

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

November 5, 2004

In Reply Refer To:
Iroquois Gas Transmission System, L.P.
Docket No. RP98-18-017

Iroquois Gas Transmission System, L.P.
One Corporate Drive
Shelton, CT 06484

Attention: Paul W. Diehl
Senior Attorney

Reference: Negotiated Rate Tariff Sheet and Negotiated Rate Letter Agreements

Dear Mr. Diehl:

1. On October 8, 2004, Iroquois Gas Transmission System, L.P. (Iroquois) filed a tariff sheet¹ along with two letter agreements reflecting a negotiated rate for transportation services between Iroquois and Consolidated Edison Company of New York, Inc. (Consolidated Edison) to be effective October 8, 2004. Consolidated Edison has entered into two contracts with Iroquois for Firm Reserved Service of up to 20,000 Dth per day and 10,000 Dth per day from the Waddington receipt point to the Hunts Point delivery point.² The letter agreements provide that the monthly demand rate for each of these services will be \$19.1625 per Dth. Service under the contracts will be provided for a limited period each year as follows: October 8, 2004 to April 1, 2005; October 1, 2005 to April 1, 2006; and October 1, 2006 to April 1, 2007. The letter agreements and the tariff sheet provide that Consolidated Edison will pay only surcharges applicable to Measurement Variance/Fuel Use, the Annual Charge Adjustment if applicable, and the Deferred Asset Surcharge. Further, Iroquois is not permitted to recover any surcharges to the rates related to the construction or remediation of the Eastchester Project, including legal fees and litigation costs, civil judgments, fines,

¹ Original Sheet No. 6F to Iroquois' FERC Gas Tariff, First Revised Volume No. 1.

² Iroquois Contract No. R-560-09 is for a maximum of 20,000 Dth per day and Contract No. R-560-10 is for a maximum of 10,000 Dth per day. Both contracts are dated October 1, 2004.

penalties, or the like or any costs that were proposed for recovery in Docket No. RP04-136. Waiver of the notice period is granted and the letter agreements and the tariff sheet listed in Footnote No. 1 are accepted effective October 8, 2004, subject to the condition discussed below.

2. Public notice of the filing was issued on October 18, 2004. Interventions and protests were due as provided in section 154.210 of the Commission's regulations. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2004)), 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 the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

3. While the service described above and in the letter agreements is for a limited period of October 1 to April 1 for each year from 2004 to 2007,³ the proposed tariff sheet does not reflect the limited nature of the service, *i.e.*, the tariff sheet only indicates that the term of the agreement is from October 8, 2004 to April 1, 2007. The tariff sheet does not accurately reflect that service is limited to October to April of each year as opposed to a year-round basis. In order for all parties reviewing Iroquois' tariff to fully understand the service that is being provided, Iroquois is directed to file a tariff sheet detailing the applicable period of service to reflect the period provided for in the letter agreement. The tariff sheet listed in Footnote No. 1 is accepted effective October 8, 2004 subject to Iroquois filing a revised tariff sheet within 15 days of the date of this order to accurately reflect the period of service provided for in the letter agreements as October to April for each year of service.

By direction of the Commission.

Magalie R. Salas,
Secretary.

cc: All Parties

³ The period of service is October 1 to April 1 for each year from 2004 to 2007, except for the first year of service which is October 8, 2004 to April 1, 2005.