

108 FERC ¶ 61,014  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

July 7, 2004

In Reply Refer To:  
Midwestern Gas Transmission Company  
Docket No. RP04-325-000

Midwestern Gas Transmission Company  
P.O. Box 542500  
Omaha, NE 68154-8500

Attention: Raymond D. Nepl  
Vice President, Regulatory Affairs & Market Services

Reference: Changes to FERC Gas Tariff

Ladies and Gentlemen:

1. On June 4, 2004, Midwestern Gas Transmission Company (Midwestern) filed the revised tariff sheets listed in the Appendix to become effective July 9, 2004. Midwestern seeks to assure that the electronically executed *pro forma* transportation agreements, the applicable tariff sheets and other associated tariff sheets will not lead to the creation of inadvertent material deviations or affect the substantial rights of the parties. In addition, since Northern Plains Natural Gas Company operates both Northern Border Pipeline Company and Midwestern the two companies share computer systems and personnel. Consequently, the companies desire, to the extent practicable, to use consistent practices, procedures and terminology. Midwestern also proposes housekeeping and clarifying changes throughout its tariff. The filing, in addition, proposes to modify the discounting provisions set forth in its tariff.
2. Midwestern's revised tariff sheets are accepted to be effective July 9, 2004, as proposed. This order benefits the public since it allows Midwestern to recognize economies resulting from more efficient operations and enhance transportation flexibility for Midwestern's customers.

3. Midwestern proposes some generic tariff changes and other minor changes to various portions of the tariff, including clarifying and updating information where needed. These changes include revising The Table of Contents to delete certain forms. Midwestern updates The Statement of Negotiated Rates to reflect all listed agreements that either expired or the term for the negotiated rate has expired.
4. Midwestern clarifies Rate Schedule FT-A by incorporating the term "Equivalent Quantity" to account for fuel use and gas lost and unaccounted for gas associated with providing this transportation service. Among other changes, Midwestern deletes the terms "Eligible Receipt Point" and "Eligible Delivery Point" since all points on Midwestern's pipeline are eligible for transportation. Midwestern also deletes these terms in Rate Schedule FT-GS and Rate Schedule IT, along with other minor changes.
5. Midwestern revises Rate Schedule PAL by deleting the requirement to notify the Buyer with a confirmed delivery email of the execution of an Exhibit A to a PAL Agreement for service under OPL and RPL. Midwestern states that with the efficiencies of electronic contracting for these services, this requirement is no longer necessary. Midwestern also proposes other ministerial changes to both Rate Schedule PAL and Rate Schedule LMS-PA.
6. Midwestern proposes a number of changes to its General Terms and Conditions (GT&C). Discussed below are the most notable proposed revisions. At various places in the GT&C, Midwestern proposes to delete existing tariff language and adopt the NAESB standards requiring shippers to provide certain information.
7. At section 27 of the GT&C, Midwestern adds the different types of discount rates which Midwestern may negotiate with customers for pipeline services which were previously identified in Article 6.1 of the FT-A or FT-GS Firm Transportation Agreement and Article 5.1 of the IT Transportation Agreement. In addition, Midwestern proposes to add two additional discounts based upon a rate component and a basis differential derived from published price indexes, provided that the final discounted rate remains between the maximum and minimum levels set forth in the tariff. Midwestern's proposed revision permits it to negotiate a level of discount of otherwise applicable rates and charges in addition to a basic discount from the stated maximum rates. Midwestern might provide, for example, a specific discount rate for: (1) certain specified quantities, quantity levels, or quantities transported; (2) specified time periods; or, (3) points of receipt and delivery or transportation paths. Also, Midwestern revises its tariff to allow it to offer discounted rates based on published index price point differentials or arrived at by formula. Midwestern specifies that any service agreement entered into for an index price-based discount must: (1) define the rate component(s) to be discounted; (2) not change the underlying rate design; and, (3) not include any minimum bill or minimum take provision that would have the effect of guaranteeing revenue.

8. Midwestern proposes numerous minor changes to its Supply Aggregation Service Agreement, Firm Transportation Agreement, Interruptible Transportation Agreement, Form of Released Transportation Agreement, Service Request Form, Shipper Nomination Form, Shipper Confirmation Form, Form of Release Request, and Form of Bid. Minor changes are also proposed for its various agreements, including its Electronic Communication Agreement, Operational Balancing Agreement (For Use at Receipt Points), Operational Balancing Agreement (For Use at Delivery Points), Operational Balancing Agreement for Pipelines, Park and Loan Agreement, Agency Authorization Agreement, and Master Electronic Transaction Agreement.

9. Nicor Gas (Nicor) filed comments requesting clarification of two aspects of the filing. First, Midwestern had proposed to revise section 4.3 of Rate Schedule FT-A to read: “On any given day, quantities transported from the Receipt Point (s) to the Delivery Point (s) may not exceed the Transportation Quantity under the Shipper’s FT-A Agreement at any mainline location.” Nicor seeks clarification that the phrase “at any mainline location” is not intended to restrict a shipper’s right to engage in segmented transactions consisting of a forwardhaul up to contract demand and a backhaul up to contract demand to the same delivery point. We find that no clarification is needed. We interpret the phrase “mainline location” to refer to mainline facilities, and not the actual delivery point. In addition, section 15.3.1 of Midwestern’s GT&C specifically permits the situation referred to by Nicor.

10. Second, Nicor requests clarification of Midwestern’s proposed tariff with respect to its deletion of references to “Primary Path,” which Midwestern notes are superseded by the term “Transportation Path.” Nicor states that Midwestern also proposes to delete nearly all references to “Primary” when referring to receipt and delivery points throughout the tariff, but retains the definitions of “Primary Receipt Point” and “Primary Delivery Point.” Nicor Gas states it does not object to Midwestern’s efforts to create consistency with terminology used in its Tariff, but finds that this change creates unnecessary confusion and is concerned that the changes could be read to limit a shipper’s primary capacity rights. Nicor asserts that, for example, that “Primary Receipt Point” and “Primary Delivery Point” are defined as those receipt/delivery points at which the firm Shipper has “assigned its primary scheduling rights.” Nicor further asserts that, however, Exhibit A of the FT-A/FT-GS Agreements does not make explicit which receipt/delivery points are primary; nor does the definition of “Transportation Path” make clear to which points primary scheduling rights attach.

11. With respect to this requested clarification, we also find that the requested clarification is not necessary. Section 15.2 of Midwestern’s GT&C addresses Point Capacity Scheduling Rights, including Primary Scheduling Rights. Specifically, proposed section 15.2.1 states that “[a] Rate Schedule FT-A/FT-GS Shipper’s primary capacity scheduling rights will be initially located at the Receipt Point and Delivery Point that

define such Shipper's Transportation Path." Exhibit A of the FT-A/ FT-GS Agreements provides blanks in which to list the receipt and delivery points that define the transportation path. Thus, those points are the shipper's primary points. Therefore, the proposed tariff language sufficiently defines which receipt and delivery points are primary and does not require clarification.

12. Midwestern's revised tariff language regarding discounting is consistent with the Commission's policy on discounting and the numerous other tariff changes serve to clarify Midwestern's tariff to make it more understandable.

13. The Commission noticed Midwestern's filing on June 14, 2004, permitting comments, protests, or interventions as provided in section 154.210 of the Commission's regulations. Pursuant to Rule 214 (18 C.F.R. § 385.214) all timely filed motions to intervene and any motions to intervene out-of-time filed before the date this order issues are granted. No party protests Midwestern's filing.

By direction of the Commission.

Linda Mitry,  
Acting Secretary.

Appendix

Midwestern Gas Transmission Company  
FERC Gas Tariff, Third Revised Volume No. 1

Tariff Sheets Accepted to be Effective July 9, 2004

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Third Revised Sheet No. 1  
Fifth Revised Sheet No. 7  
Second Revised Sheet No. 50  
Second Revised Sheet No. 51  
First Revised Sheet No. 52  
First Revised Sheet No. 53  
Second Revised Sheet No. 54  
Second Revised Sheet No. 61  
First Revised Sheet No. 62  
Second Revised Sheet No. 64  
First Revised Sheet No. 70  
First Revised Sheet No. 71  
First Revised Sheet No. 75  
First Revised Sheet No. 76  
First Revised Sheet No. 77  
First Revised Sheet No. 78  
Second Revised Sheet No. 80  
Fourth Revised Sheet No. 100  
Second Revised Sheet No. 100A  
Fifth Revised Sheet No. 202  
Fifth Revised Sheet No. 203  
Seventh Revised Sheet No. 204  
First Revised Sheet No. 204A  
Second Revised Sheet No. 205  
Second Revised Sheet No. 207  
First Revised Sheet No. 219  
Third Revised Sheet No. 223  
Third Revised Sheet No. 224  
First Revised Sheet No. 228A  
Second Revised Sheet No. 238  
First Revised Sheet No. 246.01  
First Revised Sheet No. 246A

Third Revised Sheet No. 246B  
First Revised Sheet No. 249  
Second Revised Sheet No. 250  
First Revised Sheet No. 254  
First Revised Sheet No. 255  
First Revised Sheet No. 256  
First Revised Sheet No. 259  
Fourth Revised Sheet No. 266  
Second Revised Sheet No. 268  
Third Revised Sheet No. 269  
Fourth Revised Sheet No. 270  
First Revised Sheet No. 270A  
Original Sheet No. 270B  
First Revised Sheet No. 274  
Second Revised Sheet No. 400  
Third Revised Sheet No. 401  
First Revised Sheet No. 402  
Second Revised Sheet No. 403  
First Revised Sheet No. 404  
First Revised Sheet No. 405  
First Revised Sheet No. 406  
First Revised Sheet No. 407  
Second Revised Sheet No. 408  
First Revised Sheet No. 409  
Third Revised Sheet No. 410  
Original Sheet No. 410A  
Second Revised Sheet No. 411  
First Revised Sheet No. 412  
First Revised Sheet No. 413  
First Revised Sheet No. 414  
Third Revised Sheet No. 415  
Second Revised Sheet No. 416

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