

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

August 4, 2006

In Reply Refer To:  
Trunkline LNG Company, LLC  
Docket No. RP01-229-003

Trunkline LNG Company, LLC  
5444 Westheimer Road  
Houston, TX 77056-5306

Attention: William W. Grygar  
Rates and Regulatory Affairs

Reference: Negotiated Rate Agreements

Ladies and Gentlemen:

1. On July 7, 2006, Trunkline LNG Company, LLC (Trunkline LNG) filed revised tariff sheets<sup>1</sup> to implement two negotiated rate agreements under Rate Schedule FTS-2 with BG LNG Services, LLC (BG LNG). The agreements pertain to the Phase I<sup>2</sup> and Phase II<sup>3</sup> expansions at Trunkline LNG's LNG terminal in Calcasieu Parish, Louisiana. Second Revised Sheet No. 6, proposed to be effective April 5, 2006, and Third Revised Sheet No. 6, proposed to be effective July 8, 2006, set forth the rate and quantities under each agreement, as well as the formula for calculating the monthly payment. As discussed below, we accept the revised tariff sheets to be effective April 5, 2006, and July 8, 2006, as requested.

2. On April 5, 2006, Trunkline LNG completed and put into service the Phase I facilities. Second Revised Sheet No. 6 reflects the new negotiated rate agreement with BG LNG for service using the Phase I facilities. Trunkline LNG put the Phase II facilities into service on July 8, 2006. Third Revised Sheet No. 6 reflects the new

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<sup>1</sup> Second Revised Sheet No. 6 and Third Revised Sheet No. 6 to FERC Gas Tariff, Second Revised Volume No. 1-A.

<sup>2</sup> See 100 FERC ¶ 61,217 (2002), *order denying reh'g*, 101 FERC ¶ 61,300 (2002).

<sup>3</sup> See 108 FERC ¶ 61,251 (2004).

negotiated rate agreement with BG LNG for service on those facilities. Trunkline LNG states that the two negotiated rate service agreements do not deviate in any material aspect from the form of service agreement in Trunkline LNG's FERC Gas Tariff.

3. Trunkline LNG also requests waiver of the 30-day notice requirement to allow the agreements to go into effect on April 5, 2006 and July 8, 2006. Trunkline LNG states that it inadvertently failed to file the negotiated rate filing proposed to be effective April 5, 2006, prior to the commencement of service on the Phase I facilities.

4. Notice of Trunkline LNG's filing was issued on July 12, 2006, as corrected on July 13, 2006. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 385.210 (2006). Pursuant to Rule 214, 18 C.F.R. § 385.214 (2006), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

5. The Commission grants Trunkline LNG's request for waiver of the 30-day notice filing requirement, and accepts the revised tariff sheets to become effective April 5, 2006 and July 8, 2006. However, the Commission reminds Trunkline LNG that consistent with the Commission's *Statement of Policy on Alternatives to Traditional Cost-Of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines*,<sup>4</sup> we have stated that, while we would readily waive the 30-day notice requirement, pipelines should file negotiated rate tariff sheets on or before the effective dates. The Commission generally does not permit negotiated rates to be made effective earlier than the filing date of the proposal, unless the filing is dependent on information available on the first business day of the month, and that date falls after the first day of the month.<sup>5</sup>

By direction of the Commission.

Magalie R. Salas,  
Secretary.

cc: All Parties

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<sup>4</sup> 74 FERC ¶ 61,076, at 61,241-2 (1996).

<sup>5</sup> *Koch Gateway Pipeline Co.* 79 FERC ¶ 61,323, at 62,421 (1997). *Gulfstream Natural Gas System*, 105 FERC ¶ 61,164, at P 11 (2003).