

146 FERC ¶ 61,138
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

(February 27, 2014)

In Reply Refer To:
Wyoming Interstate
Company, L.L.C.
Docket No. RP14-399-000

Wyoming Interstate Company, L.L.C.
P.O. Box 1087
Colorado Springs, CO 80944

Attention: Ms. M. Catherine Rezendes
Director, Rates

Dear Ms. Rezendes:

1. On January 29, 2014, Wyoming Interstate Company, L.L.C. (WIC) filed a tariff record¹ to revise the fuel and lost and unaccounted-for charges (FL&U) applicable to transportation service on WIC's system. WIC requests waiver of sections 13.3(a) and 13.5(d)(i) of the General Terms and Conditions (GT&C) of its FERC Gas Tariff to cash-out over-collected lost and unaccounted-for-gas (L&U) on its Kanda Lateral. As discussed below, the Commission grants the requested waiver and accepts the tariff record effective March 1, 2014, as proposed.

2. WIC explains that section 13 of the GT&C states that WIC's FL&U percentage(s) shall be recomputed every three months. In addition, section 13.2 of the GT&C provides that WIC must file with the Commission supporting documentation for each quarterly recomputation of FL&U percentage(s). WIC also explains that the FL&U reimbursement percentages are comprised of two components: (1) a projected FL&U requirement percentage; and (2) a FL&U requirement adjustment, or true-up reimbursement percentage reflecting the previous over- or under-recovery of quantities during previous data collection periods. WIC states that the projected FL&U requirement percentages are determined based on a combination of historical and forecasted throughput volumes, L&U requirements, and fuel burned. WIC explains that to the extent actual FL&U

¹ Wyoming Interstate Company, L.L.C., FERC NGA Gas Tariff, WIC Tariff, [Part II: Stmt. of Rates, Section 2 - Fuel and L&U Rates, 18.0.0.](#)

quantities are more or less than the reimbursement percentages in effect at the time, WIC returns or recoups such quantities in the next period through a volumetric true-up reimbursement percentage or the FL&U Requirement Adjustment. According to WIC, this true-up mechanism keeps WIC and its shippers volumetrically neutral for FL&U.

3. WIC states that the fuel reimbursement rates proposed in its filing seek to recover fuel and other fuel gas consumption that will occur during the three-month period beginning March 1, 2014. WIC explains that its throughput and related fuel use traditionally has varied on a seasonal basis, and that it therefore has forecast the expected throughput and fuel burn for only the three months these rates will be in effect, rather than on an annual average basis that is used to project L&U requirements. WIC states that the support for the FL&U retention percentages for the Mainline System, Powder River, Medicine Bow, Echo Springs, Piceance, and Kanda Lateral systems is included with its filing.

4. WIC proposes the following fuel retention percentages for the three-month period beginning March 1, 2014: Mainline System 0.09 percent; Powder River Lateral 0.00 percent; Medicine Bow Lateral 0.28 percent; Echo Springs Lateral 0.20 percent; Piceance Lateral 0.12 percent; Kanda Lateral (Diamond Mountain Compressor Station) 1.26 percent.

5. In addition, WIC notes that off-system FL&U quantities are not included for recovery through WIC's projected fuel reimbursement rate. Under section 4.5 of the GT&C of the tariff, all WIC shippers using the off-system capacity held by WIC, on either a primary or secondary basis, are directly assessed the FL&U charged by the third party transportation provider to WIC.

6. WIC proposes to continue to use the prior twelve-month data period for L&U and L&U related throughput to establish the projected L&U requirement portion of the L&U retention rates. WIC states that because L&U is more unpredictable and does not typically have seasonal characteristics, using a twelve-month data collection period normalizes any anomalies that may occur from time to time. WIC states that the twelve-month data collection period used to project the current L&U requirement is from December 2012 through November 2013, and that this is in contrast to the three-month data collection period for fuel described above. WIC explains that the projected L&U requirements for the Mainline and each of the laterals are lower, or the same, than the previous period due to lower recent L&U experience included in the twelve-month data collection period. WIC states this recent experience lowers the projected L&U requirement percentage slightly overall, compared to the rates currently in effect.

7. WIC also proposes to cash-out the over-collected quantities of L&U on the Mainline and Medicine Bow Lateral from prior periods in this WIC Quarterly FL&U filing. In compliance with GT&C section 13.3(d), which requires cash-out if excess

L&U quantities exceed 50,000 Dth, WIC proposes to cash-out all of the over-collected quantities of 148,158 Dth to its shippers on the Mainline System and 95,998 Dth to its shippers on the Medicine Bow Lateral System. WIC calculated the value associated with the over-collected L&U quantities by using the applicable month's Cash Out Index Price.² For shippers on the Mainline System, the calculation results in a total cash-out refund of \$515,174. For shippers on the Medicine Bow Lateral, the calculation results in a total cash-out refund of \$333,633. WIC explains that the application of these cash-out amounts results in an L&U Requirement Adjustment of 0.00 percent for the time that these rates are in effect for both the Mainline and Medicine Bow Systems. WIC also states that it allocated the value of the excess L&U quantities to each shipper on the Mainline System and to each shipper on the Medicine Bow Lateral based on the throughput for the data collection period of September 2013 through November 2013.

8. In addition, WIC explains that it has over-collected L&U quantities of 43,194 Dth associated with the Kanda Lateral. WIC requests a waiver of GT&C sections 13.3(a) and 13.5(d)(i) of its tariff to cash-out these volumes on the Kanda Lateral,³ and proposes to cash-out the over-collected L&U quantities at the index price associated with the months in which the over-collection occurred. WIC calculated the value associated with the months in which the over-collected L&U quantities occurred by using the applicable month's Cash Out Index Price. WIC states that 25,592 Dth of the over-collection was deferred in Docket No. RP14-117 and occurred in the months of June through August 2013, and that based on the Cash Out Index Prices in effect during those months, the shippers on the Kanda Lateral will receive a cash-out refund of \$88,349 for that period. WIC also states that 17,602 Dth of the over-collection occurred from September 2013 through November 2013, and that using the Cash Out Price Index Prices in effect for those three months results in a cash-out amount of \$61,207 for shippers on the Kanda Lateral. WIC states that the shippers on the Kanda Lateral will therefore receive a total cash-out refund of \$149,556. WIC explains that it allocated the value of the excess fuel quantities pro-rata to each Kanda Lateral shipper based on throughput for the data collection period.

² WIC states that in accordance with section 1.6 of the GT&C of the tariff, "Cash Out Index Price" shall mean the price calculated as the average of the daily mid-point index prices for the Rockies – CIG (N. Syst.) as published in Platt's Gas Daily Price Guide for each day of the production month divided by the number of days in the month. Transmittal at n.3.

³ Waiver is required because the relevant tariff provisions only require cash-out if excess L&U quantities exceed 50,000 Dth, and the over-collected quantities of 43,194 Dth on the Kanda lateral are below that threshold.

9. Public notice of WIC's filing was issued on January 30, 2014. 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 motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

10. The Commission finds good cause to grant WIC's unopposed request for waiver of its tariff to cash-out over-collected L&U quantities associated with the Kanda Lateral. The Commission also finds that WIC has adequately supported the proposed tariff record reflecting revised FL&U percentages applicable to transportation service on WIC's system, effective March 1, 2014.

11. Accordingly, the requested waiver is granted and the revised tariff record is accepted, effective March 1, 2014.

By direction of the Commission.

Kimberly D. Bose,
Secretary.