

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeen G. Kelly.

El Paso Natural Gas Company

Docket No. RP05-422-000

ORDER GRANTING MOTION

(Issued March 31, 2006)

1. On March 29, 2006, El Paso Natural Gas Company (El Paso) filed a motion, as supplemented March 30, 2006, requesting that the Commission issue an order waiving the application (and thereby delaying the implementation) of certain tariff provisions that would put into place new services and related overrun and penalty charges on El Paso's system.¹ The tariff provisions are scheduled to go into effect on April 1, 2006. On March 29, 2006, El Paso also filed a Stipulation and Agreement (Partial Settlement) to defer implementation of the tariff sheets until June 1, 2006. In its motions, El Paso requests that the application of the tariff sheets be waived for any period between the effective date of the relevant tariff sheets on April 1, 2006 and the date of a Commission order addressing the merits of the Partial Settlement. The tariff provisions to be waived are the same tariff provisions that were the subject of an earlier offer of partial settlement that deferred implementation of those provisions until April 1, 2006.² As discussed below, the Commission will grant the requested motion to waive the application of these tariff provisions, thereby deferring the implementation of the new services and related penalty provisions, pending Commission action on the Partial Settlement.

2. On July 29, 2005, the Commission issued an order in this proceeding that accepted and suspended tariff sheets filed by El Paso to modify its rates and terms and conditions of service and to implement a number of new services, subject to the outcome of a hearing and technical conference.³ The Commission suspended the proposed tariff sheets

¹ The affected tariff sheets are listed in the Appendix.

² In a December 12, 2005 Letter Order, the Commission approved the October 4, 2005 Offer of Partial Settlement and directed El Paso to file the deferred tariff sheets 30 days prior to the April 1, 2006 effective date.

³ 112 FERC ¶ 61,150 (2005).

for the maximum five-month period, to become effective January 1, 2006. On March 1, 2006, El Paso submitted its motion to place the deferred tariff sheets into effect on April 1, 2006. In its March 23, 2006 Order on the technical conference,⁴ the Commission accepted the motion rate tariff sheets, subject to conditions, to become effective April 1, 2006.

3. On March 29, 2006, El Paso filed an Offer of Partial Settlement that would, among other things, waive specific tariff provisions, thereby deferring implementation of the new services and related penalty provisions for a period of sixty days, *i.e.*, until June 1, 2006. The Partial Settlement provides that although the new services will become effective on April 1, 2006, in accordance with the Commission's March 23, 2006 Order, El Paso agrees to defer implementation of the new services and related overrun and variance charges and/or penalties until June 1, 2006, subject to parties meeting specified milestones by stated interim dates. El Paso states that it believes that all parties to this proceeding either support or do not oppose the Partial Settlement.

4. In its motion, as supplemented, El Paso states that it is seeking a conditional waiver that will permit El Paso to delay implementing specific tariff provisions in accordance with the Partial Settlement and pending a Commission order on the Partial Settlement, even though the tariff sheets containing the relevant tariff provisions will go into effect on April 1, 2006, as contemplated by the Commission's March 23 Order in this proceeding.

5. The Commission finds that waiving the tariff sheets listed in the Appendix, and thereby postponing the implementation date of the new services on an interim basis pending Commission action on the Partial Settlement will benefit all the parties by preserving the benefits of their settlement and providing them with additional time to resolve contract and implementation issues. Therefore, the Commission grants waiver of the tariff provisions for an interim period, subject to the conditions set forth in the Partial Settlement, to permit the Commission to consider the Partial Settlement.

⁴ 114 FERC ¶ 61,305 (2006).

The Commission orders:

The Commission will grant the requested motion to waive the application of the tariff provisions listed in the Appendix, subject to the conditions set forth in the Partial Settlement, to permit the Commission to consider the Partial Settlement.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.

Appendix

El Paso Natural Gas Company

Docket No. RP05-422-000

Waived Tariff Provisions for the Period April 1 through May 31, 2006

Second Revised Volume No. 1-A

Twenty-Seventh Revised Sheet No. 1

Eighth Revised Sheet No. 2

IHSW Rates on Eighth Revised Sheet No. 21

Eighth Revised Sheet No. 25

Substitute Original Sheet Nos. 25A – 25H

FT-2 Tier 2 Rates on Thirty-Second Revised Sheet No. 26

Second Revised Sheet No. 28A

FT-1 Daily and Hourly Unauthorized Overrun Rates on Substitute Original
Sheet No. 28B

FT-2 Unauthorized Overrun Rates on First Revised Sheet No. 28C

Second Substitute Original Sheet Nos. 28D – 28F

Substitute Original Sheet No. 28G

Fifth Revised Sheet No. 103

Substitute Original Sheet Nos. 106 - 106B

HEEN on First Revised Sheet No. 110A

HEEN on Ninth Revised Sheet No. 111

Daily Unauthorized Overruns on Ninth Revised Sheet No. 114

Substitute Original Sheet No. 114A

FT-2 Alternate Scheduling provisions on Fourth Revised Sheet No. 125

FT-2 Tier 2 provisions on Third Revised Sheet No. 126

Overrun Transportation on Fifth Revised Sheet No. 128

Substitute Original Sheet Nos. 138 – 144

Substitute Original Sheet Nos. 145 – 148N

Sheet No. 149

Substitute Original Sheet Nos. 150 – 150B

Sheet Nos. 151 – 199

Unauthorized Overrun Penalties on Sixth Revised Sheet No. 290A

Second Revised Sheet No. 358

Substitute Original Sheet No. 362N

Substitute Original Sheet Nos. 410 – 410C

Sheet Nos. 459 – 479

Substitute Original Sheet Nos. 480 – 483D

Sheet No. 484

Substitute Original Sheet Nos. 485 – 485C

Sheet Nos. 486 - 499