

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Pat Wood, III, Chairman;
Nora Mead Brownell, Joseph T. Kelliher,
and Suedeen G. Kelly.

Saltville Gas Storage Company, L.L.C.

Docket No. CP02-430-004

ORDER EXTENDING INTERIM SERVICE AUTHORIZATION

(ISSUED FEBRUARY 17, 2004)

1. On April 11, 2002, the Commission determined that Saltville Gas Storage Company, L.L.C. (Saltville) was a Hinshaw pipeline exempt from the Commission's jurisdiction under NGA Section 1(c).¹ On February 4, 2003,² the Commission granted Saltville a limited jurisdiction blanket certificate authorizing firm and interruptible storage service and related transportation of natural gas in interstate commerce pursuant to Section 284.224 of the Commission's regulations.³ In an order issued on August 29, 2003 in Docket No. PR03-13-000, the Commission approved rates for Saltville's services under the limited jurisdiction certificate.⁴

2. Subsequently, however, in a September 11, 2003 Order on rehearing of the February 4, 2003 Order, the Commission found that Saltville does not qualify as a Hinshaw pipeline and is therefore subject to the Commission's jurisdiction.⁵ The Commission required Saltville to file for the requisite NGA certificate authorizations for its facilities and services within 60 days of the order's issuance. Recognizing that Saltville commenced storage service on August 1, 2003 pursuant to its Section 284.224 certificate, the Commission authorized Saltville to provide interim service under its

¹ Cargill, Inc. v. Saltville Gas Storage Co., L.L.C., 99 FERC ¶ 61,043 (2002).

² Saltville Gas Storage Co., L.L.C., 102 FERC ¶ 61,123 (2003).

³ Section 284.224 provides that a Hinshaw pipelines' interstate services under that section are subject to the same terms and conditions as intrastate pipelines' services under Section 311 of the Natural Gas Policy Act.

⁴ Saltville Gas Storage Co., L.L.C., 104 FERC ¶ 61,237 (2003).

⁵ Saltville Gas Storage Co., L.L.C., 104 FERC ¶ 61,273 (2003).

existing certificate to avoid interrupting or delaying the storage of gas supplies for the upcoming winter heating season until the earlier of the effective date of a Part 284, Subpart G certificate authorizing interstate service by Saltville, or March 1, 2004. The September 11 Order also directed Saltville to use the rates approved in Docket No. PR03-13-000 for the interim service.

3. As directed by the September 11 Order, Saltville filed an application in Docket No. CP04-13-000, et al. requesting the authorizations necessary for it to provide Part 284, Subpart G services. Since the application is pending and an order on the application will not be issued prior to the March 1, 2004 expiration of the interim authorization, we will extend that authorization until the Commission issues an order on Saltville's application. Saltville shall continue to charge the rates currently in effect for the interim service.

The Commission orders:

Saltville's authorization to provide interim service pursuant to its Part 284.224 certificate is extended until issuance of an order on its application in Docket Nos. CP04-13-000, et al. Saltville shall continue to charge the rates currently in effect for the interim service.

By the Commission.

(S E A L)

Linda Mitry,
Acting Secretary.