

131 FERC ¶ 61,257
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

June 16, 2010

In Reply Refer To:
Equitrans, L.P.
Docket Nos. RP10-699-000
and RP10-699-001

EQT Corporation
625 Liberty Avenue, Suite 1700
Pittsburgh, PA 15212

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

Reference: Tennessee Capacity Surcharge Tracker and Request for Waiver of Tariff
Provision

Dear Mr. Dawley:

1. On April 30, 2010, Equitrans, L.P. (Equitrans) filed tariff sheets¹ and supporting workpapers to update its Tennessee Capacity Surcharge Tracker (TCST) in accordance with Section 41 of the General Terms and Conditions (GT&C) of its tariff. Equitrans proposes a TCST surcharge of \$2.1224 per Dth for its Big Sandy Firm Transportation Customers and \$0.0698 per Dth for Authorized Overrun Charges and Big Sandy Interruptible Transportation Customers. This reflects an increase of \$0.2171 per Dth for its Big Sandy Firm Customers and \$0.0072 per Dth for Authorized Overrun Charges and Big Sandy Interruptible Transportation Customers. Equitrans also requests waiver of Section 41.3 of its GT&C to enable it to submit this filing a month early.

¹ Thirty-Ninth Revised Sheet No. 5 and Fortieth Revised Sheet No. 6 to Equitrans' FERC Gas Tariff, Original Volume No. 1.

2. On May 18, 2010, Equitrans filed a request to withdraw Thirty-Ninth Revised Sheet No. 5 and to replace it with Twenty-Ninth Revised Sheet No. 5. Equitrans states that it had inadvertently submitted an incorrectly paginated tariff sheet. For the reasons discussed below, the Commission grants Equitrans requested waiver and accepts Equitrans' proposed tariff sheets, Twenty-Ninth Revised Sheet No. 5 and Fortieth Revised Sheet No. 6, to be effective June 1, 2010, as proposed.

3. Equitrans holds capacity on Tennessee Gas Pipeline (Tennessee) through a Gas Transportation Agreement under Tennessee's Rate Schedule FT-A.² Section 41 of the GT&C permits Equitrans to recover the reservation charges Equitrans pays to Tennessee under the transportation agreement during the period October 1, 2008 through August 31, 2010 by means of the TCST. The TCST surcharge is applicable to shippers on the Equitrans' Big Sandy Pipeline under Rate Schedules FTS and ITS. Under Section 41.3 of the GT&C, Equitrans may adjust the TCST surcharge to take into account both prospective changes in transportation costs and unrecovered transportation costs from the preceding period by making a tracker filing annually on or before September 1 to become effective October 1, or at such other times as Equitrans in its reasonable discretion determines necessary. Also, under this section, within 90 days prior to the expiration of the Tennessee transportation agreement, Equitrans may make a filing to compare projected total revenue collected under the TCST to the projected total costs incurred under the Tennessee transportation agreement, and adjust the TCST surcharge to ensure accurate recover of the Tennessee reservation charges.

4. Following the expiration of the agreement, Equitrans is required pursuant to Section 41.5 of the GT&C, to make a filing showing the total dollars recovered under the surcharge compared with the total costs incurred under the Tennessee transportation agreement. If Tennessee has under or over recovered amounts in excess of \$5,000, Tennessee is required to assess or credit Big Sandy Firm shippers, respectively, based on an allocated portion of each shipper's Big Sandy Pipeline firm entitlements. Equitrans is also required to include in this filing, revised tariff sheets to reflect removal of the TCST from its tariff.

5. Equitrans states that, without a change to its TCST, it is projected to under recover \$84,681 at the end of the transportation agreement, August 31, 2010.³ Accordingly,

² The Commission approved Equitrans' TCST in Docket No. RP08-591-000, *et al.*, and a detailed description of the TCST and its evolution can be found in *Equitrans, L.P.*, 127 FERC ¶ 61,091 (2008).

³ Equitrans states that the reason for this under recovery is that the previous annual filing in Docket No. RP09-943 projected interruptible volumes that have not occurred.

Equitrans is requesting a waiver of GT&C Section 41.3 to file this comparison within 120 days of the transportation agreement's expiration, instead of the 90 days provided in its tariff. Rather than delay this comparison filing by one month and create a larger rate increase, Equitrans proposes to submit this comparison filing 30 days earlier in order to spread recovery of the Tennessee capacity costs over a longer period of time. Equitrans states that good cause exists for this waiver because all future costs are known, and if there are no interruptible volumes, then all future revenues collected by the TCST surcharge are known as well. Equitrans states that the proposed surcharge is projected to collect \$703,560 for the capacity costs on Tennessee from June 1, 2010 through August 31, 2010 and \$124,188 in under recovered costs during the period October 1, 2008 through May 31, 2010.

6. Public notices of the filings were issued on May 3, 2010 and May 26, 2010, with interventions and protests due by May 12, 2009 and June 1, 2010, respectively. Pursuant to Rule 214, 18 C.F.R. § 385.214 (2009), 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 the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

7. The Commission finds that good cause exists to grant Equitrans' request of wavier of Section 41.3 of its GT&C to make this filing 120 days prior to the expiration of the transportation agreement, as opposed to 90 days. Also, we accept Equitrans' proposed changes to the TCST surcharge and therefore, the Commission accepts Equitrans' Twenty-Ninth Revised Sheet No. 5 and Fortieth Revised Sheet No. 6, effective June 1, 2010, as proposed. Equitrans is reminded that, pursuant to the provisions of Section 41.5 of its GT&C, it is required to file to remove the provisions of the Big Sandy surcharge within 90 days of the termination of the Tennessee transportation agreement.

By direction of the Commission.

Kimberly D. Bose,
Secretary.