

125 FERC ¶ 61,385
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

December 30, 2008

In Reply Refer To:
Columbia Gas Transmission Corporation
Docket No. RP09-133-000

Columbia Gas Transmission Corporation
5151 San Felipe, Suite 2500
Houston, TX 77056

Attention: James R. Downs
Director of Regulatory Affairs

Reference: Fifth Revised Sheet No. 405 and Sixth Revised Sheet No. 406 to FERC Gas
Tariff, Second Revised Volume No. 1

Dear Mr. Downs:

1. On December 2, 2008, Columbia Gas Transmission Corporation (Columbia Gas) filed the referenced tariff sheets, proposing an effective date of January 1, 2009, to revise section 25.3 of the General Terms & Conditions (GT&C) of its tariff to more accurately reflect the contractual relationships and responsibilities among Columbia Gas, MarkWest Hydrocarbon Partners, Ltd. (MarkWest), and Appalachian producers regarding collection and reimbursement of retainage owed by the producers to MarkWest for processing the producers' gas. The Independent Oil & Gas Association of West Virginia (IOGA) filed comments proposing alternative revisions of section 25.3 which were agreed to by Columbia Gas. No protests were filed. As discussed further, the referenced tariff sheets are accepted to be effective January 1, 2009, subject to Columbia Gas filing additional tariff revisions consistent with IOGA's comments in this proceeding within 15 days of the date of this order.

2. Public notice of Columbia Gas's filing issued on December 3, 2008. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214 (2008)). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. On December 15, 2008, MarkWest filed comments in support and IOGA filed comments to revise

Columbia's proposal. On December 18, 2008, Columbia Gas filed an answer to IOGA's comments. Generally, the Commission does not permit answers, however, the Commission will accept Columbia Gas's answer as it aids in the Commission's review of the instant proposal.

3. Columbia Gas stated that it collects retainage on behalf of MarkWest from shippers on its system who are Appalachian producers, in connection with MarkWest processing the producers' gas. Columbia Gas explained that the contractual responsibilities among itself, MarkWest and the producers for such collections originated from a settlement approved by Commission order dated April 17, 1997.¹ Columbia Gas further stated that currently, section 23.5 of its tariff contains a description of the relationships between the parties that does not accurately reflect Columbia's practices nor the parties' contractual responsibilities regarding collection and reimbursement of such retainage. Columbia Gas filed to clarify the description.

4. In its comments, IOGA proposed further revisions of section 25.3 which, according to IOGA more accurately reflect the parties' existing practice of relying on processing agreements between MarkWest and the producers, as well as the coordination between MarkWest and Columbia Gas, for (1) the collection of processing retainage on behalf of MarkWest and (2) reimbursement of gas quantities extracted during processing, pursuant to agreements between MarkWest and the producers. In its answer, Columbia Gas stated that after discussions with IOGA and review of its proposed revisions, Columbia Gas is amenable to adopting such revisions in a subsequent compliance filing. For this reason, acceptance herein is subject to Columbia Gas filing additional tariff revisions consistent with IOGA's comments in this proceeding within 15 days of the date of this order.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹ *Columbia Gas Transmission Corp.*, 79 FERC ¶ 61,044 (1997).