

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

March 1, 2016

In Reply Refer To:
Cameron Interstate Pipeline LLC
Docket No. RP16-184-001

Cameron Interstate Pipeline LLC
488 8th Avenue
San Diego, CA 92101

Attention: William D. Rapp

Dear Mr. Rapp:

1. On January 19, 2016, Cameron Interstate Pipeline LLC (Cameron) submitted revised tariff records¹ to modify its tariff provisions concerning reservation charge crediting, *force majeure*, scheduling priority, and curtailment to conform to Commission policy, as required by the order issued on December 30, 2015² in this proceeding (Compliance Filing). The revised tariff records are accepted, subject to conditions, effective March 1, 2016.

2. On November 12, 2015, Cameron submitted proposed tariff records to revise (i) its reservation charge crediting provisions and (ii) the form of firm and interruptible transportation service agreements to reflect Cameron's new street address and to eliminate obsolete language relating to a disclaimer of liability. The December 2015 Order conditionally accepted the revised tariff records effective December 31, 2015, subject to Cameron revising one aspect of its proposed reservation charge crediting provisions in its General Terms and Conditions (GT&C) section 8.10.9. In addition, the Commission initiated a Natural Gas Act (NGA) section 5 investigation as to whether Cameron's existing (i) definition of *force majeure* in GT&C section 8.21.1, (ii) use of the

¹ See Appendix.

² *Cameron Interstate Pipeline LLC*, 153 FERC ¶ 61,363 (2015) (December 2015 Order).

term curtailment in existing GT&C sections 8.10.1 and 8.21.3, and (iii) scheduling and curtailment priorities in sections 8.6.1(c), 8.6.1(d), and 8.10.2 are unjust and unreasonable and must be modified. Accordingly, the Commission directed Cameron to either file revisions to its tariff concerning these matters consistent with Commission policy or explain why it should not be required to do so.

3. To address the requirement to modify its reservation charge crediting provision, Cameron proposes a revision to GT&C section 8.10.9(b) to clarify that the conduct of others that would permit a reduction in reservation charge credits must be attributable to a party that is not controlled by Cameron. Cameron further proposes to modify section 8.10.9(b) to limit the exemptions from reservation charge credits to outages due “solely” to the inability of third parties to deliver or receive gas on their facilities.

4. Cameron further proposes revisions to its *force majeure*, curtailment, and scheduling provisions. Cameron revised GT&C section 8.21.1 to remove the express reference to “foreseeable events” and to clarify that the definition of *force majeure* will not include outages necessitated by compliance with government standards concerning regular, periodic maintenance activities. Cameron states that it has included a new provision in GT&C section 8.10.9(b)(iii) permitting partial reservation charge credits for a transitional period of two years for outages resulting from orders related to Cameron’s maximum allowable operating pressure issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) as permitted in the December 2015 Order.³

5. Cameron revised GT&C section 8.10.1 to clarify that it will have the right to curtail transportation services only in an emergency situation or when an unexpected capacity loss occurs after it has scheduled service. Cameron revised section 8.21.3 to remove the reference to curtailment, so that Cameron cannot curtail service to perform routine maintenance activities. In addition, Cameron revised GT&C sections 8.6.1(c), 8.6.1(d), and 8.10.2 to provide that Authorized Overrun Service and interruptible services will have the same priority for scheduling and curtailment purposes.

6. Public notice of the filing was issued on January 20, 2016, allowing for protests to be filed on or before February 1, 2016. No protests or adverse comments were filed.

7. The Commission accepts Cameron’s revised tariff records in satisfactory compliance with the December 2015 Order, with one exception. Cameron was permitted to include in its compliance filing a provision permitting partial reservation charge crediting for a transitional period of two years for outages resulting from orders related

³ Cameron transmittal letter at 2, citing the December 2015 Order’s statement that Cameron may include in its compliance filing such a provision. (December 2015 Order, 153 FERC ¶ 61,363 at P 13).

to pipeline's maximum allowable operating pressure issued by PHMSA pursuant to section 60139(c) of Chapter 601 of Title 49 of the United States Code added by section 23 of the Pipeline Safety, Regulatory and Job Creation Act of 2011 consistent with Commission policy. The Commission explained that it has found that outages resulting from such PHMSA orders would be one-time, non-recurring events distinguishable from the routine, periodic maintenance which the Commission has held must be treated as non-*force majeure* events for which full reservation charge credits must be given.⁴ Accordingly, the Commission has permitted pipelines to treat such outages for a transitional two-year period in the same manner as *force majeure* events for which only partial reservation charge credits are required.

8. Cameron proposes to include such a provision in GT&C section 8.10.9(b)(iii). However, Cameron has failed to comply with established Commission policy that it must include in any such provision a requirement that, when Cameron provides notice of an outage required to comply with an order issued by PHMSA pursuant to section 60139(c), that notice identify the specific PHMSA order with which it is complying.⁵ Therefore, Cameron is directed, within 15 days of the date of this order, to revise section 8.10.9(b)(iii) to include a requirement that the notice of such outages identify the specific PHMSA order with which it is complying consistent with Commission policy.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁴ *Gulf South Pipeline Co., LP*, 141 FERC ¶ 61,224, at PP 28-47 (2012), *order on reh'g*, 144 FERC ¶ 61,215 (2013) (*Gulf South*); *Gulf Crossing Pipeline Co., LLC*, 141 FERC ¶ 61,222 (2012), *order on reh'g*, 145 FERC ¶ 61,021 (2013); *Texas Gas Transmission, LLC*, 141 FERC ¶ 61,223 (2012), *order on reh'g*, 145 FERC ¶ 61,100 (2013).

⁵ *See, e.g., Gulf South*, 141 FERC ¶ 61,224 at P 45.

Appendix

Cameron Interstate Pipeline LLC
FERC NGA Gas Tariff
Cameron Interstate Pipeline LLC FERC Gas Tariff

Tariff Records Accepted Subject to Conditions Effective March 1, 2016

[Section 8.6 - GTC, Scheduling Procedure, 3.0.0](#)

[Section 8.10 - GTC, Curtailment, 3.0.0](#)

[Section 8.21 - GTC, Force Majeure, 2.0.0](#)