111 FERC ¶ 61,007
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

April 7, 2005

In Reply Refer To:
Dominion Transmission, Inc.
Docket Nos. RP96-383-064

Dominion Transmission, Inc.
120 Tredegar Street
Richmond, VA 23219

Attention: Machelle F. Grim
Manager, Regulatory & Pricing

Reference: Twelfth Revised Sheet No. 1300 and Sixth Revised Sheet No. 1402 to FERC Gas Tariff, Third Revised Volume No. 1

Ladies and Gentlemen:

1. On March 9, 2005, Dominion Transmission, Inc. (Dominion) filed the referenced tariff sheets listing three non-conforming service agreements that materially deviate from Dominion's form of service agreements together with copies of the agreements. The Commission accepts the tariff sheets effective April 1, 2005, and the agreements effective on their respective effective dates. On March 23, 2005, Dominion filed a revised redline version of two pages of one of the agreements, stating that the originally filed redline version failed to show the most recent agreement. That submission is accepted for filing.

2. Public notice of Dominion's filing was issued March 15, 2005, with interventions and protests due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2004). Pursuant to Rule 214 (18 C.F.R. § 385.214 (2004)), all timely filed motions to intervene and any 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 adverse comments or protests were filed.

3. In the first agreement with Virginia Natural Gas Company (VNG), effective March 1, 2005, Dominion gave VNG a one-time right to cancel the agreement if VNG does not have the right to renew a related contract with Dominion Cove Point LNG, L.P. (Dominion Cove Point). Under that agreement, Dominion Cove Point transports gas for

VNG, pursuant to Rate Schedule FT, from the Dominion Cove Point LNG facility to the interconnection with Dominion in Loudon, Virginia. Whether that contract can be extended beyond its current expiration date in April 2005 is the subject of a proceeding currently pending at the Commission. If VNG cannot extend its contract with Dominion Cove Point there will be no gas delivered to the interconnection with Dominion at Loudon, Virginia, and thus no need for a transportation agreement between VNG and Dominion. The non-conforming agreement gives VNG the one-time right to cancel the agreement with Dominion as of the date the VNG agreement with Dominion Cove Point terminates. Under the Rate Schedule FT form of service agreement either party may terminate the agreement upon twelve months prior notice.

4. The second agreement is between Dominion and Philadelphia Gas Works (PGW) and becomes effective April 1, 2006. In response to Dominion's request for a five-year extension of its existing contract with PGW, PGW proposed and Dominion agreed to, a four-year extension with a 48-month written prior notice of termination. The standard form of contract for this service (Rate Schedule GSS) requires 24-month notice of termination.

5. The third agreement is between Dominion and Rochester Gas and Electric Corporation and is in effect year to year beginning April 1, 2003, until either party cancels the agreement. This agreement was formerly reported to the Commission as a negotiated rate agreement. In reviewing the contract Dominion became aware that it should have been reported as a non-conforming agreement because it contains a one-month notice of termination, while the Rate Schedule FT form of service agreement contains a twelve-month notice period. The redline version submitted on March 23 shows that the agreement is in effect through March 31, 2003 and year to year thereafter. The originally submitted version incorrectly showed that the agreement continued through March 31, 2002, with no provision for year to year thereafter.

6. The Commission accepts the tariff sheets and the corresponding non-conforming service agreements. None of the three present the risk of undue discrimination among customers, and the material deviations do not have an anti-competitive effect.

By direction of the Commission. Commission Kelly not participating.

Linda Mitry,
Deputy Secretary.