

120 FERC 61,130
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

Bay Gas Storage Company, Ltd.

Docket No. PR07-9-000

ORDER INSTITUTING STAFF PANEL PROCEEDING

(Issued August 2, 2007)

1. On March 8, 2007, Bay Gas Storage Company, Ltd. (Bay Gas) filed in Docket No. PR07-9-000, a petition for approval of rates for firm and interruptible transportation services under section 311 of the Natural Gas Policy Act of 1978 (NGPA).¹ Public notice of Bay Gas's filing was issued on March 16, 2007, with interventions due on March 27, 2007. On March 27, 2007, Southern Company Services filed a Motion to Intervene, Protest and a Request for Clarification.

2. Section 284.123 (b)(2)(ii) of the Commission's regulations provides that a rate filed pursuant to section 311 of the NGPA "will be deemed to be fair and equitable and not in excess of an amount which interstate pipelines would be permitted to charge for providing similar transportation service," unless within 150 days the Commission either "extends the time for action, or institutes a proceeding in which all interested parties will be afforded an opportunity for written comments and for the oral presentation of views, data, and arguments."² The 150-day period of review in this proceeding expires on August 3, 2007, and because the Commission has not been able to make a determination that Bay Gas's rates are fair and equitable, and in order to encourage the parties to settle the issues in dispute, the Commission will extend the time for action.

3. To date, the parties have been unable to achieve a settlement on the disputed issues in the proceeding. Therefore, the Commission will institute a proceeding pursuant to section 284.123(b)(2)(ii) of the regulations. A Staff Panel shall be convened for that purpose as soon as practicable. Staff Panel hearings are advisory, non-evidentiary proceedings to permit the parties an opportunity to present oral views, data and arguments

¹ 15 U.S.C. § 3371 (2000).

² 18 C.F.R. § 284.123(b)(2)(ii) (2007).

in accordance with section 502(b) of the NGPA.³ Within 120 days of the date of the issuance of this order, the Staff Panel shall certify the record of the proceeding and any recommendation to the Commission.

The Commission orders:

Pursuant to the Commission's authority under section 311 of the NGPA and section 284.123(b)(2)(ii) of the Commission's regulations, a proceeding shall be instituted to determine whether the rates reflected in Bay Gas's rate petition are fair and equitable. A Staff Panel shall convene and shall certify the record of the proceeding and any recommendation within 120 days of the issuance of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

³ 15 U.S.C. § 3412(b) (2000).