

134 FERC ¶ 61,149
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 28, 2011

In Reply Refer To:
MoGas Pipeline LLC
Docket No. RP11-1772-000

MoGas Pipeline LLC
110 Algana Court
St. Peters, MO 63376

Attention: Stephanie Morr, Vice President and General Counsel

Reference: Fuel and Gas Loss Retention Percentage Reduction

Ladies and Gentlemen:

1. On February 11, 2011, MoGas Pipeline LLC (MoGas) filed a revised tariff record¹ to make a mid-year adjustment pursuant to section 7.37(5) of the General Terms and Conditions (GT&C) of MoGas' FERC Gas Tariff (Tariff) to decrease its Fuel and Gas Loss Retention Percentages from 1.01 percent to 0.55 percent, to be effective March 1, 2011. MoGas requests that the Commission grant any and all waivers necessary to allow the revised Fuel and Gas Loss Retention Percentage become effective March 1, 2011. Alternatively, MoGas requests that the Commission grant an April 1, 2011 effective date. The Commission finds good cause to grant waiver of the 12-day comment period in section 154.210 and 30-day notice requirement in section 154.207 of the Commission's regulations, as well as a waiver of certain language in MoGas' tariff which states that a mid-year adjustment becomes effective 30-days after filing, as discussed below. The Commission also accepts the tariff record effective March 1, 2011.

2. Public notice of MoGas' filing was issued on February 15, 2011, with interventions and protests due on February 18, 2011. Pursuant to Rule 214, 18 C.F.R. § 385.214 (2010), all timely filed motions to intervene and any unopposed motions to

¹ Section 4, Schedule of Rates for Transportation, 4.0.0 to Baseline Tariff, FERC NGA Gas Tariff.

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 party filed a protest or adverse comments.²

3. MoGas states that section 7.37(5) of its fuel tracker tariff provision provides that it may make one Mid-Year Adjustment Filing following the effective date of each Annual Adjustment Filing if, based on operating or other conditions, a mid-year fuel change is needed for system operations. MoGas states that operating conditions require that it make the instant mid-year adjustment because it has experienced a significant over-recovery of fuel under the current Fuel and Gas Loss Retention Percentage of 1.01 percent. MoGas states that the purpose of this filing is to reduce the amount of gas it is retaining and bring the Fuel and Gas Loss Retention Percentage more closely in line with expected fuel usage.

4. MoGas states that it has been over-collecting on fuel under the current 1.01 percent Fuel and Gas Loss Retention Percentage because of changes in customer usage and the fact that MoGas has not needed to run its compressors as much as anticipated. MoGas states that although it has been able to maintain this gas on its system to date, continued accumulation of gas may cause operational issues, as MoGas' system does not include storage facilities. Accordingly, MoGas states that a reduction in the Fuel and Gas Loss Retention Percentage is needed to avoid any such operational complications, would be beneficial to all shippers because it will result in an immediate reduction in fuel rates and thus lower overall transportation costs.

5. MoGas states that this Mid-Year Adjustment Filing would reduce the currently effective Fuel and Gas Loss Retention Percentage from 1.01 percent to 0.55 percent.

6. MoGas states that it will make an Annual Adjustment Filing in August 2011, to be effective on October 1, 2011, as required by its tariff. That filing will reflect the most current information then available and will true-up any remaining over-or-under-recovery of fuel for the preceding twelve months.

7. MoGas requests that the Commission approve the Mid-Year Adjustment Filing effective March 1, 2011, and grant MoGas any waivers that the Commission may deem

² The Missouri Public Service Commission (MoPSC) filed comments in support of MoGas' reduction to its Fuel and Gas Loss Retention Percentage. MoPSC asks, however, that the Commission make clear that acceptance of the proposed reduction does not constitute a finding that MoGas has complied with certain annual reporting obligations. The Commission clarifies that the subject order is limited to acceptance of MoGas' interim Fuel and Gas Loss reduction, and the waivers needed to accomplish that reduction.

necessary to allow this tariff section to go into effect as proposed, including waiver of the 12-day comment period under 18 C.F.R. § 154.210 and the 30-day notice requirement of 18 C.F.R. §154.207.

8. MoGas further requests a waiver of the tariff language in section 7.37(5) requiring the Mid-Year Adjustment Filing to become effective 30-days after such filing is made, since this requirement is impossible to meet given the requested effective date of March 1, 2011.

9. The Commission finds that the Mid-Year Adjustment's lower fuel percentage will prevent possible operational problems, and will correct continuing over-recoveries from shippers. As the Mid-Year Adjustment will benefit all parties, customers as well as MoGas, the Commission finds good cause to grant the requested waivers and accept the tariff record implementing the Mid-Year Adjustment, effective March 1, 2011.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.