

154 FERC ¶ 61,062  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

January 29, 2016

In Reply Refer To:  
Southern Star Central Gas Pipeline, Inc.  
Docket No. RP16-294-000

Southern Star Central Gas Pipeline, Inc.  
4700 Hwy 56  
P.O. Box 20010  
Owensboro, Kentucky 42301

Attention: Philip A. Rullman  
V.P. & Chief Commercial Service Officer

Dear Mr. Rullman:

1. On December 9, 2015, Southern Star Central Gas Pipeline, Inc. (Southern Star) filed a petition for limited tariff waiver of section 11 of the General Terms and Conditions (GT&C) of its FERC Gas Tariff and Commission regulations. Section 11 includes a capacity release mechanism which allows firm shippers to release firm capacity to the pipeline for resale by the pipeline on a firm basis pursuant to 18 C.F.R. § 284.8. As discussed below, the Commission grants the waiver request.
2. Southern Star states that Targa Pipeline holds firm capacity on Southern Star under two discounted firm transportation service agreements, TA 22139 and TA 22222, under the rate schedule FTS-P (FTS-P Agreements).
3. Southern Star explains that in October 2015, Targa Pipeline Mid-Continent WestOK LLC (Releasing Shipper) and Targa Gas Marketing (Replacement Shipper) entered into two temporary pre-arranged capacity releases, RA 24028 and RA 24027 (Capacity Releases), commencing on November 1, 2015.<sup>1</sup> Although the intent was for each capacity release to be offered at the same discount rate as in the original FTS-P

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<sup>1</sup> Since Targa Gas Marketing has an asset management agreement with Targa Pipeline and acts as its asset manager, the capacity release offers were non-biddable.

Agreements, Southern Star states that both the capacity release offer and bid listed the reservation rate at the maximum rate. Consequently, the capacity was released at maximum rates instead of discounted rates.

4. Southern Star states the error was discovered in early December. Subsequently, Targa Pipeline recalled both Capacity Releases and issued new releases to Targa Gas Marketing effective December 9, 2015, to prospectively correct the error. Southern Star explains its limited waiver request would correct the error, for the period November 1, 2015 through December 8, 2015. Southern Star contends both Targa Gas Marketing and Targa Pipeline support the petition for waiver. Moreover, Southern Star reiterates the proposed change in rate does not affect the non-biddable nature of the release, and impacts only Targa Gas Marketing and Targa Pipeline.

5. Public notice of the filing was issued on December 10, 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 (2014)), 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. No protests or adverse comments were filed.

6. The Commission has reviewed Southern Star's request for waiver. Since both parties seek to correct the mistake, and no other parties will be affected by the waiver, the Commission finds that good cause exists to grant a limited waiver of capacity release provisions of Southern Star's tariff to enable Southern Star to correct the pricing of the subject capacity releases as described above.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.