127 FERC ¶ 61,003
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Suedeen G. Kelly, Marc Spitzer,
and Philip D. Moeller.

Southern Natural Gas Company Docket No. RP09-427-000

ORDER ACCEPTING AND SUSPENDING TARIFF SHEETS SUBJECT TO REFUND AND CONDITIONS, ESTABLISHING A TECHNICAL CONFERENCE AND ESTABLISHING HEARING PROCEDURES

(Issued April 1, 2009)

1. On March 2, 2009, Southern Natural Gas Company (Southern) filed revised tariff sheets pursuant to section 4 of the Natural Gas Act (NGA)[1] and Part 154 of the Commission's regulations. In its filing, Southern proposes a rate increase for existing services, and changes in certain terms and conditions of service. Southern proposes an effective date of April 1, 2009 for its proposed tariff sheets.

2. As discussed below, the Commission will accept and suspend Southern's proposed tariff sheets listed in Appendix A to be effective September 1, 2009, subject to conditions and the outcome of a technical conference and hearing established in this proceeding.

Background

3. Southern states that its currently effective rates are the result of a Settlement in its last NGA general section 4 rate case.[2] Southern states that the instant filing fulfills its obligation under the 2005 Settlement which established a rate moratorium that required Southern to file a general rate case no earlier than March 1, 2009, and no later than March 31, 2010. Southern states that the last determination the Commission made on the merits of its classification, cost allocation and rate design methodologies was made as the

[1] 15 U.S.C. § 717c (2006).

[2] The Commission approved this "black box" settlement July 13, 2005, by an unpublished Letter Order in Docket No. RP04-523-000 (2005 Settlement).

result of a contested Settlement associated with its Order No. 636[3] restructuring.[4] Southern states that with the exception of the changes resulting from its 2005 Settlement and additional changes resulting from the acquisition of the South Georgia Natural Gas Company,[5] it does not propose any changes to the cost classification, allocation and rate design methodologies approved in the 1995 Settlement.

Details of the Instant Filing

Cost of Service and Rates

4. Southern states that the rates, costs of service and throughput proposed in the instant filing utilize a twelve-month base period ending October 31, 2008, as adjusted for known and measurable changes through July 31, 2009.[6] Southern proposes a $631,492,558 cost of service which constitutes a 36 percent increase over the 2005 Settlement total cost of service of approximately $419 million. However, Southern asserts that because the 2005 Settlement was a black box settlement, Southern does not possess documentation comparing proposed costs with the costs underlying the currently effective rates and therefore requests waiver of any Commission requirement that such comparisons be made.

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[3] *Pipeline Service Obligations and Revisions to Regulations Governing Self-Implementing Transportation; and Regulation of Natural Gas Pipelines After Partial Wellhead Decontrol*, Order No. 636**,** FERC Stats. & Regs. ¶ 30,939, *order on reh'g*, Order No. 636-A**,** FERC Stats. & Regs. ¶ 30,950, *order on reh'g*, Order No. 636-B, 61 FERC ¶ 61,272 (1992), *order on reh'g*, 62 FERC ¶ 61,007 (1993), *aff'd in part and remanded in part sub nom. United Distribution Cos. v. FERC*, 88 F.3d 1105 (D.C. Cir. 1996), *order on remand*, Order No. 636-C, 78 FERC ¶ 61,186 (1997).

[4] *Southern Natural Gas Co.*, 72 FERC ¶ 61,322 (1995); *order on reh'g*, 75 FERC ¶ 61,046 (1996). These orders addressed three NGA general section 4 rate cases in: (1) Docket Nos. RP90-139-000, *et al.*; (2) Docket No. RP92-134-000; and (3) Docket No. RP93-15-000 (1995 Settlement).

[5] *See Southern Natural Gas Co.*, 91 FERC ¶ 61,206 (2000).

[6] As set forth by Southern, its base period, which ends on October 31, 2008, appears to be inconsistent with the Commission's regulations. 18 CFR § 154.303(a)(1) (2008) states that "The last day of the base period may not be more than 4 months prior to the filing date." In its March 2, 2009, filing Southern does not provide an explanation for this apparent inconsistency nor does it request a waiver of the Commission's regulations.

5. Southern proposes a 14.39 percent return on equity after taxes and states that it currently has a capital structure of 37.20 percent debt and 62.80 percent equity. Southern also proposes increases in the depreciation and amortization rates for onshore and offshore transmission facilities, underground storage and offshore, underground storage negative salvage and operation and maintenance expenses. Southern proposes to terminate its Maintenance Capital Surcharge and to incorporate such costs into the reservation charge. Southern also proposes an increase in administrative and general costs, including labor, administrative and rent.

6. Southern states that in addition to normal plant additions, Southern placed into service two major system expansions since its last general rate case: (1) Phases I and II of the Cypress Expansion;[7] and (2) joint, undivided interest in the Southeast Supply Header, LLC (SESH).[8] Southern proposes to roll both the Cypress Pipeline and SESH costs into its rates. Southern also proposes to adjust the billing determinents used to allocate costs and calculate rates to reflect discounts (including some discounts associated with negotiated rate contracts). Southern states that it proposes to continue its zone-of-delivery rate design for firm transportation services.

7. Southern proposes to change its current two-tiered Rate Schedule PAL rate to a single rate based on Southern's proposed system average Rate Schedule IT rate. Southern also proposes to change its fuel tracker mechanism from a mechanism that is based upon a stated rate and permits a refund of one-half of any fuel and electricity over-recoveries to a mechanism that refunds or charges 100 percent of both over-recoveries and under-recoveries.

8. Southern proposes a hurricane surcharge mechanism. Southern states that this mechanism would recover all the costs related to the prevention, remediation and repair of damage to Southern's facilities from named hurricanes, less any recoveries from insurance and accrued depreciation, and a "capital factor" of 0.17 percent per month and a depreciation factor of 0.02 percent per month.

9. Southern proposes a greenhouse gas cost recovery mechanism to recover the costs incurred in compliance with governmental regulation of greenhouse gas emissions. Southern asserts that these costs would be recovered through a surcharge on the transportation component of Southern's firm and interruptible transportation rates and the costs and revenues would be trued-up on an annual basis. Southern included a *Pro Forma* Sheet No. 212M relating to this charge rather than an actual tariff sheet and

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[7] *Southern Natural Gas Co.*, 115 FERC ¶ 61,328 (2006).

[8] *Southeast Supply Header, LLC and Southern Natural Gas Co.*, 120 FERC ¶ 61,257 (2007).

requests that it be allowed to place this mechanism into effect on a prospective basis following a Commission order approving such provisions.

Terms and Conditions of Service

10. Southern proposes to make several changes to its terms and conditions of service.

11. First, Southern proposes changes in Section 6 of Southern's Rate Schedule FT applicable to the construction of facilities. Southern proposes language to state that its economical feasibility standard would be met if the total costs of construction or modification of interconnection facilities is less than the cost of replacing, repairing, or continuing to operate existing facilities. In addition, Southern proposes to include language which details certain construction and operational requirements for shippers who wish to build and/or operate their own facilities rather than having Southern do so.

12. Second, Southern proposes in Section 6.1 of the GT&C that to the extent (1) a shipper's primary receipt point has not been flowing gas for twelve consecutive months or (2) damage to or destruction of facilities prevents receipt of flowing supply from its primary receipt point for a period of thirty consecutive days, Southern may require a shipper to move its primary receipt point to a receipt point that is closest to and downstream of its existing primary receipt point where capacity is available.

13. Third, Southern proposes to change Section 2.1(b) of the GT&C. Section 2.1(b) defines when and how Southern must hold an open season to allocate available or turned back capacity. Southern proposes to provide for three exceptions to these requirements for amendments of primary firm receipt or delivery Points. Specifically, Southern would exclude amendments of primary points from the open season requirements if (1) the changes are necessitated by the abandonment of facilities; (2) capacity associated with the proposed change in primary points is available only because the shipper is willing to shift its existing primary firm points to the amended point; or (3) in the case of receipt points, the changes are necessitated as a result of the circumstances described above for the transfer of receipt points under Section 6.1.

14. Fourth, Southern's existing tariff language does not allow for a shipper to prepay for services unless the shipper is in default of payment for an excess of twenty (20) days. Southern proposes to allow a shipper and Southern to agree to a prepayment for services.

15. Finally, Southern proposes to modify Section 20 of its tariff which contains the provisions under which a firm shipper may exercise a right of first refusal (ROFR) for firm capacity under a contract that is expiring or terminating. Southern proposes to define the earliest date for notification as the date on which notice of termination under shipper's firm service agreement is due. Southern also proposes to include a provision to provide Southern with the flexibility to initiate the ROFR process up to thirty-six months in advance of a shipper's contract expiration in the event that Southern plans to expand

its system, and when the sizing and cost of the expansion may be affected by a shipper's plan regarding the continuation of service. Southern also states that in the event that ROFR capacity becomes available in advance of expansion capacity being placed into service, then the capacity would be available for any shipper to subscribe to during the interim period.

Market Adjustment Proposal

16. Southern states that it attempted to moderate the size of its rate increase by proposing a "market adjustment" which would reduce the amount of its proposed rate increase below the level of the increase that it has justified in the instant filing. Southern states that in addition to its primary proposal outlined above it has filed *pro forma* tariff sheets reflecting "market adjustment" rates that reflect an average rate increase of approximately 28 percent over Southern's currently effective rates instead of the 36 percent it claims that it justifies in its primary proposal.[9] Southern states that it intends at this time to voluntarily agree to move into effect the lower market adjustment rates along with primary tariff sheets for "other rate components and services." Southern contends, however, that "the higher unadjusted firm transportation rates on the primary tariff sheets constitute Southern's filing in this proceeding and are justified based on the derivation of the applicable costs and billing determinants." Southern also states that it reserves the right to increase its rates any time during the course of the proceeding up to its proposed filed rates.

Public Notice, Interventions, and Protests

17. Public notice of the filing was issued on March 5, 2009. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 CFR § 154.210 (2008)). Pursuant to Rule 214,[10] all timely 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 the proceeding or place additional burdens on existing parties.

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[9] Southern states that the lower rates are stated on Pro Forma Sheets Nos. 14 and 16 filed as part of an Appendix B to its filing. No *pro forma* sheets are included in Appendix B. It appears that Southern filed its *pro forma* sheets intermixed with its actual tariff sheets in its primary filing.

[10] 18 CFR § 385.214 (2008).

18. Numerous parties protest Southern's proposal. [11] Most of these parties objected to the Southern proposed increase in rates. More specifically, these parties protested virtually every proposed cost component, including rate base, capital structure and return, depreciation, operation and maintenance expenses, and administrative and general expenses. Many parties also questioned Southern's proposed discount adjustments, the inclusion of negotiated rate contracts in the discount adjustment, and the use of discount adjusted allocation factors. PCS questioned the continued validity of the zone-of-delivery rate design, and the Municipals questioned the continued use of the Straight Fixed-Variable (SFV) cost classification method of rate design on Southern's system. Several protestors question the appropriateness of rolling in the SESH and Cypress Pipeline facilities. AGL asserts that Southern's Cypress Pipeline cost and revenue data cannot be reconciled with Southern's system-wide data, which makes the rolled-in analysis difficult.

19. The Municipals, the East Tennessee Group, Alabama Gas and AGL argue that some of Southern's proposed rates will increase 51 percent to 55 percent, which they believe to constitute a significant rate shock. Sequent argues the market adjustment rate must be demystified and further explained.

20. Many of these protestors also raise issues with regard to Southern's proposed changes to Rate Schedule PAL and the fuel recovery mechanism rate designs. Most protest Southern's proposed hurricane cost surcharge mechanism and the greenhouse gas cost recovery mechanism. Protestors argue that the proposed hurricane surcharge mechanism gives Southern undue discretion, may include costs that should be more properly recovered through other rates, and is contrary to Commission policy, regulations, and precedent. With regard to the greenhouse gas cost recovery mechanism, the protesters argue that no such costs currently exist and that it is speculative to assume how such legislation will address the issue of greenhouse gas cost responsibility.

21. Each of Southern's proposed changes to its terms and conditions of service were also protested by many of the intervenors. Several parties argue that Southern's proposal to modify the criteria for evaluating whether to install or modify interconnection facilities gives Southern undue discretion. Many protest Southern's proposal to force customers to change primary receipt points to downstream points if gas has not flowed for 30 days. They argue that such a proposal is unwarranted, unprecedented, and takes away valuable customer contract rights to capacity paths on Southern's system. Southern's proposal to change the application of the open season requirements as they apply to primary receipt and delivery points is also protested. For example, Peoples questions the scope of the exemptions and the timing of the process. Other parties object to Southern's proposal to

[11] *See* Appendix B for the list of protesters and abbreviations.

permit mutually agreed upon prepayment for services and question whether Southern is reserving the option to insist, in a given open season for capacity, that all bids must be on a prepaid basis or whether Southern should be required to pay interest on such prepayments. Many firm transportation customers protest Southern's proposal to change the notification period for the ROFR. They argue that the current notification provisions are part of the business relationship between Southern and themselves, and that these current provisions have value that Southern is now trying to remove for its own or others' benefit.

22. All the protestors request that, if the Commission does not summarily reject some or all of Southern's proposals concerning terms and conditions of service, the Commission accept and suspend Southern's proposals for the maximum period, subject to refund with interest. Further, several request that certain proposed terms and conditions issues and the hurricane and greenhouse gas cost recovery mechanisms, if not summarily rejected, must be the subject of a technical conference. Lastly, the parties also request that the Commission set the proceeding for hearing so that the issues they have raised may be fully explored.

23. On March 24, 2009, Southern filed an answer to the various protests. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2007), prohibits answers to protests unless otherwise ordered by the decisional authority. We will accept Southern's answer in the instant proceeding as it provides information to permit the Commission to fully understand that filing and to assist our decision-making process.

Discussion

24. The Commission accepts and suspends the tariff sheets identified in Appendix A for five months, to be effective September 1, 2009, subject to the outcome of the conditions and procedures discussed below. Southern's proposed greenhouse gas cost recovery mechanism is rejected as discussed below.

Hearing Procedures

25. Southern's filing raises many typical rate case issues that warrant further investigation. Accordingly, the Commission will establish a hearing to explore the issues set forth in the protests regarding cost-of-service, cost allocation, and rate design for the existing and new services. The issues to be explored at hearing include, but are not limited to Southern's proposed changes to its fuel tracker, the Rate Schedule PAL rate, the hurricane cost recovery mechanism and the proposed roll-in of the SESH and Cypress Pipeline facilities.

26. In regard to Southern's proposed roll-in of the Cypress Pipeline facilities, the Commission notes that it granted a predetermination that all three phases of the Cypress

Pipeline facilities could be rolled-in absent changed circumstances. The Commission stated that not constructing Phase III would constitute a changed circumstance that would result in a reexamination of the rolled-in issue.[12] However, Southern's Exhibit No. SNG-15 does not provide the data required by the Commission's regulations necessary for such a reexamination.[13] Further, it is not clear from Southern's documentation how it accounts for costs of incremental expansions prior to final Commission findings on their recovery. Accordingly, the hearing established in this proceeding must examine whether it is appropriate for Southern to roll-in these costs and must also explore the manner in which Southern classified costs to its various accounts

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[12] *Southern Natural Gas Co.*, 113 FERC ¶ 61,199, at P 38 (2005):

> While protesting parties do not dispute that under the terms of the precedent agreements the proposed Cypress expansion will pay for itself, they worry that if these prospective shippers do not actually contract for service, expansion revenues will be inadequate to cover expansion costs, and existing customers could be required to subsidize the Cypress Pipeline. <u>However, if the Phase II or Phase III facilities are not constructed</u>, or if there are significant cost overruns or other unanticipated expenses, <u>a showing of such by participants in Southern's future Section 4 general rate case will constitute evidence of a material change in relevant facts or circumstances, and result in a reexamination of the rolled-in rate issue.</u> (Footnote omitted, emphasis added.)

[13] 18 CFR § 154.309 (2008), Incremental Expansions, states in relevant part:

> (a) For every expansion for which incremental rates are charged, the company must provide a summary with applicable cross-references to §154.312 and §154.313, of the costs and revenues associated with the expansion, until the Commission authorizes the costs of the incremental facilities to be rolled-in to the pipeline's rates. …
> (b) The summary statements must provide the formulae and explain the bases used in the allocation of common costs to each incremental facility.

for all of its incremental facilities.[14] The hearing should add to the record the information required by 18 CFR § 154.309 for the Cypress Pipeline facilities and explore whether Southern's proposal in regard to these facilities is appropriate.

27. Lastly, Southern proposes to utilize discount adjusted allocation determinants. In 2004, the Commission set forth its policy on this issue and the hearing proceeding must examine Southern's proposal in light of the Commission's policy.[15]

Greenhouse Gas Cost Recovery Mechanism

28. Southern proposes a greenhouse gas cost recovery mechanism to recover Southern's costs for purchasing emissions allowances, paying emissions taxes or other forms of compensation required by federal, regional, state or local government authorities with jurisdiction over Southern. Southern concedes that no such legislation currently exists, and that currently there are no greenhouse gas costs to recover.

29. The Commission rejects Southern's proposal as it is set forth on *Pro Forma* Sheet No. 212M. No legislation currently imposes greenhouse gas costs on Southern. In the Commission's view, it is speculative to anticipate what types of costs Southern may be subject to under federal, state or local legislation, whether such costs should be

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[14] *Revisions to Forms, Statements, and Reporting Requirements for Natural Gas Pipelines*, Order No. 710, *FERC Regulations and Preambles*, ¶ 31,267, at P 23 (2008), stated in regard to incremental facilities that pipelines were required to:

> report the following: (1) the name of the facility; (2) the docket number under which the facility was approved; (3) the type of rate treatment (e.g., incremental or another rate treatment); (4) the amount of plant in service; (5) the amount of accumulated depreciation; (6) the amount of accumulated deferred income taxes; (7) amount of operating expenses; (8) the amount of maintenance expenses; (9) the amount of depreciation expense; (10) incremental revenues; and (11) other expenses.

The requirements set forth by Order No. 710 apply to the reporting year 2008. Order No. 710 at P 55.

[15] *Williston Basin Interstate Pipeline Co.*, 104 FERC ¶ 61,036 (2003), *order on reh'g*, 107 FERC ¶ 61,164, at P 79-93 (2004), *pet. for review dismissed, Williston Basin Interstate Pipeline Co., v. FERC*, 475 F.3d 330 (2006).

recoverable, and, if recoverable, the manner in which they should be recovered. This action is without prejudice to any future Southern proposal if it actually incurs such costs.

Technical Conference Procedures

30. The Commission will set other issues, not set for hearing, related to the proposals to modify the terms and conditions or service for technical conference proceedings. The Commission seeks prompt resolution of these terms and conditions issues. The issues to be addressed at technical conference include those Southern identified as changes to its terms and conditions of service. These include Southern's proposal to: (1) modify its general requirements applicable to the installation or modification of interconnection facilities; (2) require a shipper that has not used its point to move its primary receipt point; (3) modify its open season requirements; (4) allow a shipper and Southern to agree to a prepayment for services, and; (5) modify its ROFR time frames.

31. Staff is instructed to report the results of the technical conference to the Commission within 120 days of the date of this order.

Suspension

32. Based on a review of the filing, the Commission finds that the proposed tariff sheets have not been shown to be just and reasonable, and may be unjust, unreasonable, unduly discriminatory, or otherwise unlawful. Accordingly, the Commission will accept and suspend Southern's revised tariff sheets shown in Appendix A, to be effective September 1, 2009, subject to refund and the outcome of the technical conference and hearing procedures ordered herein.

33. The Commission's policy regarding suspensions is that tariff filings generally should be suspended for the maximum period permitted by statute where preliminary study leads the Commission to believe that the filing may be unjust, unreasonable, or inconsistent with other statutory standards. *See Great Lakes Gas Transmission Co.*, 12 FERC ¶ 61,293 (1980) (five-month suspension). It is recognized, however, that shorter suspensions may be warranted in circumstances where suspension for the maximum period may lead to harsh and inequitable results. *See Valley Gas Transmission, Inc.*, 12 FERC ¶ 61,197 (1980) (one-day suspension). The Commission does not find such results here where the pipeline has proposed a general NGA section 4 rate case. Therefore, the Commission will accept and suspend the proposed tariff sheets in Appendix A to be effective September 1, 2009, subject to refund, the conditions of this order and the outcome of a hearing or a technical conference in this proceeding.

Market Adjustment Proposal

34. As noted above, Southern states that it intends to place its market adjustment rates into effect at the end of the suspension period. The Commission has not ruled on

Southern's *pro forma* tariff sheets which contain this proposal. If Southern proposes to move any tariff sheets into effect at the end of the suspension period that differ from those accepted here by the Commission, it must file actual tariff sheets containing the rate it proposes to charge with its motion to move the rates into effect.[16] The Commission must accept such tariff sheets before the proposed rates may be charged.

The Commission orders:

(A) The proposed tariff sheets listed in Appendix A are accepted and suspended effective September 1, 2009, subject to refund and the outcome of the hearing and technical conference established in this order.

(B) The greenhouse gas cost recovery mechanism reflected on *Pro Forma* Sheet No. 212M is rejected without prejudice as discussed in the body of this order.

(C) The Commission Staff is directed to convene a technical conference to explore issues set forth above, and to report the results of the conference to the Commission within 120 days of the issuance of this order.

(D) Pursuant to the authority of the Natural Gas Act, particularly sections 4, 5, 8, 9 and 15 thereof, and the Commission's rules and regulations, a public hearing shall be held in the captioned docket concerning the lawfulness of Southern's proposed rates.

(E) A Presiding Administrative Law Judge, to be designated by the Chief Administrative Law Judge for that purpose pursuant to 18 C.F.R. § 375.304, shall convene a prehearing conference in this proceeding in a hearing or conference room of the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426. The prehearing conference shall be held for the purpose of clarification of the positions of the participants and consideration by the presiding judge of any procedural issues and discovery dates necessary for the ensuing hearing. The Presiding

[16] The Commission requires, of course, that such tariff sheets be filed in redline and strikeout so that it may determine how the new tariff sheets differ from those it previously accepted.

Administrative Law Judge is authorized to conduct further proceedings in accordance with this order and the Rules of Practice and Procedure.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

Appendix A
List of Proposed Tariff Sheets
Accepted and Suspended to be effective September 1, 2009

Southern Natural Gas Company: Seventh Revised Volume No. 1:

Third Revised Sheet No. 1
Nineteenth Revised Sheet No. 2
Seventy-First Revised Sheet No. 14
Ninety-First Revised Sheet No. 15
Seventy-First Revised Sheet No. 16
Ninety-First Revised Sheet No. 17
Fifty-Fourth Revised Sheet No. 18
Eighth Revised Sheet No. 20
Seventh Revised Sheet No. 21
Eighteenth Revised Sheet No. 22
Sixth Revised Sheet No. 25
Fourteenth Revised Sheet No. 26
Fourteenth Revised Sheet No. 27
Thirteenth Revised Sheet No. 28
Fifty-Fourth Revised Sheet No. 29
Thirty-Fifth Revised Sheet No. 30
Twenty-Third Revised Sheet No. 31
Third Revised Sheet No. 32
Second Revised Sheet No. 33
Sixth Revised Sheet No. 34
Third Revised Sheet No. 45
First Revised Sheet No. 45A
First Revised Sheet No. 95B
First Revised Sheet No. 95D
First Revised Sheet No. 95E
Second Revised Sheet No. 95F
First Revised Sheet No. 95F.01
Third Revised Sheet No. 101B
Second Revised Sheet No. 113A
Second Revised Sheet No. 146
First Revised Sheet No. 147
Fifth Revised Sheet No. 148
Fourth Revised Sheet No. 159
Seventh Revised Sheet No. 160
Sixth Revised Sheet No. 161
First Revised Sheet No. 162
Seventh Revised Sheet No. 204
Third Revised Sheet No. 210
Fourth Revised Sheet No. 211
Original Sheet No. 212K
Original Sheet No. 212L
Second Revised Sheet No. 431

Appendix B
List of Protestors and Abbreviations

Alabama Gas Corporation (Alabama Gas)
Alabama Municipal Distributors Group (Boaz Gas Board; Brookside Gas System; City of Childersburg; Water Works & Gas Board, City of Cordova; Cullman-Jefferson Counties Gas District; DeKalb-Cherokee Counties Gas District; Gas Board of the Town of Dora; Fultondale Water & Gas Board; Utilities Board, Town of Gordo; Huntsville Utilities; City of Jacksonville; Marshall County Gas District; Northwest Alabama Gas District; Utilities Board of the City of Oneonta; Pickens County Natural Gas District; Piedmont Water and Gas Board; Scottsboro Water, Sewer and Gas Board; The Southeast Alabama Gas District; Gas Board of the Town of Sumiton; Utilities Board, City of Sylacauga; and Wilcox County Gas District, Alabama), the Austell Gas System, the Municipal Gas Authority of Georgia and the Southeast Alabama Gas District (Municipals)
Atlanta Gas Light Company and Chattanooga Gas Company (jointly AGL)
Atmos Energy Corporation
Independent Petroleum Association of America
Constellation Energy Commodities Group, Inc.
East Tennessee Group: Appalachian Natural Gas Distribution Company; Athens Utilities Board; Citizens Gas Utility District; Cookeville Gas Department; Elk River Public Utility District; Etowah Utilities Gas Department; Fayetteville Public Utilities; Gainesboro Gas System; Gallatin Natural Gas System; Harriman Utility Board; Hawkins County Gas Utility District; Jamestown Gas System; Jefferson-Cocke County Utility District; Knoxville Utilities Board; Lenoir City Utilities Board; Lewisburg Gas Department; Livingston Gas Department; Loudon Utility Gas Department; Madisonville Gas System; Marion Natural Gas System; Middle Tennessee Natural Gas Utility District; Mt. Pleasant Gas System; Oak Ridge Utility District; Powell Clinch Utility District; Rockwood Water & Gas; Sevier County Utility District; Sweetwater Utilities Board; Unicoi County Gas Utility District (East Tennessee Group)
Florida Power & Light Company
Indicated Producers: Apache Corporation; ExxonMobil Gas & Power Marketing Company, a division of Exxon Mobil Corporation; Chevron U.S.A. Inc.; Shell Exploration and Production Company (Indicated Producers)
Infinite Energy, Inc.
Rock-Tenn Company
Pelican Gas Management, Inc., on behalf of the Louisiana Municipal Gas Authority
Peoples Gas System, a Division of Tampa Electric Company (Peoples)
PCS Nitrogen Fertilizer, L.P. (PCS)
Sequent Energy Management, L.P. (Sequent)
Southern Cities: City of Tallahassee, Florida, and the Cities of Cordele, Cartersville, La Grange, and Tallapoosa, Georgia

Southern Company Services, Inc., as agent for Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company and Southern Power Company
SouthStar Energy Services, LLC