

120 FERC ¶ 61,195  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

August 29, 2007

In Reply Refer To:  
East Tennessee Natural Gas, LLC  
Docket No. RP07-555-000

East Tennessee Natural Gas, LLC  
P.O. Box 1642  
Houston, TX 77251-1642

Attention: David A. McCallum, Director, Rates and Tariffs

Reference: Revised Tariff Sheets

Dear Mr. McCallum:

1. On August 2, 2007, East Tennessee Natural Gas, LLC (East Tennessee) filed certain tariff sheets<sup>1</sup> to become effective on September 1, 2007. The proposed tariff sheets reflect modifications to East Tennessee's tariff to, *inter alia*, (1) update the nomination, scheduling, curtailment and Operational Flow Order (OFO) provisions in the General Terms and Conditions (GT&C) of its tariff; (2) modify Rate Schedule LNGS to delete the Summer Season Injection Schedule; and (3) modify the auction timeline set forth in section 48 of its GT&C. Waiver of the notice period is granted and the referenced tariff sheets are accepted effective September 1, 2007, subject to the condition discussed below.

2. East Tennessee is proposing to update and otherwise revise a number of sections in its tariff. These proposed revisions are not protested by any party. East Tennessee is also proposing to modify section 14.3 of its GT&C to delete the requirement that it provide, on a quarterly basis, a written report to every Shipper and Balancing Party that was affected by the issuance of an OFO during the previous quarter (Second Revised Sheet No. 327). East Tennessee states that this quarterly report is no longer necessary because the currently effective OFO provisions set forth in section 14 of its GT&C contain various requirements that East Tennessee notify its shippers and balancing parties of (i) events that may necessitate the issuance of an OFO, and (ii) the issuance and cancellation of an OFO, at any time that such events occur. Further, East Tennessee

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<sup>1</sup> See attached appendix for a listing of the filed tariff sheets.

states that the information provided in these notifications is identical to the information that East Tennessee is required to include in the quarterly reports to affected Shippers and Balancing Parties, and is provided on an almost real-time basis rather than as much as three months after the event has occurred.

3. Public notice of the filing was issued on August 7, 2007. Interventions and protests were due as provided in section 154.210 of the Commission's regulations. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2007)), all timely filed motions to intervene and any motion 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 the proceeding or place additional burdens on existing parties. The East Tennessee Group (ETG) filed adverse comments in this proceeding.<sup>2</sup>

4. ETG argues that East Tennessee should not be allowed to delete the requirement that calls for it to prepare and submit to each affected shipper a written quarterly report that details the underlying causes that warranted the issuance of all OFOs issued during the quarter and explains why the actions required by the OFO were necessary to alleviate the identified problems. ETG asserts that the quarterly report allows shippers and potentially the Commission to see all of the OFOs issued during the quarter in one place, in an aggregated format, where it is possible to assess any patterns in the frequency and repetition of OFOs or common cause thereof. ETG further states that, the separate information provided earlier, for example by telephone or LINK® posting, may be much more difficult to preserve and accumulate, and thus does not achieve this purpose.

5. The Commission finds that East Tennessee's proposed revisions to its tariff are generally just and reasonable and accepts the referenced tariff sheets to become effective September 1, 2007, subject to the following condition. As ETG points out, the quarterly report required by GT&C section 14.3 provides shippers with aggregated information on the OFOs issued during the quarter that is not otherwise provided. Although East Tennessee states this information is no longer necessary, several of its shippers find it useful to assess any patterns in the frequency and repetition of OFOs or common causes of them. In light of the foregoing, the Commission finds that East Tennessee has not demonstrated why the deletion of this provision is just and reasonable. Accordingly, the

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<sup>2</sup> ETG is an ad hoc, voluntary association of jurisdictional customers of East Tennessee Natural Gas LLC, each of which is engaged in the distribution of natural gas at retail. The twenty-eight members of ETG which have jointly filed the instant pleading are listed in an attachment to the pleading.

Commission accepts the instant filing subject to East Tennessee filing revised tariff sheets within 15 days of this order to reflect the retention of the reporting requirement of section 14.3.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

**East Tennessee Natural Gas, LLC  
FERC Gas Tariff  
Third Revised Volume No. 1  
Accepted, Effective September 1, 2007, Subject to Conditions**

First Revised Sheet No. 143  
Third Revised Sheet No. 301  
Second Revised Sheet No. 326  
Second Revised Sheet No. 327  
Second Revised Sheet No. 330  
Second Revised Sheet No. 331  
First Revised Sheet No. 332  
Original Sheet No. 332A  
Third Revised Sheet No. 333  
Second Revised Sheet No. 334  
First Revised Sheet No. 336  
Second Revised Sheet No. 389  
First Revised Sheet No. 400