

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

March 25, 2004

In Reply Refer To:
Dominion Transmission, Inc.
Docket No. RP04-119-001

Dominion Transmission, Inc.
120 Tredegar Street
Richmond, Virginia 23219

Attention: Mabelle F. Grim
Manager, Regulatory and Pricing

Reference: Sub Original Sheet No. 1504 to FERC Gas Tariff, Third Revised Volume
No. 1

Dear Ms. Grim:

1. On January 28, 2004, Dominion Transmission, Inc. (Dominion) filed the referenced tariff sheet in compliance with the Commission's order issued January 22, 2004 in Docket No. RP04-119-000,¹ which authorized Dominion to sell gas that is incidental to its operations, subject to certain modifications. The referenced tariff sheet is accepted effective January 22, 2004, subject to the condition as discussed below, that Dominion submit its annual filing on operational sales of gas on June 30 of each year instead of March 31.

2. In accordance with the January 22, 2004 Order, Dominion seeks to modify section 42 of the General Terms and Conditions (GT&C) of its tariff to provide that: (1) Dominion will not authorize the sale of any storage base gas included in its rate base; (2) gas confiscated or collected pursuant to GT&C sections 29 or 35.3D shall result in revenue credits to customers as specified in those sections; (3) prior to making any sales pursuant to section 42, Dominion will post bids for excess gas available for sale on its electronic bulletin board, ESCRIPtm; (4) if Dominion is required to curtail sales made pursuant to section 42, it will curtail all customers whose service is dependent on or affected by the curtailment provisions of section 7 of Rate Schedule USS Rate; and (5) Dominion shall file an annual report by March 31 of each year indicating the source

¹ Dominion Transmission, Inc., 106 FERC ¶ 61,029 (2004) (January 22, 2004 Order).

of all excess gas sold pursuant to section 42, the date of sale, volumes, sales price, revenues from the sale, and the disposition of the revenues.

3. Public notice of this filing was issued on February 3, 2004, with protests due on or before February 9, 2004. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provisions of Rule 214.

4. National Fuel Gas Distribution Corporation, New York State Electric & Gas Corporation, Niagara Mohawk Power Corporation, and Rochester Gas and Electric Corporation (collectively, MND Group) filed comments requesting that the Commission require Dominion to file its report on the source of excess gas sold on June 30 of each year, reflecting sales during the preceding April 1 to March 31 period, instead of filing the report, as Dominion proposes, on March 31. The MND Group contends that the June 30 date would cause the data contained in the annual report on operational sales of gas to correlate to the system gas requirement data included in Dominion's annual report filed pursuant to the Transportation and Recovery Adjustment (TCRA) Settlement approved by the Commission.² The MND Group acknowledges that while the January 22, 2004 Order did not dictate the time of Dominion's report on operational sales of gas, the MND Group contends that the objective of the reporting mechanism would be better met if the Commission were to require that the timing of the report coincide with Dominion's annual TCRA Report, since that report includes data on Dominion's system gas requirements. The MND Group indicates that it does not believe that Dominion would be aggrieved by changing the annual filing date from March 31 to June 30.

5. In the instant filing, Dominion does not explain or justify why it proposes to file its annual report on operational sales of gas on March 31. Since the MND Group has provided an adequate explanation why it would be more appropriate and useful to coincide the annual report on operational sales with the TCRA Report, *i.e.*, allow the parties to examine Dominion's system gas requirements, and lacking an explanation from Dominion on the filing date or an apparent adverse impact to Dominion, we will require Dominion to revise its tariff, to file the annual report on operational sales on June 30 instead of March 31. The June 30 filing will be an annual report covering the period

² Dominion Transmission, Inc., 96 FERC ¶ 61,288 (2001).

from April 1 to March 31. Therefore, the referenced tariff sheet is accepted January 22, 2004, subject to condition, and Dominion is directed to file a revised tariff sheet within fifteen days of the date of this order, modifying its proposed tariff language as discussed above.

By direction of the Commission.

Linda Mitry,
Acting Secretary.