

130 FERC ¶ 61,223
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Marc Spitzer, Philip D. Moeller,
and John R. Norris.

Dominion Transmission, Inc.

Docket No. CP09-18-001

ORDER GRANTING CLARIFICATION

(Issued March 18, 2010)

1. The East Ohio Gas Company, The Peoples Natural Gas Company, and Hope Gas, Inc. (collectively, the Dominion LDCs) filed a timely, joint request for clarification or, in the alternative, rehearing of the order issued in *Dominion Transmission, Inc.*¹ That order authorized Dominion Transmission, Inc. (Dominion) to construct and operate pipeline facilities in Greene County, Pennsylvania, and Wetzel County, West Virginia (Dominion Hub III Project). For the reasons set forth below, we are granting the requested clarification.

Background

2. The October 6 Order authorized Dominion to construct and operate approximately 9.42 miles of pipeline that will loop Dominion's existing pipeline in Greene County, Pennsylvania, and to rewheel an existing turbine compressor unit in Wetzel County, West Virginia. Dominion's proposed facilities will enable its current customers to reassign primary firm receipt rights to a new Dominion interconnection with Rockies Express Pipeline LLC (Rockies Express) at Clarington, Ohio. We approved the proposed project, finding that it will facilitate the introduction of competitive Rocky Mountain gas supplies to markets eastward of the terminus of the Rockies Express pipeline system.

3. We also approved a proposed monthly reservation surcharge for firm service made possible by the Dominion Hub III Project to shippers that choose the Clarington interconnect as their primary receipt point. The surcharge will apply in addition to the firm reservation rates, charges, and fuel retention currently being paid by the project's

¹ 129 FERC ¶ 61,012 (October 6, 2009).

shippers, which are all existing firm transportation customers of Dominion. Although the proposed facilities will be integrated into Dominion's system, we accepted the surcharge because the project will serve only a discrete group of customers, and because Dominion's overall firm billing determinants will not increase as a result of this project.

4. In addition, in footnote 14 of the October 6 Order, we stated the following:

[c]onsistent with general Commission policy that shippers are entitled to access any point within the zone for which they are paying, and the fact that Dominion's rates are designed on a postage-stamp basis, any Dominion firm, non-project shipper can nominate Clarington as a secondary receipt point on an as-available basis at such shipper's otherwise applicable transportation rate, subject to the operational capability of Dominion's reticulated system to make deliveries to such shipper's delivery point.

Request for Clarification

5. The Dominion LDCs request that the Commission clarify that its statement in footnote 14 of the October 6 Order was intended to apply to all shippers, whether project shippers or non-project shippers. In the alternative, and to the extent the Commission intended to limit the secondary receipt point availability at Clarington solely to non-project shippers, the Dominion LDCs request rehearing.

6. The Dominion LDCs believe that the Commission did not intend by its footnote 14 language to exclude firm project shippers from the opportunity to nominate Clarington as a secondary receipt point, but rather that the Commission was emphasizing that non-project shippers, who also pay postage stamp rates, are not precluded from such opportunities. The Dominion LDCs explain that many firm shippers that hold capacity on the Dominion system have primary receipt point capacity at points other than Clarington, and they assert that all firm shippers, project and non-project alike, should be able to nominate the Clarington point on a secondary basis. The Dominion LDCs express concern that footnote 14 could be interpreted to mean that firm project shippers may not nominate Clarington as a secondary receipt point. This interpretation, they say, would be inconsistent with the Commission's stated policy and Dominion's tariff.

Commission Response

7. We will grant the clarification requested by the Dominion LDCs. Footnote 14 was meant only to note that non-project shippers, along with the project shippers, may nominate Clarington as a secondary receipt point. We did not intend to imply that this opportunity only applied to non-project shippers. Thus, we clarify that all firm shippers can nominate Clarington as a secondary receipt point on an as-available basis at such shipper's otherwise applicable transportation rate, subject to the operational capability of Dominion's reticulated system to make deliveries to such shipper's delivery point.

The Commission orders:

The Dominion LDCs' request for clarification is granted, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.