

131 FERC ¶ 61,234  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

June 14, 2010

In Reply Refer To:

UGI Central Penn Gas, Inc.  
Docket Nos. PR09-27-000  
PR09-27-001  
PR09-27-002

Post & Schell, PC  
607 14<sup>th</sup> St., NW  
Suite 600  
Washington, DC 20005-2006

Attention: Christopher J. Barr  
Counsel for UGI Central Penn Gas, Inc.

Reference: Stipulation and Agreement

Dear Mr. Barr:

1. On March 18, 2010, UGI Central Penn Gas, Inc. (Central Penn) filed an uncontested Stipulation and Agreement (Settlement) pursuant to Rule 602 of the Commission's Rules of Practice and Procedure.<sup>1</sup> The Settlement resolves all issues with regard to the notice of rate election filed by Central Penn on July 7, 2009, and the revised notice of rate election filed by Central Penn on August 31, 2009, pursuant to section 284.224(e) of the Commission's Regulations.<sup>2</sup>

2. The following is a summary of the major provisions of the Settlement:

- a. The rates proposed in Central Penn's July 7, 2009, rate election in Docket No. PR09-27-000 are effective July 7, 2009, through August 27, 2009.
- b. The rates proposed in Central Penn's August 31, 2009, revised rate election in Docket No. PR09-27-001 are effective August 28, 2009.

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<sup>1</sup> 18 C.F.R. § 385.602 (2009).

<sup>2</sup> 18 C.F.R. § 284.224(e) (2009).

- c. In Central Penn's Statement of Operating Conditions, Schedule of Specific Conditions Applicable to Transportation Service, section 8.5, Volume Adjustment, Central Penn will remove the quoted fuel retention rate of "two point nine percent (2.9%)." Central Penn will add the retainage percentage of 2.9% to its rate summary sheet.
- d. In Central Penn's Statement of Operating Conditions, Schedule of Specific Conditions Applicable to Transportation Service, section 8.5, Volume Adjustment, Central Penn states that it revises its retainage percentage annually at the state level. Central Penn agrees to annually file with the Commission revised rate summaries reflecting Central Penn's annually-updated retainage percentage within 30 days of its effective date at the state level; or, if such an order is not issued annually, or if the retainage percentage applicable to this transportation service is changed by Central Penn at any time, within 30 days of any order of the Pennsylvania Public Utility Commission (PA PUC) or such change by Central Penn, revising the applicable retainage percentage. Central Penn agrees to include a copy of the PA PUC order approving the retainage percentage in this filing.
- e. Central Penn will file a revised Statement of Operating Conditions, including revised rate summaries, reflecting all changes to previously filed documents within 30 days of the issuance of an order by the Commission approving this Settlement without conditions.
- f. On or before July 7, 2012, Central Penn must file cost, throughput, revenue, and other data, in the form specified in section 154.313 of the Commission's regulations, to allow the Commission to determine whether any change in Central Penn's interstate transportation and storage rates should be ordered pursuant to section 5 of the NGA. Central Penn may file a petition for rate approval under section 284.123 of the Commission's regulations to establish new maximum rates at any time; including a revised Rate Schedule GD rate that is approved by the PA PUC on or before July 7, 2012, but must concurrently submit a copy of the PA PUC order approving such new rate.
- g. Central Penn retains the right to file to withdraw the transportation rate and transportation section of its Statement of Operating Conditions, which are the subjects of this proceeding, at a later time if the service is no longer requested by any shipper. Central Penn will file a revised Statement of Operating Conditions and rate summary reflecting any withdrawal.

- h. The provisions of the Settlement shall not become effective unless and until the Commission enters an order accepting and approving all terms and conditions of the Settlement without modification or condition, and such order becomes final and no longer subject to further proceeding before the Commission.
3. The Settlement represents a negotiated agreement of the issues in this proceeding. Neither Central Penn, the Commission, its Staff, nor any other party shall be deemed to have approved, accepted, agreed, or otherwise consented to any principle or issue in this proceeding.
4. The parties requested, and the Commission granted, a shortened comment period for the Settlement, with initial comments to be filed on or before March 29, 2010, and reply comments to be filed on or before April 5, 2010. The National Grid Gas Delivery Companies (National Grid) filed a comment in which it sought to clarify that supporting this settlement would not prejudice National Grid's effort to oppose Central Penn's abandonment application in Docket No. CP10-24-000. Central Penn filed an answer and stated that it did not oppose including a line in the settlement order stating that the Settlement does not limit any party's rights to raise issues or arguments in Docket No. CP10-24-000. Accordingly, the Commission finds that support of this settlement does not limit any party's rights to raise issues or arguments in Docket No. CP10-24-000.
5. Pursuant to sections 375.307(a)(9)(iii) and 385.602(g)(3) of the Commission's regulations, the Commission finds that the uncontested Settlement is fair and reasonable and in the public interest, and therefore the Settlement is approved.
6. This letter order does not relieve Central Penn of its obligations to file the required reports under Part 284 of the Commission's regulations. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding any principle or issue in this proceeding.
7. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within thirty (30) days of the date of issuance of this Letter Order, pursuant to 18 C.F.R. § 385.713 (2009).

By direction of the Commission.

Kimberly D. Bose,  
Secretary.