

122 FERC ¶ 61,287
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

March 27, 2008

In Reply Refer To:
High Island Offshore System, L.L.C.
Docket Nos. RP08-226-000
RP08-226-001

High Island Offshore System, L.L.C.
1100 Louisiana Street
Houston, TX 77002-5227

Attention: Richard W. Porter, Director
Rates and Regulatory Affairs

Reference: Tariff Sheet to Implement Revised Company Use Percentage

Ladies and Gentlemen:

1. On February 29, 2008, High Island Offshore System, L.L.C. (HIOS) filed Seventh Revised Sheet No. 11, to implement a revised Company Use percentage pursuant to the fuel tracker mechanism set forth in section 28 of the General Terms and Conditions (GT&C) of HIOS's FERC Gas Tariff, Third Revised Volume No. 1. On March 3, 2008, HIOS filed a request for waiver for HIOS to use its calendar year 2007 throughput as the basis for calculating its proposed Company Use percentage. HIOS requests the proposed tariff sheet be accepted effective April 1, 2008. For the reasons set forth below, the Commission grants the requested waiver and accepts Seventh Revised Sheet No. 11, effective April 1, 2008, as proposed.

2. Seventh Revised Sheet No. 11 sets forth the elements of HIOS's Company Use components and the total percentage for the prospective tracker period. The instant filing reflects an increase from the current level in the total Company Use percentage of 0.03 percent, from 1.07 percent to 1.10 percent. The proposed rate increase to the total Company Use percentage is composed of a 0.66 percent Compressor Fuel and a 0.44 percent Unaccounted-For Gas rate. HIOS states that the net result of its true-up for the applicable period was a slight under-recovery of 489 Dth, which HIOS states does not result in any true-up adjustment to the prospective Company Use percentage.

3. Under its tracker mechanism, HIOS calculates its prospective Company Use percentage requirement based upon its projected throughput during the collection period. HIOS states that the slight increase in the overall Company Use percentage is the result of a decrease in actual throughput on HIOS from 2006 to 2007. Accordingly, HIOS states that it used actual 2007 throughput in place of the projected throughput during the recovery period in order to mitigate any increase in the Company Use percentage. HIOS states that using the projected throughput during the recovery period would result in a Company Use percentage of 1.22 percent, which is a significant increase over the currently effective Company Use percentage of 1.07 percent.

4. On March 3, 2008, in Docket No. RP08-226-001, HIOS filed a request for waiver for HIOS to use its calendar year 2007 throughput (159 MMdth) as the basis for calculating its proposed Company Use percentage. HIOS states that the February 29 filing inadvertently neglected to request any waiver of section 28.3 of the GT&C to the extent necessary for HIOS to use actual 2007 throughput rather than project 2008 throughput in the calculation of the Company Use percentage.

5. Public notice of HIOS's filings were issued on March 3, 2008, and March 14, 2008, with interventions and protests due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210 (2007). Pursuant to Rule 214, 18 C.F.R. § 385.214 (2007), all timely filed motions to intervene and any motions to intervene out-of-time filed before the date of issuance 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. No protests or adverse comments were filed.

6. For the reasons stated by HIOS above, the Commission grants waiver permitting HIOS to use its calendar year 2007 throughput (159 MMdth) as the basis for calculating its prospective Company Use percentage and accepts Seventh Revised Sheet No. 11, effective April 1, 2008.

By direction of the Commission.

Kimberly D. Bose,
Secretary.