

122 FERC ¶ 61,294
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

March 28, 2008

In Reply Refer To:
Columbia Gas Transmission Corporation
Docket No. RP08-246-000

Columbia Gas Transmission Corporation
5151 San Felipe, Suite 2500
Houston, TX 77056-3639

Attention: James R. Downs,
Director of Regulatory Affairs

Reference: Annual Fuel Retainage Adjustment Mechanism (RAM) Filing

Dear Mr. Downs:

1. On February 29, 2008, Columbia Gas Transmission Corporation (Columbia) filed Eighteenth Revised Sheet No. 44 to its FERC Gas Tariff, Second Revised Volume No. 1, pursuant to section 35 of its General Terms and Conditions (GT&C). The tariff sheet reflects Columbia's revised annual fuel retainage percentages for transportation, gathering, and storage services, to become effective April 1, 2008. One party protested Columbia's filing. As discussed below, the Commission will accept Eighteenth Revised Sheet No. 44 to become effective April 1, 2008.

2. Columbia's workpapers reflect that its proposed transportation retainage percentage has increased from the current level of 1.989 percent to 2.154 percent, an increase of 0.165 percent and its proposed gathering retainage percentage has increased from 0.506 percent to 0.694 percent, an increase of 0.188 percent. In addition, Columbia's current storage gas loss retainage of 0.190 percent will decrease by 0.040 percent to 0.150 percent. Lastly, Columbia has included workpapers which set forth its actual experience during the deferral period for transportation, gathering and storage. Columbia states that it under-recovered fuel under its transportation, gathering and storage rate schedules.

3. Public notice of the filing was issued on March 5, 2008. Interventions and protests were due as provided in section 154.210 of the Commission's regulations. Pursuant to

Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2007), any timely filed motion to intervene and motion 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. Orange and Rockland Utilities, Inc. (O&R) filed a protest to Columbia's filing. On March 13, 2008, Columbia filed an Answer to O&R's protest.¹

4. O&R contends that Columbia should not be permitted to recover extraordinary gas losses from the Weaver Storage Field under its RAM mechanism. According to O&R, information provided in Columbia's filing in Docket No. CP08-78-000, where Columbia seeks authorization to extend the current boundaries of Weaver Storage Field, indicates that a producer may be removing gas from the Weaver Storage Field. O&R requests that the Commission find that an unauthorized removal of gas from the Weaver Storage Field qualifies as an "extraordinary gas loss" and would not be recoverable through Columbia's RAM filing.² Further, O&R requests that the proposed retainage percentages be suspended, but allowed to become effective April 1, 2008, subject to refund.

5. Columbia states, in its Answer, that its RAM filing does not include gas losses from storage reservoirs nor have any previous Columbia RAM filings included such losses.

6. We will deny O&R's protest. The workpapers show that Columbia's actual storage losses decreased by 11,812 Dth from calendar year 2006 to 2007.³ In addition, when calculating its estimated annual storage losses, Columbia first multiplies the number of storage wells (which varies from year to year) by the losses per well per month (a constant number). This estimated monthly storage loss is then annualized and divided into the total annual storage requirements to obtain the necessary storage retainage factor. There is no additional line item for extraordinary gas losses included in the calculation. Finally, Columbia's tariff specifically precludes it from recovering extraordinary gas

¹ Although generally not permitted, the Commission will accept Columbia's answer because it aids in the evaluation of Columbia's filing. 18 C.F.R. §385.213 (2007).

² Section 35.1, Retainage Adjustment Mechanism, of Columbia's GT&C specifically states that "Transporter shall not recover any extraordinary gas losses pursuant to this provision."

³ Comparing Appendix B, Sheet 2 of 3 filed in RP08-246-000 to the same workpapers filed in Columbia's 2007 RAM filing in Docket No. RP07-335-000.

losses in its retainage mechanism and Columbia's answer assures all parties that its retainage filing does not include gas losses from storage reservoirs.

By direction of the Commission.

Kimberly D. Bose,
Secretary.