

128 FERC ¶ 61,193
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

August 27, 2009

In Reply Refer To:
Equitrans, L.P.
Docket No. RP09-861-000

EQT Corporation
625 Liberty Avenue, Suite 1700
Pittsburgh, Pennsylvania 15212-5861

Attention: Joseph M. Dawley
Counsel, Environmental and Regulatory Law

Reference: Non-Conforming Transportation Service Agreement

Dear Mr. Dawley:

1. On July 31, 2009, Equitrans, L.P. (Equitrans) filed a non-conforming service agreement under Rate Schedule LPS¹ and revised tariff sheets.² As discussed below, the Commission accepts Equitrans' service agreement and tariff sheets as filed effective August 1, 2009.

2. In the instant filing, Equitrans submitted an executed non-conforming LPS agreement between Equitrans and EQT Energy LLC. Equitrans states that the non-conforming LPS agreement contains a number of provisions that deviate from the LPS form of service agreement in Equitrans' tariff. Specifically, Equitrans states that Exhibit A³ of the agreement does not follow the same format as the *pro forma* service agreement

¹ Lending and Parking Service Agreement No. 455.

² Eighth Revised Sheet No. 200, Original Sheet No. 317, and Reserved Sheet Nos. 318-399 to Equitrans, L.P.'s FERC Gas Tariff, Original Volume No. 1.

³ Equitrans' transmittal states "Exhibit A" while it is actually listed as "Exhibit A.A."

and contains a number of provisions dealing with the operational details of the transaction.⁴ These provisions include: (1) the start and end date for the LPS service; (2) a maximum daily quantity; and (3) a daily rate which is not included in Exhibit A of the current form of service agreement. Equitrans asserts that the non-conforming agreement provides service in a manner that is consistent with the LPS agreement in its tariff and does not create any potential risk of undue discrimination against other shippers on Equitrans' system.⁵

3. Equitrans states that it is in the process of reviewing its tariff and all its active agreements to ensure they are in full compliance with the Commission's recent order in *Southern Star*.⁶ Equitrans also contends that as a result of this process, it has become apparent that Equitrans' current *pro forma* LPS agreement does not meet Equitrans needs or its customer's needs and it may need to revise its *pro forma* agreement in order to minimize the number of non-conforming agreements. Equitrans states, in the meantime, it is proposing that the Commission allow it to continue to use the non-conforming LPS agreements when entering into any future agreements with customers who request LPS service on Equitrans' system. Equitrans argues that this temporary use of the nonconforming agreement would ensure that all customers who elect LPS service would be treated on a non-discriminatory basis.⁷ Finally, Equitrans states that any future non-conforming agreements will be filed and posted in conformance with sections 154.1(d) and 154.111(b) of the Commission's regulations.

Notice

4. Public notice of Equitrans' filing was issued on August 4, 2009, with comments, interventions and protests due on or before August 12, 2009, as provided in section 154.210 of the Commission's regulations. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2009)), 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 the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

⁴ Equitrans' Transmittal at 1.

⁵ *Id.* at 2 (Citing: *Columbia Gas Transmission Corp.*, 97 FERC ¶ 61, 221, at 62,003 (2001)).

⁶ *Southern Star Central Pipeline, Inc.*, 125 FERC ¶ 61,082 (2008) (*Southern Star*).

⁷ Equitrans' Transmittal at 2.

5. Although the referenced service agreement as filed by Equitrans contains material deviations from the *pro forma* LPS service agreement in Equitrans' tariff, the Commission has stated that deviations may be allowable if the customer is not "receiving a different quality of service than that provided to other customers under the pipeline's tariff or that affect the quality of service received by others."⁸ Based on our review of the agreement, the Commission finds that the subject agreement provides for service in a manner that is consistent with the LPS service described in Equitrans' tariff, and will not cause any undue discrimination against other shippers. Accordingly, the Commission accepts the LPS service agreement and related revised tariff sheets, effective August 1, 2009, as requested.

6. The Commission, however, rejects Equitrans' request for prior approval here for Equitrans to essentially use the subject non-conforming agreement as a template for future LPS service agreements, without further Commission review, because the subject agreement is not in the form of the Commission-approved *pro forma* service agreement.

7. If, in the future, Equitrans wishes to revise its *pro forma* service agreement to incorporate the currently non-conforming terms of the instant LPS agreement, it may file a proposal with the Commission to do so. However, until such time that such a revision to its *pro forma* service agreement is accepted by the Commission and becomes effective, the Commission expects Equitrans to file with the Commission, for its review, every service agreement it enters into that contains the same material deviations from the currently effective *pro forma* service agreement in its tariff, just as it is generally obligated to do so for any agreement containing material deviations from the *pro forma* service agreement.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties
Public File

⁸ See *Columbia Gas Transmission Corp.*, 97 FERC ¶ 61,221, at P 62,003 (2001).