

144 FERC ¶ 61,248
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

September 30, 2013

In Reply Refer To:
Transcontinental Gas Pipe Line
Company, LLC
Docket No. RP13-1296-000

Transcontinental Gas Pipe Line
Company, LLC
PO Box 1396
Houston, TX 77251-1396

Attention: Charlotte Hutson
Manager - Rates

Dear Ms. Hutson:

1. On August 30, 2013, Transcontinental Gas Pipe Line Company, LLC (Transco) filed revised tariff records¹ to implement an interim fuel tracker filing, along with supporting work papers. Transco proposes a reduction in its transportation annual fuel retention percentages (FRP) to avoid a significant over-recovered position at the end of the current annual tracker period that terminates March 31, 2014. Transco also requests waiver of section 38.2(b) of the General Terms and Conditions (GT&C) of its tariff, as it does not provide for interim adjustments to FRPs, and proposes that the tariff records listed in the Appendix become effective October 1, 2013. For the reasons discussed below and for good cause shown, the Commission grants Transco's request for waiver of section 38.2 of its GT&C and accepts Transco's revised tariff records, effective October 1, 2013, as requested.

¹ See Appendix.

2. Section 38 of Transco's GT&C sets forth the procedures under which Transco submits adjustments to its FRPs. This section requires Transco to file adjustments to its FRPs to be effective on April 1 of each year, and it does not expressly allow Transco to file an interim adjustment to its FRP before this date. Specifically, section 38.2(b) states, in pertinent part, that Transco shall file with the Commission to reflect net changes in FRPs for services other than the services provided under Rate Schedules LG-A, LNG and LG-S at least 30 days prior to each April 1, which is the beginning date for the Annual Period.

3. On March 1, 2013, Transco filed revised tariff records in Docket No. RPP13-632-000 pursuant to section 38 of the GT&C to compute its annual FRP applicable to its transportation and storage rate schedules. The derivation of the revised FRP was based on Transco's estimate of gas required for operations (GRO) for the period April 2013 through March 2014, plus the balance accumulated in the Deferred GRO Account at January 31, 2013. Transco requested that the revised tariff records become effective April 1, 2013. The revised tariff records were accepted effective April 1, 2013.²

4. Transco states that a review of its actual transportation GRO quantities for the most recent 12-month period ending July 31, 2013, indicates a reduction in GRO of approximately 15 percent compared to the GRO quantities underlying the calculation of Transco's currently effective FRP. Transco contends that this recent experience demonstrates that it is retaining significantly more fuel from shippers than actual GRO. Therefore, Transco proposes to implement an interim reduction in its transportation FRP using actual GRO quantities for the most recent 12-month period ending July 31, 2013, to avoid a significant over-recovered position at the end of the current annual tracker period terminating March 31, 2014. Moreover, Transco asserts that implementation of the reduced FRP proposed herein will temper the swing in FRP that otherwise is expected to occur in Transco's next April 1 fuel tracker filing.

5. Public notice of the filing was issued on September 3, 2013. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2013)). Pursuant to Rule 214 (18 C.F.R. § 385.214 (2013)), all timely filed motions to intervene and any unopposed motion to intervene out-of-time

² See Docket No. RP13-632-000, *Transcontinental Gas Pipe Line Company, LLC*, unpublished letter order (March 25, 2013).

filed before the issuance date of this order are granted. On September 11, 2013, the Municipal Gas Authority of Georgia³ (the Gas Authority) and the Transco Group⁴ (TMG) submitted a joint motion to intervene and comments in the proceeding (collectively, commenting parties).

6. The commenting parties support the proposed reduction as it will avoid a significant over-recovery of GRO during Transco's current annual tracker period (which ends March 31, 2014). The commenting parties state that approval of the reduction will also more closely align Transco's fuel rates with its current system conditions and send more accurate price signals to the market based on actual fuel costs, and lessen the volatility of FRP in Transco's next annual fuel tracker proceeding. Accordingly, the commenting parties urge the Commission to grant Transco's waiver request and accept the proposed interim FRP, effective October 1, 2013.

7. The Commission finds that good cause exists to grant Transco's request for waiver of section 38.2(b) of the GT&C of Transco's tariff and allow it to implement an interim fuel tracker filing, effective October 1, 2013. Therefore, the Commission accepts Transco's proposed revised tariff records to be effective October 1, 2013. The proposed tariff sheets represent an interim measure to reduce the current transportation FRP using actual GRO quantities for the most recent 12-month period ending July 31, 2013. This

³The Gas Authority consists, inter alia, of the following municipalities which are served directly by Transco: the Georgia municipalities of Bowman, Buford, Commerce, Covington, Elberton, Hartwell, Lawrenceville, Madison, Monroe, Royston, Social Circle, Sugar Hill, Toccoa, Winder, and Tri-County Natural Gas Company (consisting of Crawfordville, Greensboro and Union Point); the East Central Alabama Gas District, Alabama; the towns of Wadley and Rockford, Alabama; the Utilities Board of the City of Roanoke, Alabama; Wedowee Water, Sewer & Gas Board, Wedowee, Alabama; and the Maplesville Waterworks and Gas Board, Maplesville, Alabama.

⁴The members of TMG include the Cities of Alexander City and Sylacauga, Alabama; the Commissions of Public Works of Greenwood, Greer, and Laurens, South Carolina; the Cities of Fountain Inn and Union, South Carolina; the Patriots Energy Group (consisting of the Natural Gas Authorities of Chester, Lancaster and York Counties, South Carolina); and the cities of Bessemer City, Greenville, Kings Mountain, Lexington, Monroe, Rocky Mount, Shelby, and Wilson, North Carolina.

will avoid a significant over recovered position at the end of the current annual tracker period that terminates March 31, 2014, and will give shippers the benefit of the reduced FRP on a timelier basis.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

Appendix

Transcontinental Gas Pipe Line Company, LLC
FERC NGA Gas Tariff
Fifth Revised Volume No. 1

Tariff Records Accepted Effective October 1, 2013

[Section 7.1, Rate Schedule GSS Rates, 14.0.0](#)

[Section 10.2, Trading Fees and Fuel Retention Percentages, 9.0.0](#)

[Section 12.1, Firm and Interruptible Transportation Fuel Percentages, 7.0.0](#)

[Section 12.2, Rate Schedules FDLS and IDLS Fuel Percentages, 4.0.0](#)