

148 FERC ¶ 61,161
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

September 3, 2014

In Reply Refer To:
Southwest Airlines Co. and
United Airlines, Inc. v. Colonial
Pipeline Company
Docket No. OR14-18-000

Steven H. Brose, Esq.
Steptoe & Johnson LLP
1330 Connecticut Avenue, NW
Washington, DC 20036-1795

Dear Mr. Brose:

1. On June 30, 2014, you filed, on behalf of Colonial Pipeline Company (Colonial), separate settlement agreements (the Settlements) with Southwest Airlines Co. (Southwest) and United Airlines, Inc. (United) (collectively, the Airlines). On July 21, 2014, Commission Trial Staff (Staff) filed initial comments not opposing the Settlements. On July 29, 2014, the Airlines and Colonial filed a joint waiver electing not to file reply comments. No other comments or pleadings were filed. On August 1, 2014, the Presiding Administrative Law Judge certified the Settlements to the Commission as uncontested.

2. The primary terms of the Settlements include: (1) reduction or freezing of rates on walk up tariff rates for particular destinations; (2) implementation of an annual volume incentive program for shipments to particular destinations; and (3) stipulations as to payments to be made to Southwest and United in settlement of their complaint against Colonial. The Settlements include at Appendix A to each Settlement, conditional notices of withdrawal of the Airlines' complaint, which become effective upon the effectiveness of the Settlement, and the Commission's receipt of written certification that the applicable payments thereunder have been made, and the Settlement tariffs and rates have been filed and placed in effect.

3. The Settlements provide that any modifications to either Settlement sought by the Commission acting *sua sponte*, or by the signatories of the particular Settlement acting unanimously, will be governed by the ordinary just and reasonable standard. The

standard for any modifications proposed by one, but not both of the signatories to the applicable Settlement, will be the most stringent standard permissible under applicable law.

4. The Settlements appear to be fair and reasonable and in the public interest and are hereby approved. The Commission also grants the conditional notices of withdrawal of the Airlines' complaint, subject to fulfillment of the conditions in each notice. Colonial must file the requisite tariffs within ten (10) days after the date of this letter.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.