

141 FERC ¶ 61,025
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 12, 2012

In Reply Refer To:
ANR Pipeline Company
Docket No. RP12-1038-000

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

Attention: John A. Roscher, Director, Rates and Tariffs

Reference: Discount-Type Adjustments for Negotiated Rates

Dear Mr. Roscher:

1. On September 14, 2012, ANR Pipeline Company (ANR) filed a revised tariff record¹ to revise Part 6.29 of the General Terms and Conditions (GT&C) of its FERC gas tariff, to expand the circumstances in which ANR may seek a discount-type adjustment to its recourse rates to reflect negotiated rate agreements. The referenced tariff record is accepted to become effective October 15, 2012, as requested.

2. Public notice of ANR's filing was issued on September 17, 2012, with interventions and protests due as provided in section 154.210 of the Commission's regulations.² Pursuant to Rule 214,³ all timely-filed motions to intervene and any unopposed motions to intervene out-of-time before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. Wisconsin Electric Power Company and Wisconsin Gas LLC (jointly, Wisconsin Companies) and Integrys Gas Group (Integrys) filed motions to intervene and comments.

¹ ANR Pipeline Company, FERC NGA Gas Tariff, ANR Tariffs, [6.29 - GT&C, Discounted Rates, 1.0.0](#).

² 18 C.F.R. § 154.210 (2012).

³ 18 C.F.R. § 385.214 (2012).

3. The Wisconsin Companies state that they support ANR's proposal, but contend that the Commission should reiterate its policy that a pipeline may obtain discount-type adjustments for negotiated rate transactions only if it satisfies the burden of proving that the negotiated rates were required to meet competition and that the adjustment does not have any adverse impact on recourse rate shippers. The Wisconsin Companies further state that Commission policy provides that, as part of evaluating the effect of the adjustment on recourse shippers, parties may raise the issue of whether the pipeline should be allowed to keep negotiated revenues in excess of the recourse rate.

4. Integrys states that it does not oppose ANR's filing, but emphasizes that the Commission's policy regarding discounts from negotiated rates is more comprehensive than ANR's proposed tariff language captures. Both Integrys and the Wisconsin Companies rely on *Tennessee Gas Pipeline Co.*⁴ and cases cited therein.

5. ANR's proposal is accepted, to become effective October 15, 2012. This action is consistent with the Commission's actions in similar proceedings.⁵ Additionally, ANR will be required to comply with the Commission's policy if it seeks a discount-type adjustment to its recourse rates to reflect negotiated rate agreements.⁶

By direction of the Commission.

Kimberly D. Bose,
Secretary.

⁴ 135 FERC ¶ 61,208, at PP 197, 200-208 (2011) (*Tennessee*).

⁵ See, e.g., *CenterPoint Energy – Mississippi River Transmission*, 140 FERC ¶ 61,166 (2012); *Texas Gas Transmission, LLC*, 136 FERC ¶ 61,029 (2011) (*Texas Gas*), *reh'g denied*, 138 FERC ¶ 61,175 (2012); *Transwestern Pipeline Co.*, 135 FERC ¶ 61,220 (2011); *Rockies Express Pipeline LLC*, 135 FERC ¶ 61,206 (2011).

⁶ For a full discussion of the burden ANR must satisfy in order to obtain a discount-type adjustment pursuant to the tariff language accepted by this order, see *Tennessee*, 135 FERC ¶ 61,208 at PP 197, 200-208 and *Texas Gas*, 138 FERC ¶ 61,175 at PP 30-40, 58-62."