

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman
Nora Mead Brownell, and Suedeen G. Kelly

Gulf South Pipeline Company, LP

Docket No. RP05-659-000

ORDER ON REQUEST FOR EMERGENCY WAIVER OF TARIFF
PROVISIONS

(September 14, 2005)

1. On September 8, 2005, Gulf South Pipeline Company, LP (Gulf South), as a result of emergency conditions created by Hurricane Katrina, filed a request for permission to send its bills out late. Specifically, Gulf South requested that the Commission waive, for the production months of August and September 2005, section 18.3 of the General Terms and Conditions of its FERC Gas Tariff (GT&C) which requires Gulf South to prepare its transportation invoices on or before the ninth business day following the close of the production month. The ninth business day following the August production month is September 14, 2005. Gulf South therefore requests expeditious treatment of its request for waiver and a shortened notice and comment period.

2. The Commission grants Gulf South's request for waiver of the tariff provisions of section 18.3 of Gulf South's GT&C in order to permit Gulf South an extension of time, until November 15, 2005, to prepare its transportation invoices.

Details of Gulf South's Filing

3. Gulf South states that section 18.3 of its tariff requires it to prepare its transportation invoices on or before the ninth business day following the close of the production month. The ninth business day following the August production month is September 14, 2005. Gulf South states that Hurricane Katrina has damaged and/or affected the communication measurement equipment at a number of Gulf South's measurement stations as well as the measurement equipment of a number of Gulf South's customers. As access to its facilities becomes available, Gulf South will continue to inspect those measurement stations that were potentially impacted by Hurricane Katrina. During these inspections, Gulf South is determining the extent and nature of damage that may result in lack of power or other operational malfunction with the metering, communication or measurement equipment. Gulf South states that it has noticed, in some cases, that its meters have been recording gas flows but cannot communicate the results, while in other instances there have been no readings since August 29, 2005.

4. For the above reasons, Gulf South requests that the Commission grant any waivers of its regulations necessary to grant the requested waiver of section 18.3 of its tariff for the months of August and September 2005, to the extent necessary to allow Gulf South additional time beyond the ninth business day of September and October to prepare its transportation invoices.

5. Gulf South states that the granting of an expedited waiver is warranted due to the emergency circumstances created by Hurricane Katrina and further states that the Commission recognized the effects of Hurricane Katrina and the problems that the emergency conditions may create, in the Commission Notice issued on August 31, 2005.¹ Gulf South also states that this request is consistent with Commission precedent² and will help reduce the need for widespread prior period adjustments.

Public Notice, Interventions, Comments and Protests

6. Public notice of Gulf South's filing was issued on September 9, 2005. Interventions, Comments and Protests were due on September 12, 2005. CenterPoint Energy Entex, Pelican Gas Marketing on behalf of the Louisiana Municipal Gas Authority (LMGA), Duke Energy Trading and Marketing, L.L.C. jointly with Duke Energy Marketing America, LLC, Willmut Gas Company, City of Vicksburg and Mobile Gas Service Corporation filed timely motions to intervene. Pursuant to Rule 214 (18 C.F.R. § 385.214), all timely filed motions to intervene and any motions to intervene out-of-time filed before the date this order issues are granted. Those interveners filing comments supported Gulf South's request for an emergency waiver. No protests were filed.

7. In LMGA's filing, it states that it does not object to Gulf South's requested waivers, but requests that Gulf South's customers not be assessed penalties, fees, or other such charges (such as mandatory PALS service or the like) that are allowed under Gulf South's tariff. In addition, LMGA requests that its member cities not be held to timing deadlines to protest invoices, and not be required to incur interest for late invoice payments. LMGA states that these examples are not a comprehensive list of what it may desire.

¹ See *Standards of Conduct for Transmission Providers*, Notice Granting Extension of Time to Comply with Posting and Other Requirements, issued August 31, 2005, in Docket Nos. EY05-14-000, RM01-10-000, and PL05-12-000.

² *Northern Natural Gas Company*, 109 FERC ¶ 61,013 (2004), *limited waiver*, 109 FERC ¶ 61,115 (2004), *waiver extended*. See also *Great Lakes Gas Transmission Limited Partnership*, 102 FERC ¶ 61,331 (2003) (granting waiver of tariff provisions in order to permit changes to curtailment priorities during a circumstance of force majeure).

8. LMGA states that under the present emergency conditions, normal business procedures are not feasible. LMGA states that it sent a letter, on September 1, 2005, to their service providers, including Gulf South, requesting that they refrain, waive, or otherwise take such action as necessary to insure that the LMGA member cities are not assessed the above mentioned penalties, fees and other charges allowed under the tariff. LMGA states that Gulf South responded by email on September 2, 2005, stating “that it was premature to ensure that no penalties, fees or other charges will be assessed to LMGA members” but agreed to “work through the issues related to the storm’s impact with its customers.”

Discussion

9. For good cause shown, the Commission will grant Gulf South’s unopposed request for a waiver of section 18.3 of its tariff for the months of August and September 2005, to the extent necessary to allow Gulf South additional time beyond the ninth business day of September and October to prepare its transportation invoices up to and through November 15, 2005.

10. On September 6, 2005, the LMGA filed a letter with the Commission asking the Commission to waive the tariffs of 11 named pipelines including Gulf South for the duration of the Hurricane Katrina emergency. LMGA’s September 6, 2005 letter requests the same waivers which it requests in its comments to Gulf South’s waiver request. The Commission has docketed this letter as RP05-666-000, and will deal with LMGA’s request for waivers of Gulf South’s tariff in that proceeding.

The Commission orders:

Gulf South’s request for authority to waive section 18.3 of its tariff is granted through November 15, 2005.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.