

111 FERC ¶61,389
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

June 13, 2005

In Reply Refer To:
TransColorado Gas Transmission Company
Docket No. RP05-340-000

TransColorado Gas Transmission Company
370 Van Gordon Street
Lakewood, CO 80228-8304

Attention: Bentley W. Breland
Vice President, Certificates and Rates

Dear Mr. Breland:

1. On May 11, 2005, TransColorado Gas Transmission Company (TransColorado) petitioned the Commission to allow TransColorado to waive certain force majeure provisions of section 14 of the General Terms and Conditions (GT&C) of its FERC Gas Tariff. The Commission grants TransColorado's requested one-time waiver of section 14.3 of its tariff, effective February 23, 2005, and continuing until TransColorado issues a notice stating that its system is fully operational. This order serves the public interest by crediting reservation charges to primary firm shippers during a lengthy force majeure event.
2. On February 22, 2005, TransColorado discovered cracks at the Whitewater compressor station, located at milepost 90.47 of TransColorado's pipeline system. The compressor unit involved had been installed as part of TransColorado's capacity expansion project authorized in Docket No. CP04-12-000. The unit was immediately shut down and a notice was posted on the company's interactive website concerning the force majeure event. Subsequently, cracks were found at other stations which led to the shutting down of units at Mancos, Dolores and Redvale compressor stations. A second notice was posted February 23, 2005, indicating the units which would be out of service until further notice. In the filing, TransColorado states that it's working "around the clock" to return the pipeline to full service as soon as possible.

3. Section 14.3 of TransColorado's General Terms and Conditions currently requires that shippers pay firm reservation charges during a force majeure event. As requested in this filing, TransColorado seeks to waive the provisions of this tariff section to allow crediting of shippers' reservation charges related to primary firm nominations within the shippers' contract demand that have not been scheduled during this force majeure event. This credit will be granted to all such affected shippers on the system.

4. The filing was duly noticed on May 13, 2005, with interventions and protests due May 23, 2005, as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2004)). No protests or adverse comments were filed. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214 (2004)). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

5. The Commission will grant the requested one-time waiver of section 14.3 of TransColorado's tariff so that it may credit that portion of the reservation charge that any shipper has paid, or will pay, to TransColorado that is associated with primary firm nominations, within that shipper's contract demand, that were not scheduled as a result of this force majeure event. The waiver is consistent with Commission action in Northern Natural Gas Company's Docket No. RP04-585-000,¹ in which the Commission granted a request by the pipeline to waive the imbalance provisions in its tariff as a result of market conditions combined with a force majeure event. It's also consistent with North Baja's revised force majeure provisions in Docket No. RP05-25-000 and the revisions TransColorado is implementing in Docket No. RP05-345-000. The Commission finds that these unique circumstances warrant a waiver of those payment provisions so that shippers will be given a credit against their reservation charges for primary firm nominations that TransColorado has not scheduled.

By direction of the Commission.

Linda Mitry,
Deputy Secretary.

¹ 109 FERC ¶ 61,013 (2004), waiver extended, 109 FERC ¶ 61,115 (2004).