

150 FERC ¶ 61,072  
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.

Dominion Transmission, Inc.

Docket No. RP01-74-008

ORDER APPROVING MODIFICATION TO SETTLEMENT

(Issued February 5, 2015)

1. On December 29, 2014, pursuant to Rule 207(a)(5) of the Commission's Rules of Practice and Procedure,<sup>1</sup> Dominion Transmission, Inc. (Dominion) submitted a petition to modify the term of its Stipulation and Agreement (Stipulation) which established gathering and products extraction rates for the Independent Oil and Gas Association of West Virginia (IOGA). The Stipulation was filed on December 11, 2000 and approved by the Commission on March 19, 2001.<sup>2</sup> We approve the modification as fair, reasonable, and in the public interest.

2. According to Dominion, the Stipulation established gathering and products extraction rates for an initial "Settlement Period" of January 1, 2001 through December 31, 2005, and then from year-to-year absent either party providing notice of its intention to cancel service.<sup>3</sup> Dominion states that the parties have repeatedly agreed to extend that Settlement Period of the Stipulation and thus the effective recourse rates for Dominion's gathering and products extraction services are those originally established in the Stipulation. Dominion further states that section 3.5 of the Stipulation provides if either party elects to provide 12 months' notice to terminate the Settlement Period,

---

<sup>1</sup> 18 C.F.R. § 385.207(a)(5) (2014). *See also Dominion Transmission, Inc.*, 111 FERC ¶ 61,285, at P 32 (2005) (approving the use of Rule 207(a)(5) to modify an existing settlement).

<sup>2</sup> *Dominion Transmission, Inc.*, 94 FERC ¶ 61,329 (2001); *see also Dominion Transmission, Inc.*, 97 FERC ¶ 61,088 (2001).

<sup>3</sup> Petition at 8; Stipulation section 3.1.B.

Dominion, must file an NGA section 4 rate case to establish new gathering and products extraction rates to be effective January 1 of the year following the conclusion of the 12 month notice.

3. In its petition, Dominion proposes to modify the Stipulation so as to extend the term of the Settlement Period until at least March 31, 2016, and to continue on a year to year basis absent 12 months' notice to terminate by either party. To implement these changes Dominion proposes specifically, to change the termination date specified in section 3.1.B from "December 31, 2005" to "March 31, 2016." Dominion also proposes to change the effective date of its NGA section 4 rate case, as specified in section 3.5 of the Stipulation, from "January 1, 2006" to "April 1, 2016." Dominion states that it and IOGA have been in recent negotiations regarding the gathering and products extraction rates covered by the Stipulation, and seek the extension of the term of the Settlement period so that the parties may have rate certainty during the negotiation period. Dominion states that the requested extension is a compromise that extends the Settlement period for three months instead of an extension of another 12 months,<sup>4</sup> allowing Dominion and IOGA to mutually discuss the future of Dominion's gathering and products extraction rates rather than forcing a decision now for such rates for all of 2016.

4. Dominion notes that it and IOGA, the only parties to the Stipulation, both agree to the proposed modification. Dominion claims that the proposed modification is in the public interest in that it allows Dominion and IOGA to attempt to mutually agree upon revised gathering and products extraction rates and potentially avoid a litigated NGA section 4 rate proceeding.

5. Public notice of Dominion's petition was issued on December 30, 2014. Interventions and protests were due as provided by section 154.210 of the Commission's regulations.<sup>5</sup> Pursuant to Rule 214, all timely filed motions to intervene and any unopposed motions to intervene out-of-time filed before the date of this order are granted.<sup>6</sup> Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. No party filed adverse comments; IOGA filed comments in support of the proposed modification.

---

<sup>4</sup> Petition at 4. As Dominion notes, either party could have given notice this December to terminate the Settlement Period, in which case the Settlement Period would have ended in December 2015, and Dominion would have had to file a rate case by January 1, 2016. The modification thus provides the parties until March 31 of this year to exercise their termination rights.

<sup>5</sup> 18 C.F.R. § 154.210 (2014).

<sup>6</sup> 18 C.F.R. § 385.214 (2014).

6. We find that Dominion's proposed modifications to the term of the Stipulation appear to be fair, reasonable, and in the public interest. The moderate extension of the Settlement Period will allow the parties to attempt to reach a mutual resolution as to the rates at issue. The proposed modifications are therefore approved. Approval of the extension of the term provisions does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

By the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.