

153 FERC ¶ 61,102
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

October 29, 2015

In Reply Refer To:
Panhandle Eastern Pipe Line
Company, LP
Docket No. RP16-2-000

Panhandle Eastern Pipe Line Company, LP
1300 Main Street
Houston, TX 77002

Attention: Lawrence J. Biediger
Senior Director, Rates and Regulatory Affairs

Mr. Biediger:

1. On October 1, 2015, Panhandle Eastern Pipe Line Company, LP (Panhandle) filed revised tariff records¹ to reflect changes to the Fuel Reimbursement Percentages pursuant to section 24 of the General Terms and Conditions (GT&C) of its tariff. Panhandle also sought waiver of section 24.4(a) of the GT&C to use more recent fuel use estimates in calculating the surcharge. As discussed below, the Commission grants Panhandle's request for limited waiver of its tariff and accepts the revised tariff records listed in the Appendix to this letter, effective November 1, 2015.

2. Section 24 of the GT&C of Panhandle's tariff contains the filing and computation procedures for Panhandle's fuel reimbursement percentages. Specifically, section 24.1 of Panhandle's GT&C provides that the effective date of each fuel reimbursement adjustment shall be November 1 and April 1, and requires Panhandle to file the adjustment at least 30 days prior to the effective date. Section 24.2 of Panhandle's GT&C provides that the Effective Fuel Reimbursement Percentage shall be the sum of the Current Fuel Reimbursement Percentage and the Annual Fuel Reimbursement Surcharge. Under section 24.3, the Current Fuel Reimbursement Percentage is

¹ See Appendix.

determined on the basis of the estimated quantities of natural gas delivered to Panhandle for the account of shippers and the projected quantities of natural gas that will be required for fuel usage and for lost and unaccounted for gas. The Current Fuel Reimbursement Percentage is computed on a semi-annual basis. Section 24.4 of Panhandle's GT&C provides that the Annual Fuel Reimbursement Surcharge is computed by dividing Panhandle's Deferred Fuel Reimbursement Account (deferred account) balance four months prior to November 1 (i.e., as of June 30th) by Panhandle's estimated quantities of natural gas for transportation and storage under its Rate Schedules for the twelve-month recovery period.

3. Panhandle proposes the following adjustments to its fuel reimbursement percentages:

- (1) A 0.39 percent decrease in the Gathering Fuel Reimbursement Percentage;
- (2) A 0.39 percent decrease in the Field Zone Fuel Reimbursement Percentage;
- (3) A 0.11 percent decrease in the Market Zone Fuel Reimbursement Percentage;
- (4) A 0.16 percent decrease in the Injection and a 0.16 percent decrease in the Withdrawal Field Area Storage Reimbursement Percentages; and
- (5) A 0.43 percent increase in the Injection and a 0.21 percent increase in the Withdrawal Market Area Storage Reimbursement Percentages.

4. Section 24.4(a) of Panhandle's GT&C requires use of the Deferred Fuel Reimbursement Account balance as of June 30, 2015, for the fuel reimbursement percentages to be effective November 1, 2015. However, Panhandle proposes to utilize the estimated Deferred Reimbursement Account balance at October 31, 2015, therefore including four additional months. Panhandle states that utilizing the anticipated account balance of October 31 results in a lower surcharge than would be calculated under the tariff provision.

5. Public notice of the filing was issued on October 6, 2015. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2015)). Pursuant to Rule 214 (18 C.F.R. § 385.214 (2015)), 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. On October 13, 2015, Missouri Public Service Commission (MoPSC) filed a conditional protest. On October 21, 2015, Panhandle filed an answer. While answers to protests are generally not permitted under the Commission's procedural rules, Panhandle's answer here has assisted the Commission in its decision making process and has been considered.

6. In its October 13, 2015 protest, the MoPSC contends that Panhandle left unclear whether gas losses resulting from incidents reported to the United States Department of

Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA) were included in its fuel tracker adjustment. MoPSC contends that incidents reported to PHMSA do not usually arise from normal pipeline operations, and accordingly the gas lost from such incidents is not properly includable in a fuel tracker adjustment.

7. In its October 21, 2015 answer, Panhandle confirms it did not include any of the gas lost in connection with the three incidents reported to PHMSA in its fuel tracker adjustment. Therefore, Panhandle states that the subject Fuel Reimbursement Percentages are just and reasonable and should be accepted as requested, effective November 1, 2015.

8. Panhandle also requests waiver of section 24.4(a) of its tariff's GT&C to allow Panhandle to utilize the estimated Deferred Reimbursement Account balance at October 31, 2015 – rather than at four months prior, as required by section 24.4(a) – in the calculation of the Deferred Reimbursement Account surcharge. Calculating the balance at October 31, 2015 results in a lower surcharge than would otherwise have been obtained under the tariff provision.

9. The Commission finds that Panhandle's answer satisfies the concerns raised in the protest, and also finds that good cause exists to grant limited waiver of section 24.4(a) of Panhandle's GT&C. Panhandle's request for waiver to allow use of more recent fuel usage estimates in calculating the fuel adjustment is unopposed, and will result in a lower surcharge and reduce the possibility of an over-recovery of fuel. Accordingly, the Commission grants the requested waiver, and accepts the tariff records listed in the Appendix, effective November 1, 2015.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

APPENDIX

**Panhandle Eastern Pipe Line Company, LP
FERC NGA Gas Tariff
Fourth Revised Volume No. 1**

Tariff records accepted effective November 1, 2015

[Rate Schedule FT, Currently Effective Rates, 15.0.0](#)
[Rate Schedule EFT, Currently Effective Rates, 15.0.0](#)
[Rate Schedule SCT, Currently Effective Rates, 15.0.0](#)
[Rate Schedule LFT, Currently Effective Rates, 15.0.0](#)
[Rate Schedule HFT, Currently Effective Rates, 15.0.0](#)
[Rate Schedule IOS, Currently Effective Rates, 7.0.0](#)
[Rate Schedule WS, Currently Effective Rates, 7.0.0](#)
[Rate Schedule PS, Currently Effective Rates, 7.0.0](#)
[Rate Schedule FS, Currently Effective Rates, 7.0.0](#)
[Rate Schedule DVS, Currently Effective Rates, 7.0.0](#)
[Rate Schedule IT, Currently Effective Rates, 15.0.0](#)
[Rate Schedule EIT, Currently Effective Rates, 15.0.0](#)
[Rate Schedule IOS, Currently Effective Rates, 7.0.0](#)
[Rate Schedule IWS, Currently Effective Rates, 7.0.0](#)