

133 FERC ¶ 61,110
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 29, 2010

In Reply Refer To:
Transwestern Pipeline Company, LLC
Docket No. RP10-1214-000

Transwestern Pipeline Company, LLC
711 Louisiana Street, Suite 900
Houston, TX 77002

Attention: Shelley A. Corman
Sr. Vice President

Reference: Order No. 587-U Compliance Filing

Dear Ms. Corman:

1. On September 1, 2010, Transwestern Pipeline Company, LLC (Transwestern) filed revised tariff records¹ to comply with Order No. 587-U.² In Order No. 587-U, the Commission incorporated by reference into its regulations Version 1.9 of the North American Energy Standards Board (NAESB) Wholesale Gas Quadrant's (WGQ) standards. The Version 1.9 standards include, among other things, new and modified standards governing Index-Based Capacity Release and Flexible Delivery and Receipt Points, as well as standards adopted in response to Order Nos. 698, 712, 717, and 682.³

¹ See attached Appendix for a listing of the tariff records.

² *Standards for Business Practices for Interstate Natural Gas Pipelines*, Order No. 587-U, FERC Stats. & Regs. ¶ 31,307 (2010) (Order No. 587-U).

³ *Standards for Business Practices for Interstate Natural Gas Pipelines*, Order No. 698, FERC Stats. & Regs. ¶ 31,251 (2007), *order on clarification and reh'g*, Order No. 698-A, 121 FERC ¶ 61,264 (2007); *Promotion of a More Efficient Capacity Release Market*, Order No. 712, FERC Stats. & Regs. ¶ 31,271 (2008), *order on reh'g*, Order No. 712-A, FERC Stats. & Regs. ¶ 31,284 (2008), *order on reh'g*, Order No. 712-B, 127 FERC ¶ 61,051 (2009); *Standards of Conduct for Transmission Providers*, Order No. 717, FERC Stats. & Regs. ¶ 31,280 (2008), *order on reh'g and clarification*, Order No. 717-A, FERC Stats. & Regs. ¶ 31,297 (2009), *order on reh'g*, Order No. 717-B, 129 FERC ¶ 61,123 (2009); *Revision of Regulations to Require Reporting of Damage to Natural Gas Pipeline Facilities*, Order No. 682, FERC Stats. & Regs. ¶ 31,227 (2006), *order denying reh'g*, Order No. 682-A, 118 FERC ¶ 61,188 (2007).

Transwestern's tariff records referenced in the appendix generally comply with Order No. 587-U and are accepted effective November 1, 2010, conditioned upon Transwestern filing revised tariff records, within 15 days of the date of this order, as discussed below.

2. Transwestern is directed to file revised tariff records addressing the following: (1) Standards 1.3.5, 1.3.22, 1.3.23, 3.3.20 and 5.3.62(a) should either be incorporated by reference or stated verbatim, but not both, in its tariff;⁴ and (2) Standard 10.3.13 should not be incorporated by reference on its proposed tariff record since this standard was deleted in NAESB Version 1.9. Transwestern is directed to file revised tariff records incorporating these revisions, within 15 days of the issuance of this order.

3. In addition, Transwestern has not incorporated data set 0.4.1 because it indicates in its cross-reference table that this data set is not applicable due to it having no storage service on its system. Based on Transwestern's description of its system, we find that good cause exists to grant waiver of the inclusion of the storage data set. The waiver is limited to the NAESB WGQ's Version 1.9 standards. If in the future Transwestern's system includes storage, it will be required to include data set 0.4.1.

4. Public notice of the filing was issued on September 2, 2010. Interventions and protests were due on or before September 13, 2010. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2010)), 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. Salt River Project Agricultural Improvement and Power District (SRP) filed a comment. Transwestern filed an answer to SRP's comment.⁵ The comment and answer are discussed below.

5. SRP argues that Transwestern has failed to describe how it will implement the standards relating to Flexible Delivery and Receipt Points (FDRP). SRP states that other pipelines in the region that currently provide FDRP include the information in their tariff and sought participation from shippers to design the services.

6. In its answer, Transwestern states that it has been working for several months to gather data and make necessary system modifications to implement the FDRP standards, including developing an understanding of how interconnecting pipelines plan to implement the standards, and that it has recently shared with its shippers the details of its planned FDRP implementation. Transwestern also states that it expects to conduct training with intersected shippers over the next month, and that it will continue to work

⁴ See *Texas Eastern Transmission Corp.*, 77 FERC ¶ 61,175 at 61,646 (1996).

⁵ While the Commission's Rules of Practice and Procedure generally prohibit answers to protests, the Commission will accept Transwestern's answer to allow a fuller understanding of the issues. See 18 C.F.R. § 385.213(a)(2) (2010).

diligently to make sure it and its shippers and interconnected parties are prepared to implement the NAESB Version 1.9 standards effective November 1, 2010.

7. The Commission finds that Transwestern has properly incorporated Standard 1.3.80 by reference in its proposed tariff record (See 3., NAESB Standards Compliance, 1.0.0). In its Answer, Transwestern indicates that it will work with its shippers to implement the NAESB Version 1.9 standards effective November 1, 2010. The representation offered by Transwestern appears to alleviate SRP's concerns. However, to the extent Transwestern has not implemented the FDRP standards on November 1, 2010, it must make a filing with the Commission detailing the status of implementation and, if necessary, a limited waiver of the FDRP standards.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

Appendix

**Transwestern Pipeline Company, LLC
Baseline
Fourth Revised Volume No. 1, FERC NGA Gas Tariff**

**Tariff Records Accepted for Filing
Effective November 1, 2010**

Part I, Table of Contents, 1.0.0
Part VI, General Terms and Conditions, 1.0.0
 1., Definitions, 1.0.0
 3., NAESB Standards Compliance, 1.0.0
 30., Capacity Release, 1.0.0
 30.2, Evaluation Methods, 1.0.0
 30.3, Offer to Release Capacity, 1.0.0
 30.5, Open Bids / Withdrawal of Bids, 1.0.0
 30.8, General Terms and Conditions, 1.0.0