

132 FERC ¶ 61,125
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

August 13, 2010

In Reply Refer To:
Columbia Gas Transmission, LLC
Docket No. RP10-964-000

Columbia Gas Transmission, LLC
5151 San Felipe, Suite 2500
Houston, Texas 77056

Attention: James R. Downs, Vice President
Rates & Regulatory Affairs

Reference: Non-Conforming Agreements

Ladies and Gentlemen:

1. On July 14, 2010, Columbia Gas Transmission, LLC, (Columbia Gas) filed 55 currently effective service agreements¹ under various rate schedules² as non-conforming. Columbia Gas includes with its filing a revised tariff record³ to include the 55 agreements on the list of non-conforming agreements set forth in its tariff. For the reasons set forth below, we accept Columbia Gas' agreements for filing and accept its revised tariff record to become effective August 16, 2010, as proposed.

2. Columbia Gas states it is in the process of performing a full review of its currently effective service agreements to identify any that may include non-conforming

¹ See Appendix.

² The rate schedules are FTS (firm transportation), SST (modified firm transportation), NTS (no notice transportation), FSS (firm storage), and OPT30 (off peak firm transportation).

³ Service Agreement Forms, Non-Conforming Service Agreements, 2.0.0, to Baseline Tariffs, FERC Tariff, Fourth Revised Volume No. 1.

provisions.⁴ Columbia Gas states that it filed the 55 subject agreements because each includes an evergreen provision that represents a material deviation from its *pro forma* service agreement. The deviating provision would let the shipper continue service under the agreement on a year-to-year basis, unless either Columbia Gas or the shipper terminates the agreement with prior written notice. The notice provisions for termination vary from six months to two years. Columbia Gas has notified each shipper with such a non-conforming contract that Columbia Gas would be exercising its right to terminate the agreement upon the expiration of the currently effective term. In its filing, Columbia Gas includes a copy of these notices of termination with each agreement. Columbia Gas states that these notices of termination effectively nullify any undue risk as a result of the evergreen provision, and notes that shippers operating under the agreements will still be entitled to renew their agreements under the right of first refusal provisions in Columbia Gas' tariff.

3. Public notice of the filing was issued on July 16, 2010. Interventions and protests were due on or before July 26, 2010, as provided in section 154.210 of the Commission's regulations.⁵ Pursuant to Rule 214,⁶ 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 party filed a protest or adverse comments.

4. The evergreen provision set forth in each of the six subject agreements represents a material deviation from Columbia Gas' *pro forma* service agreement. However, since Columbia Gas served notice upon each shipper that it would be exercising its right to terminate the agreement upon the expiration of the currently effective term, this would effectively nullify the evergreen provision and give the parties an opportunity to enter into a new agreement not containing such a provision. This should eliminate any risk of undue discrimination that may result from the provision. Accordingly, we accept the

⁴ It appears that Columbia Gas failed to timely file the subject service agreements in compliance with section 154.1(d) of the Commission's regulations. Applicants are reminded that they must submit required filings on a timely basis, or face possible sanctions by the Commission. *See Southern Star Central Gas Pipeline, Inc.*, 125 FERC ¶ 61,082 (2008).

⁵ 18 C.F.R. § 154.210 (2010).

⁶ 18 C.F.R. § 385.214 (2010).

agreements for filing and accept Columbia Gas' revised tariff record setting forth the six agreements on its list of non-conforming agreements.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties

Alyssa A. Schindler, Attorney
NiSource Corporate Services Company
5151 San Felipe, Suite 2500
Houston, Texas 77056

Appendix

List of Non-Conforming Agreements

Piedmont Natural Gas Company (Contract No. 37803)
City of Charlottesville (Contract No. 38029)
Suburban Natural Gas Company (Contract No. 38031)
Piedmont Natural Gas Company, Inc. (Contract No. 38052)
Suburban Natural Gas Company (Contract No. 38101)
New Jersey Natural Gas Company (Contract No. 38109)
City of Charlottesville (Contract No. 38124)
New Jersey Natural Gas Company (Contract No. 39303)
Mountaineer Gas Company (Contract No. 46127)
Public Service Company of North Carolina (Contract No. 49525)
Public Service Company of North Carolina (Contract No. 49526)
Public Service Company of North Carolina (Contract No. 49527)
Public Service Company of North Carolina (Contract No. 49528)
Public Service Company of North Carolina (Contract No. 49530)
Delmarva Power and Light Company (Contract No. 49832)
Delmarva Power and Light Company (Contract No. 49833)
Roanoke Gas Company (Contract No. 50420)
Roanoke Gas Company (Contract No. 50421)
City of Charlottesville (Contract No. 50422)
City of Charlottesville (Contract No. 50423)
City of Charlottesville (Contract No. 50424)
City of Charlottesville (Contract No. 50425)
City of Charlottesville (Contract No. 50426)
City of Charlottesville (Contract No. 50427)
Columbia Gas of Virginia, Inc. (Contract No. 50469)
Columbia Gas of Virginia, Inc. (Contract No. 50471)
Columbia Gas of Virginia, Inc. (Contract No. 50472)
Columbia Gas of Virginia, Inc. (Contract No. 50473)
Columbia Gas of Virginia, Inc. (Contract No. 50474)
Columbia Gas of Virginia, Inc. (Contract No. 50475)
Columbia Gas of Maryland, Inc. (Contract No. 50672)
Columbia Gas of Pennsylvania, Inc. (Contract No. 50675)
City of Charlottesville (Contract No. 52982)
Public Service Company of North Carolina (Contract No. 53010)
Piedmont Natural Gas Company (Contract No. 53017)
Columbia Gas of Pennsylvania, Inc. (Contract No. 56741)
Columbia Gas of Pennsylvania, Inc. (Contract No. 56742)
Reynolds Metals Company (Contract No. 57520)
International Paper Company (Contract No. 62076)

International Paper Company (Contract No. 62077)
Mountaineer Gas Company (Contract No. 64010)
Mountaineer Gas Company (Contract No. 64012)
Mountaineer Gas Company (Contract No. 64013)
UTZ Quality Foods, Inc. (Contract No. 66785)
Snyder of Hanover, Inc. (Contract No. 66786)
FirstEnergy Solution Corporation (Contract No. 70080)
FirstEnergy Solution Corporation (Contract No. 70081)
Nami Resources Company, LLC (Contract No. 71633)
Delta Energy, LLC (Contract No. 72546)
Columbia Gas of Maryland, Inc. (Contract No. 75367)
Columbia Gas of Virginia, Inc. (Contract No. 77309)
Hess Corporation (Contract No. 82737)
Chesapeake Appalachia LLC (Contract No. 87556)
KIDN Marketing, LTD (Contract No. 95143)
KIDN Marketing, LTD (Contract No. 95144)