

126 FERC ¶ 61,168  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

February 24, 2009

In Reply Refer To:  
Columbia Gas Transmission, LLC  
Docket No. RP09-289-000

Columbia Gas Transmission, LLC  
5151 San Felipe  
Suite 2500  
Houston, TX 77056

Attention: James R. Downs, Director of Regulatory Affairs

Reference: Second Revised Sheet No. 131 and Fourth Revised Sheet No. 132 to FERC  
Gas Tariff, Second Revised Volume No. 1

Dear Mr. Downs:

1. On January 26, 2009, Columbia Gas Transmission, LLC (Columbia Gas) filed the above referenced tariff sheets to modify its Rate Schedule OPT (Off Peak Transportation). Columbia Gas requests an effective date of February 26, 2009 for the proposed changes. The Commission accepts the tariff sheets subject to the revisions discussed below, effective February 26, 2009, as requested.
2. Columbia Gas proposes numerous modifications and changes to section 3 “Operating Conditions” of its Rate Schedule OPT. As indicated by Columbia Gas, the following changes will clarify the notification and allocation procedures applicable to Columbia Gas’s Rate Schedule OPT, and these changes will provide OPT shippers with a better understanding of what constitutes a day of interruption under the rate schedule. Columbia Gas asserts, pursuant to the proposed revised section 3 of Rate Schedule OPT, that it will notify shippers of the anticipated availability or unavailability of OPT service 24 hours prior to the start of the gas day. Columbia Gas states, if it forecasts that Rate Schedule OPT will be unavailable for the upcoming Gas Day and an OPT shipper elects not to submit a nomination based upon the forecasted condition, the day will be considered a day of interruption for the purposes of section 3 of Rate Schedule OPT. Columbia Gas asserts, however, that even if it forecasts that Rate Schedule OPT is

unavailable, OPT shippers will be able to submit a nomination. If Columbia is able to confirm that nomination, the shipper will not be credited with a day of interruption.

3. Columbia Gas also proposes to revise section 3 of Rate Schedule OPT to clarify that a day of interruption will be calculated based on the amount by which a shipper's nominations are reduced. Columbia Gas explains that at present, days of interruption will be applied when shippers are allocated less than 100 percent of their Transportation Demand. Columbia Gas argues that strict interpretation of this language would have unreasonable results when, for example, nominated quantities are below a shipper's Transportation Demand. Consequently, Columbia Gas states that it has revised this provision to state that days of interruption will be determined based on the allocation of the shipper's nominated transportation demand.

4. Specifically, Columbia Gas proposes to change section 3 of Rate Schedule OPT to provide the following:

(1) Modify its section 3(b) of Rate Schedule OPT by replacing the sentence "Transporter shall attempt to provide notice 24 hours in advance of such interruptions" with the following sentences:

Based on forecasted system conditions, Transporter will post a notice at least 24 hours prior to the start of the Gas Day informing shippers of the anticipated availability of service under this Rate Schedule. If, based on forecasted system conditions, OPT is listed as "Unavailable" in the advance notice, Shippers will still be permitted, but will not be required, to submit nominations for service and days of allowable interruption will be calculated as set forth in Section 3(d), below. If shippers elect not to submit a nomination for service under Rate Schedule OPT, services with a lower scheduling priority may be scheduled to the extent capacity is available.

(2) Clarify in new section 3(d) that an interruption at a primary delivery point shall constitute an interruption for purposes of this Rate Schedule whenever Transporter notifies Shipper twenty-four (24) hours in advance of the Gas Day that Transporter will be unable to render service up to the level of Transportation Demand specified in the OPT Service Agreement.

(3) include the word "nominated" prior to the term "Transportation Demand" in new sections 3(d)(1) and (2) to clarify that days of interruption will be based on less than 100 percent of their transportation demand; and

(4) add a new section 3(e) that reads:

If Transporter provides advance notice that service under this Rate Schedule will not be available, Shipper will not be entitled to a day of interruption if Shipper nominates and is allocated its full Transportation Demand. Days of interruption when Shipper nominates and is allocated less than its full Transportation Demand shall be determined in accordance with Section 3(d), above.

5. Public notice of Columbia Gas's filing was issued on January 29, 2009. Interventions and protests were due February 9, 2009 as provided in section 154.210 of the Commission's regulations.<sup>1</sup> Pursuant to Rule 214,<sup>2</sup> all timely filed motions to intervene and any motions to intervene out-of-time before the issuance date of this order are granted. Granting late interventions at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. Indicated Shippers<sup>3</sup> filed comments requesting that the Commission direct Columbia Gas to revise its proposed tariff language. On February 13, 2009, Columbia Gas filed an answer in this proceeding. While the Commission's regulations do not permit the filing of answers to protests,<sup>4</sup> the Commission grants Columbia Gas's request for leave to answer because it provides additional information that will aid in our decision making process.

6. Although Indicated Shippers do not object to Columbia Gas's objectives in this filing, Indicated Shippers state that Columbia Gas's proposed tariff language does not match the narrative description contained in the filing. Specifically, Indicated Shippers contend that together Columbia Gas's proposed sections 3(b), (d) and (e) conflict with the narrative regarding how Columbia Gas would treat a decision not to nominate if Columbia Gas posts a notice of unavailability of OPT service 24 hours in advance of the Gas Day.

7. Indicated Shippers state that Columbia Gas's section 3(b) reflects Columbia Gas's narrative; however, Indicated Shippers assert that this section also cross-references section 3(d) which is in conflict with Columbia Gas's narrative. Indicated Shippers state that sections 3(d)(1) and 3(d)(2) govern calculation of days of interruption. Indicated Shippers assert that Columbia Gas proposes to insert the word "nominated" both in (d)(1) and (d)(2) apparently to describe that it is the shippers nominated Transportation Demand that would be considered in determining a day of interruption.

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<sup>1</sup> 18 C.F.R. § 154.210 (2008).

<sup>2</sup> 18 C.F.R. § 385.214 (2008).

<sup>3</sup> The Indicated Shippers consist of Hess Corporation and Interstate Gas Supply, Inc.

<sup>4</sup> 18 C.F.R. § 385.213 (2008).

8. Indicated Shippers assert that this conflict could be clarified by Columbia Gas adding a new section 3(d)(3) that states the following:

A day of interruption shall be deducted from Shipper's number of remaining days of allowable interruption for each day Shipper does not submit a nomination for this service following notification by Transporter twenty-four hours in advance of the Gas Day that Transporter will be unable to render service up to the level of Transportation Demand specified in the OPT Service Agreement.

Indicated Shipper maintain that the addition of this provision would clarify that an OPT shipper need not submit a nomination for a service that Columbia Gas has forecast to be unavailable to be credited with a day of interruption.

9. In addition, Indicated Shippers aver that by inserting the word "nominated" before the current term "Transportation Demand" creates the resulting term "nominated Transportation Demand" which could be interpreted to require the OPT shipper to nominate its full Transportation Demand to be eligible for a day of interruption credit. In order to correct this ambiguity, Indicated Shippers suggest that Columbia Gas substitute the term "quantity" or "volume" each time the term "Transportation Demand" appears in section 3(d)(1). Finally, Indicated Shippers aver that this modification is necessary to eliminate a potential inequity regarding intra-day scheduling of OPT service.

10. In its answer, Columbia Gas states that it believes that its proposed language makes clear that shippers are not required to submit nominations on days when Rate Schedule OPT is forecasted to be unavailable in order to have that day count as a day of interruption. However, Columbia Gas asserts that it is not opposed to making the requested revisions to the proposed tariff language.

11. Columbia Gas also states that after further review it noted that one reference in the existing language was not updated to match the new numbering format in section 3 of Rate Schedule OPT. Therefore, Columbia Gas proposes to make a correction in the last line of section 3(c) by changing the reference from "the provisions of paragraph (d) below shall apply" to "the provisions of paragraph (f) below shall apply."

12. Upon consideration of the pleadings made by Columbia Gas and Indicated Shippers in this proceeding, the Commission agrees with Indicated Shippers that the suggested changes to Columbia Gas's proposed tariff revisions to section 3 of Columbia Gas's Rate Schedule OPT would add clarity regarding the calculation of the days of interruption under Rate Schedule OPT. Therefore, Columbia Gas is directed to file revised tariff language as suggested by Indicated Shippers within 15 days of the issuance

of this order. In addition, Columbia Gas is directed to include in its filing the correct reference as described above concerning section 3(c) of its Rate Schedule OPT.

By direction of the Commission. Commissioner Kelliher is not participating.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.