

137 FERC ¶ 61,082
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 24, 2011

In Reply Refer To:
Southern Star Central Gas Pipeline Inc.
Docket No. RP11-2557-000

Southern Star Central Gas Pipeline Inc.
4700 Highway 56
Owensboro, KY 42301

Attention: Beverly Griffith, Vice President & General Counsel

Reference: Limited Waiver Request

Ladies and Gentlemen:

1. On September 2, 2011, Southern Star Central Gas Pipeline, Inc. (Southern Star) submitted a request for a limited waiver of the General Terms and Conditions (GT&C) of its tariff (particularly section 11.4 (a) thereof),¹ North American Energy Standards Board (NAESB) Standard 5.3.2, and the Commission's regulations related to capacity release. The petition for waiver arises from a missed capacity release bidding deadline due to a server crash. As discussed below, the Commission grants Southern Star's request for a limited waiver.

2. On August 30, 2011, Southern Star states the host server for its Customer Service System (CSI) crashed, and users lost access to CSI during the capacity release bidding period. During the crash Southern Star received a telephone call from BP Energy Company (BP Energy) informing it that BP Energy attempted to submit a bid prior to the expiration of the standard bidding period on Offer No. 99009756, but was unable to complete submission due to the server crash. Southern Star states that Offer No. 99009756 was a pre-arranged biddable release between Kansas Gas Service as releasing

¹ Section 11.4 (a) of Southern Star's GT&C sets forth the capacity release bidding timeline and provides that bids should be tendered by 12:00 P.M. on a business day and that an open season ends no later than 1:00 P.M. on a business day.

shipper, and Tenaska Marketing Ventures (Tenaska) as the pre-arranged replacement shipper.

3. According to Southern Star, when the server was restored after 1:00 P.M. the capacity was automatically awarded to Tenaska because there was no record in its system of a competing bid from BP Energy. Southern Star notified the bidding parties of the facts related to the server crash and advised them that the automatic award of capacity to Tenaska was premature. Southern Star confirmed, via email, the competing bid from BP Energy. After confirming the bid from BP Energy, Southern Star advised Tenaska of the amount of that competing bid, without revealing the name of the competing bidder, and gave Tenaska an opportunity to match the competing bid. Tenaska did not match BP Energy's competing bid. As a result, Southern Star awarded the capacity under Offer No. 99009756 to BP Energy, although this was completed outside the normal bidding timeline and procedures.

4. Given these circumstances, Southern Star is requesting a limited waiver of section 11.4 (a) of its tariff and NAESB Standard 5.3.2 to recognize and permit the actions taken in response to its server crash.

5. Public notice of the filing was issued on September 7, 2011. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2011)). Pursuant to Rule 214, 18 C.F.R. § 385.214 (2011), all timely filed motions to intervene and any unopposed 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 the proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

6. For good cause shown, we grant Southern Star's petition for limited waiver to permit the actions taken in response to its server crash, as no parties appear harmed by the manual completion of the bidding process in the circumstances presented.

By direction of the Commission. Commissioner Spitzer is not participating.

Kimberly D. Bose,
Secretary.