

140 FERC ¶ 61,162
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

August 30, 2012

In Reply Refer To:
Petal Gas Storage, L.L.C.
Docket Nos. RP12-915-000
RP12-915-001

Petal Gas Storage, L.L.C.
9 Greenway Plaza,
Suite 2800
Houston, TX 77251-1478

Attention: E. Adina Owen
Corporate Counsel

Reference: Billing and Payment Procedures and Time Limitations

Ladies and Gentlemen:

1. On August 1, 2012, Petal Gas Storage, L.L.C. (Petal) filed (in Docket No. RP12-915-000) revised tariff records¹ to modify the billing and payment provisions set in its General Terms and Conditions (GT&C). The revised tariff language will: (1) allow Petal to electronically post notification of both imbalance statements and transportation invoices; and (2) allow Petal to establish time limitations for addressing billing errors and prior period adjustments caused by deliberate omissions, misrepresentations, and mutual mistakes of fact.² Petal seeks an effective September 1, 2012. As discussed more fully below, we accept certain tariff records, subject to

¹ Section 6.8, GT&C-Requests for Service, 1.0.0; Section 6.15, GT&C-Billing and Payment, 1.0.0.

² On August 6, 2012, Petal filed a revised tariff record in Docket No. RP12-915-001 to correct typographical errors in its initial filing. Section 6.15, GT&C-Billing and Payment, 1.1.0.

conditions, and reject another as moot. The accepted tariff records will be effective September 1, 2012.

2. Petal proposes revising section 6.15 of its GT&C to provide for the electronic posting and electronic notification of both imbalance statements and transportation invoices, thereby eliminating the practice of sending customers paper transportation invoices. Petal additionally proposes modifying section 6.8 of its GT&C to provide that its customers must submit at least one email address for Petal to notify customers when documents pertaining to requests for service become available. Petal states that it is implementing these tariff changes to better align its billing and payment provisions with those of its sister pipelines.³ Petal asserts that its proposals are just and reasonable and consistent with Commission policy and precedent, as they will provide customers with convenient, electronic access to their imbalance statements and transportation invoices, and ensure efficient and timely customer service.

3. Public notices of Petal's Filings in Docket Nos. RP12-915-000 and RP12-915-001 were issued on August 2, 2012 and August 6, 2012, respectively. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.⁴ Pursuant to Rule 214, 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.⁵ On August 13, 2012, PSEG Energy Resources & Trade, LLC (PSEG) filed a conditional protest.

4. In its protest, PSEG states it supports Petal's proposal to allow electronic posting and electronic notification of both imbalance statements and transportation invoices, and it is not opposed to Petal's proposal to establish time limitations for addressing billing errors and prior period adjustments. PSEG does, however, oppose Petal's proposal to collect funds "no later than ten (10) days from the date the invoice was rendered to Customer for service provided during the preceding month, and billed by Petal for that month."⁶

³ Petal Transmittal Letter at 1 (citing analogous tariff records of Texas Gas Transmission, LLC, Gulf South Pipeline Company, LP, Gulf Crossing Pipeline Company LLC).

⁴ 18 C.F.R. § 154.210 (2012).

⁵ 18 C.F.R. § 385.214 (2012).

⁶ Petal Gas Storage, L.L.C., FERC NGA Gas Tariff, Third Revised Volume No. 1, Proposed § 6.15, Billing and Payment, Para. 2.

5. PSEG states Petal's proposal to require customers to pay invoices within 10 calendar days, rather than the 15 calendar days customer's currently have, would be unduly burdensome. PSEG conditions its protest if Petal unintentionally modified the fund collection period in its tariff due to a simple wording error. PSEG states that it would not protest a proposal by Petal intended to require payment within 10 *business* days. PSEG encourages the Commission require Petal to maintain its current 15 calendar day window for the payment of invoices. PSEG also encourages the Commission to require Petal to correct a typographical error in the numbering of the paragraphs in proposed Section 6.15.⁷

6. On August 20, 2012, Petal filed an answer to PSEG's conditional protest. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2012), prohibits answers to a protest or adverse comments unless otherwise ordered by the decisional authority. In this case, we will accept Petal's answer because it provides information that has assisted us in our decision-making process.

7. In its answer, Petal states that all its sister pipelines currently have a 10 calendar day payment period. Furthermore, Petal notes that PSEG is a customer of one of its sister pipelines, Texas Gas, and therefore already complies with the 10 calendar day payment period for Texas Gas invoices. Petal states that implementing a 10 calendar day payment period as proposed will make its requirements consistent with its sister pipelines and allow all of the affiliated companies to utilize a uniform approach for processing payments.⁸ Petal states, moreover, the 10 calendar day payment period is common throughout the interstate natural gas industry.⁹ Petal commits to correcting the other typographical and numbering errors PSEG points out, but argues that PSEG's substantive protest should be rejected.

8. We conditionally accept Petal's proposed tariff revisions to its billing and payment provisions, as amended, subject to conditions. We agree with Petal that the 10 calendar day payment period is common throughout the industry and consistent with the billing and payment provisions set forth in the tariffs of its sister pipelines. Moreover, PSEG has not shown the proposal to be unduly burdensome. PSEG contends that in light of weekends and holidays, the actual 10 day window to pay a bill could be highly compressed to as few as 6 calendar days. In its answer, however, Petal acknowledges

⁷ PSEG Protest at 4-5.

⁸ Petal Answer at 2 (explaining that like Texas Gas, Petal will not consider payment overdue if the due date falls on a Saturday, Sunday, or Federal banking holiday in a given month, provided payment is received on the next business day).

⁹ *Id.* (citing a number of analogous tariff provisions from other pipelines).

this scenario and commits to not considering a bill to be overdue if the due date falls on a Saturday, Sunday, or Federal banking holiday in a given month, provided payment is received on the next business day. Accordingly, we find that Petal has adequately addressed PSEG's concern. We further find Petal's proposal to require customers to pay invoices within 10 calendar days is reasonable and consistent with industry standards.

9. We do, however, require Petal to clarify that the payment period days referenced in Section 6.15, Billing and Payment, at Paragraph 2 are intended to be calendar days. We further require Petal to insert language in that section that a bill will not be considered overdue if the due date falls on a Saturday, Sunday, or Federal banking holiday in a given month, provided payment is received on the next business day. Also, as noted by PSEG, the paragraph numbering of Petal's proposed Section 6.15, Billing and Payment skips from number 2 to number 4. Accordingly, we direct Petal to correct its tariff paragraph numbering. Petal must file revised tariff records to make these changes within 30 days of the date of this order.

10. Accordingly, we accept the following tariff records submitted by Petal, subject to the conditions discussed above: Section 6.8, GT&C-Requests for Service, 1.0.0 and Section 6.15, GT&C-Billing and Payment, 1.1.0. Because the tariff record Section 6.15, GT&C-Billing and Payment, 1.0.0 was superseded by Petal's filing in Docket No. RP12-915-001, we reject it as moot.

By direction of the Commission.

Kimberly D. Bose,
Secretary