

141 FERC ¶ 61,170  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

November 29, 2012

In Reply Refer To:  
Granite State Gas Transmission, Inc.  
Docket No. RP13-255-000

Granite State Gas Transmission, Inc.  
Attention: George H. Simmons  
6 Liberty Lane West  
Hampton, NH 03842

Dear Mr. Simmons:

1. On November 1, 2012, Granite State Gas Transmission, Inc. (Granite State) filed tariff records<sup>1</sup> to report a new, non-conforming service agreement for Rate Schedule FT-NN service with its affiliate, Northern Utilities, Inc. (Northern Utilities). Waiver of the Commission's notice requirements is granted and we accept the tariff records subject to the conditions discussed below.
2. Granite State states that its new agreement with Northern Utilities is under the jurisdiction of the Maine Public Utilities Commission (Maine PUC), because Northern Utilities is a Maine local distribution company. Granite State claims that "[t]he Maine PUC required that Section 12.1 of the contract provide that either Granite State or Northern Utilities could terminate the contract after [] the initial one-year term on three months written notice," instead of the one-year notice usually required for Rate Schedule FT-NN service under Granite State's *pro forma* agreement.<sup>2</sup> Granite State states that it acceded to this deviation, and asserts that this is the only deviating term in its proposed contract with Northern Utilities.

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<sup>1</sup> Granite State Gas Transmission, Inc., FERC NGA Gas Tariff, F.E.R.C. Gas Tariff of Granite State Gas Transmission, Inc., [Table of Contents, Section 1.0 Table of Contents, 2.0.0, Section 9.0, Non-Conforming Contracts, 0.0.0](#), and [Contract, Northern Utilities, Inc., 0.0.0](#).

<sup>2</sup> Transmittal letter at 1.

3. Granite State requests an effective date for the proposed tariff records of November 1, 2012, and requests waiver of the 30-day notice requirement. Granite State explains that it could not give proper notice because it was not until October 31 that the Maine PUC informed Granite State of its decision. Granite State notes that the notice of termination provision would not have any impact prior to mid-2013, so it argues that no one would be prejudiced by allowing a November 1, 2012 effective date.

4. In its filing, Granite State states that it is separately conducting a full review of its tariff, and it plans to file a cleanup of its tariff and *pro forma* agreements in the near future. Granite State asserts that, as part of that cleanup, it will propose to permit any shipper under Rate Schedules FT-1 or FT-NN with an evergreen provision “to elect a mutually agreeable notice provision from three months to one year.”<sup>3</sup> Once filed and approved, Granite State argues, the Northern Utilities agreement will no longer be non-conforming.

5. On November 9, 2012, Granite State filed revised tariff records in Docket RP13-271-000,<sup>4</sup> proposing numerous changes to its tariff. Among other things, Granite State proposed to modify section 12.1 of its Rate Schedules FT-1 and FT-NN *pro forma* service agreements to include a blank for the notice period for terminating the service agreement. Granite State requests a December 10, 2012 effective date for the proposed tariff records in that docket. The Commission will act on Granite State’s Docket No. RP13-271-000 Filing in a separate order.

6. Public notice of the instant filing was issued on November 5, 2012. Interventions and protests were due on or before November 13, 2012 as provided in section 154.210 of the Commission’s regulations.<sup>5</sup> Pursuant to Rule 214,<sup>6</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. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

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<sup>3</sup> Transmittal letter at 2.

<sup>4</sup> Granite State Gas Transmission, Inc., FERC NGA Gas Tariff, [Service Contracts, Section 7.0 Service Contracts, 3.0.0](#).

<sup>5</sup> 18 C.F.R. § 154.210 (2012).

<sup>6</sup> 18 C.F.R. § 385.214 (2012).

7. If a pipeline and a shipper enter into a contract that materially deviates from the pipeline's form of service agreement, the Commission's regulations require the pipeline to file the contract containing the material deviations with the Commission.<sup>7</sup> In *Columbia Gas Transmission Corporation*,<sup>8</sup> the Commission clarified that a material deviation is any provision in a Transportation Service Agreement that (1) goes beyond filling in the blank spaces with the appropriate information allowed by the tariff, and (2) affects the substantive rights of the parties. One category of material deviation that is not permitted is negotiated terms and conditions of service that result in a shipper receiving a different quality of service than that offered other shippers under the pipeline's generally applicable tariff or that affect the quality of service received by others.<sup>9</sup>

8. Granite State's non-conforming agreement modifies section 12.1 of the contract to provide for a three month written notice rather than a twelve month written notice to terminate the contract. The Commission has found that the ability to terminate a service agreement with substantially less prior notice is a valuable right that should be offered pursuant to not unduly discriminatory conditions in the pipeline's generally applicable tariff.<sup>10</sup> In this case, Granite State has, in a separate docket, filed to revise its tariff in order to permit shippers under Rate Schedules FT-1 and FT-NN with an evergreen provision to elect a mutually agreeable notice period for terminating their service agreements. Therefore, we accept Granite State's proposed tariff records in this docket effective November 1, 2012, subject to our action on Granite State's filing in Docket No. RP13-271-000.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>7</sup> 18 C.F.R. § 154.1(d) (2012).

<sup>8</sup> 97 FERC ¶ 61,221 (2001).

<sup>9</sup> *Monroe Gas Storage Co., LLC*, 130 FERC ¶ 61,113, at P 28 (2010).

<sup>10</sup> *E.g., Equitrans, L.P.*, 134 FERC ¶ 61,241, at P 6 (2011).