

131 FERC ¶ 61,123  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

May 7, 2010

In Reply Refer To:  
T.W. Phillips Pipeline Corporation  
Docket No. RP10-484-000

T.W. Phillips Pipeline Corporation  
502 Keystone Drive  
Suite 400  
Warrendale, PA 15086

Attention: Robert M. Hovanec, Executive Vice President and CFO

Reference: Request for Waiver of Tariff Provision

Dear Mr. Hovanec:

1. On March 10, 2010, T.W. Phillips Pipeline Corporation (T.W. Phillips) filed a request for a one-time, limited waiver of section 18 of the General Terms and Conditions (GT&C) of its FERC Gas Tariff. T.W. Phillips seeks to continue in effect its current Fuel and Gas Loss Retention Percentage (FRP) of 0.40<sup>1</sup> percent. For the reasons discussed below, the Commission will grant T.W. Phillips's request for waiver.
2. T.W. Phillips states it retains gas on an in-kind basis through assessment and collection of its currently effective FRP of 0.40 percent. The purpose of section 18 of the GT&C is to provide for annual adjustments in the FRP to reflect changes in the actual level of natural gas used or lost and unaccounted for in connection with T.W. Phillips operations. Section 18.2 of the GT&C requires that revisions to the FRP are to be filed no later than March 1 of each year.

---

<sup>1</sup> The proposed FRP of 0.40% was accepted by the Commission in a letter order on December 28, 2009, *T.W. Phillips Pipeline Corp.*, 129 FERC ¶ 61,272 (2009).

3. T.W. Phillips presents several arguments in favor of the requested waiver. Its sole shipper, Bionol Clearfield, LLC, has a negotiated fuel and loss charge and thus would be unaffected by any change in the FRP in 2010. Also, since T.W. Phillips' commercial operations commenced in January 1, 2010, there are only two full months of fuel loss data currently available, which T.W. Phillips claims is insufficient to provide a complete and representative measurement. Lastly, according to the provisions of GT&C section 18, the revised FRP is to be based on data during the 12-month period covering the preceding January through December. For the 2010 FRP filing, this would require data for the calendar year 2009, when T.W. Phillips had not yet commenced operations.

4. T.W. Phillips proposes to defer any adjustment to its FRP until 2011, when a full year of calendar data will be available. T.W. Phillips believes this will be a more representative measurement of any potential changes needed to the currently effective FRP. Therefore, T.W. Phillips seeks authorization from the Commission to continue the currently effective FRP of 0.40 percent.

5. Public notice of the filing was issued on March 15, 2010. Interventions and protests were due on or before March 22, 2010. Pursuant to Rule 214 (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 this proceeding or place additional burdens on existing parties. No protests or comments were filed.

6. The Commission finds good cause to grant waiver of section 18 of the GT&C of T.W. Phillips' tariff. T.W. Phillips has not been in operation for a full calendar year to provide a complete and representative measurement of data to calculate a new FRP. T.W. Phillips' proposal is to defer adjustment of its FRP until 2011, when such additional data will be available is granted. Accordingly, T.W. Phillips is granted permission to continue use of the currently effective FRP of 0.40 percent until April 1, 2011. Pursuant to section 18.2 of its GT&C, T.W. Phillips is required to make a filing with the Commission no later than March 1, 2011 to adjust its FRP, to be effective April 1, 2011.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.