

131 FERC ¶ 61,191
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

May 28, 2010

In Reply Refer To:
ANR Pipeline Company
Docket No. RP10-451-001

ANR Pipeline Company
717 Texas Street, Suite 2400
Houston, TX 77002-2761

Attention: John A. Roscher
Director, Rates and Tariffs

Reference: Third Revised Sheet No. 10A to FERC Gas Tariff, Second Revised
Volume No. 1

Ladies and Gentlemen:

1. On April 28, 2010, ANR Pipeline Company (ANR) filed the referenced tariff sheet pursuant to section 37 of its General Terms and Conditions (GT&C) to revise the in-kind fuel retention percentage and electric power cost (EPC) charge for service utilizing its Cold Springs 1 storage facility. The currently effective underlying tariff sheet was accepted and suspended, to be effective April 1, 2010, as part of ANR's 2010 fuel and EPC tracker filing in this proceeding.¹ Acceptance was subject to refund and conditions, and to further orders in this proceeding and in ANR's 2009 fuel and EPC tracker proceeding in Docket No. RP09-428-000, *et al.* No parties protested the instant filing. For reasons discussed further, the referenced tariff sheet is accepted and suspended subject to refund and conditions as further described herein, to be effective May 1, 2010, as requested.

2. GT&C section 37 authorizes ANR to track and annually revise its in-kind fuel retention percentages and EPC charges for transportation and storage services, to be effective April 1 of each year. The fuel and EPC charges include a component to recover

¹ *ANR Pipeline Co.*, 130 FERC ¶ 61,266 (2010).

costs projected to occur during the next current tracking period derived from actual costs incurred by ANR during the previous period. The fuel and EPC charges also include a component to true-up, during the next current period, under and over recoveries of costs that ANR incurred during the previous period as reflected in the ending balances of the applicable deferred subaccounts. Thus, the level of charges in each successive tracking period is dependent, in part, on the level of charges authorized as recoverable during the previous period.

3. The Commission has not made a final determination on the level of charges ANR should have been authorized to recover during the 2009 tracking period. On March 22, 2010, the Commission issued an order in ANR's 2009 fuel and EPC tracker proceeding in Docket No. RP09-428 which, among other things, directed ANR to further revise, within 30 days thereof, Cold Springs 1 2009 fuel and EPC charges conditionally approved in an earlier order.² In Docket No. RP09-428-003, the Commission is currently reviewing ANR's April 21, 2010 filing to comply with this directive. If the Commission approves revised levels of such charges for 2009, such revisions will affect the amount of over and under recoveries that are deemed to have occurred during 2009. Such revised over and under recoveries will be reflected in the ending balances of Cold Springs 1 deferred subaccounts which, under GT&C section 37, in turn will be carried over as components of the 2010 Cold Springs 1 fuel and EPC charges.

4. ANR explains that because the April 21, 2010 filing in Docket No. RP09-428-003 revising the Cold Springs 1 fuel and EPC charges for 2009 was made after the Commission issued an order in this docket to implement such charges for 2010, ANR must revise the conditionally approved 2010 Cold Springs 1 fuel and EPC charges to be consistent with the 2009 revisions reflected in its compliance filing.

5. ANR requests waiver to enable the revised rates reflected on the referenced tariff sheet become effective May 1, 2010, if approved without addition, modification, or deletion, instead of April 1 as required under GT&C section 37. ANR explains that making the proposed rates retroactively effective to April 1 would create an administrative burden for itself and the Cold Springs 1 shippers, and that any collection variance can be true-up in next year's tracker filing. ANR also reserves its right under section 154.7(a) of the Commission's regulations³ to file a motion to place the referenced tariff sheet into effect at the end of any suspension period order by the Commission.

6. Based on a review of the filing, the Commission finds that the proposed tariff sheet has not been shown to be just and reasonable, and may be unjust, unreasonable, unduly discriminatory, or otherwise unlawful. Accordingly, the Commission will accept

² *ANR Pipeline Co.*, 130 FERC ¶ 61,229 (2010).

³ 18 C.F.R. § 154.7(a) (2009).

the tariff sheet for filing, and suspend its effectiveness for the period set forth below, subject to further conditions and orders.

7. The Commission's policy regarding rate suspensions is that rate filings generally should be suspended for the maximum period permitted by statute where preliminary study leads the Commission to believe that the filing may be unjust, unreasonable, or that it may be inconsistent with other statutory standards. *See Great Lakes Gas Transmission Co.*, 12 FERC ¶ 61,293 (1980) (five-month suspension). It is recognized, however, that shorter suspensions may be warranted in circumstances where suspension for the maximum period may lead to harsh and inequitable results. *See Valley Gas Transmission, Inc.*, 12 FERC ¶ 61,197 (1980) (minimum suspension). The Commission finds that such circumstances exist here regarding ANR's filing of its annual update pursuant to an approved fuel use and electric power cost tracker mechanism. Therefore, the Commission will grant waiver, and accept and suspend the referenced tariff sheet to be effective May 1, 2010, subject to refund, applicable conditions imposed in the underlying order in this proceeding, and the outcome of any further orders in this proceeding and Docket No. RP09-428.

By direction of the Commission.

Kimberly D. Bose,
Secretary.