

145 FERC ¶ 61,277
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

December 26, 2013

In Reply Refer To:
Texas Eastern Transmission, LP
Docket Nos. RP13-1015-000
RP13-1015-001

Texas Eastern Transmission, LP
5400 Westheimer Court
P.O. Box 1642
Houston, TX 77251-1642

Attention: Gregg E. McBride
Vice President, Rates and Certificates

Dear Mr. McBride:

1. On December 4, 2013, Texas Eastern Transmission, LP (Texas Eastern) submitted a Stipulation and Agreement (Settlement) that it states would resolve all pending issues in Docket No. RP13-1015-000. The Settlement states that the parties listed on Exhibit 2 to the Settlement unconditionally support or do not oppose the Settlement. Four parties filed supporting comments. No party filed comments opposing the Settlement. As discussed below, the Commission approves the Settlement as proposed.

2. On June 28, 2013, Texas Eastern filed a tariff record¹ to establish a second control point for the Control Zone Exemption in its tariff in order to recognize that flow patterns on the Texas Eastern system have changed (June 28 Filing). On July 31, 2013, the Commission accepted and suspended Texas Eastern's proposed tariff record for five months to be effective January 1, 2014, subject to the outcome of a technical conference.² On August 30, 2013, Texas Eastern filed a request for rehearing of the July 31 Order,

¹ Texas Eastern Transmission, LP, FERC NGA Gas Tariff, Texas Eastern Database 1, [5., Quality of Gas, 4.0.0.](#)

² *Texas Eastern Transmission, LP*, 144 FERC ¶ 61,082 (2013)(July 31 Order).

asserting that the Commission erred in establishing a technical conference because there was no material issue of fact. Commission Staff scheduled the technical conference for September 12, 2013, at which time instead of holding the technical conference, the parties engaged in settlement discussions. At the conclusion of those discussions, Texas Eastern agreed to submit status reports updating the Commission on the status of further settlement negotiations, and filed such reports on October 31, 2013, November 21, 2013, and November 27, 2013.

3. On December 4, 2013, Texas Eastern submitted the Settlement pursuant to Rule 602 of the Commission's Rules of Practice and Procedure. The Commission granted Texas Eastern's request for a shortened comment period, making initial comments due on December 16, 2013, and reply comments due on December 19, 2013.

4. The main provisions of the Settlement may be summarized as follows:

5. Article I provides for the tariff record submitted as part of the June 28 Filing to become effective on the date the Commission issues an order approving this Settlement.

6. Article II sets forth a procedure for Texas Eastern to request additional gas supplies via an Action Alert and for shippers to identify gas supplied in response to such a request.

7. Article II, section 2.1 provides for Texas Eastern to issue an Action Alert at least three hours before the deadline for timely nominations if Texas Eastern anticipates that the commingled gas stream on any Gas Day will exceed the 12 percent limit on ethanes and heavier hydrocarbons (C2+) at the Berne Control Point. The Action Alert will request voluntary assistance to increase supplies of low C2+ gas at receipt points designated by Texas Eastern.

8. Article II, section 2.2 provides for Texas Eastern to add a new Gas Quality Voluntary Assistance field to the nominations screen within its LINK® System to indicate that gas to be delivered into the Texas Eastern system under the nomination is being provided in response to an Action Alert issued pursuant to Section 2.1 (Voluntary Assistance Gas) and to identify which producer is providing the Voluntary Assistance Gas.

9. Article II, section 2.3 provides that Texas Eastern will publish a list of the producers identified within the new Gas Quality Voluntary Assistance field of the nomination screen, along with the aggregate quantity nominated for each producer in the Gas Quality section of its Informational Postings.

10. Article II, section 2.4 states that producers and receipt point operators within the Control Zone may enter into voluntary agreements that specify how the receipt point operator will confirm the nominated quantities at the receipt point to meet the scheduling

requirements on days when Texas Eastern has imposed scheduling reductions pursuant to its tariff.

11. Article II, section 2.5 states that on any day when Texas Eastern needs to impose scheduling reductions, Texas Eastern will communicate the required reduction for each applicable receipt point to the relevant receipt point operator. If a receipt point operator does not submit confirmation reductions in response, or if the confirmation reductions are not sufficient to meet Texas Eastern's scheduling requirements, Texas Eastern will impose *pro rata* scheduling reductions pursuant to its tariff.

12. Article II, section 2.6 requires Texas Eastern to establish a bulletin board for parties to post information regarding Voluntary Assistance Gas. Parties are prohibited from using the bulletin board to post price information or other competitively sensitive data, and Texas Eastern has no obligation to monitor the bulletin board.

13. Article III describes certain information that Texas Eastern will post on the LINK® System.

14. Article III, section 3.1 requires Texas Eastern to install, to the extent not already installed, gas chromatographs at the west side of the Berne, Ohio compressor station and on the 30-inch mainline at a location (or locations) to be determined by Texas Eastern. Texas Eastern must collect readings from these chromatographs, post the data on the LINK® System, and update the information hourly.

15. Article III, section 3.2 provides that Texas Eastern will post a list of meters located within the Control Zone and update that list when new meters come online.

16. Article IV contains several representations, warranties and covenants of the parties regarding their ability to enter into the Settlement and the actions they will take in supporting the Settlement before the Commission.

17. Article V describes the effect of the approval of the Settlement, including the fact that the approval terminates the proceeding.

18. Article VI establishes that the just and reasonable standard of review will apply to any future modification of the Settlement.

19. Article VII contains various miscellaneous provisions.

20. The Commission approves the Settlement as proposed, under Rule 602(g), 18 C.F.R. § 385.602(g) (2013). The Settlement is fair and reasonable and in the public interest. The Commission's approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission notes

that settlement of these issues will result in a savings in time and expense for all parties involved.

21. In light of the Settlement, the Commission denies Texas Eastern's request for rehearing as moot. Docket Nos. RP13-1015-000 and RP13-1015-001 are hereby terminated.

By direction of the Commission.

Kimberly D. Bose,
Secretary.