

120 FERC ¶ 61,277
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.

Ozark Gas Transmission, L.L.C.

Docket No. CP07-381-002

ORDER GRANTING CLARIFICATION

(Issued September 25, 2007)

1. On August 9, 2007, the Director of the Division of Pipeline Certificates of the Commission's Office of Energy Projects issued an order¹ granting Ozark Gas Transmission, L.L.C.'s (Ozark) request for approval to increase the capacity on its system from 330,000 million cubic feet per day (Mcf/d) to 400,000 Mcf/d.² On August 27, 2007, Southwestern Energy Services Company (Southwestern) filed a request for rehearing and/or clarification of the order. For the reasons discussed below, we will grant the clarification.

2. In granting Ozark's request, the August 9 Order briefly described the Ozark system. In relevant portion, the August 9 Order states: "Ozark operates its system at an MAOP [maximum allowable operating pressure] of 1,480 psig on the 16-inch pipeline segment and 1,200 psig on the 20-inch pipeline segment."³

3. Southwestern contends that the August 9 Order erred in its description of the Ozark system. According to Southwestern, the order should not have described the 16-inch pipeline as operating at 1,480 psig "without specifying that [Ozark] modified its certificate application to eliminate any pressures above 1,200 psig and that 1,200 psig is

¹ *Ozark Gas Transmission, L.L.C.*, 120 FERC ¶ 62,103 (2007) (August 9 Order).

² Ozark originally requested approval to increase the capacity on its system from 330,000 Mcf/d to 420,000 Mcf/d, but later modified its application to lower the capacity level to 400,000 Mcf/d to ensure that receipt point pressures would not exceed 1,200 psig. See Ozark's July 2, 2007 Modification of Certificate Application and Answer at 2.

³ *Ozark*, 120 FERC ¶ 62,103 at P 5.

the maximum pressure that Ozark can require of its shippers under Ozark's FERC Gas Tariff." Southwestern requests that the Commission clarify the August 9 Order to state that Ozark does not have authority to operate its system at a pressure above 1,200 psig.⁴

4. On September 6, 2007, Ozark filed an answer in support of Southwestern's request for rehearing and/or clarification.⁵ Ozark states that while certain portions of its system have an MAOP of 1,480 psig, Ozark does not operate any segment of its system at pressures above 1,200 psig, the maximum pressure specified in Section 5.1 of the General Terms and Conditions of its tariff. Ozark further states that it operates, and will continue to operate, its system in accordance with the terms of the tariff.

5. The Commission will grant the clarification. The August 9 Order did not give Ozark authority to operate its system at a pressure in excess of 1,200 psig. Although the MAOP of the pipeline is 1,480 psig as stated in the order, Ozark's FERC Gas Tariff states that a shipper shall not, except by mutual agreement, be required or permitted to deliver natural gas at a pressure in excess of 1,200 psig (both Southwestern and Ozark agree that this is the case).⁶ Ozark must continue to operate its system in accordance with the terms of the tariff and, therefore, may not unilaterally require its shippers to deliver natural gas at pressures in excess of 1,200 psig or operate its system at a pressure above 1,200 psig.

6. Since we are granting the clarification, Southwestern's alternative request for rehearing is dismissed as moot.

⁴ Southwestern further contends that the August 9 Order erred in stating that a hearing was held in this proceeding. We disagree. Although there was no formal trial-type hearing, there was a paper hearing and the decision was based on the written record.

⁵ Although answers to a request for a rehearing are generally prohibited under Rule 213(a) of the Commission's Rules of Practice and Procedure, we will accept Ozark's answer because it provides information that assists us in our decision-making process. 18 C.F.R. § 385.213(a)(2) (2007).

⁶ Ozark Gas Transmission, L.L.C., FERC Gas Tariff, Original Volume No. 1, Section 5.1, Original Sheet No. 77.

The Commission orders:

Southwestern's request for a clarification is granted and its alternative request for a rehearing is dismissed as moot.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.