

132 FERC ¶ 61,093
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

July 30, 2010

In Reply Refer To:
Williston Basin Interstate Pipeline
Company
Docket No. RP10-805-000

Williston Basin Interstate Pipeline Company
1250 W. Century Avenue
Bismarck, North Dakota 58506

Attention: Keith A. Tiggelaar,
Director of Regulatory Affairs

Reference: Limited Waiver Request

Ladies and Gentlemen:

1. On June 1, 2010, Williston Basin Interstate Pipeline Company (Williston Basin) filed a request for a limited one-time waiver of portions of section 2.7 of Rate Schedule FS-1 and section 2.4 of Rate Schedule IS-1 of its FERC Gas Tariff to allow shippers supporting its current storage enhancement project to transfer volumes from their interruptible storage account to their firm storage account without such volumes losing their stop-in-time designation¹ and being assessed the additional withdrawal rate which is imposed on such transfers. Williston Basin states that the waiver will allow shippers supporting the Baker Storage Field storage enhancement project to be able to fully exercise their firm deliverability rights when the project is placed in service. Williston Basin requests approval of this limited waiver by July 30, 2010. The Commission grants a limited waiver of section 2.7 of Rate Schedule FS-1 and section 2.4 of Rate Schedule IS-1 of Williston Basin's tariff as requested.

¹ When a shipper desires to utilize transportation service to deliver gas to Williston Basin's storage facilities for injection into storage and to transport gas withdrawn from Williston Basin's storage facilities to specific delivery points, storage is considered "stop-in-time." The term "stop-in-time" refers to the use of one of Williston Basin's storage services as an intermediate stop in an on-going transportation transaction. The result is the shipper only pays for transportation one time.

2. Public notice of the filing was issued on June 2, 2010, with interventions and protests due June 14, 2010. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214 (2010)), 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 protests or adverse comments were filed.

3. Based on the results of an open season held from February 16, 2010 through March 18, 2010, Williston Basin revised the projected in-service date of its Baker Storage Field enhancement project from April 1, 2012 to November 1, 2011, in order to allow shippers to make firm withdrawals during the 2011-2012 heating season. However, the revised November 1, 2011 in-service date coincides with the beginning of Williston Basin's withdrawal season and, consequently, shippers will be in the position of commencing their firm storage service with empty firm storage accounts. Therefore, Williston Basin states that shippers have to either inject gas during the withdrawal season or transfer gas into their firm storage accounts prior to being able to exercise their contractual firm deliverability rights.

4. Williston Basin states that under its tariff, shippers are allowed to inject gas under Rate Schedule FS-1 from November 1 through March 31 on a reasonable-efforts basis. However, according to Williston Basin, injections of gas during this time period are possible but not probable. Therefore, the transfer of gas into the shippers' firm storage accounts is the more viable option. If shippers are permitted to transfer gas from their interruptible storage accounts to their firm storage accounts, shippers will be able to exercise their contractual firm deliverability rights effective November 1, 2011.

5. However, pursuant to sections 2.7 of Rate Schedule FS-1 and section 2.4 of Rate Schedule IS-1 such transferred volumes would be subject to additional rates. First, upon completion of the transfer the volumes would be subject to the difference in the withdrawal rates between Rate Schedules IS-1 and FS-1 and, secondly, upon their withdrawal, such volumes would be assessed additional transportation rates due to the loss of their stop-in-time designation.

6. Therefore, to ensure that shippers supporting the storage enhancement project are able to fully exercise their contractual firm deliverability rights, Williston Basin proposes a one-time waiver of the rates associated with the provisions of section 2.7 of Rate Schedule FS-1 and section 2.4 of Rate Schedule IS-1. Williston Basin states that this waiver will allow shippers to inject gas into their currently effective Rate Schedule IS-1 storage account prior to the projected November 1, 2011 in-service date and then be allowed, on a one-time basis, to transfer such gas to their newly effective Rate Schedule

FS-1 storage account within 30 days of the project being placed in-service, without such gas losing its stop-in-time designation and without being assessed additional withdrawal rates. Any subsequent transfers after the 30 day period, according to Williston Basin, would be subject to all rates associated with the provisions of section 2.7 of Rate Schedule FS-1 and section 2.4 of Rate Schedule IS-1.

7. Williston Basin states that granting the waiver will help facilitate the completion of the additional storage capabilities at Williston Basin's Baker Storage Field. Williston states that no party will be harmed by granting the waiver and the waiver is being sought for non-affiliated shippers in support of a specific project. In addition, Williston Basin states it will not attempt to claim a discount adjustment in any future rate case for any of the transferred volumes for which the applicable rates were waived. Finally, Williston Basin states it will neither incur incremental variable costs nor forgo the recovery of any existing variable costs as a result of the waiver since the transfer is simply a paper transaction and thus no additional variable costs will be incurred.

8. The Commission finds that granting the requested waivers is appropriate to facilitate the completion of Williston Basin's Baker Storage Field enhancement project. The Commission finds good cause to grant such waiver because it constitutes a reasonable accommodation of shipper needs to have gas in storage in order to exercise their contractual firm deliverability rights. Accordingly, the Commission will grant a one-time limited waiver of section 2.7 of Rate Schedule FS-1 and section 2.4 of Rate Schedule IS-1 of Williston Basin's FERC Gas Tariff to allow shippers supporting its current storage enhancement project to transfer volumes from their interruptible storage account to their firm storage account without such volumes losing their stop-in-time designation and being assessed the additional withdrawal rate which are imposed on such transfers.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.