

125 FERC ¶ 61,119
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 29, 2008

In Reply Refer To:
Millennium Pipeline Company, L.L.C.
Docket No. CP98-150-011

Millennium Pipeline Company, L.L.C.
Fulbright & Jaworski L.L.P.
801 Pennsylvania Avenue, NW
Washington, D.C. 20004

Attention: Daniel F. Collins, Esq.
Attorney for Millennium Pipeline Company, L.L.C.

Reference: Order Accepting Tariff Sheets and Request for Waiver

Dear Mr. Collins:

1. On June 23, 2008, Millennium Pipeline Company, L.L.C., (Millennium) filed tariff sheets¹ to comply with the Commission's orders in Docket Nos. CP98-150-006, *et al.*² The referenced tariff sheets are accepted as requested effective November 1, 2008, or on the date the project facilities are placed into service. Millennium must notify the Commission of the exact date that the tariff sheets should be placed into effect. Further, as discussed below, the request for waiver is granted.

2. The *Millennium* orders authorized Millennium to construct, operate, and acquire pipeline facilities in order to transport up to 525,400 Dth per day from an interconnect with Empire Pipeline, Inc., in Corning New York to Algonquin Gas Transmission, LLC in Ramapo, New York. Millennium is part of a four pipeline network that will transport gas from the United States-Canada border to the New York City metropolitan area. The *Millennium* orders found that Millennium's pro forma tariff generally complies with the

¹ Original Sheet Nos. 0-619 Millennium's FERC Gas Tariff, Original Volume No. 1.

² *Millennium Pipeline Company, L.L.C., et al.*, 117 FERC ¶ 61,319 (2006), *order on reh'g*, 119 FERC ¶ 61,173 (2007) (collectively known as the *Millennium* orders).

Commission's policy, except for certain provisions discussed in the orders, and required Millennium to file a tariff in compliance with the North American Energy Standards Board standards.

3. Millennium requests waiver of the requirement set forth in the 2006 order which required Millennium to allocate nominations for firm secondary capacity pro rata based on each shipper's contract demand.³ Millennium proposes to allocate secondary capacity pro rata based on nominated quantities.

4. In addition, the 2006 order required Millennium to explain how it will create a queue that gives priority to nominations involving flowing interruptible and overrun volumes over nominations for volumes whose flow has not yet begun.⁴ The 2006 order also required that Millennium explain why it believes such an allocation method is more appropriate than allocating such volumes based on price or pro rata based on nominated quantity.⁵ Millennium explains that it will allocate volumes based on the highest rate being paid, with a pro rata allocation based upon respective nominated quantities amongst shippers paying the same rate.

5. Notice of Millennium's filing was issued on June 26, 2008. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (2008). Pursuant to Rule 214, (18 C.F.R. § 385.214 (2008)), all timely filed motions to intervene and any motions 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 this proceeding or place additional burdens on existing parties. No party filed a protest or adverse comment.

6. Previously, the Commission has found that allocating secondary capacity pro rata based on contract demand or based on nominations is non-discriminatory and reasonable.⁶ Thus, the Commission will grant Millennium's request for waiver and accept Millennium's tariff provision allocating firm secondary capacity pro rata based on

³ 117 FERC ¶ 61,319 at P 139.

⁴ *Id.* at P 140.

⁵ *Id.*

⁶ *See* section 13.2 of the General Terms and Conditions (GT&C) of Kern River Gas Transmission Company's FERC Gas Tariff, Second Revised Volume No. 1; section 7.2 of the GT&C of Columbia Gas Transmission Corporation's FERC Gas Tariff, Second Revised Volume No. 1; section 7.1 of the GT&C of Crossroads Pipeline Company's FERC Gas Tariff, First Revised Volume No. 1; section 9 of the GT&C of Questar Pipeline Company's FERC Gas Tariff, First Revised Volume 1; and section 5.3 of the GT&C of Canyon Creek Compression Company's FERC Gas Tariff, Third Revised Volume No. 1.

nominated quantities. The Commission also accepts Millennium's explanation that it will allocate Rate Schedule IT-1 and Rate Schedule FT-1 overrun volumes based on the highest rate paid, with a pro rata allocation based upon respective nominated quantities amongst shippers paying the same rate. Millennium's proposed allocation of interruptible and overrun volumes is consistent with allocation methods the Commission has previously approved.⁷

7. The referenced tariff sheets are accepted for filing effective November 1, 2008, or the date the project facilities are placed into service. Millennium must notify the Commission of the exact date that the tariff sheets should be placed into effect.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

cc: All Parties

⁷ See section 7.2(f) of the GT&C of Columbia Gas Transmission Corporation's FERC Gas Tariff, Second Revised Volume No. 1 and section 7.2(b) of Columbia Gulf Transmission Company's FERC Gas Tariff, Second Revised Volume No. 1.