

127 FERC ¶ 61,056
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

April 17, 2009

In Reply Refer To:
Dominion Transmission, Inc.
Docket No. RP09-461-000

Dominion Transmission, Inc.
701 East Cary Street, 5th Floor
Richmond, VA 23219

Attention: Daniel L. Verdun
Manager - Regulation

Reference: Proposed Forms of Service Agreements Changes

Dear Mr. Verdun:

1. On March 19, 2009, Dominion Transmission, Inc. (Dominion) filed revised tariff sheets listed in the Appendix for inclusion in its FERC Gas Tariff, Third Revised Volume No. 1. Dominion states that, based on guidance provided by the Commission in its recent order in *Southern Star Central Gas Pipeline, Inc. (Southern Star)*,¹ it is in the process of conducting an internal audit of its service agreements. According to Dominion, the ongoing audit has revealed that its current forms of service agreements on file with the Commission do not contain the necessary "fill in the blank" provisions for certain terms/provisions that Dominion is currently authorized to reflect in its FT/FTNN and GSS service agreements. Therefore, Dominion states that it is proposing in the instant filing to reflect the insertion of the necessary blanks and/or descriptive language in its FT/FTNN and GSS forms of service agreements to identify the situations in which Dominion and its customers may agree to a term or provision pursuant to the authority already established in its tariff.² In addition to those changes, Dominion states that it is

¹ 125 FERC ¶ 61,082 (2008).

² Dominion lists each of the proposed changes, including references, citations to the governing General Terms and Conditions (GT&C), rate schedules and Commission orders granting the tariff authority. See March 19, 2009 Transmittal Letter at 1- 2.

also proposing other non-substantive changes to its forms of service agreements for Rate Schedules FT/FTNN, GSS, IT, Capacity Release, Escripte™, MCS, DPO, CSC, and TTT. Dominion asserts that these changes reflect: (a) clarifying language; (b) typographical, formatting and grammatical changes; (c) the use of a new exhibit; and (d) the deletion of existing forms. Dominion also lists the proposed changes to each of these rate schedules.³ Dominion requests that the Commission accept the revised tariff sheets effective April 18, 2009.

2. Public notice of the filing was issued on March 23, 2009. Interventions and protests were due on or before March 31, 2009. Pursuant to Rule 214,⁴ all timely filed motions to intervene and any 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. On March 30, 2009, Baltimore Gas and Electric Company (BG&E) filed a motion to intervene and a request for clarification. On April 3, 2009, Dominion filed an answer. While the Commission's Rules of Practice and Procedure generally prohibit answers to protests or answers, pursuant to Rule 213 of the Commission's regulations,⁵ the Commission will accept Dominion's answer in this proceeding to allow a better understanding of the issues.

3. BG&E states that Dominion has informed it that, if the Commission approves the instant filing, Dominion intends to require BG&E to execute new service agreements for two currently effective service agreements – a FT Service Agreement and a GSS Service Agreement – both of which were executed on October 18, 2007 between Dominion and BG&E. BG&E states that Dominion has informed BG&E that the following language concerning the points of receipt and delivery provisions of Section B of Exhibit A to both the FT and GSS service agreements will need to be deleted: “[t]he above provisions shall not be affected by any capacity release or assignment of service entitlements under this Agreement.” BG&E states that it regards these provisions as substantive customer protective provisions. BG&E states that these provisions are not disclosed in Dominion's filing in this docket either as redlined deletions or as unchanged provisions. BG&E infers that the provisions may be non-conforming to Dominion's form of service

³ See March 19, 2009 Transmittal Letter at 3 - 4.

⁴ 18 C.F.R. § 385.214 (2008).

⁵ 18 C.F.R. § 385.213(a)(2) (2008).

agreement exhibit terms although, according to BG&E, they have been in place for a significant period of time, and were not represented by Dominion as being subject to any need for special Commission approval when the agreements were entered into.

4. BGE states that it does not consent to Dominion's attempted unilateral deletion of this contractual provision, and hereby requests that the Commission expressly condition any approval of Dominion's filing on Dominion leaving the above-quoted provision intact in both the DTI/BGE FT and GSS service agreements. Further, BGE requests that the Commission clarify in any order approving the proposed redlined tariff revisions submitted by Dominion that such approval does not extend to undisclosed revisions by Dominion to any existing service agreements it has with its customers.

5. In its answer, Dominion states that, based on recent discussions with BG&E, it is authorized to state that it has resolved BG&E's concerns raised in the clarification request concerning the two existing service agreements between Dominion and BG&E and that those matters are unaffected by anything contained in Dominion's filing. Therefore, Dominion requests the Commission to accept its filing without modification or condition.

6. The Commission is pleased that Dominion is in the process of conducting an internal audit of its service agreements, based on guidance provided by the Commission in *Southern Star*,⁶ which revealed that its current forms of service agreements were deficient and, therefore, precipitated the instant filing. We have reviewed the tariff sheets filed by Dominion in the instant filing which reflect the insertion of "fill in the blank" provisions and/or descriptive language in Dominion's FT/FTNN and GSS forms of service agreements to identify the situations in which Dominion and its customers may agree to a term or provision pursuant to the authority in its currently effective tariffs. We also reviewed the other non-substantive changes Dominion proposed to its forms of service agreements for Rate Schedules FT/FTNN, GSS, IT, Capacity Release, Escripte™, MCS, DPO, CSC, and TTT. Our review reflects that these proposed changes are not substantive changes to the tariff sheets. Therefore, the Commission accepts the revised tariff sheets effective April 18, 2009.

7. However, the Commission is concerned about the issue raised by BG&E in its clarification request concerning the two existing service agreements between Dominion and BG&E which BG&E states contain the following language: "[t]he above provisions shall not be affected by any capacity release or assignment of service entitlements under this Agreement." The Commission notes that this language does not appear to be in either of the relevant forms of service agreements, or elsewhere in Dominion's currently

⁶ See note 1, *supra*.

effective tariff. Nor are the service agreements listed in Dominion's list of non-conforming service agreements. BG&E raised the issue as to whether the provision may be non-conforming to Dominion's form of service agreement even though it has been in effect for a significant period of time, and was not represented by Dominion as being subject to the need for special Commission approval when the agreements were entered into. Despite the fact that Dominion states that it has resolved BG&E's concerns regarding the two existing service agreements between Dominion and BG&E and that those concerns are unaffected by anything contained in Dominion's filing, the Commission directs Dominion: (a) to file the service agreements with the Commission; (b) to explain what rights the provisions give BG&E; (c) to explain whether the provisions are non-conforming; and (d) to explain whether BG&E's rights are already provided for elsewhere in Dominion's tariff. Dominion is directed to file the agreements and this information within fifteen (15) days of this order's issuance.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

Appendix

**Dominion Transmission, Inc.
FERC Gas Tariff, Third Revised Volume No. 1
Tariff Sheets Accepted Effective April 18, 2009**

Fourth Revised Sheet No. 2000
Third Revised Sheet No. 2001
Fourth Revised Sheet No. 2002
Fifth Revised Sheet No. 2003
Fourth Revised Sheet No. 2005
First Revised Sheet No. 2050
Second Revised Sheet No. 2051
Second Revised Sheet No. 2053
Second Revised Sheet No. 2055
First Revised Sheet No. 2100
Second Revised Sheet No. 2101
First Revised Sheet No. 2105
Second Revised Sheet No. 2150
Third Revised Sheet No. 2151
Second Revised Sheet No. 2155
Second Revised Sheet No. 2200
First Revised Sheet No. 2201
First Revised Sheet No. 2202
Fifth Revised Sheet No. 2203
Third Revised Sheet No. 2204

Second Revised Sheet No. 2205
Third Revised Sheet No. 2206
Second Revised Sheet No. 2207
Second Revised Sheet No. 2208
Second Revised Sheet No. 2209
First Revised Sheet No. 2210
First Revised Sheet No. 2211
First Revised Sheet No. 2250
First Revised Sheet No. 2251
Second Revised Sheet No. 2253
First Revised Sheet No. 2254
First Revised Sheet No. 2255
Sheet Nos. 2256 - 2299
Second Revised Sheet No. 2402
Second Revised Sheet No. 2404
First Revised Sheet No. 2405
Second Revised Sheet No. 2452
First Revised Sheet No. 2502
Second Revised Sheet No. 2507