

139 FERC ¶ 61,032  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

April 11, 2012

In Reply Refer To:  
Perryville Gas Storage LLC  
Docket No. CP09-418-001

J. Gordon Pennington  
2707 N. Kensington St.  
Arlington, VA 22207

Attention: J. Gordon Pennington, Attorney for Perryville Gas Storage LLC

Reference: Letter Order on Tariff Amendment Filing

Ladies and Gentlemen:

1. On January 26, 2012, Perryville Gas Storage LLC (Perryville) submitted revised *pro forma* tariff records<sup>1</sup> in the above-referenced proceeding to amend limited aspects of the *pro forma* tariff approved by the Commission in the order issued on January 26, 2010 (2010 Certificate Order).<sup>2</sup> The *pro forma* tariff records include the addition of Enhanced Authorized Overrun Service (EAOS) to its Firm Storage Service, Rate Schedule FSS, and the clarification of Secondary Receipt and Delivery Point priorities. Perryville states that modifications to its Original *Pro Forma* Volume No. 1 set forth in the 2010 Certificate Order have not been made at this time and that it will make those required changes no earlier than sixty days before it goes into service.<sup>3</sup> Perryville requests that the Commission approve these proposed tariff changes by March 26, 2012. As discussed below, the Commission approves Perryville's proposed *pro forma* tariff changes subject to Perryville's revising its *pro forma* tariff to state that EAOS will have the same service priority as standard interruptible service.

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<sup>1</sup> First Revised *Pro Forma* Volume No. 1 of Perryville Gas Storage LLC.

<sup>2</sup> See *Perryville Gas Storage LLC*, 130 FERC ¶ 61,065 (2010).

<sup>3</sup> See *Perryville Gas Storage LLC*, 130 FERC ¶ 61,065 (2010), Ordering Paragraph (J).

2. Perryville states it expects the facilities approved in the 2010 Certificate Order to be in service in late 2012 and it is proposing the EAOS feature in order to accommodate customer needs now being raised. Perryville's proposed modifications to its Original *Pro Forma* Volume No. 1 in the instant filing include: (1) adoption of a section-based format, rather than a sheet-based format; (2) addition of the EAOS feature to the FSS Rate Schedule set forth in Section 5.1; (3) clarification of Secondary Receipt and Delivery Point priority in Section 6.5; and, (4) correction of certain contact information and typographical errors.

3. Under the EAOS provisions of Perryville's Rate Schedule FSS, customers will be allowed to request a level of authorized overrun service on any day that would exceed the customer's maximum daily injection and/or daily withdrawal quantity and EAOS will have a priority higher than interruptible services, but lower than firm services. Perryville's proposed modification of Section 5.1 to implement EAOS includes clarification of EAOS priority in Section 5.1.2.2(a), which states:

“Any Enhanced Authorized Overrun Injection and Withdrawal Quantities nominated by a Customer will be assigned a higher priority than Interruptible Services, but will only be received and delivered by PERRYVILLE STORAGE if the EAOS can be accomplished by PERRYVILLE STORAGE without detriment to PERRYVILLE STORAGE's facilities and/or PERRYVILLE STORAGE's ability to meet its firm obligations to other Customers.”

The Commission has stated in a number of proceedings that authorized overrun service is not firm service.<sup>4</sup> The Commission also acknowledged that, while authorized overrun service is associated with a firm rate schedule, it is still an interruptible service and indistinguishable from other interruptible services.<sup>5</sup> However, Perryville proposes that any customer-nominated EAOS quantities “...will be assigned a higher priority than Interruptible Services...” Perryville's EAOS prioritization proposal is inconsistent with Commission policy. Therefore, consistent with Commission policy, Perryville is directed to revise its *pro forma* tariff to state that EAOS will have the same service priority as interruptible service.

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<sup>4</sup> See *Central New York Oil and Gas Co., LLC*, 114 FERC ¶ 61,105, at P 9 (2006); *TriState Pipeline, L.L.C.*, 88 FERC ¶ 61,328, at 62,006 (1999); *Puget Sound Energy, Inc.*, 84 FERC ¶ 61,347, at 62,516 (1998); and *CNG Transmission Corp.*, 81 FERC ¶ 61,346, at 62,592 (1997).

<sup>5</sup> See *MoBay Storage Hub LLC*, 126 FERC ¶ 61,241, at P 19 (2009)

4. Public notice of Perryville's filing was issued on February 15, 2012. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.<sup>6</sup> Pursuant to Rule 214,<sup>7</sup> 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. No adverse comments or protests were filed.

5. The Commission approves Perryville's proposed *pro forma* tariff changes subject to the revisions discussed above.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

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<sup>6</sup> 18 C.F.R. § 154.210 (2011).

<sup>7</sup> 18 C.F.R. § 385.214 (2011).