

149 FERC ¶ 61,073
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

October 24, 2014

In Reply Refer To:
Columbia Gas of
Maryland, Inc.
Docket Nos. PR14-6-000
and PR14-38-000

Columbia Gas of Maryland, Inc.
c/o NiSource Corporate Services Co.
121 Champion Way, Suite 100
Canonsburg, PA 15317

Attention: Kenneth W. Christman
Assistant General Counsel

Dear Mr. Christman:

1. On November 8, 2013, as supplemented on December 19, 2013, pursuant to section 284.123(e) of the Commission's regulations,¹ Columbia Gas of Maryland, Inc. (CMD) filed a tariff record² to revise its Statement of Operating Conditions (SOC) proposing to update its rates for transportation service to reflect its newly effective rates approved by the Maryland Public Service Commission (Maryland PSC). On June 26, 2014, in Docket No. PR14-38-000,³ CMD made a filing to further amend its SOC. The Commission accepts the tariff record referenced in Footnote No. 3, effective October 9, 2013, as proposed and rejects the tariff record referenced in Footnote No. 2, as moot.

¹ 18 C.F.R. § 284.123(e) (2014).

² Columbia Gas of Maryland, Inc., FERC NGPA Gas Tariff, Tariffs, [Tariff, Columbia Gas of Maryland, 0.0.2.](#)

³ Columbia Gas of Maryland, Inc., FERC NGPA Gas Tariff, Tariffs, [Tariff, Columbia Gas of Maryland, 0.0.3.](#)

2. CMD is a local distribution company and Hinshaw pipeline that has received a limited jurisdiction blanket certificate to perform interstate service by the Commission pursuant to section 284.224 of the Commission's regulations.⁴ CMD has elected, under section 284.123(b) of the Commission's regulations, to establish the same rates for interstate service as those contained in its currently effective rate schedules for comparable intrastate service on file with the Maryland PSC.
3. On September 25, 2013, CMD submitted a tariff to the Maryland PSC to update its rates, rules and regulations to furnish natural gas service and to produce the revenue increase approved in Maryland PSC's Case No. 9316. On October 9, 2013, Maryland PSC accepted the revised tariff.
4. On November 8, 2013, in Docket No. PR14-6-000, CMD filed a tariff record with the Commission to revise its SOC, pursuant to section 284.123(e) of the Commission's regulations, to reflect the Maryland PSC's approved rates. Thereafter, on December 19, 2013, CMD supplemented its filing in Docket No. PR14-6-000 to include a link to its currently effective state rate schedule on its website and to submit a copy of the Maryland PSC's order approving the state rate schedule. Prior to the Commission acting on the filing in Docket No. PR14-6-000, on June 26, 2014, CMD made a filing in Docket No. PR14-38-000 to amend further its SOC to remove various provisions which relate only to its intrastate service.
5. Public notice of the filings in Docket Nos. PR14-6-000 and PR14-38-000 were issued on November 13, 2013 and June 30, 2014, respectively, with interventions and protests due on or before November 29, 2013 and July 17, 2014, respectively. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2014)), all timely filed motions to intervene and any unopposed motion 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 party filed a protest or adverse comments.
6. With regard to CMD's state rate election filed pursuant to section 284.123(b)(1) of the Commission's regulations, in Docket Nos. PR14-6-000 and PR14-38-000, we find that the interim rates CMD has elected correspond to the rates on file with the Maryland PSC for intrastate service. As noted, CMD's proposed interstate transportation service under Rate Schedule TS is based on its currently effective state transportation service rates on file with the Maryland PSC. Accordingly, the Commission accepts the

⁴ 18 C.F.R. § 284.224 (2014). CMD satisfies the Hinshaw criteria in section 1(c) for Natural Gas Act (NGA)-exempt status because: (1) it receives all of its natural gas supplies at points within Maryland; (2) the gas is consumed in Maryland; and (3) its rates and services are subject to regulation by the Maryland PSC.

rates contained in the tariff record filed on June 26, 2014 in Docket No. PR14-38-000 and referenced in Footnote No. 3, effective October 9, 2013 and rejects the tariff record referenced in Footnote No. 2, as moot.

7. The Commission's approval, however, is subject to the requirements of Order Nos. 735 and 781. In Order No. 735, as relevant here, the Commission ruled that Hinshaw pipelines are required to file a rate review on a five-year basis either by filing a cost and revenue study or by filing an application for rate approval with the Commission.⁵ Order No. 781 modified those filing requirements to permit Hinshaw pipelines using state-approved rate elections to meet the five-year review requirement by certifying that those state-approved rates are unchanged and thus continue to meet the requirements of section 284.123(b)(1) of the Commission's regulations.⁶ Nonetheless, the Commission requires that if the state-approved rates used for the rate election changes at any time, the pipeline must file a new application for rate approval pursuant to sections 284.123(b) or (g) for its interstate rates not later than 30 days after the changed rates becomes effective.

8. The Commission accepts CMD's rate election subject to the conditions that: (1) if its rates remain unchanged during a five-year period from October 9, 2013, CMD must either make a filing on or before October 9, 2018, to certify that its state-approved rate has not changed and that it continues to meet the requirements of section 284.123(b)(1) on the same basis on which it was approved; or (2) file a petition for rate approval under section 284.123. If the state-approved rate is changed at any time, CMD must file within 30 days a new rate application pursuant to section 284.123(b). As a Hinshaw Pipeline, CMD may fulfill a filing requirement pursuant to section 284.123 by providing cost and

⁵ *Contract Reporting Requirements of Intrastate Natural Gas Companies*, Order No. 735, FERC Stats. & Regs. ¶ 31,310, at P 92, *order on reh'g*, Order No. 735-A, FERC Stats. & Regs. ¶ 31,318 (2010). *See also Hattiesburg Industrial Gas Sales, L.L.C.*, 134 FERC ¶ 61,236 (2011) (imposing a five-year rate review requirement on Hattiesburg Industrial Gas Sales, L.L.C. in an order approving Hattiesburg's multiple revisions to its SOC).

⁶ *See Revisions to Procedural Regulations Governing Transportation by Intrastate Pipelines*, Order No. 781, FERC Stats. & Regs. ¶ 31,348, at PP 56-64 (2013) (cross-referenced at 144 FERC ¶ 61,034 (2013)).

throughput data in the form specified in section 154.313. Moreover, CMD may file at any time to change its rate under section 284.123 of the Commission's regulations.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.