

151 FERC ¶ 61,217  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

June 15, 2015

In Reply Refer To:  
Twin Eagle Resource Management, LLC  
and Enserco Energy LLC  
Docket No. RP15-991-000

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and Enserco Energy LLC  
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Dear Ms. Crowley:

1. On May 15, 2015, Twin Eagle Resource Management, LLC (Twin Eagle) and Enserco Energy LLC (Enserco) (Petitioners) jointly filed a Petition (Joint Petition) requesting that the Commission grant temporary, limited waivers of the Commission's capacity release regulations and policies in order to enable Enserco to release and reassign certain interstate natural gas transportation and storage agreements (Agreements) to Twin Eagle in order to facilitate an internal reorganization of business activities between these two affiliated companies related to the eventual merger of Enserco's energy marketing business into Twin Eagle's, and the exit of Enserco from that business. Petitioners request that the waivers remain in effect through and including October 13, 2015. Petitioners also request that the Commission issue an order on the Joint Petition no later than June 15, 2015 because they expect the Agreements to close by July 1, 2015. As discussed below, and for good cause shown, we grant the requested waivers.

2. As noted, Petitioners state that granting the requested waivers will allow Enserco to transition its natural gas marketing business to Twin Eagle as part of an internal business reorganization and allow Enserco to exit the natural gas marketing business. To implement the reorganization, Petitioners specifically request waivers of the following: the Commission's capacity release posting and bidding requirements (18 C.F.R. § 284.8 (2014)); the prohibition on tying the release of pipeline capacity to any extraneous condition; the shipper-must-have-title requirement; the prohibition on buy/sell arrangements; the tariff provisions that implement these regulations and policies; and any

other necessary waivers of the Commission's rules and policies. Petitioners also request waivers of the applicable tariff provisions of Colorado Interstate Gas Company, Cheyenne Plains Gas Pipeline Company, L.L.C., El Paso Natural Gas Company, Wyoming Interstate Company, Ltd, Tallgrass Interstate Gas Transmission, LLC, Trailblazer Pipeline Company, WBI Energy Transmission, Inc., Northwest Pipeline, LLC, Kern River Gas Transmission Company, Questar Pipeline Company, and Southern Star Central Gas Pipeline, Inc. necessary to effectuate the transaction.<sup>1</sup> Petitioners request that the waivers be effective for a period through October 13, 2015 from the date of issuance to allow for the orderly transition of the full portfolio of natural gas transportation contracts.

3. Public notice of the Joint Petition was issued on May 18, 2015. Interventions and protests were due on May 22, 2015 as provided in section 154.210 of the Commission's regulations.<sup>2</sup> Pursuant to Rule 214,<sup>3</sup> all timely 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 this proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

4. We have reviewed the Petitioners' request for temporary waivers and find that the request is adequately supported and consistent with previous waivers that the Commission has granted to permit the release of capacity under similar circumstances,<sup>4</sup> particularly when the transfers are a result of various types of corporate restructurings, including corporate mergers and spinoffs of entire business units. In addition, we also find that Petitioners have provided the information required for the granting of such waivers including the following: (1) identification of the regulations and policies for which waiver is sought; (2) identification of the pipeline service agreements and capacity to be transferred; and (3) description of the overall transaction and its claimed benefits,

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<sup>1</sup> Petitioners have identified the pipeline capacity involved in Attachment A which provides a description of the various transportation agreements covered by the Joint Petition.

<sup>2</sup> 18 C.F.R. § 154.210 (2014).

<sup>3</sup> 18 C.F.R. § 385.214 (2014).

<sup>4</sup> *World Fuel Services, Inc. and U.S. Energy Services, Inc.*, 151 FERC ¶ 61,082 (2015); *Chesapeake Energy Marketing, L.L.C.*, 150 FERC ¶ 61,015 (2015); *Exelon Generation Co., LLC*, 148 FERC ¶ 61,242 (2014); *OXY USA Inc.*, 147 FERC ¶ 61,183 (2014); and *GeoMet, Inc.*, 147 FERC ¶ 61,083 (2014).

with sufficient detail to permit the Commission and other interested parties to determine whether granting the requested waivers is in the public interest.<sup>5</sup>

5. Accordingly, for good cause shown, the Commission grants temporary, limited waivers of its capacity release regulations, including the posting and bidding provisions and the prohibitions on tying arrangements, the shipper-must-have-title requirement, and the prohibition on buy/sell arrangements. In addition, the Commission grants, only to the extent necessary, temporary and limited waivers of the provisions of Colorado Interstate Gas Company, Cheyenne Plains Gas Pipeline Company, L.L.C., El Paso Natural Gas Company, Wyoming Interstate Company, Ltd, Tallgrass Interstate Gas Transmission, LLC, Trailblazer Pipeline Company, WBI Energy Transmission, Inc., Northwest Pipeline, LLC, Kern River Gas Transmission Company, Questar Pipeline Company, and Southern Star Central Gas Pipeline, Inc.'s tariffs that implement the above policies and regulations and that require limited waiver to facilitate the capacity release transaction. The Commission will allow the waivers to take effect immediately upon issuance of this order, and to remain in effect for a period through and including October 13, 2015.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>5</sup> *Request for Clarification of Policy Regarding Waivers of Applicable Requirements to Facilitate Integrated Transfers of Marketing Businesses*, 127 FERC ¶ 61,106, at P 10 (2009).