

147 FERC ¶ 61,264
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

June 30, 2014

In Reply Refer To:
Discovery Gas Transmission LLC
Docket No. RP14-1015-000

Larry Jensen, Regulatory Affairs Manager
Discovery Gas Transmission LLC
2800 Post Oak Boulevard
Houston, TX 77056

Dear Mr. Jensen:

1. On May 30, 2014, Discovery Gas Transmission LLC (Discovery) filed a proposed tariff record¹ to revise its Fuel, Lost and Unaccounted for Gas (“FL&U”) retention rate from zero percent to 0.2 percent per Dekatherm (Dth) to be assessed on gas received into Discovery’s transportation system, pursuant to section 154.403 of the Commission’s regulations² and the provisions of its FERC Gas Tariff, First Revised Volume No. 1 (“Tariff”). Discovery requests that the revised tariff record be made effective July 1, 2014. As discussed below, the Commission will accept the revised tariff record, effective July 1, 2014, as proposed.

2. Discovery states that its Rate Schedules FT-1, FT-2, and IT contain a subsection 4, entitled “Fuel, Lost and Unaccounted for Gas,” which provides that shippers receiving transportation service under the subject rate schedules are responsible for their proportionate share of the FL&U resulting from system operations. Discovery explains that its FL&U retention rate, reflected in the Statement of Rates and Fuel, is subject to change each year on July 1. Discovery’s tariff requires it to calculate the actual FL&U experienced in the preceding calendar year and allows Discovery to file revisions to the retention rate to more closely approximate the actual amount of FL&U experienced and

¹Discovery Gas Transmission LLC, FERC NGA Gas Tariff, First Revised Volume No. 1, [Section 1, Statement of Rates and Fuel, 10.0.0](#).

² 18 C.F.R. § 154.403 (2013).

to reflect any differences between projections and actual fuel and losses from the previous calendar year.

3. Discovery states that Attachment A to its filing shows the FL&U activity recorded during calendar year 2013. According to Discovery, Attachment A reflects that Discovery used 144,881 Dth for fuel and experienced a 125,162 Dth loss from system operations. Discovery states this shows that it experienced a total FL&U of 270,043 Dth. Discovery asserts that when compared to system receipts of 133,453,476 Dth, it experienced an actual 0.2 percent FL&U utilization rate from system operations in 2013. During this same period, Discovery states that its FL&U retention rate was zero percent so there was no offset associated with FL&U in 2013 nor will there be any offset during the first six months of 2014. Therefore, Discovery submits the tariff record in the instant filing to revise the current FL&U retention rate from zero percent to 0.2 percent matches the actual FL&U utilization rate experienced on Discovery's system in 2013.

4. Public notice of Discovery's filing was issued on June 2, 2014. Interventions and protests were due, as provided by section 154.210 of the Commission's regulations.³ Pursuant to Rule 214,⁴ 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 this proceeding or place additional burdens on existing parties.

5. On June 11, 2014, Indicated Shippers⁵ filed comments. Indicated Shippers do not object to Discovery's proposed fuel rate increase, however, Indicated Shippers request the Commission require Discovery to provide "a narrative explanation of monthly fluctuations in fuel usage on its system in future annual fuel filings." Indicated Shippers contend that providing additional narrative detail will enable Discovery's firm transportation customers to meaningfully evaluate future proposed fuel changes, which could avoid potential future protests based on a lack of supporting detail.

6. The Commission finds that Discovery's filing complies with section 1.4 of its GT&C. This section provides, in pertinent part, that:

Transporter will calculate the actual amount of Fuel, Lost and Unaccounted for Gas experienced during each calendar Year and file any revisions to the

³ 18 C.F.R. § 154.210 (2013).

⁴ 18 C.F.R. § 385.214 (2013).

⁵ For purposes of this filing, "Indicated Shippers" are Anadarko US Offshore Corporation and ExxonMobil Gas & Power Marketing Company, a Division of Exxon Mobil Corporation.

reduction percentage to more closely approximate the actual amount of Fuel, Lost and Unaccounted for Gas experienced by the System and to reflect differences between projections and actual fuel and losses from the previous calendar Year . . . to become effective on July 1 of each Year.

This provision does not obligate Discovery to provide the narrative type of information the Indicated Shippers request, and Indicated Shippers have not identified any provision in Discovery's tariff that would require Discovery to provide the requested narratives. Moreover, as discussed, Indicated Shippers themselves do not challenge any of Discovery's data or object to the fuel rate increase proposed by Discovery. Therefore, we find no basis on the record here upon which to establish a requirement going forward that Discovery provide the additional information requested by the Indicated Shippers in future FL&U filings. Accordingly, the tariff record referenced in footnote 1 is accepted effective July 1, 2014.

By direction of the Commission.

Kimberly D. Bose,
Secretary.