp & Softwre (397)	4,881	(35,854)	(30,973)	20.00%	(6,195)	(2,788)	(485)	(9,467)
Misc Gen Plant (398)	49,291	-	49,291	20.00%	9,858	4,436	771	15,065
Change In Accumulated Depreciation			(865,145)	n/a		(77,863)	(13,534)	(91,397)
Change In Acquisition Adjustment (See Footnote 2)			64,988			5,849	1,017	6,866
Change In CIAC (See Footnote 1)			2,227			200	35	235
Rounding	-	-	-		-	-	-	-
	<u>1,841,116</u>	<u>(223,270)</u>	<u>819,916</u>		<u>43,349</u>	<u>73,792</u>	<u>12,826</u>	
Change in Revenue Requirement								<u>\$ 129,968</u>

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
FERC ACCOUNT #374 LAND AND LAND RIGHTS								
1		New	Recording Fees - (1) 702 HMR Dr. Easement			7/18/2017	All	54
2		New				8/8/2017		54
3	TOTAL FERC ACCOUNT #374 LAND							108
FERC ACCOUNT #376 MAINS								
4	5771	Safety/Infrastructure	702 High Meadow Ranch Dr	18082		2/28/2017	All	13,158
5	6096	Safety/Infrastructure	AJ Foyt	18306		6/30/2017	All	3,300
6	6098			18278		6/30/2017		115,688
7	6151			18320		7/20/2017		11,531
8	6152			18333		7/31/2017		1,000
9	6304			18257		9/29/2017		53,773
10	6305			18269		9/29/2017		2,400
11	6306			CAP		9/29/2017		3,853
12	6333	Safety/Infrastructure	Butera Rd	18413		10/30/2017	All	500
13	6328			18389		10/31/2017		10,163
14	6513			2900177		12/1/2017		16,076
15	5918	Safety/Infrastructure	Cardinal Dr	18183		3/31/2017	All	9,188
16	6266	Safety/Infrastructure	Cypress Rosehill Rd, N of SH 99	18370		9/18/2017	All	53,096
17	6267			18386		9/27/2017		2,200
18	6307	Safety/Infrastructure	Cypress Rosehill Rd, Xing under SH 99	25136		9/30/2017	All	7,453
19	6308			25136		9/30/2017		7,899
20	6309			25178		9/30/2017		14,813
21	6310			252278		9/30/2017		6,655
22	6311			252577		9/30/2017		1,680
23	6312			252925		9/30/2017		960
24	6313			252907		9/30/2017		1,170
25	6314			253793		9/30/2017		3,730
26	6315			801608580		9/30/2017		60,385
27	6094	Safety/Infrastructure	FM 1488, N of FM 1774	18298		6/26/2017	All	8,932
28	6329	Safety/Infrastructure	FM 1488, W of 21220 FM 1488	18393		10/2/2017	All	7,415
29	6381			18421		10/31/2017		400
30	6140	Safety/Infrastructure	FM 1774 , S of High Meadow Ranch Dr	18013		6/30/2017	All	200
31	6201	Safety/Infrastructure	FM 1774, E of FM 1486	18340		8/24/2017	All	28,026
32	6265			18369		9/7/2017		2,900
33	6316			18307		9/30/2017		700
34	6317			18293		9/30/2017		14,590
35	6318			18305		9/30/2017		2,070
36	6319			18321		9/30/2017		49,946
37	6320			18334		9/30/2017		2,200
38	6321			CAP		9/30/2017		6,565
39	6093	Safety/Infrastructure	FM 1774, N of High Meadow Ranch Dr	2900136		6/23/2017	All	34,464
40	6095			18299		6/27/2017		20,751

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
41	6097			18304		6/30/2017		1,000
42	6142			18056		6/30/2017		5,365
43	6143			CAP		6/30/2017		361
44	6144			18271		6/30/2017		11,233
45	5937	Replacement	FM 1774, N of Tudor Way	18228		4/28/2017	All	1,900
46	6019			18226		4/30/2017		10,048
47	6020			18186		4/30/2017		8,249
48	6021			18232		5/8/2017		37,858
49	6023			18267		5/31/2017		2,950
50	6077			2900023		5/31/2017		9,658
51	6078			17888		5/31/2017		11,535
52	6079			17898		5/31/2017		858
53	6080			17925		5/31/2017		1,400
54	6330	Safety/Infrastructure	FM 1774, S of High Meadow Ranch Dr	18394		10/9/2017	All	10,873
55	6331			18404		10/23/2017		36,754
56	6332			18415		10/30/2017		800
57	6387			18420		11/6/2017		34,905
58	6388			18425		11/10/2017		800
59	6449			18418		11/30/2017		3,400
60	6509	Safety/Infrastructure	Line Markers	18498		12/29/2017	All	1,737
61	6459	Safety/Infrastructure	Lutheran Church Rd	18453		12/1/2017	All	12,586
62	6514			18435		12/31/2017		36,054
63	6515			18456		12/31/2017		1,200
64	5935	Safety/Infrastructure	Magnolia Ranch Estates, Section 3	18197		4/6/2017	All	20,442
65	5936			18227		4/28/2017		7,000
66	6018			18204		4/30/2017		74,336
67	5768	Safety/Infrastructure	Murrell Rd	18083		2/28/2017	All	30,034
68	5770			18102		2/28/2017		3,200
69	5917			18111		3/28/2017		95,002
70	5919			18194		3/31/2017		7,000
71	5728	Safety/Infrastructure	Overhead Allocation	CAP		1/31/2017	All	9,527
72	5783			CAP		2/28/2017		15,404
73	6013			CAP		4/30/2017		10,340
74	6089			CAP		5/31/2017		8,468
75	6141			CAP		6/30/2017		39
76	6145			CAP		6/30/2017		789
77	6146			CAP		6/30/2017		9,821
78	6193			CAP		7/1/2017		800
79	6194			CAP		7/31/2017		1,578
80	6260			CAP		8/31/2017		8,046
81	6322			CAP		9/30/2017		8,179
82	6382			CAP		10/31/2017		6,500
83	6450			CAP		11/30/2017		322
84	6451			CAP		11/30/2017		3,314

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
85	6510			CAP		12/31/2017		2,585
86	6516			CAP		12/31/2017		2,962
87	6460	Safety/Infrastructure	Valve Installation	18449		12/1/2017	All	1,215
88	6386	Safety/Infrastructure	Wildrose	18410		11/1/2017	All	6,088
89	5693	Safety/Infrastructure	Willowcreek Ranch, Section 8&9	18057		1/30/2017	All	133,973
90	5694			18062		1/30/2017		7,600
91	5767			18063		2/21/2017		72,087
92	5769			18101		2/28/2017		4,000
93	6022			18236		5/25/2017		76,852
94	6024			18268		5/31/2017		5,300
95	TOTAL FERC ACCOUNT #376 MAINS							1,454,156
FERC ACCOUNT #380 SERVICES								
96	5732	New	Blanket Services	18066		2/14/2017	All	903
97	5772	New		18068		2/14/2017		584
98	5773	Replacement		18070		2/17/2017		1,090
99	5871	New		18105		3/10/2017		88
100	5872	New		18117		3/15/2017		382
101	5873	New		18180		3/27/2017		440
102	5938	New		18176		4/4/2017		484
103	5939	New		18191		4/5/2017		456
104	5940	New		18219		4/26/2017		532
105	6025	New		18239		5/16/2017		525
106	6099	New		18285		6/15/2017		556
107	6100	New		18295		6/23/2017		570
108	6101	New		18308		6/30/2017		448
109	6154	New		18318		7/20/2017		488
110	6155	New		18325		7/25/2017		580
111	6202	New		18361		8/23/2017		2,631
112	6268	New		18372		9/11/2017		500
113	6269	New		18380		9/22/2017		470
114	6334	New		18391		10/2/2017		486
115	6389	New		18426		11/6/2017		268
116	6390	New		18428		11/6/2017		1,930
117	6391	New		18447		11/22/2017		468
118	5784	New	Overhead Allocation	CAP		2/28/2017	All	324
119	6015	New		CAP		4/30/2017		125
120	6090	New		CAP		5/31/2017		36
121	6147	New		CAP		6/30/2017		84
122	6195	New		CAP		7/1/2017		7
123	6196	New		CAP		7/31/2017		135
124	6261	New		CAP		8/31/2017		755
125	6323	New		CAP		9/30/2017		136
126	6383	New		CAP		10/31/2017		47

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
127	6452	New		CAP		11/30/2017		212
128	TOTAL FERC ACCOUNT #380 SERVICES							16,746
FERC ACCOUNT #381 METERS								
129	5695	New	Blanket Services	18042		1/16/2017	All	521
130	5696	New		18043		1/16/2017		521
131	5697	New		18044		1/16/2017		614
132	5698	New		18047		1/25/2017		521
133	5699	New		18048		1/25/2017		521
134	5700	Replacement		18049		1/27/2017		129
135	5701	Replacement		18050		1/27/2017		536
136	5702	Replacement		18051		1/27/2017		536
137	5703	Replacement		18055		1/27/2017		129
138	5705	New		18052		1/27/2017		485
139	5704	New		18058		1/30/2017		414
140	5706	New		18060		1/31/2017		247
141	5706	New		18060		1/31/2017		285
142	5733	New		18066		2/14/2017		523
143	5734	New		18067		2/14/2017		521
144	5774	New		18068		2/14/2017		521
145	5735	Replacement		18073		2/17/2017		129
146	5736	New		18074		2/17/2017		414
147	5775	New		18071		2/17/2017		739
148	5737	New		18075		2/21/2017		521
149	5738	Replacement		18076		2/24/2017		129
150	5739	Replacement		18077		2/24/2017		129
151	5740	New		18079		2/27/2017		521
152	5741	New		18080		2/27/2017		521
153	5742	New		18081		2/27/2017		521
154	5743	New		18084		2/28/2017		521
155	5744	New		18085		2/28/2017		521
156	5745	New		18086		2/28/2017		521
157	5776	Replacement		18112		2/28/2017		57
158	5777	New		18115		2/28/2017		532
159	5787	Replacement		18116		3/1/2017		536
160	5788	Replacement		18091		3/6/2017		129
161	5789	Replacement		18092		3/6/2017		536
162	5790	Replacement		18093		3/6/2017		129
163	5791	Replacement		18094		3/6/2017		129
164	5792	Replacement		18095		3/6/2017		129
165	5793	Replacement		18097		3/6/2017		130
166	5794	New		18096		3/6/2017		532
167	5795	New		18087		3/6/2017		614
168	5796	New		18089		3/6/2017		614
169	5797	New		18099		3/8/2017		732

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
170	5798	New		18103		3/10/2017		521
171	5799	New		18104		3/10/2017		521
172	5800	New		18105		3/10/2017		521
173	5801	Replacement		18105		3/13/2017		536
174	5802	Replacement		18107		3/13/2017		536
175	5803	Replacement		18108		3/13/2017		536
176	5804	Replacement		18109		3/13/2017		536
177	5805	Replacement		18110		3/13/2017		129
178	5806	New		18117		3/15/2017		521
179	5807	New		18118		3/15/2017		521
180	5808	New		18119		3/15/2017		521
181	5809	New		18120		3/15/2017		732
182	5810	Replacement		18098		3/17/2017		536
183	5811	Replacement		18124		3/17/2017		536
184	5812	Replacement		18125		3/17/2017		129
185	5813	Replacement		18126		3/21/2017		536
186	5814	Replacement		18127		3/21/2017		536
187	5815	Replacement		18128		3/21/2017		129
188	5816	Replacement		18129		3/21/2017		129
189	5817	Replacement		18130		3/21/2017		129
190	5818	Replacement		18131		3/21/2017		129
191	5819	Replacement		18132		3/21/2017		130
192	5820	Replacement		18133		3/21/2017		536
193	5821	Replacement		18134		3/21/2017		536
194	5822	Replacement		18135		3/21/2017		536
195	5824	Replacement		18137		3/21/2017		129
196	5825	Replacement		18138		3/21/2017		242
197	5826	Replacement		18139		3/21/2017		129
198	5827	Replacement		18140		3/21/2017		129
199	5828	Replacement		18141		3/21/2017		129
200	5829	Replacement		18142		3/21/2017		129
201	5830	Replacement		18143		3/21/2017		129
202	5831	Replacement		18144		3/21/2017		129
203	5832	Replacement		18145		3/21/2017		129
204	5833	Replacement		18146		3/21/2017		129
205	5834	Replacement		18147		3/21/2017		536
206	5835	Replacement		18148		3/21/2017		129
207	5836	Replacement		18149		3/21/2017		129
208	5837	Replacement		18150		3/21/2017		129
209	5838	Replacement		18151		3/21/2017		536
210	5839	Replacement		18152		3/21/2017		536
211	5840	Replacement		18153		3/21/2017		536
212	5841	Replacement		18154		3/21/2017		129
213	5842	Replacement		18155		3/21/2017		129
214	5843	Replacement		18156		3/21/2017		129
215	5844	Replacement		18157		3/21/2017		536

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
216	5845	Replacement		18158		3/21/2017		129
217	5846	Replacement		18159		3/21/2017		129
218	5847	Replacement		18160		3/21/2017		129
219	5848	Replacement		18161		3/21/2017		536
220	5849	Replacement		18162		3/21/2017		129
221	5850	Replacement		18163		3/21/2017		129
222	5851	Replacement		18164		3/21/2017		129
223	5852	Replacement		18165		3/21/2017		129
224	5853	Replacement		18166		3/21/2017		536
225	5854	Replacement		18167		3/21/2017		536
226	5855	Replacement		18168		3/21/2017		129
227	5856	Replacement		18169		3/21/2017		130
228	5857	Replacement		18170		3/21/2017		130
229	5858	Replacement		18171		3/21/2017		129
230	5859	Replacement		18172		3/21/2017		129
231	5860	Replacement		18173		3/21/2017		129
232	5861	Replacement		18174		3/21/2017		129
233	5862	Replacement		18175		3/21/2017		130
234	5863	New		18122		3/21/2017		521
235	5864	New		18123		3/21/2017		521
236	5865	New		18179		3/27/2017		532
237	5866	New		18180		3/27/2017		532
238	5867	New		18177		3/27/2017		614
239	5921	New		18181		3/29/2017		732
240	5920	New		18114		3/31/2017		129
241	5922	New		18188		3/31/2017		414
242	5923	New		18189		3/31/2017		532
243	5924	New		18190		3/31/2017		414
244	5925	Replacement		18184		3/31/2017		129
245	5926	Replacement		18185		3/31/2017		129
246	5941	New		18176		4/4/2017		521
247	5942	New		18191		4/5/2017		521
248	5943	New		18192		4/5/2017		532
249	5944	New		18193		4/5/2017		521
250	5945	New		18195		4/7/2017		614
251	5946	New		18198		4/10/2017		521
252	5947	New		18199		4/10/2017		521
253	5948	New		18200		4/10/2017		532
254	5949	New		18201		4/10/2017		521
255	5950	New		18202		4/17/2017		614
256	5951	New		18205		4/17/2017		614
257	5952	New		18207		4/18/2017		414
258	5953	New		18209		4/20/2017		345
259	5954	New		18211		4/20/2017		614
260	5955	New		18213		4/21/2017		532
261	5956	New		18214		4/25/2017		532

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
262	5957	New		18215		4/25/2017		532
263	5958	New		18218		4/26/2017		532
264	5959	New		18219		4/26/2017		532
265	5960	New		18221		4/26/2017		532
266	5961	New		18217		4/28/2017		532
267	5962	Replacement		18225		4/28/2017		536
268	5963	New		18230		4/28/2017		521
269	5964	New		18231		4/28/2017		521
270	5965	New		18222		4/28/2017		485
271	6026	New		18234		5/10/2017		521
272	6027	New		18235		5/10/2017		523
273	6028	New		18237		5/12/2017		414
274	6029	New		18238		5/12/2017		523
275	6030	New		18240		5/16/2017		521
276	6031	New		18239		5/16/2017		523
277	6032	Replacement		18242		5/22/2017		129
278	6033	Replacement		18245		5/24/2017		536
279	6034	New		18246		5/26/2017		521
280	6035	Replacement		18247		5/26/2017		536
281	6036	Replacement		18248		5/26/2017		129
282	6037	Replacement		18249		5/26/2017		536
283	6038	Replacement		18251		5/31/2017		129
284	6039	Replacement		18252		5/31/2017		536
285	6040	New		18253		5/31/2017		614
286	6041	New		18255		5/31/2017		532
287	6042	New		18262		5/31/2017		521
288	6043	New		18263		5/31/2017		532
289	6044	New		18264		5/31/2017		521
290	6045	New		18260		5/31/2017		614
291	6046	New		18266		5/31/2017		521
292	6083	New		18265		5/31/2017		521
293	6084	New		18243		5/31/2017		545
294	6102	Replacement		18279		6/9/2017		129
295	6103	Replacement		18284		6/15/2017		536
296	6104	New		18285		6/15/2017		532
297	6105	New		18287		6/19/2017		614
298	6106	Replacement		18289		6/19/2017		129
299	6107	Replacement		18290		6/19/2017		238
300	6108	New		18291		6/19/2017		521
301	6109	New		18292		6/23/2017		532
302	6110	New		18294		6/23/2017		521
303	6111	New		18295		6/23/2017		532
304	6112	New		18296		6/23/2017		521
305	6113	New		18300		6/28/2017		614
306	6114	New		18302		6/29/2017		521
307	6115	New		18303		6/30/2017		521

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308	6116	New		18308		6/30/2017		532
309	6117	Replacement		18309		6/30/2017		129
310	6156	New		18312		7/19/2017		614
311	6157	New		18310		7/19/2017		614
312	6158	Replacement		18314		7/20/2017		129
313	6159	Replacement		18315		7/20/2017		129
314	6160	Replacement		18316		7/20/2017		129
315	6161	New		18317		7/20/2017		523
316	6162	New		18318		7/20/2017		521
317	6163	New		18323		7/25/2017		521
318	6165	New		18324		7/25/2017		521
319	6166	New		18325		7/25/2017		532
320	6167	New		18329		7/27/2017		614
321	6168	New		18336		7/31/2017		415
322	6169	New		18332		7/31/2017		414
323	6170	New		18327		7/31/2017		614
324	6203	New		18338		8/3/2017		614
325	6204	New		18341		8/4/2017		521
326	6205	New		18342		8/4/2017		521
327	6206	New		18342		8/4/2017		521
328	6207	New		18345		8/11/2017		614
329	6208	Replacement		18347		8/14/2017		129
330	6209	New		18350		8/14/2017		614
331	6210	New		18352		8/14/2017		614
332	6211	New		18354		8/14/2017		523
333	6212	New		18355		8/14/2017		523
334	6213	New		18356		8/16/2017		523
335	6214	New		18357		8/16/2017		523
336	6215	New		18358		8/16/2017		521
337	6216	New		18359		8/23/2017		614
338	6217	New		18361		8/23/2017		521
339	6218	New		18362		8/23/2017		523
340	6259	New		18363		8/23/2017		523
341	6219	New		18364		8/24/2017		485
342	6220	New		18366		8/25/2017		521
343	6270	Replacement		18367		9/7/2017		129
344	6271	New		18371		9/11/2017		523
345	6272	New		18372		9/11/2017		521
346	6273	New		18373		9/14/2017		614
347	6274	New		18375		9/14/2017		521
348	6275	New		18376		9/14/2017		523
349	6276	New		18378		9/20/2017		614
350	6277	New		18380		9/22/2017		532
351	6278	New		18384		9/26/2017		614
352	6279	New		18383		9/26/2017		414
353	6280	New		18381		9/26/2017		532

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354	6281	New		18388		9/27/2017		414
355	6335	New		18391		10/2/2017		532
356	6336	New		18392		10/2/2017		521
357	6337	Replacement		18395		10/9/2017		906
358	6338	New		18396		10/13/2017		523
359	6339	New		18398		10/13/2017		521
360	6340	New		18399		10/13/2017		523
361	6341	New		18400		10/13/2017		521
362	6342	New		18397		10/13/2017		532
363	6343	Replacement		1840		10/13/2017		129
364	6344	Replacement		18402		10/18/2017		130
365	6345	Replacement		18403		10/18/2017		536
366	6346	New		18406		10/23/2017		614
367	6347	New		18408		10/23/2017		521
368	6348	New		18409		10/23/2017		532
369	6349	New		18411		10/27/2017		523
370	6350	New		18412		10/27/2017		523
371	6351	Replacement		18416		10/30/2017		486
372	6352	New		18419		10/30/2017		532
373	6353	Replacement		20638		10/31/2017		8,967
374	6354	New		20638		10/31/2017		1,260
375	6392	New		18427		11/6/2017		414
376	6393	New		18423		11/6/2017		521
377	6394	New		18424		11/6/2017		523
378	6395	New		18422		11/6/2017		523
379	6396	New		18426		11/6/2017		521
380	6397	New		18428		11/6/2017		532
381	6398	New		18431		11/10/2017		523
382	6399	New		18430		11/10/2017		521
383	6400	New		18432		11/13/2017		414
384	6401	New		18433		11/13/2017		614
385	6402	New		18438		11/17/2017		532
386	6403	New		18439		11/17/2017		523
387	6404	New		18437		11/17/2017		523
388	6405	Replacement		19440		11/22/2017		536
389	6406	New		18448		11/22/2017		521
390	6407	New		18447		11/22/2017		532
391	6408	Replacement		18441		11/22/2017		129
392	6409	New		18444		11/27/2017		532
393	6410	New		18445		11/27/2017		614
394	6411	New		18442		11/27/2017		521
395	6461	Replacement		18455		12/4/2017		866
396	6462	New		18454		12/4/2017		414
397	6463	New		18457		12/13/2017		414
398	6464	New		18458		12/13/2017		521
399	6465	New		18459		12/13/2017		521

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400	6466	New		18460		12/19/2017		614
401	6467	New		18462		12/19/2017		614
402	6468	New		18464		12/19/2017		614
403	6469	New		18467		12/19/2017		532
404	6470	New		18466		12/19/2017		521
405	6471	Replacement		18480		12/20/2017		1,048
406	6472	Replacement		18479		12/20/2017		1,007
407	6473	Replacement		18470		12/20/2017		952
408	6474	Replacement		18481		12/20/2017		530
409	6475	New		18468		12/20/2017		614
410	6476	Replacement		18484		12/21/2017		129
411	6477	Replacement		18483		12/21/2017		1,296
412	6478	New		18486		12/21/2017		614
413	6479	Replacement		18491		12/22/2017		2,472
414	6508	Replacement		18496		12/29/2017		536
415	5729	New	Overhead Allocation	CAP		1/31/2017	All	428
416	5785	New		CAP		2/28/2017		1,130
417	6016	New		CAP		4/30/2017		1,349
418	6091	New		CAP		5/31/2017		896
419	6148	New		CAP		6/30/2017		452
420	6197	New		CAP		7/1/2017		37
421	6198	New		CAP		7/31/2017		967
422	6262	New		CAP		8/31/2017		3,462
423	6324	New		CAP		9/30/2017		1,036
424	6384	New		CAP		10/31/2017		1,041
425	6453	New		CAP		11/30/2017		978
426	6511	New		CAP		12/31/2017		1,351
427	5707	New	Blanket Services	18042		1/16/2017	All	124
428	5708	New		18043		1/16/2017		124
429	5709	New		18044		1/16/2017		124
430	5710	New		18047		1/25/2017		124
431	5711	New		18048		1/25/2017		124
432	5712	New		18058		1/30/2017		154
433	5713	New		18060		1/31/2017		124
434	5746	New		18066		2/14/2017		125
435	5747	New		18067		2/14/2017		124
436	5778	New		18068		2/14/2017		124
437	5748	New		18074		2/17/2017		124
438	5779	New		18071		2/17/2017		154
439	5749	New		18075		2/21/2017		124
440	5750	New		18079		2/27/2017		124
441	5751	New		18080		2/27/2017		124
442	5752	New		18081		2/27/2017		124
443	5753	New		18084		2/28/2017		124
444	5754	New		18085		2/28/2017		124

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445	5755	New		18086		2/28/2017		124
446	5780	New		18115		2/28/2017		124
447	5874	New		18096		3/6/2017		124
448	5875	New		18087		3/6/2017		124
449	5876	New		18089		3/6/2017		124
450	5877	New		18099		3/8/2017		124
451	5878	New		18103		3/10/2017		124
452	5879	New		18104		3/10/2017		124
453	5880	New		18105		3/10/2017		124
454	5881	Replacement		18108		3/13/2017		124
455	5882	New		18117		3/15/2017		124
456	5883	New		18118		3/15/2017		124
457	5884	New		18119		3/15/2017		124
458	5885	New		18120		3/15/2017		124
459	5886	Replacement		18133		3/21/2017		124
460	5887	Replacement		18134		3/21/2017		124
461	5888	Replacement		18138		3/21/2017		125
462	5889	Replacement		18174		3/21/2017		124
463	5890	Replacement		18175		3/21/2017		125
464	5891	New		18122		3/21/2017		124
465	5892	New		18123		3/21/2017		124
466	5893	New		18179		3/27/2017		124
467	5894	New		18180		3/27/2017		124
468	5895	New		18177		3/27/2017		124
469	5927	New		18181		3/29/2017		124
470	5928	New		18188		3/31/2017		154
471	5929	New		18189		3/31/2017		124
472	5930	New		18190		3/31/2017		124
473	5966	New		18176		4/4/2017		124
474	5967	New		18191		4/5/2017		124
475	5968	New		18192		4/5/2017		124
476	5969	Replacement		19193		4/5/2017		124
477	5970	New		18195		4/5/2017		124
478	5971	New		18198		4/10/2017		124
479	5972	New		18199		4/10/2017		124
480	5973	New		18200		4/10/2017		124
481	5974	New		18201		4/10/2017		124
482	5975	New		18202		4/17/2017		124
483	5976	New		18205		4/17/2017		124
484	5977	New		18207		4/17/2017		124
485	5978	New		18211		4/20/2017		124
486	5979	New		18213		4/21/2017		124
487	5980	New		18214		4/25/2017		124
488	5981	New		18215		4/25/2017		124
489	5982	New		18218		4/26/2017		124
490	5983	New		18219		4/26/2017		124

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491	5984	New		18221		4/28/2017		124
492	5985	New		18217		4/28/2017		124
493	5986	New		18230		4/28/2017		124
494	5987	New		18231		4/28/2017		124
495	6047	New		18234		5/10/2017		124
496	6048	New		18235		5/10/2017		125
497	6049	New		18237		5/12/2017		154
498	6050	New		18238		5/12/2017		125
499	6051	New		18240		5/16/2017		124
500	6052	New		18239		5/16/2017		125
501	6086	New		18243		5/22/2017		124
502	6053	New		18246		5/26/2017		124
503	6054	New		18253		5/31/2017		124
504	6055	New		18255		5/31/2017		124
505	6056	New		18262		5/31/2017		124
506	6057	New		18263		5/31/2017		124
507	6058	New		18264		5/31/2017		124
508	6059	New		18260		5/31/2017		124
509	6060	New		18266		5/31/2017		124
510	6085	New		18265		5/31/2017		124
511	6118	New		18285		6/15/2017		124
512	6119	New		18287		6/19/2017		124
513	6120	New		18291		6/19/2017		124
514	6121	New		18292		6/23/2017		124
515	6122	New		18294		6/23/2017		124
516	6123	New		18295		6/23/2017		124
517	6124	New		18296		6/23/2017		124
518	6125	New		18300		6/28/2017		124
519	6126	New		18302		6/29/2017		124
520	6127	New		18303		6/30/2017		124
521	6128	New		18308		6/30/2017		124
522	6171	New		18312		7/19/2017		124
523	6172	New		18310		7/19/2017		124
524	6173	New		18317		7/20/2017		125
525	6174	New		18318		7/20/2017		124
526	6175	New		18323		7/25/2017		124
527	6176	New		18324		7/25/2017		124
528	6177	New		18325		7/25/2017		124
529	6178	New		18329		7/27/2017		124
530	6179	New		18336		7/31/2017		125
531	6180	New		18332		7/31/2017		154
532	6181	New		18327		7/31/2017		124
533	6221	New		18338		8/3/2017		124
534	6222	New		18341		8/4/2017		124
535	6223	New		18342		8/4/2017		124
536	6224	New		18343		8/4/2017		124

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537	6225	New		18345		8/11/2017		124
538	6226	New		18350		8/14/2017		124
539	6227	New		18352		8/14/2017		124
540	6228	New		18354		8/14/2017		125
541	6229	New		18355		8/14/2017		125
542	6230	New		18356		8/16/2017		125
543	6231	New		18357		8/16/2017		125
544	6232	New		18358		8/16/2017		124
545	6233	New		18359		8/23/2017		124
546	6234	New		18361		8/23/2017		124
547	6235	New		18362		8/23/2017		125
548	6236	New		18363		8/23/2017		125
549	6237	New		18366		8/25/2017		124
550	6282	New		18371		9/11/2017		125
551	6283	New		18372		9/11/2017		124
552	6284	New		18373		9/14/2017		124
553	6285	New		18375		9/14/2017		124
554	6286	New		18376		9/14/2017		125
555	6287	New		18378		9/20/2017		124
556	6288	New		18380		9/22/2017		124
557	6289	New		18384		9/26/2017		124
558	6290	New		18383		9/26/2017		154
559	6291	New		18381		9/26/2017		124
560	6292	New		18388		9/27/2017		154
561	6355	New		18391		10/2/2017		124
562	6356	New		18392		10/2/2017		124
563	6357	New		18396		10/13/2017		125
564	6358	New		18398		10/13/2017		124
565	6359	New		18399		10/13/2017		125
566	6360	New		18400		10/13/2017		124
567	6361	New		18397		10/13/2017		124
568	6362	New		18406		10/23/2017		124
569	6363	New		18408		10/23/2017		124
570	6364	New		18409		10/23/2017		124
571	6365	New		18411		10/27/2017		125
572	6366	New		18412		10/27/2017		125
573	6367	New		18419		10/30/2017		124
574	6412	New		18427		11/6/2017		124
575	6413	New		18423		11/6/2017		124
576	6414	New		18424		11/6/2017		125
577	6415	New		18422		11/6/2017		125
578	6416	New		18426		11/6/2017		124
579	6417	New		18428		11/6/2017		124
580	6418	New		18431		11/10/2017		125
581	6419	New		18430		11/10/2017		124
582	6420	New		18432		11/13/2017		154

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583	6421	New		18433		11/13/2017		124
584	6422	New		18438		11/17/2017		124
585	6423	New		18439		11/17/2017		125
586	6424	New		18437		11/17/2017		125
587	6425	New		18448		11/22/2017		124
588	6426	New		18447		11/22/2017		124
589	6427	New		18444		11/27/2017		124
590	6428	Replacement		18445		11/27/2017		124
591	6429	New		18442		11/27/2017		124
592	6480	New		18455		12/4/2017		124
593	6481	New		18454		12/4/2017		154
594	6482	New		18457		12/13/2017		154
595	6483	New		18458		12/13/2017		124
596	6484	New		18459		12/13/2017		124
597	6485	New		18460		12/19/2017		124
598	6486	New		18462		12/19/2017		124
599	6487	New		18464		12/19/2017		124
600	6488	New		18467		12/19/2017		124
601	6489	New		18466		12/19/2017		124
602	6490	New		18468		12/20/2017		124
603	6491	New		18486		12/21/2017		124
604	6492	Replacement		18491		12/22/2017		154
605	TOTAL FERC ACCOUNT #381 METERS							174,517
FERC ACCOUNT #383 REGULATORS								
606	5714	Replacement	Blanket Services	18041		1/16/2017	All	124
607	5715	New		18042		1/16/2017		103
608	5716	New		18043		1/16/2017		103
609	5717	New		18044		1/16/2017		103
610	5718	New		18047		1/25/2017		103
611	5719	New		18048		1/25/2017		103
612	5720	Replacement		18054		1/27/2017		126
613	5721	New		18052		1/27/2017		103
614	5722	New		18058		1/30/2017		103
615	5723	New		18060		1/31/2017		103
616	5756	New		18066		2/14/2017		104
617	5766	New		18067		2/14/2017		103
618	5781	New		18068		2/14/2017		103
619	5757	New		18074		2/17/2017		103
620	5758	New		18075		2/21/2017		103
621	5759	Replacement		18078		2/24/2017		124
622	5760	New		18079		2/27/2017		103
623	5761	New		18080		2/27/2017		103
624	5762	New		18081		2/27/2017		103
625	5763	New		18084		2/28/2017		103

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
626	5764	New		18085		2/28/2017		103
627	5765	New		18086		2/28/2017		103
628	5782	New		18115		2/28/2017		103
629	5896	New		18096		3/6/2017		103
630	5897	New		18087		3/6/2017		103
631	5898	New		18089		3/6/2017		103
632	5899	New		18099		3/8/2017		103
633	5900	New		18103		3/10/2017		103
634	5901	New		18104		3/10/2017		103
635	5902	New		18105		3/10/2017		103
636	5903	New		18117		3/15/2017		103
637	5904	New		18118		3/15/2017		103
638	5905	New		18119		3/15/2017		103
639	5906	New		18120		3/15/2017		103
640	5907	Replacement		18138		3/21/2017		104
641	5908	New		18122		3/21/2017		103
642	5909	New		18123		3/21/2017		103
643	5910	New		18179		3/27/2017		103
644	5911	New		18180		3/27/2017		103
645	5912	New		18177		3/27/2017		103
646	5931	New		18181		3/29/2017		103
647	5932	New		18188		3/31/2017		103
648	5933	New		18189		3/31/2017		103
649	5934	New		18190		3/31/2017		103
650	5988	New		18176		4/4/2017		103
651	5989	New		18191		4/5/2017		103
652	5990	New		18192		4/5/2017		103
653	5991	Replacement		18192		4/5/2017		103
654	5992	New		18195		4/5/2017		103
655	5993	New		18198		4/10/2017		103
656	5994	New		18199		4/10/2017		103
657	5995	New		18200		4/10/2017		103
658	5996	New		18201		4/10/2017		103
659	5997	New		18202		4/17/2017		103
660	5998	New		18205		4/17/2017		103
661	5999	New		18207		4/18/2017		103
662	6000	New		18211		4/18/2017		103
663	6001	New		18213		4/21/2017		103
664	6002	New		18214		4/25/2017		103
665	6003	New		18215		4/25/2017		103
666	6004	New		18218		4/26/2017		103
667	6005	New		18219		4/26/2017		103
668	6006	Replacement		18220		4/28/2017		124
669	6007	New		18221		4/28/2017		103
670	6008	New		18217		4/28/2017		103
671	6009	Replacement		18224		4/28/2017		124

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
672	6010	New		18230		4/28/2017		103
673	6011	New		18231		4/28/2017		103
674	6012	New		18222		4/28/2017		103
675	6061	New		18234		5/10/2017		103
676	6062	New		18235		5/10/2017		104
677	6063	New		18237		5/12/2017		103
678	6064	New		18238		5/12/2017		104
679	6065	New		18240		5/16/2017		103
680	6066	New		18239		5/16/2017		104
681	6088	New		18243		5/22/2017		103
682	6067	New		18246		5/26/2017		103
683	6068	Replacement		18250		5/26/2017		103
684	6069	New		18253		5/31/2017		103
685	6070	New		18255		5/31/2017		103
686	6071	New		18262		5/31/2017		103
687	6072	New		18263		5/31/2017		103
688	6073	New		18264		5/31/2017		103
689	6074	New		18260		5/31/2017		103
690	6075	New		18266		5/31/2017		103
691	6076	Replacement		18270		5/31/2017		103
692	6081	Replacement		18272		5/31/2017		124
693	6087	New		18265		5/31/2017		103
694	6129	New		18285		6/15/2017		103
695	6130	New		18287		6/19/2017		103
696	6131	New		18291		6/19/2017		103
697	6132	New		18292		6/23/2017		103
698	6133	New		18294		6/23/2017		103
699	6134	New		18295		6/23/2017		103
700	6135	New		18296		6/23/2017		103
701	6136	New		18300		6/28/2017		103
702	6137	New		18302		6/29/2017		103
703	6138	New		18303		6/30/2017		103
704	6139	New		18308		6/30/2017		103
705	6182	New		18312		7/19/2017		103
706	6183	New		18310		7/19/2017		103
707	6184	New		18317		7/20/2017		104
708	6185	New		18318		7/20/2017		103
709	6186	New		18323		7/25/2017		103
710	6187	New		18324		7/25/2017		103
711	6188	New		18325		7/25/2017		103
712	6189	New		18329		7/27/2017		103
713	6190	New		18336		7/31/2017		104
714	6191	New		18332		7/31/2017		103
715	6192	New		18327		7/31/2017		103
716	6238	Replacement		18337		8/3/2017		124
717	6239	New		18338		8/3/2017		103

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
718	6240	New		18341		8/4/2017		103
719	6241	New		18342		8/4/2017		103
720	6242	New		18343		8/4/2017		103
721	6243	New		18345		8/11/2017		103
722	6244	Replacement		18347		8/14/2017		103
723	6245	New		18350		8/14/2017		103
724	6246	New		18352		8/14/2017		103
725	6247	New		18354		8/14/2017		104
726	6248	New		18355		8/14/2017		104
727	6249	New		18356		8/16/2017		104
728	6250	New		18357		8/16/2017		104
729	6251	New		18358		8/16/2017		103
730	6252	New		18359		8/23/2017		103
731	6253	New		18361		8/23/2017		103
732	6254	New		18362		8/23/2017		104
733	6255	New		18363		8/23/2017		104
734	6256	New		18364		8/24/2017		103
735	6257	New		18366		8/25/2017		103
736	6293	New		18371		9/11/2017		104
737	6294	New		18372		9/11/2017		103
738	6295	New		18373		9/11/2017		103
739	6296	New		18375		9/14/2017		103
740	6297	New		18376		9/14/2017		104
741	6298	New		18378		9/20/2017		103
742	6299	New		18380		9/22/2017		103
743	6300	New		18384		9/26/2017		103
744	6301	New		18383		9/26/2017		103
745	6302	New		18381		9/26/2017		103
746	6303	New		18388		9/27/2017		103
747	6368	New		18391		10/2/2017		103
748	6369	New		18392		10/2/2017		103
749	6370	New		18396		10/13/2017		104
750	6371	New		18398		10/13/2017		103
751	6372	New		18399		10/13/2017		104
752	6373	New		18400		10/13/2017		103
753	6374	New		18397		10/13/2017		103
754	6375	New		18406		10/23/2017		103
755	6376	New		18408		10/23/2017		107
756	6377	New		18409		10/23/2017		103
757	6378	New		18411		10/23/2017		104
758	6379	New		18412		10/27/2017		104
759	6380	New		18419		10/27/2017		103
760	6430	New		18427		11/6/2017		103
761	6431	New		18423		11/6/2017		103
762	6432	New		18424		11/6/2017		104
763	6433	New		18422		11/6/2017		104

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount	
764	6434	New		18426		11/6/2017		103	
765	6435	New		18424		11/6/2017		103	
766	6436	New		18431		11/10/2017		104	
767	6437	New		18430		11/10/2017		103	
768	6438	New		18432		11/10/2017		103	
769	6439	New		18433		11/13/2017		103	
770	6440	New		18438		11/17/2017		103	
771	6441	New		18439		11/17/2017		104	
772	6442	New		18437		11/17/2017		104	
773	6443	New		18448		11/22/2017		103	
774	6444	New		18447		11/22/2017		103	
775	6445	Replacement		18441		11/22/2017		103	
776	6446	New		18444		11/22/2017		103	
777	6447	New		18445		11/27/2017		103	
778	6448	New		18442		11/27/2017		103	
779	6493	Replacement		18451		12/1/2017		103	
780	6494	New		18454		12/4/2017		103	
781	6495	New		18457		12/13/2017		103	
782	6496	New		18458		12/13/2017		103	
783	6497	New		18459		12/13/2017		103	
784	6498	New		18460		12/19/2017		103	
785	6499	New		18462		12/19/2017		103	
786	6500	New		18464		12/19/2017		103	
787	6501	New		18467		12/19/2017		103	
788	6502	New		18466		12/19/2017		103	
789	6503	Replacement		18481		12/20/2017		124	
790	6504	New		18468		12/20/2017		103	
791	6505	Replacement		18485		12/21/2017		124	
792	6506	New		18486		12/21/2017		103	
793	6507	Replacement		18491		12/22/2017		124	
794	5730	New	Overhead Allocation	CAP		1/31/2017	All	72	
795	5786	New		CAP		2/28/2017		171	
796	6017	New		CAP		4/30/2017		222	
797	6092	New		CAP		5/31/2017		136	
798	6149	New		CAP		6/30/2017		60	
799	6199	New		CAP		7/1/2017		5	
800	6200	New		CAP		7/31/2017		143	
801	6263	New		CAP		8/31/2017		599	
802	6325	New		CAP		9/30/2017		159	
803	6385	New		CAP		10/31/2017		131	
804	6454	New		CAP		11/30/2017		156	
805	6512	New		CAP		12/31/2017		132	
806	TOTAL FERC ACCOUNT #383 REGULATORS								21,585

FERC ACCOUNT #391 OFFICE FURNITURE AND EQUIPMENT

Infrastructure Detail - Additions
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	Invoice	Start Date	Completion Date	Customers Benefited	\$ Amount
807	6455	New	Cubicles	40816-17480		12/6/2017	All	1,658
808	6456	New		40816-17480		12/11/2017		1,961
809	6457	New		40893-17485		12/14/2017		2,825
810	TOTAL FERC ACCOUNT #391 OFFICE FURNITURE AND EQUIPMENT							6,444
FERC ACCOUNT #392 TRANSPORTATION EQUIPMENT								
811	5914	Replacement	VEH 136	40048414		3/14/2017	All	693
812	5868	Replacement				3/16/2017		299
813	5913	Replacement		KC90582		3/27/2017		29,926
814	5870	Replacement	VEH 137	40048317		3/10/2017	All	693
815	5915	Replacement		KC53835		3/10/2017		29,458
816	5869	Replacement				3/16/2017		299
817	6326	Replacement	VEH 139	KC18841		10/23/2017	All	50,035
818	6327	Replacement		40056875		10/31/2017		1,624
819	6458	Replacement				12/4/2017		359
820	TOTAL FERC ACCOUNT #392 TRANSPORTATION EQUIPMENT							113,387
FERC ACCOUNT #397 COMMUNICATIONS, COMPUTER & SOFTWARE								
821	5692	Replacement	Computer & Monitor			1/26/2017	All	4,881
822	TOTAL FERC ACCOUNT #397 COMMUNICATIONS, COMPUTER & SOFTWARE							4,881
FERC ACCOUNT #398 MISC. EQUIPMENT								
823	5731	New	Gas Detector	35371		2/3/2017	All	14,720
824	6150	Replacement		36664		7/12/2017		1,743
825	6258	New		37024		8/29/2017		31,639
826	5916	Replacement	Locator	35873X		3/31/2017	All	1,190
827	TOTAL FERC ACCOUNT #398 MISC. EQUIPMENT							49,291
828	TOTAL ADDITIONS							1,841,008

Investment Detail-Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

FERC Account No.	FERC Account Titles	Original Cost	RRC Approved Depr. Rate	Annual Depreciation
	Intangible	-		-
	DISTRIBUTION PLANT			
(374)	Land & Land Rights	-	n/a	-
(376)	Mains	(20,756)	2.50%	(519)
(379)	Meas & Reg Station	-	3.03%	-
(380)	Services	(9,720)	4.00%	(389)
(381)	Meters	(28,888)	4.00%	(1,156)
(383)	Regulators	(3,832)	4.00%	(153)
	Total Distribution Plant	<u>(63,197)</u>		<u>(2,217)</u>
	GENERAL PLANT			
(391)	(391) Office Furniture & Equipmen	-	10.00%	-
(392)	(392) Transportation Equipment	(124,219)	33.33%	(41,402)
(397)	(397) Comm., Comp & Software	(35,854)	20.00%	(7,171)
(398)	(398) Miscellaneous General Plant	-	20.00%	-
	Total General Plant	<u>(160,073)</u>		<u>(48,573)</u>
		<u><u>(223,270)</u></u>		<u><u>(50,790)</u></u>

Infrastructure Detail - Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	In-Service Date	Retirement Date	Customers Benefited	Original Cost
FERC ACCOUNT #376 MAINS							
1	11	Replacement	Relocation of Main - FM 1774, Tudor Way to W Lost Cr	7/1/2005	5/31/2017	All	16,751
2	1129	Retirement		7/1/1999	12/1/2017		546
3	500	Replacement		6/19/2006	6/10/2017		3,368
4	756	Replacement		3/31/2008	4/17/2017		91
5	TOTAL FERC ACCOUNT #376 MAINS						20,756
FERC ACCOUNT #380 SERVICES							
6	660	Replacement	Blanket Services	8/31/2007	10/9/2017	All	80
7	865			9/27/2008	8/2/2017		85
8	1366			1/31/2009	3/9/2017		428
9	1477			8/26/2009	2/19/2017		135
10	1503			9/30/2009	3/2/2017		163
11	1520			11/4/2009	3/9/2017		654
12	1657			4/30/2010	3/27/2017		138
13	1675			5/18/2010	3/22/2017		1,097
14	1749			8/19/2010	3/9/2017		138
15	1758			8/31/2010	3/27/2017		138
16	1770			9/23/2010	3/1/2017		478
17	1771			9/23/2010	3/15/2017		372
18	1817			11/23/2010	3/10/2017		372
19	1895			3/23/2011	4/27/2017		372
20	1897			3/31/2011	3/2/2017		372
21	1916			4/13/2011	10/9/2017		372
22	1919			4/18/2011	1/18/2017		381
23	1971			6/29/2011	12/7/2017		1,773
24	1974			6/30/2011	5/30/2017		117
25	2002			7/31/2011	11/21/2017		414
26	2103			12/31/2011	8/9/2017		710
27	2135			2/29/2012	10/12/2017		710
28	2143			3/31/2012	3/10/2017		128
29	2171			5/21/2012	12/18/2017		96
30	TOTAL FERC ACCOUNT #380 SERVICES						9,720
FERC ACCOUNT #381 METERS							
31	1223	Replacement	Blanket Services	7/1/1987	6/21/2017	All	95
32	1230			7/1/1988	3/2/2017		459
33	1230			7/1/1988	3/15/2017		98
34	1235			7/1/1988	5/25/2017		459
35	1235			7/1/1988	10/9/2017		98
36	1235			7/1/1988	8/10/2017		98
37	1239			7/1/1995	3/10/2017		107
38	23			7/1/1997	1/17/2017		43
39	1215			7/1/1998	2/23/2017		108

Infrastructure Detail - Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	In-Service Date	Retirement Date	Customers Benefited	Original Cost
40	1215			7/1/1998	2/23/2017		108
41	24			7/1/1998	3/2/2017		43
42	1221			7/1/1998	3/3/2017		108
43	1236			7/1/1998	3/15/2017		108
44	24			7/1/1998	6/14/2017		43
45	1215			7/1/1998	7/19/2017		108
46	1236			7/1/1998	9/6/2017		108
47	24			7/1/1998	9/19/2017		43
48	1236			7/1/1998	10/9/2017		108
49	1241			7/1/1999	12/19/2017		511
50	26			7/1/2000	3/14/2017		43
51	26			7/1/2000	3/1/2017		43
52	26			7/1/2000	3/9/2017		43
53	26			7/1/2000	5/24/2017		43
54	26			7/1/2000	5/30/2017		43
55	26			7/1/2000	7/19/2017		43
56	26			7/1/2000	8/10/2017		43
57	27			7/1/2001	3/1/2017		61
58	27			7/1/2001	3/2/2017		43
59	27			7/1/2001	3/15/2017		43
60	27			7/1/2001	3/2/2017		43
61	27			7/1/2001	7/17/2017		43
62	27			7/1/2001	9/20/2017		43
63	28			7/1/2002	3/1/2017		58
64	28			7/1/2002	4/19/2017		58
65	28			7/1/2002	5/30/2017		58
66	28			7/1/2002	8/14/2017		58
67	28			7/1/2002	11/17/2017		58
68	29			7/1/2003	3/1/2017		58
69	29			7/1/2003	3/1/2017		58
70	29			7/1/2003	3/1/2017		58
71	29			7/1/2003	3/9/2017		58
72	29			7/1/2003	3/15/2017		58
73	29			7/1/2003	3/17/2017		58
74	29			7/1/2003	3/1/2017		58
75	29			7/1/2003	3/2/2017		58
76	29			7/1/2003	5/22/2017		58
77	29			7/1/2003	7/26/2017		58
78	30			7/1/2004	3/1/2017		55
79	30			7/1/2004	3/1/2017		55
80	30			7/1/2004	3/2/2017		55
81	30			7/1/2004	3/10/2017		125
82	30			7/1/2004	3/15/2017		125
83	30			7/1/2004	3/2/2017		55
84	31			7/1/2005	3/6/2017		58
85	31			7/1/2005	3/1/2017		125

Infrastructure Detail - Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	In-Service Date	Retirement Date	Customers Benefited	Original Cost
86	31			7/1/2005	3/1/2017		58
87	31			7/1/2005	3/17/2017		125
88	31			7/1/2005	5/23/2017		125
89	31			7/1/2005	5/24/2017		58
90	31			7/1/2005	11/21/2017		58
91	470			4/30/2006	6/27/2017		67
92	472			6/19/2006	3/1/2017		50
93	472			6/19/2006	3/1/2017		50
94	472			6/19/2006	3/1/2017		50
95	472			6/19/2006	3/1/2017		50
96	472			6/19/2006	3/1/2017		50
97	472			6/19/2006	3/16/2017		50
98	472			6/19/2006	3/16/2017		50
99	472			6/19/2006	6/12/2017		50
100	472			6/19/2006	10/5/2017		50
101	472			6/19/2006	10/5/2017		1,735
102	472			6/19/2006	12/4/2017		50
103	472			6/19/2006	12/4/2017		50
104	472			6/19/2006	12/14/2017		50
105	2650			7/1/2006	1/9/2017		256
106	475			7/31/2006	3/17/2017		50
107	475			7/31/2006	3/17/2017		50
108	476			8/31/2006	11/14/2017		67
109	477			9/30/2006	4/27/2017		67
110	478			11/30/2006	3/1/2017		67
111	478			11/30/2006	3/14/2017		163
112	375			12/26/2006	3/1/2017		133
113	479			12/31/2006	3/1/2017		67
114	685			3/30/2007	3/2/2017		418
115	697			8/31/2007	10/9/2017		418
116	701			10/31/2007	3/9/2017		300
117	704			11/26/2007	3/9/2017		300
118	707			12/31/2007	3/1/2017		319
119	708			12/31/2007	5/26/2017		511
120	1033			3/25/2008	3/6/2017		50
121	1033			3/25/2008	3/14/2017		50
122	1033			3/25/2008	3/22/2017		50
123	1033			3/25/2008	3/1/2017		50
124	1033			3/25/2008	3/1/2017		50
125	1033			3/25/2008	3/2/2017		50
126	1033			3/25/2008	3/10/2017		50
127	1033			3/25/2008	3/10/2017		50
128	1033			3/25/2008	3/15/2017		50
129	1033			3/25/2008	4/5/2017		50
130	1033			3/25/2008	4/14/2017		50
131	1033			3/25/2008	4/19/2017		50

Infrastructure Detail - Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	In-Service Date	Retirement Date	Customers Benefited	Original Cost
132	1033			3/25/2008	4/27/2017		50
133	1033			3/25/2008	4/4/2017		50
134	1033			3/25/2008	5/24/2017		50
135	1033			3/25/2008	5/30/2017		50
136	1033			3/25/2008	5/26/2017		50
137	1033			3/25/2008	5/29/2017		50
138	1033			3/25/2008	6/14/2017		50
139	1033			3/25/2008	6/27/2017		50
140	1033			3/25/2008	7/17/2017		50
141	1033			3/25/2008	7/26/2017		50
142	1033			3/25/2008	8/2/2017		50
143	1033			3/25/2008	8/10/2017		50
144	1033			3/25/2008	8/14/2017		50
145	1033			3/25/2008	9/13/2017		50
146	1033			3/25/2008	9/19/2017		50
147	1033			3/25/2008	9/20/2017		50
148	1033			3/25/2008	10/5/2017		50
149	1033			3/25/2008	10/9/2017		50
150	1033			3/25/2008	11/7/2017		50
151	1033			3/25/2008	11/14/2017		50
152	1033			3/25/2008	11/21/2017		50
153	1033			3/25/2008	12/4/2017		50
154	1033			3/25/2008	12/4/2017		50
155	1033			3/25/2008	12/19/2017		50
156	1033			3/25/2008	12/20/2017		50
157	894			3/31/2008	4/14/2017		418
158	897			4/30/2008	3/10/2017		418
159	910			6/30/2008	3/2/2017		319
160	918			9/30/2008	8/2/2017		418
161	927			10/31/2008	3/15/2017		153
162	938			12/31/2008	3/22/2017		438
163	2389			3/31/2013	12/5/2017		1,006
164	2430			4/30/2013	3/2/2017		508
165	2417			4/30/2013	5/30/2017		414
166	2514			6/21/2013	10/9/2017		130
167	2607			8/31/2013	5/24/2017		414
168	2789			12/27/2013	3/9/2017		414
169	2926			2/28/2014	12/8/2017		508
170	2927			2/28/2014	12/6/2017		285
171	2927			2/28/2014	12/6/2017		128
172	3503			10/31/2014	12/18/2017		414
173	3593			11/30/2014	1/11/2017		510
174	3960			3/3/2015	3/10/2017		418
175	4035			4/23/2015	5/24/2017		418
176	4047			4/27/2015	3/17/2017		130
177	4055			4/28/2015	3/10/2017		129

Infrastructure Detail - Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	In-Service Date	Retirement Date	Customers Benefited	Original Cost	
178	4128			5/12/2015	3/1/2017		129	
179	4205			6/16/2015	3/9/2017		414	
180	4315			7/29/2015	3/1/2017		129	
181	4393			8/31/2015	8/22/2017		510	
182	4475			9/30/2015	11/7/2017		521	
183	4525			10/15/2015	6/15/2017		129	
184	4722			12/11/2015	3/17/2017		129	
185	4739			12/23/2015	12/14/2017		521	
186	4816			1/20/2016	3/1/2017		129	
187	4919			2/25/2016	4/13/2017		521	
188	5063			4/12/2016	3/1/2017		129	
189	5110			5/2/2016	12/29/2017		129	
190	5201			6/3/2016	7/31/2017		521	
191	5273			7/20/2016	2/17/2017		532	
192	5452			9/30/2016	3/2/2017		521	
193	5522			10/26/2016	12/7/2017		521	
194	5643			12/12/2016	1/17/2017		129	
195	5706			1/31/2017	4/27/2017		285	
196	5854			3/21/2017	6/8/2017		536	
197	5952			4/18/2017	7/18/2017		414	
198	2903			2/28/2014	12/8/2017		125	
199	2904			2/28/2014	12/6/2017		125	
200	4066			4/27/2015	3/17/2017		125	
201	4747			12/11/2015	3/17/2017		124	
202	4941			2/26/2016	4/13/2017		124	
203	5225			6/3/2016	7/31/2017		124	
204	5286			7/20/2016	2/17/2017		124	
205	5475			9/30/2016	3/2/2017		124	
206	5543			10/26/2016	12/7/2017		124	
207	5977			4/17/2017	7/18/2017		124	
208	TOTAL FERC ACCOUNT #381 METERS							28,888
FERC ACCOUNT #383 REGULATORS								
209	1265	Replacement	Blanket Services	7/1/1988	3/2/2017	All	118	
210	1270			7/1/1988	5/25/2017		118	
211	1270			7/1/1988	8/10/2017		66	
212	33			7/1/1998	6/14/2017		32	
213	33			7/1/1998	9/19/2017		32	
214	1276			7/1/1999	12/19/2017		131	
215	35			7/1/2000	3/14/2017		32	
216	35			7/1/2000	3/1/2017		32	
217	35			7/1/2000	8/10/2017		32	
218	36			7/1/2001	6/8/2017		32	
219	36			7/1/2001	7/17/2017		32	
220	36			7/1/2001	9/20/2017		32	
221	37			7/1/2002	4/19/2017		32	

Infrastructure Detail - Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	In-Service Date	Retirement Date	Customers Benefited	Original Cost
222	37			7/1/2002	4/27/2017		35
223	37			7/1/2002	5/30/2017		32
224	37			7/1/2002	8/14/2017		32
225	37			7/1/2002	11/17/2017		32
226	38			7/1/2003	7/26/2017		32
227	39			7/1/2004	3/1/2017		32
228	39			7/1/2004	5/24/2017		32
229	39			7/1/2004	5/15/2017		32
230	39			7/1/2004	12/6/2017		35
231	40			7/1/2005	3/6/2017		32
232	40			7/1/2005	5/24/2017		32
233	40			7/1/2005	11/21/2017		32
234	454			1/31/2006	8/2/2017		55
235	457			4/30/2006	6/27/2017		40
236	461			6/19/2006	3/1/2017		32
237	461			6/19/2006	10/5/2017		32
238	463			8/31/2006	11/14/2017		40
239	464			9/30/2006	4/27/2017		40
240	608			3/30/2007	3/2/2017		79
241	619			8/31/2007	10/9/2017		90
242	627			12/31/2007	5/26/2017		90
243	951			3/31/2008	4/14/2017		90
244	954			4/30/2008	3/10/2017		90
245	975			9/30/2008	8/2/2017		90
246	990			12/31/2008	3/22/2017		104
247	2449			4/30/2013	3/2/2017		102
248	2619			8/31/2013	1/14/2017		104
249	2951			2/28/2014	12/8/2017		102
250	3388			8/31/2014	8/23/2017		102
251	3621			11/30/2014	1/11/2017		103
252	4345			7/10/2015	4/27/2017		103
253	4408			8/14/2015	1/16/2017		103
254	4420			8/31/2015	8/22/2017		103
255	4504			9/30/2015	11/7/2017		103
256	4573			10/26/2015	12/1/2017		103
257	4786			12/23/2015	12/14/2017		103
258	4962			2/26/2016	4/13/2017		103
259	5245			6/3/2016	7/31/2017		103
260	5299			7/20/2016	2/17/2017		103
261	5498			9/30/2016	3/2/2017		103
262	5563			10/26/2016	12/7/2017		103
263	5723			1/31/2017	4/27/2017		103
264	5999			4/18/2017	7/18/2017		103
265	TOTAL FERC ACCOUNT #383 REGULATORS						3,832

FERC ACCOUNT #392 TRANSPORTATION EQUIPMENT

Infrastructure Detail - Retirements
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
TWELVE MONTH PERIOD ENDING 12/31/2017

Line No.	Asset ID	Project Purpose	Project	In-Service Date	Retirement Date	Customers Benefited	Original Cost	
266	2459	Replacement	VEH 108	4/24/2013	3/15/2017	All	27,217	
267	2461			5/2/2013	3/15/2017		476	
268	2462			5/9/2013	3/15/2017		207	
269	2463			5/13/2013	3/15/2017		477	
270	2550			6/21/2013	3/14/2017		951	
271	2672	Replacement	VEH 112	10/2/2013	3/15/2017	All	25,103	
272	2673			10/2/2013	3/15/2017		1,405	
273	2674	Replacement	VEH 113	10/8/2013	10/23/2017	All	34,834	
274	2675			10/8/2013	10/23/2017		2,500	
275	2676			10/13/2013	10/23/2017		536	
276	2457	Replacement	VEH 119	4/23/2013	3/14/2017	All	1,000	
277	3228			6/5/2014	3/14/2017		28,922	
278	3229			6/19/2014	3/14/2017		590	
279	TOTAL FERC ACCOUNT #392 TRANSPORTATION EQUIPMENT							124,219
FERC ACCOUNT #397 COMMUNICATIONS, COMPUTER & SOFTWARE								
280	1342	Replacement	Computer	1/21/2009	1/1/2017	All	757	
281	3319	Retirement	Computer	8/20/2014	5/22/2017	All	271	
282	1600	Retirement	Computer	2/12/2010	5/31/2017	All	731	
283	1344	Retirement	Computer & Monitor	3/26/2009	5/31/2017	All	1,089	
284	5692	Retirement	Computer & Monitor	1/26/2017	5/31/2017	All	4,881	
285	2669	Replacement	Laptop	9/23/2013	1/1/2017	All	2,151	
286	1014	Replacement	Monitor	12/31/2008	1/1/2017	All	1,000	
287	1011	Retirement	Phone Tree System	5/30/2008	5/31/2017	All	4,125	
288	1012	Retirement	Phone Tree System	6/30/2008	5/31/2017	All	4,027	
289	1010	Retirement	Website Interface	4/30/2008	5/31/2017	All	15,823	
290	1013	Retirement	Website Interface	11/4/2008	5/31/2017	All	1,000	
291	TOTAL FERC ACCOUNT #397 COMMUNICATIONS, COMPUTER & SOFTWARE							35,854
292	Total Retirements							223,270

Weighted Average Cost of Capital
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017
Per Most Recent Rate case - GUD Docket No. 10190

Line No.	Description	Investment Balance	Percent of Total *	Cost	Weighted Cost
1	Common Equity	\$6,675,154	55.50%	10.60%	5.88%
2	Preferred Stock				
3	Preferred Trust Securities				
4	Long-Term Debt	\$2,629,921	44.50%	7.00%	3.12%
5	Short-Term Debt				
6	Total	\$9,305,075	100.00%		9.00%

* See Footnote 3

Allocation of Investment Recovery
HUGHES NATURAL GAS, INC.
ENVIRONS SERVICE AREA
Twelve Month Period Ending 12/31/2017

Allocation Factors Per Rate Case - Docket No. 10190

Not Applicable

Both Residential and Commercial Environs classes have identical rates
Public Authorities did not exist as a class

Allocation Factors Requested in this filing

Not Applicable

Both Residential and Commercial Environs classes have identical rates
Public Authorities, Secondary Meters and Resale customers are not subject to IRA increases.

New Investment Recovery Distribution (Distribution of IRA Increase)

	Bill Counts						Distribution of IRA Increase
	<u>Total</u>	<u>Residential</u>	<u>Res. Secondary</u>	<u>Commercial</u>	<u>Public Author.</u>	<u>Resale</u>	
Environs	47,564	46,543	242	656	119	4	
IRA Distribution		\$114,961	\$0	\$1,620	\$0	\$0	\$116,582
Distribution %		88.49%	0.00%	1.25%	0.00%	0.00%	
Incorporated	5,030	4,321	0	709			
IRA Distribution		\$0.00	\$0.00	\$0.00			\$0
Distribution %		0.00%	0.00%	0.00%			
Total IRA Distribution		\$114,961	\$0	\$1,620	\$0	\$0	\$116,582
Impact of Proposed IRA (IRA -3 Summary, Line 19, Column C)							\$129,907
Total Distribution %		88.49%		1.25%			
Amounts deferred				10.26%			\$13,326