

135 FERC ¶ 61,171  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

May 20, 2011

In Reply Refer To:  
Florida Gas Transmission Company, LLC  
Docket No. RP11-2021-000

Florida Gas Transmission Company, LLC  
5444 Westheimer Road  
Houston, TX 77056-5306

Attention: Michael T. Langston, Vice President  
Chief Regulatory Officer

Reference: Letter Order on Revised Tariff Records to Provide for Flexibility and  
Clarification and to Make Housekeeping Updates

Dear Mr. Langston:

1. On April 20, 2011, Florida Gas Transmission Company, LLC (FGT) filed tariff records<sup>1</sup> to revise certain tariff provisions for purposes of flexibility and clarification and to make housekeeping updates. Among other things, FGT proposes to update the provisions in sections 4 and 5 of the General Terms and Conditions (GT&C) of its tariff concerning meters and measurement methods. FGT also proposes changes to Rate Schedule FTS-3 and the form of service agreement under that rate schedule. As discussed below, the Commission accepts FGT's revised tariff records effective May 21, 2011, as requested, subject to conditions.
2. FGT proposes the following changes to its GT&C: (1) adding a definition for Commission or FERC to section 1; (2) modifying sections 4 and 5 concerning meters and measurement methods; (3) allowing shippers and FGT to assign or pledge their service agreement with the consent of the other party not to be unreasonably withheld in

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<sup>1</sup> See attached Appendix for a listing of the tariff records.

section 7.D; (4) clarifying the use of daily and monthly calculations in sections 12 and 13.1; and (5) making the outline format uniform throughout the tariff by changing lower case to capital letters in sections 4, 5, 8, 15, and 16 with corresponding updates to the cross-references thereto.

3. In addition, FGT proposes changes to Rate Schedule FTS-3 and the Rate Schedule FTS-3 form of service agreement which were approved for other rate schedules after FGT initially filed the *pro forma* tariff sheets in the Phase VIII Expansion Project.<sup>2</sup>

4. Public notice of the filing was issued on April 21, 2011. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.<sup>3</sup> Pursuant to Rule 214,<sup>4</sup> all timely filed motions to intervene and any unopposed motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late interventions at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. Peoples Gas System, a Division of Tampa Electric Company (Peoples) and Tampa Electric Company (Tampa Electric) jointly filed adverse comments. On May 10, 2011, FGT filed an answer. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure prohibits answers to protests or answers unless otherwise permitted by the decisional authority.<sup>5</sup> We will accept the answer as it aids in the disposition of the issues raised in the comments.

5. Peoples and Tampa Electric have two concerns with FGT's proposed changes to section 5.B. of its tariff, which relate to FGT's check measuring equipment provisions. First, FGT proposes that reading, calibrating and adjusting check measuring equipment shall be performed only by the "responsible party." Peoples and Tampa Electric state that the meaning of the phrase "responsible party" is not clear. Peoples and Tampa Electric argue that if there is to be one party solely responsible for reading, calibrating and adjusting check measuring equipment it should be the party that owns such equipment. Peoples and Tampa Electric see no reason why any other party should

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<sup>2</sup> The *pro forma* tariff sheets in the Phase VIII Expansion Project were filed on October 31, 2008 in Docket No. CP09-17-000 and were approved by the Commission's on November 19, 2009 (*Florida Gas Transmission Co., LLC*, 129 FERC ¶ 61,150 (2009)). In a letter order issued on March 24, 2011, in Docket No. RP11-1847-000, the Commission accepted the tariff records that were filed in compliance with the 2009 order, to be effective April 1, 2011, for the commencement of service under Rate Schedule FTS-3 with facilities constructed under the Phase VIII Expansion Project.

<sup>3</sup> 18 C.F.R. § 154.210 (2010).

<sup>4</sup> 18 C.F.R. § 385.214 (2011).

<sup>5</sup> 18 C.F.R. §385.213 (a)(2) (2011).

perform these tasks. Accordingly, Peoples and Tampa Electric request that the Commission direct FGT to change the phrase “responsible party” to state “owner of the check measuring equipment.”

6. In response, FGT states that changing the phrase to state “owner” does not cover all situations. FGT explains that there may be a situation where a shipper could own check metering equipment and could designate FGT to operate the equipment. Therefore, FGT agrees to change the wording to “owner of the check measuring equipment or the designated operator of such equipment.”

7. The Commission agrees that FGT’s proposal concerning the “responsible party” should be clarified and, as FGT suggests, cover all situations. Accordingly, we direct FGT to change the phrase in section 5.B to state “owner of the check measuring equipment or the designated operator of such equipment” and to file a revised tariff record reflecting this change within 15 days of the issuance of this order.

8. Second, Peoples and Tampa Electric state that the proposed changes to section 5.B. would allow FGT to begin installing, maintaining and operating “such check measuring equipment as it shall desire.” Assuming FGT has its own measurement facilities at or near its delivery points, Peoples and Tampa Electric assert that it is not clear why FGT would need additional check measuring equipment.<sup>6</sup> Moreover, Peoples and Tampa Electric argue that acceptance of this proposed tariff change would allow FGT to begin installing various check measuring equipment throughout its system and charging all of its customers for the costs of installing, maintaining and operating such equipment. Peoples and Tampa Electric argue that this proposed change goes well beyond providing flexibility, clarification or mere housekeeping. Peoples and Tampa Electric argue that FGT has not justified its proposed tariff change to allow it to install, maintain and operate check measuring equipment as it will desire.<sup>7</sup>

9. In response, FGT states that the language in section 5.B allowing either FGT or the shipper to install “such check measuring equipment as it shall desire” revises prior language which allowed the shipper to install check metering equipment whenever desired, as FGT was the party with the primary metering equipment. FGT states that recently there have been situations where the shipper is the owner of the primary metering equipment. FGT states that it added language allowing it to install check

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<sup>6</sup> However, Peoples and Tampa Electric state that FGT’s proposal (at the end of the first sentence of section 5.B.) to change the word “Transporter’s” to “primary” may raise a question as to whether FGT has its own measuring equipment at each delivery point on its system.

<sup>7</sup> See 18 C.F.R. § 154.7(a)(7); see also *Canyon Creek Compression Co.*, 96 FERC ¶ 61,320, at 62,223 (2001).

metering to address the situation where the shipper is the owner of the primary metering equipment. FGT states it did not intend to allow FGT to add check metering equipment in all circumstances. To solve this problem, FGT proposes to address check metering for the shipper and FGT in separate sentences. Therefore, FGT agrees to remove the proposed changes to the language in this section so that it would read: “[t]he Shipper may install, maintain and operate such check measuring equipment as it shall desire, provided that such equipment shall be so installed as not to interfere with the operation of the Transporter’s measuring equipment at or near the point of delivery.” In addition, FGT states that a sentence would be added to address FGT that would read: “[t]he Transporter may install, maintain and operate such check measuring equipment where the Customer owns primary measuring equipment, provided that such equipment shall be installed as not to interfere with the operation of the Customer’s primary measuring equipment at or near the point of delivery.”

10. The Commission finds that in its answer FGT has adequately explained the proposed revision to allow it to install, maintain and operate check measuring equipment where the Customer owns the primary measuring equipment. Accordingly, we direct FGT to change the language in section 5.B by addressing the check metering equipment provision for the shipper and FGT in separate sentences, as FGT states in its answer. FGT must file a revised tariff record reflecting this change within 15 days of the issuance of this order.

11. Next, Peoples and Tampa Electric are concerned with FGT’s proposed changes to section 5.E., which address procedures to be followed in the event of a meter failure. Specifically, in new section 5.E.(4), FGT proposes to estimate gas deliveries in the event of a meter failure by “any other approved method.” Peoples and Tampa Electric argue that the language of section 5.E.(4) is not clear as to who must approve this other method. To avoid any ambiguity, Peoples and Tampa Electric urge the Commission to direct FGT to rephrase proposed new section 5.E.(4) to state “any other approved method agreed to by Transporter and Shipper.” They assert that FGT should not be the only party to decide and approve the other method of estimating gas deliveries in the event of a meter failure. FGT responds that the best solution, in order to eliminate any controversy about what constitutes an “approved method,” is to eliminate this fourth option, since the first three options are sufficient methods to estimate gas deliveries in the event of a meter failure.

12. The Commission agrees with FGT that the three methods already used to estimate gas deliveries in the event of a meter failure are sufficient and that the new proposed method could cause conflicts as to what constitutes an approved method. Accordingly, we direct FGT to delete the fourth option proposed in section 5.E.(4) and to file a revised tariff record reflecting this change within 15 days of the issuance of this order.

13. With the exception of the changes directed in the body of this order, the Commission accepts all of the other proposed revisions to the tariff records to be

effective May 21, 2011, as proposed. FGT is hereby directed to file revised tariff records, within 15 days of the issuance of this order, as set forth above.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

**Appendix****Florida Gas Transmission Company, LLC  
Fifth Revised Volume No. 1  
FERC NGA Gas Tariff****Tariff Records Accepted for Filing, Effective May 21, 2011**

Tariff, Fifth Revised Volume No. 1, 1.0.0  
Part I, Table of Contents, 5.0.0  
Rate Schedule FTS-1, Firm Transportation Service, 2.0.0  
Rate Schedule FTS-2, Firm Transportation Service, 2.0.0  
Rate Schedule FTS-3, Firm Transportation Service, 1.0.0  
Rate Schedule SFTS, Small Customer Firm Transportation Service, 4.0.0  
Rate Schedule FTS-WD, Firm Transportation Service, 2.0.0  
Rate Schedule ITS-1, Interruptible Transportation Service, 2.0.0  
Rate Schedule ITS-WD, Interruptible Transportation Service, 2.0.0  
Rate Schedule PNR, Interruptible Park 'N Ride Service, 1.0.0  
GT&C Section 1., Definitions, 3.0.0  
GT&C Section 4., Measurement, 1.0.0  
GT&C Section 5., Measuring Equipment, 1.0.0  
GT&C Section 7., Possession of Gas, Indemnification and Title, 1.0.0  
GT&C Section 8., Force Majeure, 1.0.0  
GT&C Section 9., Electronic Communications, 1.0.0  
GT&C Section 12., Determination of Daily Receipts, 1.0.0  
GT&C Section 13.1, Determination of Daily Deliveries – Western Division, 1.0.0  
GT&C Section 14., Monthly Balancing, 2.0.0  
GT&C Section 15., Invoicing and Payment, 1.0.0  
GT&C Section 16., Creditworthiness, 1.0.0  
GT&C Section 17., Curtailments and Other Operational Controls, 2.0.0  
GT&C Section 20., Contract Abandonment, Extension and Consolidation, 3.0.0  
Rate Schedule FTS-1, Form of Service Agreement Including NNTS Addendum, 2.0.0  
Rate Schedule FTS-2, Form of Service Agreement, 4.0.0  
Rate Schedule FTS-3, Form of Service Agreement, 1.0.0  
Rate Schedule SFTS, Form of Service Agreement Including NNTS Addendum, 2.0.0  
Rate Schedule FTS-WD, Form of Service Agreement, 2.0.0  
Rate Schedule ITS-1, Form of Service Agreement, 1.0.0  
Rate Schedule ITS-WD, Form of Service Agreement, 1.0.0  
Rate Schedule PNR, Form of Service Agreement, 1.0.0  
Rate Schedule IPS, Form of Service Agreement, 1.0.0