

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
Nora Mead Brownell, Joseph T. Kelliher,
and Suedeem G. Kelly.

Southern Star Central Gas Pipeline, Inc.

Docket No. RP98-52-055

ORDER GRANTING CLARIFICATION

(Issued December 20, 2004)

1. In this order the Commission grants a motion for clarification by Missouri Public Service Commission (MoPSC).
2. On March 30, 2004 the Commission issued an order (March 30 Order),¹ in this proceeding affirming an Initial Decision that certain named producers/first sellers of natural gas owed Kansas *ad valorem* tax reimbursement refunds in the amounts claimed by Southern Star Central Gas Pipeline, Inc. (Southern Star), and that the producers must make refunds in the amounts Southern Star claimed they owed.
3. The order also stated that Southern Star had identified another producer, Mr. Grant or Grant Oil, who might have a refund liability originally attributed to another producer. In order to clarify the status of this potential liability, the Commission ordered Southern Star to provide a report on the refund liability and its notification of Mr. Grant or Grant Oil of this refund obligation for further action by this Commission.
4. On April 7, 2004, Southern Star filed with the Commission a report indicating its mailing of a Statement of Refund to Mr. Grant and/or Grant Oil which set forth \$165,578.38 as the amount of the claimed refund. On April 29, 2004, Southern Star filed a certified mail receipt signed by a Mr. William P. Grant.
5. On June 18, 2004, the Director of the Central Division of the Office of Tariffs and Rates issued a letter order accepting Southern Star's April 7 report as being in satisfactory compliance with the Commission's March 30 Order. On July 15, 2004, MoPSC filed a motion for clarification of the June 18, 2004 Letter Order. MoPSC requested that the Commission clarify what further action the Commission would take with respect to the Grant refund obligation.

¹ 106 FERC ¶ 61,316 (2004).

6. MoPSC suggested two alternatives. The Commission could (1) refer the matter to the Commission's Office of Enforcement for collection with a 4-month time limit for resolution, and if that was unsuccessful the Commission should issue a notice of the Commission's intention to cease collection efforts, while not waiving or extinguishing Grant's refund obligation; or (2) the Commission could immediately issue the notice ceasing collection efforts. This, MoPSC stated, would serve to document the refund obligation and allow interested parties to pursue collection efforts if they so desired.

7. In response to MoPSC's motion, the Commission's Office of Market Oversight and Investigations attempted to contact Mr. Grant and/or a representative of Grant Oil. However, it has not been able to locate a Mr. Grant and/or a representative associated with Grant Oil. Therefore, the Commission hereby gives notice that the Commission is ceasing further collection efforts with respect to the refunds owed to Southern Star by Mr. Grant and/or Grant Oil, although the Commission is not waiving nor extinguishing that refund obligation. To the extent that Southern Star has a current address for Mr. Grant or Grant Oil, Southern Star must serve a copy of this notice/order upon Mr. Grant and/or Grant Oil, to ensure notification of the Commission's action.

The Commission orders:

Within 7 days of the date of this notice/order, Southern Star must serve a copy of this notice/order upon Mr. Grant and/or Grant Oil, consistent with the discussion in the body of this order.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.