

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

SFPP, L.P.

Docket No. IS06-283-002

ORDER ON REHEARING

(Issued December 7, 2006)

1. On May 31, 2006, the Commission accepted SFPP, L.P.'s (SFPP) filing to significantly increase its East Line rates effective June 1, 2006, subject to suspension, refund, and hearing. The purpose of the filing was to recover the costs of an expansion of SFPP's East Line facilities.¹

2. Navajo Refining Company (Navajo) filed a rehearing request. SFPP filed an answer to that rehearing request and Navajo filed a response to that answer. While the Commission does not ordinarily accept answers to rehearing requests, it will accept SFPP's answer to the rehearing request because Navajo raised an issue of fact in its filing. Navajo's response provides no additional information and is rejected. The Commission denies rehearing but clarifies that the disputed facts involved in the rehearing request are more appropriately determined at hearing.

Discussion

3. Navajo's rehearing request asserts for various reasons that SFPP had not placed its East Line expansion in service by June 1, 2006, because it was not commercially useful to shippers by that date. It asserts that therefore the increased rates should not have been effective on June 1, but rather on July 1, 2006. SFPP contests that point. Both parties argue matters regarding the extent of completion and the amount of additional service being provided as of the June 1, 2006 effective date of the increased rates. A dispute about the appropriate in service date is a significant factual matter to be resolved at the ongoing hearing established in this proceeding. Accordingly, the Commission will deny rehearing.

¹ SFPP, L.P., 115 FERC ¶ 61,279 (2006).

The Commission orders:

Navajo's request for rehearing is denied.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.