

122 FERC ¶ 61,117
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

February 8, 2008

In Reply Refer To:
Cheniere Creole Trail Pipeline, L.P.
Docket No. RP08-137-000

King & Spaulding LLP
1185 Avenue of the Americas
New York, NY 10036

Attention: Lisa M. Tonery, Attorney

Reference: Certificate Compliance Filing

Ladies and Gentlemen:

1. On December 20, 2007, Cheniere Creole Trail Pipeline, L.P. (Creole Trail) filed its proposed FERC Gas Tariff, Original Volume No. 1 (*see* Appendix) to comply with the Commission's October 19, 2007 Order (October 19, 2007 Certificate Order) and to revise its approved initial rates.¹ The October 19, 2007 Certificate Order required Creole Trail to file revised tariff sheets to comply with the requirements of the order thirty to sixty days prior to commencement of service. We accept Creole Trail's FERC Gas Tariff, Original Volume No. 1 to be effective on the later of February 15, 2008, or the date the certificated facilities are placed into service, subject to the conditions discussed below.

2. Public notice of Creole Trail's filing was issued on January 2, 2008. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210 (2007). Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2007), all timely motions to intervene and any motions to intervene out-of-time filed before the issuance of this order are granted. No interventions, protests or comments were filed.

¹ *Cheniere Creole Trail Pipeline, L.P. and Cheniere Sabine Pass Pipeline, L.P.*, 121 FERC ¶ 61,071 (2007).

3. Creole Trail's proposed FERC Gas Tariff, Original Volume No. 1 is accepted, subject to the conditions discussed below. Creole Trail has filed to revise its initial firm and interruptible recourse rates on Original Sheet No. 5 of its FERC Gas Tariff to reflect the latest available actual and projected capital costs expected to be incurred as of February 15, 2008, as well as the actual cost of debt as required by P 21 of the October 19, 2007 Certificate Order. Concurrent with this filing, Creole Trail filed an amendment to its certificate application in Docket No. CP05-357-007 to revise its initial transportation rates to reflect its revised capital costs estimated to be expended through project completion, as reflected on Original Sheet No. 5 of the instant filing. In a separate order issued in Docket No. CP05-357-007 concurrently with this order, the Commission authorizes the revised initial rates proposed in this filing. Therefore, consistent with the authorization of the contemporaneous order in Docket No. CP05-357-007, Creole Trail's rates on Original Sheet No. 5 are accepted, subject to the conditions of this order.

4. The October 19, 2007 Certificate Order required Creole Trail to revise its tariff to remove the condition in Section 32.D. that stated it will not construct facilities that require the installation of compression under the blanket construction certificate since the Commission's interconnection policy does not allow pipelines to deny interconnections requiring facilities, including compression, for which the shipper is willing to pay the costs and the interconnection causes no operational problems. Although Creole Trail's compliance filing states that it has removed subsection D that included the condition that Creole Trail will not construct facilities that require the installation of compression under the blanket construction certificate, in fact, no change has been made to Section 32.D. Creole Trail is directed to file revised tariff sheets to make the change required by the October 19, 2007 Certificate Order, within 15 days of this order.

5. Creole Trail has correctly complied with the bulk of the NAESB standards requirements, however, several of the standards have not been implemented correctly. Creole Trail states that it has implemented NAESB standard 2.3.17 verbatim in Section 11.C. However, Section 11.C. of the General Terms and Conditions of Service (GT&C) appears to incorrectly limit the use of PDAs (Predetermined Allocation Agreements) to only receipt points and the standard is intended for use at all points. Standard 2.3.26 states that the time limitation for disputes of allocations should be six months from the date of the initial month-end allocation with a three month rebuttal period. However, Section 4.J. of the GT&C appears to state the Creole Trail will process prior period adjustments within 6 months of the monthly measurement with only a three month period to challenge the adjustment. Creole Trail is directed to file to revise its tariff to correctly implement standards 2.3.17 and 2.3.26, as discussed above, within 15 days of this order.

6. Finally, Creole Trail appears to have made several typographical mistakes with regard to its NAESB compliance. Creole Trail states that standard 1.3.77 has been

deleted by NAESB and that it complies with standard 1.3.78 by reference. However, NAESB standard 1.3.78 has been deleted, not standard 1.3.77. Therefore, Creole Trail is directed to file to modify its tariff so that it is in compliance with standard 1.3.77. Creole Trail is also directed to file to modify its tariff to state that it complies with invoicing standard 3.3.1, which is mistakenly listed as 3.2.1 on Original Sheet No. 199. These tariff modifications are directed to be filed within 15 days of this order.

7. In sum, the Commission accepts the tariff sheets listed in the Appendix to be effective on the later of February 15, 2008, or the date the certificated facilities are placed into service, subject to Creole Trail filing revised tariff sheets, within 15 days of the date of this order, consistent with the discussion in the body of this order. Creole Trail is directed to advise the Commission of the exact date that the facilities are placed in service within 15 days of that date.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties
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Appendix

**Cheniere Creole Trail Pipeline, L.P.
FERC Gas Tariff, Original Volume No. 1**

Tariff Sheets Effective February 15, 2008, Subject to Conditions

Original Sheet Nos. 0 through 5

Sheet Nos. 6-9 (Reserved for future use)

Original Sheet Nos. 10 through 17

Sheet Nos. 18-19 (Reserved for future use)

Original Sheet Nos. 20 through 24

Sheet Nos. 25-29 (Reserved for future use)

Original Sheet Nos. 30 through 34

Sheet Nos. 35-99 (Reserved for future use)

Original Sheet Nos. 100 through 104

Sheet Nos. 105-109 (Reserved for future use)

Original Sheet Nos. 110 through 201

Sheet Nos. 202-204 (Reserved for future use)

Original Sheet Nos. 205 through 216

Sheet Nos. 217-399 (Reserved for future use)

Original Sheet Nos. 400 through 416

Sheet Nos. 417-499 (Reserved for future use)

Original Sheet Nos. 500 through 503

Sheet Nos. 504-509 (Reserved for future use)

Original Sheet Nos. 510 through 513