

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

August 3, 2009

In Reply Refer To:
B-R Pipeline Company
Docket No. RP09-725-000

Sutherland Asbill & Brennan LLP
1275 Pennsylvania Avenue, N.W.
Washington, DC 20004-2415

Attention: Dena E. Wiggins
Attorney for B-R Pipeline Company

Reference: Order No. 587-T Compliance Filing

Dear Ms. Wiggins:

1. On June 1, 2009, B-R Pipeline Company (B-R) filed a revised tariff sheet¹ to comply with Order No. 587-T.² In Order No. 587-T, the Commission incorporated by reference into its regulations the most recent version (Version 1.8) of the standards adopted by the Wholesale Gas Quadrant (WSG) of the North American Energy Standards Board (NAESB). The Version 1.8 standards include several standards already adopted by the Commission in Order Nos. 698³ and 587-S,⁴ including gas-electric coordination

¹ Second Revised Sheet No. 128 to its FERC Gas Tariff, Original Volume No. 1.

² *Standards for Business Practices for Interstate Natural Gas Pipelines*, Order No. 587-T, 74 FR 9162 (Mar. 3, 2009), FERC Stats. & Regs., ¶ 31,289 (2009).

³ *Standards for Business Practices for Interstate Natural Gas Pipelines; Standards for Business Practices for Public Utilities*, Order No. 698, 72 FR 38757 (Jul. 16, 2007), FERC Stats. & Regs. ¶ 31,251 (2007); *order granting clarification and denying reh'g*, Order No. 698-A, 121 FERC ¶ 61,264 (2007).

standards, gas quality reporting standards, and business practice standards to support the implementation of the Order No. 2004 Standards of Conduct.⁵ Version 1.8 also includes new standards, such as the Internet Electronic Transport Related Standards. B-R's tariff sheets comply with Order No. 587-T and are accepted to be effective August 1, 2009.

2. B-R states that it did not include certain NAESB standards in its filing because the Commission previously granted B-R waivers for these standards. B-R asserts that it has a waiver of the standards requiring the implementation of electronic delivery mechanism (EDM),⁶ electronic data interchange (EDI), and certain internet website transactions, until such time as one of B-R's customers requests that B-R provides these services.⁷ B-R states that for this reason, the 4.y.z series of standards in Version 1.8 do not apply to B-R.⁸ As such, B-R did not include these standards in its compliance filing. B-R also states that the following standards, many of which are revised by Version 1.8, are EDI/EDM standards for which B-R has obtained a waiver: 1.3.54, 1.3.60, 1.3.61, 1.3.63, 2.3.35, and 2.3.51.

3. B-R states that the Commission has also previously granted B-R a waiver exempting it from the NAESB gas quality reporting standards, which are standards 4.1.40, 4.3.23, and 4.3.89 through 4.3.93 in Version 1.8.⁹ As a result, B-R did not include these standards in its filing.

⁴ *Standards for Business Practices of Interstate Natural Gas Pipelines*, FERC Stats. & Regs. ¶ 31,179 (2005). Pursuant to the June 14, 2005 errata notice in Docket No. RM96-1-026, the title of the May 9, 2005 final rule was changed from Order No. 654 to Order No. 587-S.

⁵ *Standards for Business Practices of Interstate Natural Gas Pipelines*, Notice of Proposed Rulemaking, 73 FR 55460 (Sep. 25, 2008), FERC Stats. & Regs. ¶ 32,636 (2008).

⁶ B-R notes that NAESB has renamed the EDM standards to Quadrant Electronic Delivery Mechanism Related Standards.

⁷ *See B-R Pipeline Co.*, 105 FERC ¶ 61,025, at P 49 (2003).

⁸ B-R states that because the new Internet Electronic Transport Related Standards contain EDM standards, its current EDM waiver applies to these standards as well.

⁹ *See B-R Pipeline Co.*, Docket No. RP05-411-000 (Aug. 29, 2005) (unpublished letter order).

4. In addition, B-R states that in Docket No. RM96-1-027, it requested a waiver of the Order No. 698 gas-electric coordination standards included in Version 1.8, and this request is still pending before the Commission. B-R states that because it has no electric power customers, and does not anticipate having any such customers in the future, these standards are not applicable to B-R. B-R states that if it were to provide service to an electric power customer in the future, it would attempt to work out alternative communication procedures, as contemplated by Order No. 698.

5. Notice of B-R's filing was issued on June 4, 2009, with comments, protests or interventions due as provided by 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. No protests or adverse comments were filed.

6. The Commission accepts B-R's revised tariff sheet to be effective August 1, 2009. B-R asserts that because the Commission has granted B-R waivers in the past for the EDI/EDM and gas quality reporting standards, those waivers continue to apply to Version 1.8. However, the Commission finds that continuation of these waivers is not automatic, and each time the Commission adopts new versions of standards such as these, pipelines must request waiver of the new standards.

7. Upon consideration of the circumstances, the Commission will grant B-R waiver of the Version 1.8 standards requiring implementation of EDI, EDM, and certain internet website transactions, until such time as one of B-R's open access customers requests that B-R provide these services.¹⁰ Because all of B-R's capacity is committed to its affiliate, United States Gypsum Company, there is little likelihood of a substantial customer base for open-access transportation. In addition, any service that B-R did provide to other customers would be on an interruptible basis. Under these circumstances, the Commission finds that potential customers will not be unfairly disadvantaged by granting waiver of the EDI/EDM standards.

8. The Commission will also grant waiver of the Version 1.8 gas quality reporting standards.¹¹ The Commission finds it appropriate to grant this waiver because B-R only has one source of gas, one customer, and does not separately measure gas quality.

¹⁰ Version 1.8 series 4.y.z and 10.y.z standards, as well as standards 1.3.54, 1.3.60, 1.3.61, 1.3.63, 2.3.35, and 2.3.51.

¹¹ Version 1.8 standards 4.1.40, 4.3.23, and 4.3.89 through 4.3.93.

However, B-R must comply with the gas quality reporting standards if, in the future, B-R does measure gas quality.

9. In addition, the Commission grants B-R waiver of the Order No. 698 gas-electric coordination standards that are included in Version 1.8. The Commission grants this waiver because B-R serves no power plants and has no expectation of doing so in the future. However, should B-R take on an electric power customer, it must comply with the gas-electric coordination standards and develop the appropriate communication procedures at that time.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.