

132 FERC ¶ 61,113
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Marc Spitzer, Philip D. Moeller,
John R. Norris, and Cheryl A. LaFleur.

Pine Needle LNG Company, LLC

Docket No. RP06-336-000

ORDER GRANTING MOTION TO AMEND SETTLEMENT

(Issued August 9, 2010)

1. On July 16, 2010, pursuant to Rule 212 of the Commission's Rules of Practice and Procedure,¹ Pine Needle LNG Company, LLC (Pine Needle) filed a motion to amend a settlement approved by the Commission on February 6, 2007 in the above-captioned docket.² As discussed below, the Commission grants Pine Needle's motion.

2. On May 1, 2006, Pine Needle filed for a rate increase pursuant to section 4 of the Natural Gas Act (NGA). On February 6, 2007, the Commission approved Pine Needle's offer of settlement filed in that proceeding including the Stipulation and Agreement (2007 Settlement).³ Pine Needle notes that Article IV of the 2007 Settlement includes a requirement that it file a general rate case pursuant to section 4 of the NGA, no later than forty-two months after the effective date of the settlement rates established pursuant to the 2007 Settlement. Pine Needle states that the settlement rates were made effective on March 1, 2007; therefore, Pine Needle is required to file a general rate case no later than August 31, 2010.

3. Pine Needle states that after several exchanges of settlement offers, Pine Needle, its customer group,⁴ and representatives of the North Carolina Utilities Commission have reached agreement in principle to settle all aspects of Pine Needle's rate case filing obligation and the parties anticipate filing a settlement agreement with the Commission

¹ 18 C.F.R. § 385.212 (2010).

² *Pine Needle LNG Company, LLC*, 118 FERC ¶ 61,078 (2007).

³ *Id.*

⁴ Pine Needle states that its customer group consists of Piedmont Natural Gas Company, Inc., Public Service Company of North Carolina, Inc., Washington Gas Light Company, and the Municipal Gas Authority of Georgia.

by mid-August 2010. Pine Needle states that the filing of such settlement agreement will eliminate the need for Pine Needle to file a section 4 rate case by August 31, 2010, as required by the 2007 Settlement.

4. Here, Pine Needle requests that the Commission modify Article IV of the 2007 Settlement to extend the August 31, 2010 deadline to file a section 4 rate case. Pine Needle states the extension will allow it to devote its resources to preparing the settlement agreement that it plans to file in mid-August, rather than diverting its resources to the preparation of a rate case. Pine Needle requests that the deadline be extended until sixty days after a Commission Order rejecting the settlement agreement. Pine Needle states, that in the unlikely event that the Commission rejects the settlement agreement, the sixty day period is necessary to allow Pine Needle adequate time to prepare and file a new section 4 rate case.

5. Public notice of Pine Needle's motion was issued on August 3, 2010. Interventions and answers to Pine Needle's motion were due on August 5, 2010. Pursuant to Rule 214,⁵ all timely filed motions to intervene and any motion to intervene out-of-time filed before the issuance date of this order are granted. Municipal Gas Authority of Georgia filed an answer in support. No party filed adverse comments.

6. The Commission finds that the requested settlement amendment appears fair and reasonable and in the public interest because it will allow parties to continue settlement negotiations consistent with the Commission's policy favoring settlements. Therefore, the Commission grants Pine Needle's motion to amend the 2007 Settlement. Article IV of the 2007 Settlement is hereby amended to state that Pine Needle is obligated to file, by October 31, 2010, either a general rate case pursuant to section 4 or a proposed settlement in lieu of the 2007 Settlement's requirement to file a section 4 rate case. In the event that Pine Needle submits a proposed settlement that the Commission rejects, Pine Needle shall have 60 days from the date of that rejection order to file a general rate case or to respond as the rejection order might otherwise permit.

The Commission orders:

Pine Needle's motion is granted, as discussed in the body of the order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁵ 18 C.F.R. § 385.214 (2010).