

126 FERC ¶ 61,296
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

March 30, 2009

In Reply Refer To:
Transcontinental Gas Pipe Line
Corporation
Docket No. RP09-410-000

Transcontinental Gas Pipe Line Corporation
2800 Post Oak Boulevard
P.O. Box 1396
Houston, TX 77251-4060

Attention: Charlotte Hutson
Manager, Rates

Reference: Electric Power Adjustment Filing

Dear Ms. Hutson:

1. On February 27, 2009, Transcontinental Gas Pipe Line Corporation (Transco) filed tariff sheets¹ pursuant to section 41 of the General Terms and Conditions (GT&C) of its FERC Gas Tariff, to reflect changes in the Transmission Electric Power (TEP) rates to be effective April 1, 2009. Transco's filing revises the TEP rates to: (1) recover \$16,716,494 of estimated electric power costs for compressor stations and gas coolers during the annual period April 1, 2009, through March 31, 2010, and (2) account for an under recovery of \$657,010 reflected in the TEP Deferred Account Balance as of January 31, 2008. The tariff sheets are accepted effective April 1, 2009, subject to the conditions as discussed below.

2. Public notice of the filing was issued on March 3, 2008. 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 (2008)), 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

¹ See Appendix.

or place additional burdens on existing parties. The National Grid Gas Delivery Companies² (National Grid) filed comments requesting that one of its shippers be granted waiver of Transco's tariff provisions and be directly billed for its share of the electric power costs. On March 16, 2009, Transco filed an answer in response to National Grid's comments. The Commission's Rules of Practice and Procedure generally do not permit answers.³ However, the Commission finds good cause to accept Transco's answer because it will assist us in resolving the issues raised. Therefore, Transco's answer is accepted.

3. National Grid states it is not taking issue with the electric power costs reflected in Transco's filing. However, one of its companies, KeySpan Gas East Corporation d/b/a National Grid (Gas East) is the sole purchaser of Rate Schedule FT firm transportation service provided by Transco's Leidy to Long Island expansion project and is assigned the full electric power costs associated with Transco's Station 207 electric compressor. National Grid states that the Leidy to Long Island service commenced in late 2007 and the electric power rates that were in effect in 2008 were based on estimates of usage with minimal historical basis.

4. National Grid states that as a consequence, the electric power commodity cost deferred account balance attributable to the Leidy to Long Island compressor totaled \$667,744 and Transco is proposing a commodity rate of \$0.18196 per Dth to recoup the deferral balance. National Grid states that in order to minimize the carrying costs that will accrue on this deferred balance it is requesting that Transco consider whether, on a one-time basis, it would be willing to (i) assess Gas East a one-time direct bill that would permit Transco to recover its deferred commodity balance of \$667,774 and (ii) revise its proposed commodity rate downward to reflect this recovery arrangement. National Grid states that in future years, Transco's electric power tracker would continue to operate as it currently does unless and until changed by a further order of the Commission.

5. Transco in its answer states that based on the specific circumstances of the Leidy to Long Island service, and in particular the fact that the Station 207 electric power rate is assessed only to Gas East's firm transportation contracts, Transco is agreeable to National Grid's request. Transco states that upon Commission approval, Transco would agree to (1) assess Gas East a one-time direct bill for the deferred commodity balance of

² The National Grid Gas Delivery Companies is made up of The Brooklyn Union Gas Company d/b/a National Grid NY; KeySpan Gas East Corporation d/b/a National Grid; Boston Gas Company, Colonial Gas Company, and Essex Gas Company, collectively d/b/a National Grid; EnergyNorth Natural Gas Inc., d/b/a National Grid NH; Niagara Mohawk Power Corporation d/b/a National Grid; and The Narragansett Electric Company d/b/a National Grid, all subsidiaries of National Grid USA.

³ 18 C.F.R. § 385.213(a)(2) (2008).

\$667,744 reflected on line 2 of Schedule 4 of Appendix B to the February 27 TEP filing; (2) recalculate and revise downward the commodity component of the Leidy to Long Island Electric Power Unit Rate – Station 207, as stated on the proposed First Revised Sheet Nos. 47 and 54 to reflect this one-time recovery arrangement; and (3) file recalculated rates to be effective April 1, 2009. Finally, Transco states that it requests that the Commission grant waiver of section 41 of its GT&C and any other waivers of the Commission's regulations that are necessary to implement this one-time proposal effective April 1, 2009.

6. Based on the discussion above, the Commission will grant Transco waiver of its tariff to permit a one-time recovery arrangement between Transco and Gas East as described above. Transco's tariff sheets listed in the Appendix are accepted to be effective April 1, 2009, subject to Transco filing revised tariff sheets within 10 days of the issuance of this order to reflect the recalculation of the commodity component of the Leidy to Long Island Electric Power Unit rate.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

APPENDIX

**Transcontinental Gas Pipe Line Corporation
FERC Gas Tariff
Fourth Revised Volume No. 1**

Tariff Sheets Accepted effective April 1, 2009:

First Revised Sheet No. 21
First Revised Sheet No. 25
Second Revised Sheet No. 27
First Revised Sheet No. 37
First Revised Sheet No. 38
First Revised Sheet No. 39
First Revised Sheet No. 40
First Revised Sheet No. 41
First Revised Sheet No. 42
First Revised Sheet No. 43
First Revised Sheet No. 44
First Revised Sheet No. 45
First Revised Sheet No. 46
First Revised Sheet No. 47
First Revised Sheet No. 48
First Revised Sheet No. 49
First Revised Sheet No. 50
First Revised Sheet No. 51
First Revised Sheet No. 52
First Revised Sheet No. 53
First Revised Sheet No. 54
First Revised Sheet No. 55
First Revised Sheet No. 56
First Revised Sheet No. 79
First Revised Sheet No. 82
First Revised Sheet No. 83
First Revised Sheet No. 84
First Revised Sheet No. 85
First Revised Sheet No. 86
Second Revised Sheet No. 87
Second Revised Sheet No. 88