

131 FERC ¶ 61,103
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

May 5, 2010

In Reply Refer To:
Gulf South Pipeline Company, LP
Docket No. RP10-581-000

Gulf South Pipeline Company, LP
9 Greenway Plaza, Suite 2800
Houston, TX 77046

Attention: J. Kyle Stephens, Vice President
Regulatory Affairs and Rates

Reference: Tariff Sheet Revising the Time Limitations for Billing Errors

Dear Mr. Stephens:

1. On April 5, 2010, Gulf South Pipeline Company, LP (Gulf South) filed Third Revised Sheet No. 2502, to FERC Gas Tariff, Sixth Revised Volume No. 1, modifying Section 18.6 of the General Terms and Conditions (GT&C) of its tariff. Gulf South requests that the proposed tariff sheet become effective May 5, 2010. We accept Gulf South's revised tariff sheet effective May 5, 2010, as discussed below.

2. In its filing, Gulf South states that it is proposing to modify the time limitations for addressing billing errors and prior period adjustments caused by deliberate omissions, misrepresentations, and mutual mistakes of fact. Specifically, Gulf Crossing proposes to add the following language to section 18.6 of its GT&C:

In no event will any changes be made to a statement or invoice after twenty-four (24) months from the date of statements, billings or payment, based on actualized volumes, unless the parties mutually agree.

3. Gulf Crossing notes that while its tariff contains the North American Energy Standards Board (NAESB) standard 3.3.15, which establishes a six-month time period for

corrections to invoices,¹ that provision does not address a time limitation for billing errors and prior period adjustment resulting from deliberate omissions, misrepresentations, and mutual mistakes of fact. Gulf South states that it made the instant filing to address this gap by requiring that changes to a statement or invoice be addressed within 24 months of the statement or invoice. Gulf Crossing asserts that the Commission has previously approved nearly identical tariff language in several other pipeline tariffs,² and that this language is identical to the language approved for Gulf South's sister pipeline, Gulf Crossing Pipeline Company, LLC on March 4, 2010.³ Gulf South contends that proposed language will provide clarity and certainty to both parties with respect to stale claims resulting from deliberate omissions, misrepresentations and mutual mistakes of fact.

4. Public notice of Gulf South's filing issued on April 8, 2010. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2009)). Pursuant to Rule 214 (18 C.F.R. § 385.214 (2009)), 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. Mobile Gas Service Corporation, the City of Vicksburg, and Willmut Gas Company (collectively, "intervenor") all filed separate motions to intervene and comments.

5. On April 23, 2010, Gulf South filed an answer in response to the intervenors' comments. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2009), prohibits an answer unless otherwise ordered by the decisional authority. In this case, we accept Gulf South's answer because it provided information that assisted the Commission in its decision-making process.

6. In their comments, the intervenors requested clarification of the meaning of the phrase "based on actualized volumes" contained in Gulf South's proposed amendment to section 18.6 of its GT&C.

¹ See *Standards for Business Practices of Interstate Natural Gas Pipelines*, Order No. 587-A, FERC Stats. & Regs. ¶ 31,038 (1996), Order No. 587-A, *reh'g denied*, 77 FERC ¶ 61,061 (1996).

² See *Rockies Express Pipeline LLC*, 121 FERC ¶ 61,130 (2007); *Natural Gas Pipeline Co. of America*, 79 FERC ¶ 61,421, at 62,772 (1997) (*NGPL*); *Trailblazer Pipeline Co.*, 79 FERC ¶ 61,042, at 61,192 (1997) (*Trailblazer*).

³ *Gulf Crossing Pipeline Co., LLC*, 130 FERC ¶ 61,159 (2010) (*Gulf Crossing*).

7. In its answer, Gulf South clarified that actualized volumes are those that have been verified for billing purposes by the pipeline's measurement group, as opposed to those volumes that have been estimated but not yet verified. Gulf South adds that depending on the type of measurement equipment located at a meter, volumes may be actualized on a daily or monthly basis.

8. We find Gulf South's proposed tariff revision, as clarified, to be just and reasonable. As Gulf South has pointed out, the Commission has approved similar language for other pipelines, as well as identical language in a recent filing made by the pipeline in *Gulf Crossing*.⁴ Accordingly, we accept Gulf South's proposed revision effective May 5, 2010, as proposed.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: Public Files
All Parties

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⁴ *Gulf Crossing*, 130 FERC ¶ 61,159 at P 2, 13.