143 FERC ¶ 61,095
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

May 3, 2013

In Reply Refer To:
Viking Gas Transmission Company
Docket No. RP13-378-001

Viking Gas Transmission Company
c/o ONEOK Partners GP, L.L.C.
100 West 5th Street
Tulsa, Oklahoma 74103

Attention: Ron M. Mucci, Vice President
Rates and Regulatory Affairs

Dear Mr. Mucci:

1. On February 1, 2013, Viking Gas Transmission Company (Viking) filed revised tariff records[1] in compliance to the Commission's January 18, 2013 order in Docket Nos. RP13-378-000 and RP13-379-000,[2] which required Viking to revise the language in sections 18 Liability and 34 Reservation Charge Credits of its General Terms & Conditions (GT&C). For the reasons discussed below, the Commission accepts the revised tariff records effective January 22, 2013, subject to Viking filing, within 15 days of the date of this order, the modifications discussed below.

2. Public notice of the filing was issued on February 4, 2013, allowing for protests to be filed as provided in section 154.210 of the Commission's regulations. No protests or adverse comments were filed.

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[1] Viking Gas Transmission Company, FERC NGA Gas Tariff, Viking - FERC Gas Tariff, Part 8.18, GT&C - Liability, 1.1.0, and Part 8.34, GT&C - Reservation Charge Credits, 0.1.0.

[2] *Viking Gas Transmission Co.*, 142 FERC ¶ 61,054 (2013) (January 18 Order).

3. First, the Commission's January 18 Order required Viking to revise GT&C section 18, Liability, in order to clarify a guarantor's liability. Viking's revisions to this section are satisfactory and in compliance with the January 18 Order.

4. Second, the January 18 Order required Viking to revise GT&C sections 34.1(b) and 34.2(b) concerning the calculation of reservation charge credits in *force majeure* and non-*force majeure* situations, respectively. Viking states that it has revised sections 34.1(b) and 34.2(b) to provide that, in situations where it has given notice of an outage before the first opportunity to schedule service for a Gas Day and a shipper does not submit a nomination, the credits for that day will be based solely on that shipper's usage during the preceding seven days up to its contract demand. Viking states that this revision is consistent with Commission precedent when advance notice has been given that service cannot be provided to ensure "shippers who do not nominate service when they have advance notice that service cannot be provided will nevertheless receive credits based on their recent usage of the system."[3] The proposed tariff language states that the lesser of an historical average and the nomination will be used as the proper measure for the credit in those circumstances where a shipper has provided a nomination.

5. Viking also states that it has added language to section 34.1(b), which states that Viking will only use the seven-day average usage during the period before the *force majeure* outage when there is advance notice that the *force majeure* will continue. Finally, Viking states that it has revised section 34.2(b) to make it consistent with Commission precedent to base reservation charge credits on the amount the shipper nominated for scheduling, but the pipeline didn't schedule.

6. Viking's proposed revisions to section 34 Reservation Charge Credits do not meet the requirements of the January 18 Order. In the January 18 Order, the Commission ruled that Viking must revise GT&C sections 34.1(b) and 34.2(b) in three ways: (1) to provide that, in situations where Viking has given notice of an outage before the first opportunity to schedule service for a Gas Day, the credits for that day will be based solely on each shipper's usage during the preceding seven days up to their contract demand, and not on shippers' nominations; (2) to state in section 34.1(b) that Viking will only use the seven-day average usage during the period before a *force majeure* outage when there is advance notice that the *force majeure* outage will continue;[4] and (3) to modify section 34.2(b) to state a reservation charge credit must be based on the amount the shipper nominated for scheduling, but the pipeline did not schedule.

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[3] Viking cites P 25 of the January 18 Order.

[4] Proposed section 34.2(b) concerning non-*force majeure* outages already contains such language.

7. In Viking's proposal, reservation charge credits could in certain situations still be based on a shipper's nomination even though advance notice has been given of a *force majeure* or non-*force majeure* outage on Viking's system. In this regard, Viking has distinguished between shippers that do not nominate and those that nominate following advance notice of an outage. Viking's proposal provides for an historical average to be the default measure for reservation charge credits for those shippers that do not nominate, and the "lesser of" the nomination and the historical average for those shippers that choose to nominate. The January 18 Order did not make this distinction. Instead, the Commission required that Viking revise sections 34.1(b) and 34.2(b) to provide that, in situations where it has given notice of an outage before the first opportunity to schedule service for a Gas Day, the credits for that day will be based solely on each shipper's usage during the preceding seven days up to their contract demand, and not on shippers' nominations.[5] Therefore, the Commission directs Viking to revise this section to make clear that in all cases where advance notice has been given, the relevant measure for determining the reservation charge credit is the average historical usage.

8. Viking's revised tariff records referenced in Footnote No. 1 are accepted, subject to Viking making a compliance filing within 15 days of this order, as described above.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

[5] January 18 Order, 142 FERC ¶ 61,054 at P 25. *See also Rockies Express Pipeline LLC*, 142 FERC ¶ 61,075, at P 32 (2013), and *Dominion Transmission Inc.*, 142 FERC ¶ 61,154, at P 41 (2013).