130 FERC ¶ 61,057
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

January 22, 2010

In Reply Refer To:
Equitrans, L.P.
Docket No. RP10-265-000

EQT Corporation
625 Liberty Avenue, Suite 1700
Pittsburgh, PA 15212

Attention: Joseph M. Dawley, Counsel
Environmental and Regulatory Law

Reference: Order Accepting Revised Tariff Sheet and Granting Waivers

Ladies and Gentlemen:

1. On December 23, 2009, Equitrans, L.P. (Equitrans) filed Fifteenth Revised Sheet No. 11 to its FERC Gas Tariff, Original Volume No. 1 reflecting an out-of-cycle revision to its Big Sandy Pipeline Retainage Factor, along with supporting work papers. Equitrans requests waiver of the notice period under the Commission's regulations[1] and section 31 of the General Terms and Conditions (GT&C) of Equitrans' tariff, and proposes that the tariff sheet become effective January 1, 2010. As discussed below, Fifteenth Revised Sheet No. 11 is accepted, effective January 1, 2010, as requested.

2. Equitrans currently recovers its fuel requirements and lost and unaccounted for gas (LAUF) on the Big Sandy pipeline facilities[2] by retaining in-kind a percentage of gas tendered by customers. Section 31 (Retainage Adjustment for Transportation, Gathering, and Storage) of its GT&C governs how Equitrans' Big Sandy Pipeline Retainage Factor is set and annually updated. Equitrans must file annually at least 30 days before the

[1] 18 C.F.R. § 154.207 (2009).

[2] Equitrans states that the Big Sandy pipeline is a sixty-eight mile, twenty inch pipeline in southeastern Kentucky that was authorized in 2006 and put into service in April 2008.

required effective date to revise its Big Sandy Pipeline Retainage Factor effective March 1 of each year.

3. In its transmittal, Equitrans states that it has seen a continual increase in the over collection of fuel on Big Sandy pipeline that requires action prior to its next annual filing. Accordingly, Equitrans is proposing an out-of-cycle adjustment decreasing its Big Sandy Pipeline Retainage Factor from 1.32 percent to 0.00 percent, effective January 1, 2010. Equitrans explains that, since March 2009, the Big Sandy monthly balance reports have shown higher measured outlet volumes than measured inlet volumes. Equitrans states that testing of all ultrasonic meters has shown the meters to be within manufacturer's tolerance and it is continuing to investigate if there is another reason for this anomaly other than measurement error that is within the manufacturer's tolerance. In the meantime, Equitrans applied a prior period adjustment on the measured receipt volumes to reflect no LAUF during the months that show overages on the Big Sandy pipeline. Equitrans states that, as a result of the current retainage factor of 1.32 percent and the system showing an average LAUF of 0.23 percent since January 2009, its deferred account has been steadily increasing.

4. Equitrans contends that, without any change to its currently effective Big Sandy Pipeline Retainage Factor, the deferred account balance will continue to grow. As a interim measure, Equitrans proposes to reduce the current Big Sandy Pipeline Retainage Factor to 0.00 percent effective January 1, 2010 through February 28, 2010, at which time Equitrans will have filed, pursuant to section 31 of its tariff, its regularly scheduled fuel tracker filing and any proposed changes from that filing will become effective March 1, 2010.

5. Equitrans states that good cause exists to approve its request. Equitrans states that reducing the Big Sandy Pipeline Retainage Factor will minimize the total over collection for the current annual cycle, which will in turn minimize the volatility of the retainage rate that otherwise will occur as a result of the over collection. Due to the probable continued over-recovery of fuel on its system and the need to reduce the Big Sandy Pipeline Retainage Factor as soon as practicable, Equitrans requests that the Commission grant waiver of section 154.207 of the Commission's regulations to permit the requested rate to become effective on less than 30 days notice and any other waivers that may be necessary to allow the proposed tariff sheets to become effective on January 1, 2010.

6. Public notice of Equitrans' filing was issued December 28, 2009. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210 (2009). Pursuant to Rule 214 of the Commission's regulations, 18 C.F.R. § 385.214 (2009), 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. No protests or adverse comments have been filed.

7. The Commission finds that good cause exists to grant Equitrans' request for waiver of the notice requirements of section 154.207 of the Commission's regulations and section 31 of the GT&C of Equitrans' tariff to allow it to implement an out-of-cycle adjustment to its Big Sandy Pipeline Retainage Factor, effective January 1, 2010. Therefore, the Commission accepts Equitrans' proposed Fifteenth Revised Sheet No. 11, to be effective January 1, 2010. The proposed tariff sheet represents an interim measure to reduce the current Big Sandy Pipeline Retainage Factor for the period January 1, 2010 through February 28, 2010, at which time Equitrans will file its regularly scheduled Big Sandy Pipeline Retainage Factor filing under section 31 of its GT&C. Further, Equitrans' unopposed, out-of-cycle revisions will lower customer fuel rates on Big Sandy pipeline.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties