

127 FERC ¶ 61,090  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

April 28, 2009

In Reply Refer To:  
Columbia Gas Transmission, LLC  
Docket No. RP09-490-000

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

Attention: James R. Downs, Director of Regulatory Affairs

Reference: Non-conforming Service Agreements with Washington Gas Light  
Company

Dear Mr. Downs:

1. On March 31, 2009, Columbia Gas Transmission, LLC (Columbia Gas) filed a tariff sheet<sup>1</sup> pursuant to section 154.112(b) of the Commission's regulations listing two non-conforming service agreements with Washington Gas Light Company (Washington Gas). In addition to the tariff sheet Columbia Gas filed the two non-conforming service agreements for Commission review. The non-conforming service agreements provide service under Columbia Gas's SST Rate Schedule (SST service agreement No. 7599) and FSS-M Rate Schedule (FSS-M Service Agreement No. 7962). Columbia Gas states that both service agreements contain non-conforming provisions relating to a Credit Annex and Termination Rights. In addition, Columbia Gas has requested privileged treatment for the Washington Gas FSS-M service agreement. Columbia Gas requests waiver of the 30-day notice period to place the tariff sheet and Agreements into effect as of April 1, 2009. Waiver of the 30-day notice period is granted, and the tariff sheet and negotiated rate agreements are accepted effective the later of April 1, 2009, or the in-service date of the Ohio Storage Project, subject to the conditions described below.

2. On June 24, 2008, in Docket No. CP08-431-000, Columbia Gas filed an application under sections 7(b) and (c) of the Natural Gas Act (NGA) to abandon and construct certain facilities in order to expand storage capabilities at its Crawford and

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<sup>1</sup> Second Revised Sheet No. 503 to FERC Gas Tariff, Third Revised Volume No. 1.

Weaver Storage Fields in Ohio (the Ohio Storage Project). Columbia Gas also sought authorization pursuant to NGA section 4(f) to provide storage service through the expanded facilities at market-based rates. On March 19, 2009, the Commission issued an order approving Columbia Gas's application.<sup>2</sup>

3. On March 25, 2009, in Docket No. RP09-468-000, Columbia Gas filed tariff sheets to, among other things, put into effect its Rate Schedule FSS-M to provide firm storage service at market based rates. On April 17, 2009, the Commission approved Columbia Gas's proposal.<sup>3</sup>

4. Notice of Columbia Gas's filing was issued on April 2, 2009. Interventions and protests were due April 13, 2009, as provided in section 154.210 of the Commission's regulations.<sup>4</sup> ConocoPhillips Company, Hess Corporation, and Interstate Gas Supply, Inc., jointly intervened and filed a protest as Indicated Shippers. Pursuant to Rule 214,<sup>5</sup> 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 this proceeding or place additional burdens on existing parties.

5. Indicated Shippers protest Columbia Gas's request that it be permitted to withhold rate information under one of the contracts. The Indicated Shippers state that Columbia Gas's proposal to withhold the rate information under the FSS-M Service Agreement contravenes section 4 of the NGA, the Commission regulations,<sup>6</sup> and Commission precedent. The Indicated Shippers further state that the NGA requires public disclosure of jurisdictional transportation rates and service agreements and that section 284.13(b)(1)(iii) and (b)(2)(ii) of the Commission's regulations require public posting of rate information. Finally, Indicated Shippers states that the Commission has required storage operators charging market based rates to file this information.<sup>7</sup> Indicated Shippers urge the Commission to require Columbia Gas to make the information public, arguing that NGA section 4 requires that it be made public.

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<sup>2</sup> *Columbia Gas Transmission, LLC*, 126 FERC ¶ 61,237 (2009).

<sup>3</sup> *Columbia Gas Transmission, LLC*, 127 FERC ¶ 61,057 (2009).

<sup>4</sup> 18 C.F.R. § 154.210 (2008).

<sup>5</sup> 18 C.F.R. § 385.214 (2008).

<sup>6</sup> 18 C.F.R. ¶ 284.13(b)(1)(iii) and (b)(2)(ii).

<sup>7</sup> *SG Resources Mississippi, L.L.C.*, 125 FERC ¶ 61,191 (2008).

6. Columbia Gas states that the two negotiated rate agreements contain two non-conforming provisions: 1) a credit annex provision in section 6 of the Agreements detailing obligations of the shippers to maintain a minimum credit rating, and 2) a right of termination provision in section 7 of the Agreements allowing shippers to cancel service if Columbia Gas fails to begin service by April 1, 2010. Since these non-conforming provisions are applicable only to the Ohio Storage Project they are accepted as being not unduly discriminatory.

7. Further, the Commission finds that the FSS-M negotiated rate agreement contains a section 5 titled Superseded Agreements. The Commission notes that this section 5 is not found in Columbia Gas's pro forma service agreement for its FSS-M Rate Schedule filed in Docket No. RP09-468. Within 15 days of the issuance of this order Columbia Gas is to either file an explanation as to why this section 5 should not be considered a non-conforming provision or to file a new tariff sheet that includes this section 5 in its FSS-M pro forma service agreement.

8. Finally, pursuant to Section 388.112 of the Commission's regulations,<sup>8</sup> Columbia Gas has requested privileged treatment for Washington Gas's FSS-M Service Agreement. Columbia Gas states that portions of the FSS-M Service Agreement contain commercially sensitive information that is not publicly available and that, if released to the public, could cause substantial commercial harm to Columbia or Washington Gas.

9. Columbia Gas's request for privileged treatment to its FFS-M Service Agreement applies solely to the negotiated rate agreed to between Columbia Gas and WGL. With regard to Columbia Gas's claim of privileged treatment for its FSS-M non-conforming service agreement, we believe that as this agreement is for jurisdictional service, NGA section 4 requires that it be made public.<sup>9</sup> Therefore, we, intend to make the un-redacted agreement available to the public. Columbia Gas is given 20 days from the date of this order to file comments justifying the continued non-public treatment of the un-redacted non-conforming service agreements.<sup>10</sup>

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<sup>8</sup> 18 C.F.R. § 388.112 (2008).

<sup>9</sup> See *Columbia Gas Transmission Corp.*, 97 FERC ¶ 61,221, at 62,001-2 (2001); *SG Resources*, 125 FERC ¶ 61,191, at P 23-24 (2008).

<sup>10</sup> See *Monroe Gas Storage Company, LLC*, 127 FERC ¶ 61,037 (2009).

10. Waiver of the 30-day notice period is granted and the negotiated rate agreements are accepted to be effective April 1, 2009, subject to the conditions set forth in this order.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.