

150 FERC ¶ 61,062
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Cheryl A. LaFleur, Chairman;
Philip D. Moeller, Tony Clark,
Norman C. Bay, and Colette D. Honorable.

MoGas Pipeline LLC

Docket No. RP15-276-000

ORDER ACCEPTING AND SUSPENDING TARIFF RECORDS, SUBJECT TO
REFUND AND CONDITIONS, AND ESTABLISHING TECHNICAL CONFERENCE

(Issued January 30, 2015)

1. On December 22, 2014, MoGas Pipeline, LLC (MoGas) filed tariff records for inclusion in its FERC Gas Tariff, Volume No. 1.¹ MoGas states that it proposes, *inter alia*, (a) a new short-term imbalance management service (SBS); (b) a clarification to its authority to issue operational flow orders (OFO); (c) a clarification regarding the circumstances that may cause it to utilize flow control; and (d) a daily unauthorized overrun charge, a daily scheduling penalty, and a penalty on month-end imbalances. MoGas maintains that the Commission has approved similar provisions for other pipelines and that these proposed changes will allow it to continue to provide consistent, reliable service and to compete for additional load. Various parties filed motions to intervene, protests, requests for rejection of the filing, or for a technical conference.
2. As discussed below, the Commission will accept and suspend the tariff records listed in the Appendix to become effective July 1, 2015, subject to refund and conditions and further order of the Commission, and will establish a technical conference to address the issues raised by the MoGas filing and the protests.

Proposed Tariff Revisions

A. Rate Schedule SBS

3. MoGas states that the new SBS will be provided from linepack and that it will post capacity available for the SBS each day. According to MoGas, shippers electing this service will have their daily imbalances automatically nominated into their SBS

¹ The tariffs are listed in the Appendix to this order.

accounts to the extent that MoGas has the operational ability to provide the service. MoGas further states that shippers will pay a daily charge on their SBS account balances, but will not be subject to penalty provisions. However, continues MoGas, when it cannot provide the SBS due to operational circumstances, it will notify shippers in advance, and the regular penalty provisions will apply to scheduling deviations, unauthorized overruns, and imbalances. Additionally, MoGas states that the SBS will be subject to daily and cumulative caps, which will be posted on MoGas's informational postings site and stated as a percentage of MDQ. MoGas explains that when a shipper reaches the cap, the regular penalty provisions will apply to scheduling deviations, unauthorized overruns, and imbalances incurred until the SBS account balance is reduced below the cap.

4. MoGas states that the rate for the SBS will be equal to the maximum stated tariff IT rate, although to encourage shippers to use the service, it may offer discounted SBS rates. MoGas contends that the Commission has recognized that penalties, together with balancing service options, are necessary to fully implement open-access transportation.² MoGas also asserts that its Rate Schedule SBS is modeled on other balancing services provided from linepack that the Commission has found to be just and reasonable.³

B. OFOs

5. MoGas proposes a new General Terms & Conditions (GT&C) section 7.38 authorizing it to issue OFOs when necessary to preserve the integrity of its system and a new GT&C section 7.39 (Flow Control) to clarify the circumstances that may cause MoGas to implement flow control. MoGas states that section 284.12 of the Commission's regulations requires a pipeline to include in its tariff clear standards defining when such measures will begin and end and must provide timely information that will enable shippers to minimize the adverse impacts of these measures.⁴ MoGas also states that Order No. 637⁵ requires interstate pipelines to take reasonable steps to minimize the issuance of OFOs, as well as the possible adverse impacts of the OFOs.

² MoGas cites *Northern Natural Gas Co.*, 36 FERC ¶ 63,024, at 65,087 (1986).

³ MoGas cites, e.g., *Alliance Pipeline L.P.*, 136 FERC ¶ 61,066, at PP 9, 38 (2011); *Rockies Express Pipeline LLC*, 131 FERC ¶ 61,006 (2010); *Natural Gas Pipeline Co. of America*, 96 FERC ¶ 61,181 (2001).

⁴ 18 C.F.R. § 284.12(b)(2)(iv) (2014).

⁵ MoGas cites *Regulation of Short-Term Natural Gas Transportation Services, and Regulation of Interstate Natural Gas Transportation Services*, Order No. 637, FERC

6. MoGas explains that its proposed GT&C section 7.38 defines the scope of OFOs on its system, the steps it will take before issuing an OFO, and the types of circumstances that could give rise to issuance of an OFO. MoGas states that this new provision allows it to issue OFOs to preserve the integrity of its pipeline facilities and to ensure adequate operating pressures. MoGas contends that this provision is consistent with similar pipeline provisions approved by the Commission.⁶

C. Flow Control

7. MoGas states that its currently-effective tariff (GT&C section 7.14) allows it to adjust or limit shipper deliveries in certain situations. MoGas explains that it has flow control capability installed at all but the smallest of its existing delivery points and that when it utilizes flow control, it is able to control the delivery of gas off of the system at such points as necessary. MoGas further explains that deliveries at certain larger points on the system are regulated using the pipeline's flow control capabilities, while deliveries at smaller points are regulated by pressure control without using the pipeline's flow control.⁷

8. MoGas asserts that its system runs effectively and efficiently under these operating conditions and that the proposed tariff changes are not intended to change the status quo. Rather, continues MoGas, the proposed tariff changes seek to clarify circumstances that may cause it to employ its existing flow control capability at points that currently are operating under pressure control. MoGas explains that proposed GT&C section 7.39 (Flow Control) provides that it may install and/or operate remote or

Stats. & Regs. ¶ 31,091, *order on clarification*, Order No. 637-A, FERC Stats. & Regs. ¶ 61,099, *reh'g denied*, Order No. 637-B, 92 FERC ¶ 61,062 (2000), *aff'd in part and remanded in part sub nom. Interstate Natural Gas Ass'n of America v. FERC*, 285 F.3d (D.C. Cir. 2002), *order on remand*, 101 FERC ¶ 61,088 (2004), *aff'd sub nom. American Gas Ass'n v. FERC*, 428 F.3d 255 (D.C. Cir. 2005).

⁶ MoGas cites, *e.g.*, *Carolina Gas Transmission Corp.*, 148 FERC ¶ 61,186 (2014).

⁷ MoGas states that the proposed tariff changes also include the addition of a daily scheduling penalty for situations in which a shipper takes delivery of more or less gas than its Scheduled Quantity when such delivery is below the shipper's MDQ. Additionally, MoGas states that shippers that receive the majority of their gas on a given day at delivery points that operate pursuant to the pipeline's flow control equipment will not be assessed daily scheduling penalties because the majority of their deliveries are controlled by the pipeline.

manual flow control equipment when it determines that such equipment will contribute to the safe, reliable, efficient, and orderly operation of its pipeline facilities and that similar provisions have been approved by the Commission in other cases.⁸

D. Daily Delivery Point Scheduling Penalties

9. Under its proposed GT&C section 7.14(2), MoGas proposes to implement different daily scheduling penalties, with certain exceptions, during non-critical periods and critical periods. MoGas explains that shippers will incur scheduling penalties when they take quantities that vary from the scheduled quantity by the greater of 50 Dth or three percent of their MDQs.⁹ Further, states MoGas, during non-critical periods, shippers will be subject to scheduling penalties equal to MoGas's IT rate for each Dth exceeding the greater of 50 Dth or three percent of the volumes scheduled by MoGas. Additionally, MoGas explains that during critical periods, shippers will be subject to scheduling penalties equal to the greater of \$25 or three times the Chicago Hub index price published in *NGI's Daily Gas Index* for each Dth exceeding the greater of 50 Dth or three percent of the volumes scheduled by MoGas. MoGas points out that during critical periods, the operational integrity of a pipeline is more at risk, and thus higher scheduling penalties are warranted.¹⁰ MoGas maintains that scheduling penalties during critical periods must be high enough to act as an effective deterrent to harmful conduct. MoGas also asserts that its proposal is just and reasonable and consistent with similar pipeline tariff provisions approved by the Commission.¹¹

E. Daily Unauthorized Overrun Penalty

10. MoGas proposes to add subsection 3.4 to section 6.1 (Rate Schedule FT) and subsection 3.7 to section 6.2 (Rate Schedule IT) to allow it to assess a daily unauthorized overrun penalty.¹² MoGas contends that Commission precedent permits pipeline

⁸ MoGas cites, e.g., *El Paso Natural Gas Co.*, 129 FERC ¶ 61,036, at PP 16-29 (2009), *order on rehearing and compliance filing*, 130 FERC ¶ 61,096 (2010).

⁹ MoGas states that the proposed three-percent tolerance level for the unauthorized scheduling volumes is consistent with the tolerance levels previously approved by the Commission. *Columbia Gas Transmission Corp.*, 124 FERC ¶ 61,122, at P 73 (2008).

¹⁰ MoGas cites *Columbia Gas Transmission Corp.*, 115 FERC ¶ 61,134, at P 12 (2006).

¹¹ MoGas cites, e.g., *Millennium Pipeline Co.*, 130 FERC ¶ 61,074 (2010).

¹² MoGas proposes to define Unauthorized Overruns as follows: "If Shipper does not receive the advance approval of Transporter for an Authorized Overrun Quantity but

companies to propose a “nominal penalty for non-critical periods, not to exceed twice its maximum interruptible rate” as the rate for unauthorized overrun service, to encourage shippers to nominate their overrun volumes via authorized overrun service instead of relying on unauthorized overruns.¹³ MoGas further contends that such a penalty rate appropriately takes into account the lessened impact unauthorized overruns will have on the system during non-critical times.¹⁴ MoGas also points out that the unauthorized overrun penalty is designed to prevent a different type of behavior than the behavior addressed by a scheduling penalty. MoGas explains that the daily delivery point scheduling penalty applies to shippers that take quantities of natural gas below their MDQs, but are not taking a quantity of natural gas consistent with their Scheduled Quantities.

11. In contrast, continues MoGas, the unauthorized overrun penalty applies when shippers take gas in excess of their MDQs without obtaining authorized overrun service. MoGas contends that this conduct significantly increases the risk to the safe and reliable operation of the system and its ability to meet its firm service obligations. Therefore, states MoGas, it is appropriate to assign a higher penalty cost to those actions, given the increase in potential harm to the system.¹⁵

F. Monthly Imbalance Penalties

12. MoGas proposes to add subsection 7.14(1) to section 7.14 of its GT&C to allow it to assess a monthly imbalance penalty. MoGas explains that it intends to charge twice its IT rate on any imbalance that exists at the end of the month and is not resolved in the 17 business days of the following month, when shippers may net and trade imbalances. MoGas contends that managing imbalances on a monthly basis reduces the administrative burden on a small company such as MoGas and also provides shippers greater flexibility within a month to manage and minimize net imbalances. MoGas points out that it will credit to non-offending shippers the imbalance penalty revenues,

nonetheless takes on any day a quantity of natural gas in excess of Shipper’s MDQ, then such quantity shall constitute an Unauthorized Overrun.”

¹³ MoGas cites *Colorado Interstate Gas Co.*, 122 FERC ¶ 61,256, at P 86 (2008); *Guardian Pipeline, L.L.C.*, 101 FERC ¶ 61,271, at P 23 (2002); *Questar Pipeline Co.*, 98 FERC ¶ 61,159, at 61,584 (2002).

¹⁴ MoGas cites *Colorado Interstate Gas Co.*, 122 FERC ¶ 61,256, at P 86 (2008).

¹⁵ MoGas cites, *e.g.*, *Columbia Gas Transmission Corp.*, 115 FERC ¶ 61,134, at P 20 (2006).

net of costs, in accordance with Order No. 637. MoGas asserts that its proposal is consistent with Commission precedent permitting pipelines to charge monthly imbalance penalties so long as the pipelines offer imbalance management service (i.e., park and loan) to the extent practicable, thereby allowing shippers to minimize the possibility of incurring imbalances.¹⁶

G. Miscellaneous Housekeeping Changes

13. MoGas proposes to provide, where appropriate, that certain communications permitted to be made by facsimile transmission may also be made via e-mail. MoGas also proposes to update its address to reflect a recent office move. Finally, MoGas proposes changes to comply with Order No. 801 regarding the posting of pipeline system maps.¹⁷

H. Waiver Request

14. MoGas requests waiver of sections 154.202(a)(1)(v-viii) and 154.204(e) of the Commission's regulations, which require that tariff filings for new service include an estimate of the effect on revenues and costs for the 12 months after the new service begins.¹⁸ MoGas explains that it has no actual cost or revenue experience with these services at this time and no way to estimate to the extent to which shippers will subscribe for the services. MoGas maintains that the Commission has granted waivers of sections 154.202 and 154.204 to pipelines proposing to implement similar services.¹⁹

Public Notice, Interventions, and Protests

15. Public notice of the MoGas filing was issued December 23, 2014. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.²⁰

¹⁶ MoGas cites, e.g., *ANR Pipeline Co.*, 105 FERC ¶ 61,236, at P 19 (2003).

¹⁷ MoGas cites *Natural Gas Pipeline Maps*, Order No. 801, FERC Stats. & Regs. ¶ 31,360 (2014).

¹⁸ 18 C.F.R. §§ 154.202(a)(1)(v-viii) and 154.204(e) (2014).

¹⁹ MoGas cites, e.g., *Tennessee Gas Pipeline Co.*, 87 FERC ¶ 61,375 at 62,400 (1999); *Columbia Gas Transmission Corp.*, 85 FERC ¶ 61,212, at 61,874 (1998); *Colorado Interstate Gas Co.*, 83 FERC ¶ 61,273, at 62,136 (1998); *ANR Pipeline Co.*, 83 FERC ¶ 61,087, at 61,429 (1998).

²⁰ 18 C.F.R. § 154.210 (2014).

Pursuant to Rule 214,²¹ 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. Laclede Gas Company (Laclede Gas) filed a protest, request for technical conference, and a request for maximum suspension of the tariff filing. Laclede Energy Resources, Inc. filed a request for a technical conference, but did not challenge specific aspects of the MoGas filing. Union Electric Company d/b/a Ameren Missouri (Ameren) filed a conditional protest and a request for technical conference, and pending further discussion with customers and the technical conference, order an evidentiary hearing. Municipal Intervenors²² filed a protest, request for issuance of a deficiency letter, request for technical conference, request for maximum suspension of the tariff filing, request for refund effective date, and a request for hearing. The Missouri Public Service Commission (MoPSC) filed a protest and request for a technical conference with a five-month suspension and in the alternative, a hearing. Several parties contend that MoGas provided no advance notice of these changes to them and that the timing of the proposed changes during the winter heating season creates problems for customers because of adjustments to gas supply that would be required. The protesting parties also contend, *inter alia*, that the proposed changes have not been shown to be just and reasonable and that they allow MoGas too much discretion.

16. Laclede Gas states that MoGas's proposed tolerance level for daily scheduling penalties during non-critical periods is unduly restrictive and narrower than similar allowances approved for other pipelines. For example, states Laclede Gas, Natural Gas Pipeline Company of America allows shippers a five-percent variance from scheduled nominations during non-critical periods before a penalty is assessed.²³ Additionally, continues Laclede Gas, Panhandle Eastern Pipe Line Company, LP (Panhandle) allows an even higher tolerance of 10 percent.²⁴ Laclede Gas further contends that MoGas's reference to a Commission order in a Columbia Gas Transmission Corporation (Columbia) proceeding in footnote 13 of the MoGas filing supports a three-percent tolerance for its proposed daily scheduling variances, but only during critical periods. In

²¹ 18 C.F.R. § 385.214 (2014).

²² Municipal Intervenors include the Cities of St. James, St. Robert and Waynesville, Missouri.

²³ Laclede Gas cites Natural Gas Pipeline Company of America LLC, FERC Gas Tariff, Eighth Revised Volume No. 1, Balancing Service and Overrun Charges, Part 6.12.

²⁴ Laclede Gas cites Panhandle Eastern Pipe Line Company, LP, FERC Gas Tariff, Fourth Revised Volume No. 1, Part VI GT&C Section 12.11h, Daily Scheduling Charge.

fact, states Laclede Gas, the Columbia order states that a five-percent tolerance is appropriate for non-critical periods.²⁵

17. Laclede Gas explains that it serves several towns to which the flow control exemption does not apply because deliveries are made by means of pressure control and, therefore, a three-percent allowance during non-critical periods is unreasonable. Laclede Gas asks that MoGas be required to clarify for all shippers whether their deliveries would qualify for the flow control equipment exemption referenced in section 7.14.2 of the proposed tariff. Laclede Gas also maintains that MoGas should not be permitted to penalize a shipper in those instances when a variance between scheduled and actual deliveries is offset by a corresponding variance in receipts into the system.

18. Laclede Gas also takes issue with the failure of MoGas to provide an allowance before it imposes unauthorized overrun penalties, as do certain other pipelines. Laclede Gas asserts that Panhandle's tariff provides for an allowance of four percent, or 50 Dth, whichever is greater.²⁶ Moreover, continues Laclede Gas, even the Columbia tariff cited by MoGas appears to provide an allowance of the greater of three percent of a shipper's total firm entitlement or 1,000 Dth to use in connection with unauthorized overruns.²⁷ Finally, Laclede Gas contends that section 7.40 of MoGas's GT&C fails to include in the amounts credited to non-offending shippers the daily scheduling penalties it may charge during non-critical periods.

19. Ameren asserts that it is unclear how the substantive changes proposed by MoGas will impact the pipeline's existing services and that the changes could subject shippers to multiple and potentially overlapping penalties relating to imbalances, scheduling, and overruns, as well as enhanced penalties arising from scheduling errors during "critical periods" and violations of OFOs. For example, Ameren argues that it is difficult to determine how and when the new penalties will be imposed and whether purchasing the SBS will allow a shipper to avoid the penalties.

²⁵ Laclede Gas cites Columbia Gas Transmission Corporation, FERC Gas Tariff, Fourth Revised Volume No. 1, VII.19, General Terms and Conditions, Penalties.

²⁶ Laclede Gas cites Panhandle Eastern Pipe Line Company, LP, FERC Gas Tariff, Fourth Revised Volume No. 1, Part VI GT&C Section 12.16, Unauthorized Overrun Penalty.

²⁷ Laclede Gas cites Columbia Gas Transmission, LLC FERC Tariff, Fourth Revised Volume No. 1, VII. 19, GT&C, Penalties.

20. Ameren cites three particular concerns with the MoGas proposal. First, states Ameren, proposed section 7.14.1 pertaining to monthly imbalances is unclear as to how it will be implemented or how a shipper can resolve any imbalances within the resolution period and thereby avoid penalties. Ameren identifies a number of potential problems, including the fact that MoGas is a small pipeline with few shippers, which will limit the ability of shippers to trade imbalances. Additionally, Ameren points out that if a shipper's nominations must be adjusted in the month during which the imbalance occurs, it will be virtually impossible to resolve an imbalance that occurs late in the month.

21. Second, Ameren questions proposed section 7.14.2 pertaining to daily delivery point scheduling penalties, especially because MoGas does not define the term "Critical Period." Ameren contends that the operation of the section is unclear, in part because many questions remain unanswered, including the problem MoGas intends this provision to address.

22. Finally, Ameren is concerned about whether MoGas will honor its verbal commitment to Ameren that it will provide a three-month grace period during which it will not assess penalties so that customers can learn how these provisions will operate and adjust their nominations and scheduling accordingly. Ameren asserts that three months is an insufficient period of time, especially if MoGas fails to make a number of needed clarifications.

23. Municipal Intervenors also contend that MoGas has failed to provide a detailed explanation of the need for its filing and also has failed to define the term "Critical Period," as that term applies to daily delivery point scheduling penalties. Municipal Intervenors criticize two recent declarations of a Critical Period, contending that MoGas failed to provide adequate advance notice and sufficient explanations of the factors leading to MoGas's actions. Municipal Intervenors also cite Columbia's tariff as a possible model for MoGas to adopt.

24. Additionally, argue Municipal Intervenors, MoGas has not defined when an overrun is considered authorized or unauthorized and that the proposed tariff grants MoGas excessive discretion to address overruns, which could lead to undue discrimination. Municipal Intervenors ask the Commission to require MoGas to post information relating to each instance when it was asked to authorize an overrun, the circumstances giving rise to the request, MoGas's decision whether to authorize the overrun, and the basis for that decision.

25. Municipal Intervenors further assert that section 7.40 of MoGas's proposed tariff is deficient because it allows MoGas to waive penalties with no recordkeeping obligation. Municipal Intervenors also ask the Commission to require MoGas to provide documentation to ensure that the issuance of waivers pertaining to tariff penalty provisions is transparent and non-discriminatory.

26. Additionally, Municipal Intervenors question whether MoGas's proposed SBS qualifies as an imbalance service. In fact, state Municipal Intervenors, the proposed SBS provisions demonstrate that the SBS service may never be available because it may be entirely interrupted and because MoGas has no obligation to provide this service if it would "interfere" (which is not defined) with other services or have an "adverse effect" (also undefined) on operations.

27. Municipal Intervenors next ask the Commission to reject MoGas's claim that because the SBS is a new service, MoGas is unable to quantify the impact on customers. Municipal Intervenors suggest that MoGas could rely on November 2014 data to calculate penalties as an illustration of the impacts of its penalty system, or even better, MoGas could use the prior calendar year as a "test period" and apply the various penalty mechanisms to a full year of data. Further, state Municipal Intervenors, it is unclear how MoGas will incur costs to provide the SBS because the linepack can be maintained based on pressure from interconnections with other interstate pipelines. Municipal Intervenors also contend that it is unclear from the filing whether the cost of fuel used by compressors to increase linepack will be passed on to shippers that would be forced to subsidize the SBS through the fuel tracker mechanism.

28. MoPSC states that, among other things, MoGas must be required to explain how its proposed tariff changes prevent preferential treatment for MoGas's affiliated marketer, Omega Pipeline Company (Omega), and to explain how the tariff provisions will be administered in a non-discriminatory manner to avoid affiliate abuse.²⁸ MoPSC also questions whether the provisions relating to notices to customers are sufficient to allow customers to react to system conditions, and how the SBS provision can help customers avoid penalties when, at any time, it may be unavailable with little or no notice. MoPSC also generally asserts that MoGas has failed to justify the extensive changes it proposes and how customers will be affected by the penalties, the arbitrarily reduced tolerances, changes to revenue and costs, and the unlimited discretion of MoGas to waive penalties, which could allow it to reward an otherwise offending shipper by allowing such a shipper to share in the penalty revenues.

29. While not opposed to provisions that protect operational integrity, MoPSC contends that an analysis of MoGas Fuel filings indicates that the cumulative over-collection of natural gas into the pipeline system through excess nominations has grown,

²⁸ MoPSC states that it found that MoGas's intrastate predecessors, Missouri Pipeline Company and Missouri Gas Company, violated tariff provisions when they offered Omega affiliate discounts that they did not offer to similarly-situated customers. Missouri Public Service Commission Case No. GC-2006-0491, Revised Report and Order (October 4, 2007).

especially over the period of time including last winter. According to MoPSC, the cumulative imbalance remains relatively small when compared to the total volumes transported, which indicates that there is no need for hasty action. MoPSC further states that MoGas's Fuel filings provide monthly data on nominations, deliveries, and total system imbalances at the end of each month, but that the FERC Form 2-A submitted by MoGas does not include data on pages 521a-521d that would further identify monthly net excesses or deficiencies and the disposition of excess gas or gas acquired to meet deficiencies. MoPSC emphasizes that daily nominations by firm customers are publicly available, but only MoGas and its individual customers know the actual flows through customer meters. Like Municipal Intervenor, MoPSC states that MoGas could estimate the impact of penalties using November 14-25, 2014, or the 12-month period. MoPSC asserts that if the Commission grants MoGas some discretion to waive penalties, it should require MoGas to make additional tariff changes so that both grants and denials of waivers are issued in a transparent manner. MoPSC contends that the SBS may provide little or no protection to customers because it can be interrupted at any time.

30. Finally, MoPSC identifies a number of concerns with ambiguous and contradictory tariff language in the proposed tariff provisions, including for example, language relating to the calculation of authorized and unauthorized overrun charges, use of the term "same area" in different tariff provisions, the definition of "critical period," the possibility that customers with delivery points that operate pursuant to the pipeline's flow equipment might recover penalties assessed to other customers, and when e-mail communications are appropriate.

Commission Analysis

31. MoGas proposes to (1) offer a new SBS to allow customers to avoid its new penalties (2) clarify its authority to issue OFOs, (3) clarify the circumstances that may cause the pipeline to utilize flow control, (4) include new daily scheduling penalties, and (5) include new monthly imbalance penalties. The protesting parties raise numerous concerns about all aspects of the MoGas filing and ask the Commission to establish a technical conference to address the issues raised by the filing. The Commission finds that it is not possible to determine from the pleadings whether MoGas's proposed tariff changes are just and reasonable. Accordingly, the Commission will establish a technical conference, which will afford the Commission staff and the parties to the proceeding an opportunity to discuss all issues raised by MoGas's filing and the protests, including but not limited to the issues identified in this order.

32. Based upon its review of the filing, the Commission finds that the proposed tariff records have not been shown to be just and reasonable, and may be unjust, unreasonable and unduly discriminatory, or otherwise unlawful. Accordingly, the Commission shall accept and suspend the effectiveness of the proposed tariff records for the period set forth below, subject to refund and the conditions set forth in this order.

33. The Commission's policy regarding tariff filings is that they generally should be suspended for the maximum period permitted by statute where preliminary study leads the Commission to believe that the filing may be unjust, unreasonable, or inconsistent with other statutory standards.²⁹ It is recognized, however, that shorter suspensions may be warranted in circumstances where suspension for the maximum period may lead to harsh and inequitable results.³⁰ Such circumstances do not exist here. Therefore, the Commission shall exercise its discretion to suspend the proposed tariff records listed in the Appendix, to be effective July 1, 2015, subject to the outcome of a technical conference, which is intended to provide a forum to examine all the issues raised by the filing, including but not limited to those cited in this order.

The Commission orders:

(A) The tariff records listed in the Appendix are accepted and suspended to become effective July 1, 2015, subject to refund and conditions, and subject to further order of the Commission following a technical conference.

(B) The Commission's staff is directed to convene a technical conference to address all issues raised by MoGas's filing including, but not limited to, those raised in protests and comments made in response to that filing, and to report the results of the conference to the Commission within 120 days of the date of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

²⁹ See *Great Lakes Gas Transmission Co.*, 12 FERC ¶ 61,293 (1980) (five-month suspension).

³⁰ See *Valley Gas Transmission, Inc.*, 12 FERC ¶ 61,197 (1980) (one-day suspension).

APPENDIX

MoGas Pipeline LLC
Docket No. RP15-276-000
Baseline Tariff, FERC NGA Gas Tariff

Tariff Records Effective July 1, 2015

[Tariff, Title Page, 1.0.0](#)

[Section 1, Table of Contents, 2.0.0](#)

[Section 3, System Map, 2.0.0](#)

[Section 4, Schedule of Rates for Transportation, 10.0.0](#)

[Section 6.1, Rate Schedule FT, 1.0.0](#)

[Section 6.2, Rate Schedule IT, 1.0.0](#)

[Section 6.3, Rate Schedule SBS, 0.0.0](#)

[Section 7.6, GT&C - Procedures for Requesting Service, 1.0.0](#)

[Section 7.14, GT&C - Shipper Obligations and Penalties, 1.0.0](#)

[Section 7.24, GT&C - Information and Communications, 1.0.0](#)

[Section 7.26, GT&C - Billing, Invoices and Payments, 1.0.0](#)

[Section 7.38, GT&C Operational Flow Orders, 0.0.0](#)

[Section 7.39, GT&C Flow Control, 0.0.0](#)

[Section 7.40, GT&C Penalty Revenue Crediting for Non-Offending Shippers, 0.0.0](#)

[Section 8.3, Form of Service Agreement FT, 1.0.0](#)

[Section 8.4, Form of Service Agreement IT, 1.0.0](#)

[Section 8.5, Form of Released Transportation Service Agreement, 1.0.0](#)

[Section 8.6, Form of Pre-Assignment Agreement, 1.0.0](#)

[Section 8.7, Form of Release Request, 1.0.0](#)

[Section 8.9, Form of Service Agreement SBS, 0.0.0](#)