

135 FERC ¶ 61,276  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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

Dominion Cove Point LNG, LP

Docket No. RP11-2137-000

ORDER ACCEPTING AND SUSPENDING TARIFF RECORDS  
SUBJECT TO REFUND AND ESTABLISHING  
HEARING PROCEDURES

(Issued June 30, 2011)

1. On May 27, 2011, Dominion Cove Point LNG, LP (Cove Point) filed tariff records pursuant to section 4 of the Natural Gas Act (NGA) to propose revised maximum tariff rates, eliminate the retainage cap currently in place for Rate Schedule FPS customers, and revise tariff provisions to treat firm rate schedule authorized overruns on the same basis as other interruptible services. Cove Point proposes a July 1, 2011 effective date. For the reasons discussed below, the Commission (A) accepts the proposed tariff records listed in Appendix A to be effective July 1, 2011, (B) accepts in part and suspends in part the proposed tariff record listed in Appendix B to be effective December 1, 2011, subject to refund, and (C) accepts and suspends the proposed tariff records listed in Appendix C to be effective December 1, 2011, subject to refund. The Commission's acceptance of all of Cove Point's tariff records is also subject to the outcome of the additional procedures established herein.

**Background**

2. Cove Point owns and operates the Cove Point liquefied natural gas (LNG) Terminal in Lusby, Maryland and the Cove Point Pipeline facilities. Cove Point was initially authorized in 1972 to construct and operate the terminal and pipeline facilities as part of a project to import LNG from Algeria and transport natural gas to US markets.<sup>1</sup>

---

<sup>1</sup> The original certificate for the construction of these facilities was granted jointly to two entities, *Columbia LNG Corp. and Consolidated System LNG Co.*, Opinion No. 662, 47 FPC 1624 (1972), *aff'd and modified*, Opinion No. 622-A, 48 FPC 723 (1972).

Shipments of LNG to the terminal began in March 1978, were interrupted in April 1980, and ceased in December 1980. In 1994, the Commission authorized Cove Point to reactivate the mothballed onshore facilities and to construct a liquefaction unit for the purpose of storing domestic natural gas during the summer for use at peak times during the winter.<sup>2</sup> Cove Point provides firm peaking service under Rate Schedules FPS-1, FPS-2, and FPS-3. It provides firm and interruptible transportation service along its pipeline to and from the onshore LNG facilities under Rate Schedules FTS and ITS, respectively. Cove Point also provides an off-peak transportation service under Rate Schedule OTS.

3. In 2001, the Commission authorized Cove Point to construct new facilities and to reactivate and operate existing facilities to recommence LNG imports.<sup>3</sup> Cove Point provides firm and interruptible LNG terminal services to LNG importers under Rate Schedules LTD-1 and LTD-2, respectively. In November 2003, Cove Point was authorized to construct and operate two new compressor stations on the Cove Point Pipeline to provide additional west-to-east transportation capacity under incremental Rate Schedule FTS (Cove Point East).<sup>4</sup> In November 2004, the Commission authorized Cove Point to place into service the fifth LNG storage tank that was approved in the 2001 Reactivation Orders.<sup>5</sup>

4. In June 2006, the Commission authorized the Incremental Sendout Quantity (ISQ) Project to expand the existing terminal, and the Cove Point Expansion Project to expand the capacity of the Cove Point Pipeline, and construct new downstream pipeline and storage facilities.<sup>6</sup> Cove Point provides the additional terminal service under incremental rates set forth in Rate Schedule LTD-1 (ISQ) and the additional transportation services

---

<sup>2</sup> *Cove Point LNG Limited Partnership*, 68 FERC ¶ 61,377 (1994), *reconsideration denied*, 69 FERC ¶ 61,292 (1994).

<sup>3</sup> *Cove Point Limited Partnership*, 97 FERC ¶ 61,043 (2001), *order granting and denying reh'g in part, granting and denying clarification*, 97 FERC ¶ 61,276 (2001), *order denying reh'g and granting and denying clarification*, 98 FERC ¶ 61,270 (2002).

<sup>4</sup> *Dominion Cove Point LNG, LP*, 105 FERC ¶ 61,234 (2003).

<sup>5</sup> *Dominion Cove Point LNG, LP*, 109 FERC ¶ 61,239 (2004).

<sup>6</sup> *Dominion Cove Point LNG, LP*, 115 FERC ¶ 61,337 (2006), *reh'g granted in part, denied in part*, 118 FERC ¶ 61,007 (2007), *remanded by Washington Gas Light Co. v. FERC*, 532 F.3d 928 (D.C. Cir. 2008), *order on remand*, 125 FERC ¶ 61,018 (2008), *order on reh'g*, 126 FERC ¶ 61,036 (2009).

under incremental rates set forth in Rate Schedule FTS (Cove Point Expansion). In April 2007, the Commission authorized Cove Point to revise its tariff to provide for operational purchases and to modify its existing authority to make operational sales of natural gas or LNG.<sup>7</sup>

5. On June 30, 2006, at Docket No. RP06-417-000, Cove Point filed revised tariff sheets under section 4 of the NGA to generally increase the rates on its LNG import terminal and pipeline system. On March 1, 2007, Cove Point filed an Offer of Settlement (Settlement) to resolve all issues in that proceeding, which the Commission accepted by order issued July 5, 2007.<sup>8</sup> Article IX of the Settlement obligates Cove Point to file a NGA section 4 rate case with an effective date no later than July 1, 2011. Cove Point states that the instant filing complies with that requirement.

### **Details of the Filing**

6. In the instant filing, Cove Point is proposing to reduce its recourse rates for services under Rate Schedules FPS-1, FPS-2, FPS-3, FTS, OTS, and ITS. Cove Point proposes to reduce the reservation charge but increase the commodity charge for firm terminal service under Rate Schedule LTD-1 and increase the rate for interruptible terminal service under Rate Schedule LTD-2. Cove Point has also proposed to reduce the rates for services provided pursuant to three of its five incrementally-priced projects: the Air Separation Unit Project and the Pier Reinforcement Project under Rate Schedule LTD-1, and the Cove Point East Project under Rate Schedule FTS. Cove Point is not proposing to change the maximum rates under Rate Schedule LTD-1 and Rate Schedule FTS for its other two incrementally priced projects, the Incremental Sendout Quantity Project and the Cove Point Expansion Pipeline Project, since those services are provided under long-term negotiated rates.

7. The proposed recourse rates reflect current expenses and billing determinants for the twelve months ending January 31, 2011, as adjusted for projected changes through the period ending October 31, 2011. Cove Point filed for a total cost of service of \$149,715,091, which, according to Cove Point, represents an overall reduction in the cost of service to be recovered through the rates proposed in this proceeding. Cove Point states that it is using the same general rate design, cost classification, and cost allocation that it has used previously.

---

<sup>7</sup> *Dominion Cove Point LNG, LP*, 119 FERC ¶ 61,094 (2007).

<sup>8</sup> *Dominion Cove Point LNG, LP*, 120 FERC ¶ 61,012 (2007).

8. Cove Point requests an overall rate of return of 9.63 percent incorporating a proposed return on equity of 13.75 percent, a cost of debt of 5.40 percent, and a capital structure comprised of an equity percentage of 50.72 percent and a debt percentage of 49.28 percent. Cove Point claims that its adoption of a 13.75 percent return on equity is appropriate due to the high risk it faces as an LNG import facility. Cove Point states that the recent increases in domestic natural gas supplies, as well as the higher demand and price for LNG outside the United States have sharply reduced the number of cargos received at its facilities. According to the testimony of Cove Point's witnesses,<sup>9</sup> the recent fluctuations and decline in use of the LNG terminal have created operational challenges and risks not typically faced by traditional natural gas pipelines. For example, Cove Point requires regular LNG cargos to keep the cryogenic portions of the plant cool and therefore, capable of receiving new cargos. Without these cargos, the facilities may warm up, possibly rendering Cove Point unable to receive LNG imports. Due to the risk it faces as an LNG import facility, Cove Point believes its proposed return on equity is appropriate.

9. Cove Point also proposes two changes to its tariff. The first change would eliminate the current fuel retainage cap of 20.5 percent applicable to the FPS rate schedules. Cove Point currently recovers fuel used in its operations and lost and unaccounted-for gas quantities through a tracking mechanism for Rate Schedules FPS-1, FPS-2 and FPS-3.<sup>10</sup> The tracking mechanism allows Cove Point to retain gas quantities in-kind from FPS shippers as compensation, subject to an annual cap. Cove Point states that it introduced this cap prior to the reactivation of the LNG import terminal. Cove Point states that elimination of the cap is consistent with Commission precedent and will allow Cove Point to recover actual fuel use during the current contract year.

10. Cove Point's second tariff change would treat authorized overruns under its firm rate schedules on an equal basis with other interruptible services.<sup>11</sup> Currently, authorized overruns under firm rate schedules have a higher priority under Cove Point's capacity and imbalance allocation and under interruption of service procedures. According to Cove Point, the proposed change would modify its tariff to be consistent with Commission precedent which provides that authorized overruns associated with a firm service are interruptible in nature and otherwise indistinguishable from any other interruptible service.

---

<sup>9</sup> See Cove Point testimony of Witnesses Fredrick and Fleck.

<sup>10</sup> See Tariff Record No. 20.10 and Tariff Record No. 40.2.

<sup>11</sup> See Tariff Record No. 40.16 and Tariff Record No. 40.17.

11. Cove Point requests that its filing be permitted to take effect July 1, 2011 with no suspension or refund conditions.<sup>12</sup> Cove Point argues that the overall cost of service it will recover through the proposed rates filed in this proceeding will be less than its current rates. As a result, it argues, the new rates should be permitted to go into effect without any refund conditions.

12. On May 25, 2011, Cove Point made a separate limited section 4 filing in Docket No. RP11-2136-000, proposing several other changes to Rate Schedules LTD-1 and LTD-2 and its General Terms and Conditions (GT&C) in order to address operational problems at its LNG import facilities. Cove Point states that, because market conditions have caused the number of LNG tanker imports to drop precipitously, those facilities are in danger of not having enough LNG on-site at any given time to maintain the extremely low temperatures needed for safe LNG storage. Cove Point proposed to (1) acquire the authority to use Operational Flow Orders to compel LNG tanker shipments, (2) allow shippers to prepay their fuel obligations, (3) remove current barriers to the availability of interruptible service under Rate Schedule LTD-2, and (4) modify the scheduling provisions in Rate Schedule LTD-1 to encourage more accurate nominations and provide a scheduling penalty for Rate Schedule LTD-1 and LTD-2 shippers.

13. On June 24, 2011, the Commission issued an order in Docket No. RP11-2136-000, rejecting Cove Point's OFO proposal, without prejudice to Cove Point using its operational purchase authority to accomplish similar results. The Commission accepted and suspended Cove Point's other proposals for five months and established a technical conference to consider those proposals.

### **Notice, Interventions, and Protests**

14. Public notice of the filing was issued on May 31, 2011. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.<sup>13</sup> Pursuant to Rule 214,<sup>14</sup> all timely filed unopposed motions to intervene and any unopposed motions 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. Protests were filed by Shell NA LNG, LLC (Shell), Statoil Natural Gas, LLC (Statoil), BP Energy Company (BP), Washington Gas

---

<sup>12</sup> Cove Point initial filing at 2 (citing *Trailblazer Pipeline Co.*, 103 FERC ¶ 61,064 (2003)).

<sup>13</sup> 18 C.F.R. § 154.210 (2011).

<sup>14</sup> 18 C.F.R. § 385.214 (2011).

Light Company (WGL), and jointly and severally, Atlanta Gas Light Company and Virginia Natural Gas, Inc. (AGL/VNG). On June 15, 2011, Cove Point filed a motion to answer the protests.<sup>15</sup>

15. The protesters generally object that Cove Point has not shown that its proposed rates are just and reasonable. They contend that many elements of its rate proposals require further review including, but not limited to: cost classification and allocation between facilities and services, depreciation, operation and maintenance expenses, administrative and general expenses, proposed capital structure, rate of return on equity, and cost of long-term debt.

16. AGL/VNG and WGL object to Cove Point's proposal to eliminate the retainage cap on FPS services. Shell and Statoil protest Cove Point's proposal to change the priority of authorized overruns under firm services. The parties maintain that Cove Point has failed to fully support the proposed tariff changes or otherwise shown that they are just and reasonable as applied to Cove Point's system. The parties request the Commission set these matters for hearing along with Cove Point's proposed rate changes.

17. Shell also requests the Commission to direct Cove Point to file revised tariff records modifying its tariff concerning the applicability of reservation charge credits. Shell argues that Cove Point's tariff is not in conformance with current Commission policy, set forth in *Natural Gas Supply Association*,<sup>16</sup> requiring a pipeline to provide a full reservation charge credit for curtailments within the control of the pipeline, and to provide a partial reservation charge credit for curtailments arising from a *force majeure* event. For example, Shell states that section 3.3 of Rate Schedule LTD-1 provides for only very limited circumstances when a shipper would be entitled to any reservation charge credit. That section generally provides that, if Cove Point is unable to provide service under that rate schedule for any reason that exceeds either three consecutive days or a cumulative total of 20 days in a calendar year, Cove Point will provide reservation

---

<sup>15</sup> Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. §385.213 (a)(2) (2011), prohibits answers to protests or answers unless otherwise permitted by the decisional authority. We will accept the answer as it aids in the disposition of the issues raised by the protests.

<sup>16</sup> *Natural Gas Supply Association, et. al.*, 135 FERC ¶ 61,055, at P 28 (2011) ("...if any shipper or shippers believe that a pipeline's tariff does not comply with Commission policy and the pipeline is not taking appropriate action to bring its tariff into compliance, they can file a complaint alleging non-compliance, and seek section 5 relief, or raise the issue in any section 4 filing by that pipeline.")

charge credits equal to the return on equity and associated income taxes included in the LTD-1 reservation charge multiplied by the quantity of service interrupted or curtailed. That section also exempts Cove Point from providing credits for periods of reasonably scheduled maintenance not to exceed ten days. Shell contends that it should be permitted to raise the issue of whether Cove Point's tariff should be revised to conform to the Commission's reservation charge crediting policy in this proceeding, because the Commission stated in NGS that shippers may raise this issue in any section 4 filing made by the pipeline.

18. In its answer, Cove Point contends that the Commission should reject Shell's proposed changes to its current reservation charge crediting mechanism. It argues the Commission's reservation charge crediting policy was not designed to deal with the unique situations faced by LNG import terminals. For example, Cove Point states it has not received any LNG cargos since February 2011 nor does it anticipate receiving any in the near future. According to Cove Point, Shell could sit idly by while the LNG terminal warms-up, rendering it unable to receive LNG cargos, and then assert it should be eligible for reservation charge credits. Furthermore, Cove Point argues that pursuant to section 5 of the NGA, Shell bears the burden of proof to demonstrate that Cove Point's existing reservation charge crediting mechanism is unjust or unreasonable; however, Shell has failed to demonstrate in its protest any harm from Cove Point's existing policy. Procedurally, Cove Point argues that if the Commission does address the reservation charge credits issue, it should do so in Docket No. RP11-2136-000, in which Cove Point proposed several operational changes to its tariff.

19. BP files a motion to consolidate this docket with Docket No. RP11-2136-000, in which Cove Point proposed several operational changes to its tariff. BP argues that Cove Point billed its filing in Docket No. RP11-2136-000 as necessary in order to reduce operational risk, yet Cove Point is citing that same risk in the present docket in order to argue for a higher rate of return. In its answer, Cove Point objects to consolidation, claiming that the lengthier schedule used in rate cases would retard resolution of the urgent non-rate issues in Docket No. RP11-2136-000.

20. In their protests, Shell and Statoil oppose Cove Point's request that its entire filing should be permitted to take effect July 1, 2011 with no suspension or refund conditions. They argue that Cove Point's proposed Rate Schedule LTD-1 rates, when considered on a 100 percent load factor basis, do not reflect a rate decrease but instead represent an overall increase of nearly 20 percent over its existing rates. Shell notes that while the LTD-1 reservation rate does decrease from \$8.1579 per Dth/month to \$8.0956 per Dth/month, the usage rate increases significantly from \$0.0046 per Dth to \$0.0600 per Dth. The resulting overall 100 percent load factor rate, therefore, increases from \$0.2728 per Dth to \$0.3262 per Dth. Shell and Statoil request that the Commission accept and suspend the proposed LTD-1 rates for the maximum five-month suspension period, subject to refund. With respect to the other rates proposed by Cove Point, Shell

states the Commission should accept those rates, effective July 1, 2011, without suspension.

21. BP “requests that the Commission grant the minimum suspension permitted under law to make [Cove Point’s] proposed rate decreases effective at the earliest possible date,” but does not comment on the duration of the suspension period for the remainder of Cove Point’s Filing. WGL requests a maximum suspension period for the non-rate tariff issues, but does not comment on the duration of the suspension period for Cove Point’s rates.

22. In its answer, Cove Point states the Commission should reject the protest of Shell and Statoil requesting the Commission accept and suspend the LTD-1 rate for five months, subject to refund. Cove Point argues that the 100 percent load factor comparison presented by Shell and Statoil ignores the overall decrease in the LTD-1 cost of service and that the LTD-1 demand rate is decreasing. Cove Point also argues that neither Shell nor Statoil have been approaching a 100 percent load factor usage of their services, so both should receive an average rate that is lower than the shippers’ existing average rate.

23. Cove Point argues that the NGA prohibits the Commission from imposing a refund requirement on a rate decrease, including rates such as LTD-1 where some components increase but the net effect is a reduction. Cove Point claims a five-month suspension will simply prolong the higher rates that Shell and Statoil and other LTD-1 shippers pay today. Regarding the question of which rates to suspend, Cove Point requests that

to the extent the Commission determines that it is significant that certain individual components within Rate Schedule LTD-1 are increasing, despite the fact that shippers will not experience an increase based on historic usage, it is appropriate to: 1) permit the decreasing Base Reservation Rates to go into effect on July 1, 2011; and, 2) suspend, subject to refund, the Commodity and Authorized Overrun rates.<sup>17</sup>

### **Discussion**

24. The rates and tariff changes proposed by Cove Point’s instant filing have not been shown to be just and reasonable. The Commission finds the instant filing raises issues requiring further investigation. Accordingly, the Commission will establish a hearing

---

<sup>17</sup> Cove Point Answer at 5-6.

concerning whether Cove Point's proposed rate changes are just and reasonable. Rate issues that may be explored at the hearing include, but are not limited to, the following: (1) the proposed cost of service; (2) the appropriateness of the proposed 13.75 percent return on equity, capital structure and overall rate of return; (3) cost allocation, cost classification, and rate design; (4) the proposed depreciation rates; and (5) the proposed removal of the Rate Schedule FPS fuel retainage cap.

25. The Commission finds that the non-rate issues raised by the parties, including Cove Point's proposal to give authorized overruns under firm rate schedules the same priority as other interruptible services and Shell's proposal to revise Cove Point's reservation charge crediting mechanism, are more appropriately considered at a technical conference. The parties should be prepared at the technical conference to discuss, among other things, whether there is any reason why the Commission should not apply its established policies on these two issues to service at Cove Point's LNG import terminal. Therefore, we direct Commission Staff to include these two issues in the technical conference that the Commission has already established in Docket No. RP11-2136-000, in which Cove Point proposed other operational changes to its tariff.

26. Regarding the motion for consolidation, the Commission affirms its holding in Docket No. RP11-2136-000. The Commission will not consolidate these two dockets. However, the parties to either of these two dockets are not foreclosed from examining the integrated nature of Cove Point's proposed rate and non-rate changes at the hearing, nor are they foreclosed from including these issues in any settlement discussions. In this manner, the parties may discuss the issues in a coordinated manner without creating the timing problems that both BP and Cove Point state might affect a consolidated docket.

### **Suspension**

27. Based upon review of the filing, the Commission finds that the proposed tariff records have not been shown to be just and reasonable, and may be unjust, unreasonable and unduly discriminatory or otherwise unlawful. Accordingly, the Commission will accept the tariff records and suspend the effectiveness of certain of the proposed tariff records for the period set forth below, subject to the conditions set forth in this order.

28. The Commission's policy regarding rate suspensions is that rate filings generally should be suspended for the maximum period permitted by statute where preliminary study leads the Commission to believe that the filing may be unjust, unreasonable, or inconsistent with other statutory standards.<sup>18</sup> It is recognized, however, that shorter

---

<sup>18</sup> See *Great Lakes Gas Transmission Co.*, 12 FERC ¶ 61,293 (1980) (five-month suspension).

suspensions may be warranted in circumstances where suspension for the maximum period may lead to harsh and inequitable results.<sup>19</sup> As discussed below, such circumstances exist here in part.

29. First, as requested by Cove Point, the Commission accepts, without suspension, Cove Point's proposed rate reductions for its Rate Schedules FPS-1, FPS-2, FPS-3, FTS, OTS, and ITS services to be effective July 1, 2011. The Commission also accepts, without suspension, Cove Point's proposed reductions in the incremental rates for its incrementally-priced Air Separation Unit Project, Pier Reinforcement Project, and the Cove Point East Project, effective July 1, 2011. Accordingly, we accept the proposed tariff records listed in Appendix A effective July 1, 2011, as requested, subject to the outcome of the hearing established herein. Consistent with Commission policy,<sup>20</sup> such acceptance assures that the rate reductions for those services will go into effect on July 1, 2011, without the need for Cove Point to file a motion to move those rates into effect. At the hearing, parties may seek further, prospective reductions in those rates pursuant to NGA section 5.

30. Second, Cove Point has proposed to reduce the reservation charge for service under Rate Schedule LTD-1, but increase the commodity charge. While the Commission would ordinarily treat all the individual rate components in a rate schedule in the same manner for purposes of acceptance and suspension, Cove Point suggested in its answer that the Commission accept the reduced LTD-1 Base Reservation Rate without suspension, effective July 1, 2011 and suspend, subject to refund, the LTD-1 usage charge. Accordingly, we will accept the LTD-1 Base Reservation Rate, without suspension to be effective July 1, 2011, and we accept and suspend, subject to refund, the increased LTD-1 commodity charge, also to be effective July 1, 2011.<sup>21</sup> This approach assures that the LTD-1 shippers will have the benefit of the proposed reduction in the reservation charge as of July 1, 2011. In addition, the LTD-1 shippers will have the protection that the increase in the commodity charge will be subject to refund. While Shell requested a five-month suspension of the LTD-1 rates, it appears unlikely it will incur the increased usage charges during the next five months, in light of the fact, as it

---

<sup>19</sup> See *Valley Gas Transmission, Inc.*, 12 FERC ¶ 61,197 (1980) (one-day suspension).

<sup>20</sup> *Transcontinental Gas Pipe Line Corp.*, 89 FERC ¶ 61,249 (1999).

<sup>21</sup> As Cove Point reserved its right to file a separate motion to move the tariff records into effect, the LTD-1 commodity usage charge on the applicable tariff record will not go into effect until such motion is filed.

has made clear in its answer, that it does not desire to bring any LNG cargos to Cove Point at this time, and that the Commission rejected Cove Point's OFO proposal in Docket No. RP11-2136-000.

31. Third, Cove Point has proposed to increase its total one-part volumetric rate for authorized overruns under Rate Schedule LTD-1 and interruptible terminal service under Rate Schedule LTD-2 from \$0.2728 per Dth to \$0.3262 per Dth. Therefore, the Commission accepts, subject to refund, and suspends those rates for five months, to be effective December 1, 2011. Accordingly, we direct Cove Point to re-file Tariff Record 10.1 to reflect (1) the acceptance, without suspension, of the LTD-1 reservation charge, (2) the acceptance and suspension of the LTD-1 commodity charge to be effective July 1, 2011, and (3) the acceptance and suspension, to be effective December 1, 2011, of the LTD-1 authorized overrun charge and the LTD-2 interruptible service charge. Subject to this compliance filing, we accept in part and suspend in part Tariff Record 10.1 listed in Appendix B, to be effective December 1, 2011, subject to refund and the outcome of the hearing established herein.

32. Finally, the circumstances call for a maximum suspension of Cove Point's non-rate tariff changes. Therefore, the Commission shall suspend the proposed tariff records listed in Appendix C, to be effective December 1, 2011, subject to refund and the outcome of the hearing and technical conference procedures established herein.

The Commission orders:

(A) The tariff records listed in Appendix A are accepted to be effective July 1, 2011, subject to the outcome of the hearing established herein. The tariff record listed in Appendix B is accepted in part and suspended in part, to be effective December 1, 2011, upon motion by Cove Point, subject to compliance and subject to refund and the outcome of the hearing established herein. The tariff records listed in Appendix C are accepted and suspended, to be effective December 1, 2011, upon motion by Cove Point, subject to refund and the outcome of the hearing and technical conference established herein.

(B) Pursuant to the Commission's authority under the Natural Gas Act, particularly sections 4, 5, 8, and 15, and the Commission's rules and regulations, a public hearing is to be held in Docket No. RP11-2137-000 concerning Cove Point's Filing.

(C) A presiding judge, to be designated by the Chief Judge, shall, within fifteen (15) days of the date of the presiding judge's designation, convene a prehearing conference in these proceedings in a hearing room of the Commission, 888 First Street, NE, Washington, DC 20426. Such a conference shall be held for the purpose of establishing a procedural schedule. The presiding judge is authorized to establish

procedural dates and to rule on all motions (except motions to dismiss) as provided in the Commission's Rules of Practice and Procedure.

By the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.

**Appendix A**

**Dominion Cove Point LNG, LP**

*Tariff Records Accepted to be  
Effective July 1, 2011*

FERC NGA Gas Tariff  
DCP\_DATABASE

Tariff Record 10.10, FPS Rates, 1.0.0  
Tariff Record 10.20, FTS OTS ITS Rates, 1.0.0  
Tariff Record 10.35, Incremental Rates, 3.0.0  
Tariff Record 10.40, Cap Rel Rates, 2.0.0

**Appendix B**

**Dominion Cove Point LNG, LP**

*Tariff Record Accepted in part and Suspended in part  
to be Effective December 1, 2011, Subject to Refund*

FERC NGA Gas Tariff  
DCP\_DATABASE

Tariff Record 10.1, LTD ISQ Rates, 2.0.0

**Appendix C**

**Dominion Cove Point LNG, LP**

*Tariff Records Accepted and Suspended  
to be Effective December 1, 2011, Subject to Refund*

FERC NGA Gas Tariff  
DCP\_DATABASE

Tariff Record 20.10, FPS-1, FPS-2, and FPS-3 Rate Schedule, 1.0.0  
Tariff Record 40.2, GT&C - Definitions, 2.0.0  
Tariff Record 40.16, GT&C – Capacity and Imbalance Allocations, 1.0.0  
Tariff Record 40.17, GT&C – Interruption of Service, 1.0.0