

155 FERC ¶ 61,205  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

May 27, 2016

In Reply Refer To:  
Discovery Gas Transmission LLC  
Docket No. RP16-842-000

Larry Jensen, Regulatory Analyst Lead  
Discovery Gas Transmission LLC  
2800 Post Oak Boulevard  
Houston, TX 77056

Dear Mr. Jensen:

1. On April 14, 2016, Discovery Gas Transmission LLC (Discovery) submitted a report for the 2015 calendar year of its cashout transactions related to imbalances. Discovery requests that the Commission waive a provision in Discovery's tariff, so that it can immediately refund its customers the net cashout for the year. For good cause shown, the Commission hereby grants Discovery's request.
2. Discovery states that pursuant to Section 9.9 of the General Terms and Conditions (GT&C) in Discovery's FERC Gas Tariff, it cannot refund or invoice the difference between the costs incurred and revenues received for cash-out activities until the accumulated imbalance exceeds \$400,000. However, Section 9.9 allows Discovery to retain any net cash-out revenue allocated to a shipper that receives transportation service at a rate less than the applicable maximum rate. Discovery states that all shippers, save two, received transportation service at rates less than the applicable maximum rate in 2015. Thus, Discovery argues, it owes refunds to two shippers that total approximately \$585, inclusive of interest.
3. Rather than retain the \$585, Discovery requests that the Commission issue an exemption from its minimum threshold obligation. Discovery asserts that given the small refund amount involved, Discovery could potentially carry forward this amount for years before a \$400,000 threshold is reached. Accordingly, Discovery requests that the Commission grant it a waiver, so that it can implement the refunds now. Discovery argues the two shippers will benefit by receiving their refunds on a current basis and Discovery will benefit by avoiding the burden of administering an insignificant carry forward amount for an indeterminate period.

4. Public notice of the filing was issued on April 18, 2016. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.<sup>1</sup> Pursuant to Rule 214,<sup>2</sup> 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. No protests or adverse comments were filed.

5. The Commission finds that Discovery has shown good cause to waive the \$400,000 threshold in section 9.9 of the GT&C of its tariff. As noted by Discovery, the refund amount is minimal and both the customers and Discovery will benefit from an immediate refund of the overcollected amount. Accordingly, Discovery shall refund shippers in the manner that its tariff otherwise would require, absent the threshold provision.<sup>3</sup>

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>1</sup> 18 C.F.R. § 154.210 (2015).

<sup>2</sup> 18 C.F.R. § 385.214 (2015).

<sup>3</sup> While we do not require any changes to Discovery's tariff, we note that if Discovery believes that the instant waiver filing is indicative of a long term trend, it may be just and reasonable for Discovery to file under section 4 of the Natural Gas Act to amend its tariff to remove or reword the threshold provision, rather than seeking waivers in future years.