

129 FERC ¶ 61,274
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

December 28, 2009

In Reply Refer to:
Vector Pipeline L.P.
Docket No. RP09-431-000

John & Hengerer
Attn: Kim M. Clark, Esq.
Attorney for Vector Pipeline, L.P.
1730 Rhode Island Avenue, N.W.
Suite 600
Washington, DC 20036

Reference: Letter Order Approving Uncontested Settlement

Dear Mr. Clark:

1. On February 27, 2009, Vector Pipeline, L.P. (Vector), filed a general rate change pursuant to section 4 of the Natural Gas Act (NGA). On March 31, 2009, the Commission issued an order establishing hearing procedures in this proceeding (March 31 Order). On October 7, 2009, Vector filed a stipulation and agreement in this docket (Settlement) to resolve all issues set for hearing in the Commission's March 31, 2009 Order.
2. Initial comments in support of the Settlement were filed by Wisconsin Public Service Corporation on October 14, 2009, by Commission Trial Staff on October 15, 2009, and by NiSource Distribution Companies on October 16, 2009. No reply comments were filed. The presiding judge certified the Settlement to the Commission as uncontested on October 30, 2009.
3. The Settlement sets forth the maximum and minimum recourse rates for services provided by Vector pursuant to rate schedules FT-1, FT-H, IT-1, PALS-1, MBA, and TTS (Settlement Rates), and the terms and conditions governing the implementation of such rates. The Settlement also establishes applicable depreciation rates, and the rate of return on equity Vector is authorized to use to calculate AFUDC-equity while Settlement Rates are in effect. Vector may not file to increase the Settlement Rates prior to March 3,

2014. The Settlement provides that if any entity seeks modification of the Settlement, the applicable standard of review will be the “just and reasonable” standard.

4. The Commission finds that the Settlement is fair, reasonable and in the public interest, and is hereby approved. Vector shall submit a compliance filing revising its tariff sheets to implement the Settlement Rates so that those rates can be placed into effect in the first full month following issuance of this letter order. The Commission’s approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All participants