

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

June 27, 2005

In Reply Refer To:
ANR Pipeline Company
Docket No. RP05-365-000

ANR Pipeline Company
PO Box 2511
Houston, Texas 77252-2511

Attention: Dawn A. McGuire, Attorney

Reference: Fourth Revised Sheet No. 191A to FERC Gas Tariff, Second Revised
Volume No. 1

Dear Ms. McGuire:

1. On June 1, 2005, ANR Pipeline Company (ANR) filed the above-referenced tariff sheet to delete a tariff provision that sets forth a rebuttable presumption policy and a two-hour processing requirement for discounts. A protest was filed, the details of which are discussed below. ANR's proposed deletion of the subject tariff provision and the referenced tariff sheet are accepted effective July 2, 2005, as requested.
2. ANR states that the purpose of the instant filing is to delete section 32(d) of the General Terms and Conditions (GT&C) of its tariff. Section 32(d) of the GT&C of ANR's tariff sets forth the procedures whereby a customer receiving a discount at a specific point may request that this discount apply at a different point. Section 32(d) states that there is a rebuttable presumption that such discount shall apply at the requested point if at the time of the request, ANR is granting discounts to similarly situated customers at the same point. Section 32(d) also provides that ANR shall respond to the customer's request within two hours. This rebuttable presumption policy and two-hour processing requirement were articulated by the Commission in *Colorado Interstate Gas Co.*, 95 FERC ¶ 61,321 (2001) and modified in *Granite State Gas Transmission, Inc.*, 96 FERC ¶ 61,273 (2001).

3. In *Williston Basin Interstate Pipeline Company*,¹ the Commission determined that it could not show pursuant to section 5 of the Natural Gas Act (NGA) that the benefits of the *CIG/Granite State* policy in increasing competition outweigh the disadvantages of potentially discouraging pipelines from using selective discounting to increase throughput. The Commission further found that the Commission's discount policy as set forth in *El Paso Natural Gas Co.*² more appropriately balances the goals of the selective discount policy with the Commission's goals in adopting its segmentation and flexible point rights policies of enhancing competition. The Commission concluded that pipelines who implemented the *CIG/Granite State* policy may file pursuant to NGA section 4 to remove their tariff provisions implementing that policy.

4. Public notice of the instant filing was issued on June 7, 2005. 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 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 the proceeding or place additional burdens on existing parties. ProLiance Energy, LLC (ProLiance) filed a protest.

5. ProLiance states that ANR's proposal to delete the tariff provisions related to the *CIG/Granite State* policy from section 32(d) of its GT&C is completely unsupported. ProLiance further states that ANR has merely made a skeletal filing with no support of any kind to allow the Commission to modify ANR's tariff.

6. The Commission finds that ANR is merely acting upon the Commission's findings in *Williston Basin* that pipelines who implemented the *CIG/Granite State* policy may file to remove such provisions that implement that policy from their tariff. The Commission further finds that ANR's reference to *Williston Basin*, and its reliance on the Commission's determinations in that order constitute sufficient support for its proposal in the instant filing.

7. While ProLiance has filed for rehearing of *Williston Basin* in Docket No. RP00-463, the filing of a request for rehearing does not operate as a stay of a Commission order, unless specifically ordered by the Commission, which the Commission has not

¹ 110 FERC ¶ 61,210 (2005).

² 62 FERC ¶ 61,311 at 62,990-91 (1993).

done.³ Accordingly, ANR's proposal is consistent with current Commission policy, and the protest by ProLiance is denied. ANR's proposed deletion of GT&C section 32(d) from its tariff is accepted effective July 2, 2005.

By direction of the Commission.

Linda Mitry,
Deputy Secretary.

cc: All Parties

³ NGA section 19(c).