

150 FERC ¶ 61,245
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

March 31, 2015

In Reply Refer To:
Columbia Gulf Transmission, LLC
Docket Nos. RP15-557-000
RP14-550-000

Columbia Gulf Transmission, LLC
5151 San Felipe
Suite 2400
Houston, TX 77056

Attention: James R. Downs, Vice President
Rates & Regulatory Affairs

Dear Mr. Downs:

1. On February 28, 2014, in Docket No. RP14-550-000, Columbia Gulf Transmission, LLC (Columbia Gulf) filed a revised tariff record in accordance with the Transportation Retainage Adjustment (TRA) provisions of its tariff to adjust its retainage percentages to take into account prospective changes in retainage requirements and unrecovered retainage quantities for 2013 (February 28, 2014 TRA filing). The Commission accepted and suspended the revised tariff record, to become effective April 1, 2014, subject to refund and conditions and further review.¹

2. On February 27, 2015, in Docket No. RP15-557-000, Columbia Gulf filed a revised tariff record² in accordance with the TRA provisions of its tariff to adjust its retainage percentages to take into account prospective changes in retainage requirements and unrecovered retainage quantities for 2014 (February 27, 2015 TRA filing).

¹ *Columbia Gulf Trans., LLC*, 146 FERC ¶ 61,240 (2014) (2014 Order).

² Columbia Gulf Transmission, LLC, FERC NGA Gas Tariff, Columbia Gulf Tariffs, [Currently Effective Rates, Retainage Rates, 14.0.0](#).

3. As discussed below, the Commission removes the refund condition imposed by the 2014 Order and accepts the revised tariff record filed in the February 27, 2015 TRA filing, to become effective April 1, 2015, subject to condition.
4. Columbia Gulf recovers company-use gas (CUG) and lost and unaccounted for (LAUF) volumes on its system by retaining, in-kind, a percentage of gas tendered by customers. Pursuant to General Terms and Conditions (GT&C) section 32, of its tariff Columbia Gulf must file a TRA annually, on or before March 1, to be effective April 1 of that year. Columbia Gulf's fuel retainage percentages include two components. The first component, known as the current retainage percentage, recovers the zone's projected CUG and LAUF during the twelve-month period commencing with the effective date of Columbia Gulf's TRA filing. The second component, known as the unrecovered retainage surcharge or true-up component, reflects the reconciliation of the rate zone's actual CUG and LAUF quantities during the prior calendar year with quantities retained by Columbia Gulf during the same period. Columbia Gulf allocates its system fuel retainage between the Market Zone (mainline) and the Market Zone (onshore). As required by the Commission, the TRA filing includes an accounting, separate from Columbia Gulf's system TRA calculations, for volumes retained pursuant to a negotiated retainage rate under a negotiated rate agreement with CenterPoint Energy Gas Transmission Company (CenterPoint).³
5. On February 28, 2014, in Docket No. RP14-550-000, Columbia Gulf made its annual TRA filing. On March 31, 2014, the Commission accepted and suspended the tariff records to be effective April 1, 2014, subject to refund, conditions and further review.⁴ The Commission found that Columbia Gulf's method for calculating its 2013 TRA filing was generally consistent with the methodology set forth in GT&C section 32. However, the Commission stated that further explanation was needed concerning Columbia Gulf's increased LAUF volumes. Accordingly, the Commission directed Columbia Gulf to file a report with the Commission within 120 days of the order detailing the results of its investigation into its abnormal LAUF levels and its plans for further investigation and/or resolution of the issue.⁵
6. On October 15, 2014, in Docket No. RP14-550-000, Columbia Gulf filed a report. It stated that it had initiated an "Active LAUF Management" program and was realizing the benefits of this program. Columbia Gulf stated that it is improving the accuracy of its measurements and thus driving down the amount of adjustments associated with prior

³ *Columbia Gulf Trans.Co.*, 133 FERC ¶ 61,097 (2010).

⁴ 2014 Order, 146 FERC ¶ 61,240 at P 14.

⁵ *Id.*

periods. Further, Columbia Gulf stated it has identified a need to have the ability to further isolate portions of its system, as its current capabilities are not granular enough to pinpoint meters causing LAUF issues. Finally, Columbia Gulf stated that it is investigating and identifying potential facilities that it may need to isolate the system under both current flow patterns and anticipated future flow patterns. No comments were received in response to the public notice of the Columbia Gulf report.

7. On February 27, 2015, in Docket No. RP15-557-000, Columbia Gulf filed a revised tariff record proposing to adjust its retainage percentages to take into account both prospective changes in retainage requirements for CUG and LAUF and unrecovered retainage quantities for the period of January 1, 2014 through December 31, 2014 consistent with its tariff. Columbia Gulf proposes, for its Market Zone, a forward haul retainage rate for the mainline component of 1.175 percent, which is an increase from its currently-effective rate of 1.156 percent; a forward haul retainage rate for the onshore component of the mainline of 0.379 percent, which is an increase from the currently-effective rate of 0.240 percent; and a backhaul retainage rate for the mainline component of 0.285 percent, which is a decrease from the currently-effective rate of 0.367 percent. In addition, as explained above, Columbia Gulf includes a separate accounting for volumes retained pursuant to a negotiated agreement with CenterPoint.

8. Public notice of the February 27, 2015 TRA filing in Docket No. RP15-557-000 was issued on March 3, 2015. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.⁶ Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,⁷ all timely-filed motions to intervene and any unopposed motions to intervene out-of-time 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. The City of Richmond, Virginia (Richmond) filed comments requesting that the Commission require Columbia Gulf to continue its efforts to identify and rectify the causes of LAUF on its system.

9. With respect to the February 27, 2015 TRA filing, the Commission finds that Columbia Gulf's method for calculating its 2014 TRA filing is generally consistent with the methodology set forth in GT&C section 32 of the Columbia Gulf tariff. However, as in Columbia Gulf's previous TRA proceeding we will require Columbia Gulf to file a report with the Commission no later than January 15, 2016, detailing the results of its continued investigation into the abnormal LAUF levels on its system. Accordingly, the Commission accepts the proposed tariff record in Docket No. RP15-557-000 to be effective April 1, 2015, subject to condition.

⁶ 18 C.F.R. § 154.210 (2014).

⁷ 18 C.F.R. § 385.214 (2014).

10. With respect to the October 15, 2014 report, the Commission finds that Columbia Gulf satisfactorily complied with the requirements of the 2014 Order. Further, no party filed comments on the compliance filing or the report. Accordingly, the Commission removes the refund condition imposed by the 2014 Order.

By direction of the Commission.

Kimberly D. Bose,
Secretary.