

134 FERC ¶ 61,225
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

March 22, 2011

In Reply Refer To:
Centra Pipelines Minnesota Inc.
Docket No. RP11-1718-000

Centra Pipelines Minnesota Inc.
2324 Main Street
London, Ontario N6P 1A9
Canada

Attention: J.P. Todd Karry

Reference: Centra Pipelines Minnesota Inc.

Ladies and Gentlemen:

1. On January 21, 2011, Centra Pipelines Minnesota Inc. (CPMI) filed a Petition for Approval of Settlement (Settlement) to revise CPMI's base tariff rates. As discussed below, the Commission approves the Settlement as fair, reasonable, and in the public interest, and directs CPMI to file eTariff Section No. 4, implementing the Settlement with respect to all shippers, within seven business days of the issuance date of this order.
2. Notice of CPMI's filing was issued on January 24, 2011. Interventions and protests were due as provided by section 154.210 of the Commission's regulations. Pursuant to Rule 214, all timely unopposed motions to intervene are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.
3. The major features of the Settlement are as follows:
 - a. The introductory paragraph of the Settlement states that the Settlement is the product of extensive discussion and negotiation among CPMI and its four shippers and is submitted in lieu of a general rate change filing.
 - b. Article I of the Settlement describes the process of achieving the Settlement, states the Settlement Rate and provides that the Settlement Rate is to be effective February 1, 2011. Article I also provides that because the Settlement Rate is higher than CPMI's existing tariff rate, no refunds are

due any shippers and that, if the Settlement is approved by the Commission after February 1, 2011, the shippers will be billed retroactively for any rate increase reflected in the Settlement Rate.

- c. Article II provides that the term shall terminate on the earliest of the date on which new rates become effective pursuant to (i) a superseding general rate change filing under section 4 of the Natural Gas Act; (ii) a superseding settlement agreement approved by the Commission; or (iii) a modification to CPMI's rate in a proceeding instituted pursuant to section 5 of the Natural Gas Act.
 - d. Article III describes the effective date of the Settlement which shall be on the date on which the Commission order approving the Settlement becomes final. If the Commission modifies the Settlement in a manner materially adverse to CPMI or any shipper, then CPMI or any such shipper shall be deemed to have accepted the modification unless it files a notice with the Commission within 14 days of issuance of the Commission order modifying the Settlement. If CPMI or any shipper files such a notice not accepting the Settlement as modified, the Settlement shall be considered contested. If the Settlement is contested, CPMI has the right to withdraw the Settlement and, if withdrawn, the Settlement shall be of no force or effect. CPMI shall file a new eTariff Section No. 4 that is substantially identical to the *pro forma* eTariff Section No. 4 appended to the Settlement within seven business days of the Settlement's becoming effective. The new eTariff Section No. 4 shall have an effective date of February 1, 2011.
 - e. Article IV states that Commission approval of the Settlement shall constitute any and all waivers of the Commission's rules and regulations that may be necessary to effectuate the Settlement.
 - f. Article V contains reservations of rights with respect to the Settlement privilege: no party shall be deemed to have waived rights with respect to matters not specifically provided for in the Settlement or to have consented to any policy or principle underlying the Settlement. It also provides that, except as specifically provided for in the Settlement, the parties shall have the same rights under the Natural Gas Act that they would have absent approval of the Settlement.
4. The Commission may approve an uncontested settlement upon a finding that the settlement "appears to be fair and reasonable and in the public interest." 18 C.F.R. § 385.602(g)(3). Consistent with the Commission's guidance in *Dominion Transmission, Inc.*, 111 FERC ¶ 61,285 (2005), for settlement outside the context of an existing rate proceeding, CPMI and its shippers have resolved rate issues in the Settlement and CPMI

has petitioned for approval of the Settlement, including the filing of a *pro forma* eTariff Section No. 4 reflecting the implementation of the Settlement Rate. The Settlement allows CPMI and its shippers to establish a reasonable, system-wide rate without a hearing and lengthy and expensive litigation. The Commission finds that the Settlement appears to be fair and reasonable and in the public interest and approves the Settlement for CPMI and its four shippers. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

5. The Commission directs CPMI to file eTariff Section No. 4, implementing the Settlement with respect to all shippers, within seven business days of date this order issues.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.