

126 FERC ¶ 61,267  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

March 25, 2009

In Reply Refer To:  
Florida Gas Transmission Company,  
LLC  
Docket Nos. RP09-253-000 and  
RP09-253-001

Florida Gas Transmission Company, LLC  
5444 Westheimer Road  
Houston, TX 77056-5306

Attention: Michael T. Langston  
Sr. Vice President, Government & Regulatory Affairs

Reference: Order Nos. 712 and 712-A Compliance

Dear Mr. Langston:

1. On January 23, 2009, Florida Gas Transmission Company, LLC (FGT) filed revised tariff sheets<sup>1</sup> to comply with the Commission's directives in Order Nos. 712 and 712-A (January 23 compliance filing).<sup>2</sup> On February 12, 2009, FGT filed a revised tariff sheet<sup>3</sup> to amend its January 23 compliance filing (February 12 amendment). The revised tariff sheets listed in footnotes 1 and 3 of this order are accepted effective February 23, 2009, as proposed.

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<sup>1</sup> First Revised Sheet Nos. 296-299, 304, and 305 to FERC Gas Tariff, Fourth Revised Volume No. 1.

<sup>2</sup> *Promotion of a More Efficient Capacity Release Market*, Order No. 712, 73 Fed. Reg. 37,058 (June 30, 2008), FERC Stats. & Regs. ¶ 31,271 (2008), *order on reh'g*, Order No. 712-A, 73 Fed. Reg. 72,692 (December 1, 2008), FERC Stats. & Regs. ¶ 31,284 (2008).

<sup>3</sup> First Revised Sheet No. 301 to FERC Gas Tariff, Fourth Revised Volume No. 1.

2. In Order Nos. 712 and 712-A, the Commission removed the maximum rate ceiling on capacity releases of one year or less that take effect within one year after the pipeline is notified of the release. The Commission also modified its regulations in order to facilitate asset management arrangements (AMAs) by relaxing the Commission's prohibition on tying and on its bidding requirements for certain capacity releases. The Commission further clarified that its prohibition on tying does not apply to conditions associated with gas inventory held in storage for releases of firm storage capacity. Finally, the Commission waived its prohibition on tying and bidding requirements for capacity releases made as part of a state-approved retail access program.

3. In the January 23 compliance filing, FGT proposes revisions to section 18 of the General Terms and Conditions (GT&C) of its Tariff. Specifically, FGT proposes to revise its Capacity Relinquishment section to: (1) show the rate cap removal on releases of one year or less in sections 18.B and 18.F.1.d; (2) require in section 18.E.1.q that the releasing shipper provide additional information on releases to an asset manager or to a marketer participating in a state-regulated retail access program; (3) specify capacity releases that are exempt from the bidding process in sections 18.A and 18.C.2; and (4) clarify in sections 18.D and 18.E.2, that, for capacity release purposes, releases for one year or less are treated differently than releases with a term of more than one year. In the February 12 amendment, FGT proposes to add a sentence to its GT&C section 18.E to clarify that a capacity release to an asset manager need not reveal commercially sensitive terms and conditions by stating that the Relinquishment Notice need only include specifically required information in section 18.E, including the additional information required by proposed section 18.E.1.q.

4. Notice of FGT's filings in Docket Nos. RP09-253-000 and RP09-253-001 was issued on January 27, 2009 and February 17, 2009, respectively. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210 (2008). Pursuant to Rule 214, 18 C.F.R. § 385.214 (2008), 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 this proceeding or place additional burdens on existing parties. On February 4, 2009, the Florida Municipal Natural Gas Association (FMNGA) filed a protest in Docket No. RP09-253-000, as corrected on February 5, 2009. In its protest, FMNGA asserts that GT&C section 18.E, as originally proposed in the January 23 compliance filing, conflicts with Order No. 712 because it can be read to require the posting of all AMA provisions, including commercially sensitive provisions.

5. The Commission finds that FGT's proposed tariff revisions are generally consistent with Order Nos. 712 and 712-A and the Commission's capacity release

policies. Accordingly, the Commission accepts FGT's filings, effective February 23, 2009, as proposed.

6. FMNGA protests that proposed GT&C section 18.E can be read to require the posting of all AMA provisions, including commercially sensitive provisions in conflict with Order No. 712. The Commission did state, in Order No. 712, that it did not intend the commercially sensitive details of an AMA to be disclosed, particularly information concerning the gas commodity aspects of the AMA.<sup>4</sup> However, the Commission also found that:

any posting under section 284.13(b) that relates to a release to implement an AMA should include: (1) the fact that the release is to an asset manager, and (2) the delivery or purchase obligation of the AMA, in addition to the information required to be posted for all capacity releases.<sup>5</sup>

7. In this case, proposed section 18.E.1.q only requires information to identify whether the capacity release is to an asset manager and the delivery or purchase obligation of the AMA, in addition to the information already required to be posted by existing sections 18.E.1.a through 18.E.1.p. Therefore, FGT's posting requirements are consistent with the posting requirements discussed in Order No. 712. Further, FGT has amended its filing to specifically address FMNGA's concern. FGT proposes a tariff revision to clarify that the posted information for capacity releases need only include the information specifically required in sections 18.E.1.a through 18.E.1.q. Therefore, the amended language expressly provides that proposed section 18.E does not require the posting of all of the terms and conditions of an AMA, including commercially sensitive details in conflict with Order No. 712. Accordingly, FMNGA's protest is rejected.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>4</sup> Order No.712, at P 174.

<sup>5</sup> Order No. 712, at P 175.