

104 FERC ¶ 61,152
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

July 28, 2003

In Reply Refer To:
Humble Gas Pipeline Company
Docket Nos. PR03-8-000
and PR03-8-001

Humble Gas Pipeline Company
P.O. Box 2180
Houston, Texas 77252-2180

Attention: Mike P. Kelly, Vice President
Mark C. Johnson, Counsel

Reference: Offer of Settlement

Ladies and Gentlemen:

1. On June 20, 2003, Humble Gas Pipeline Company (HGPC) filed, in Docket No. PR03-8-001, a Stipulation and Agreement (Settlement) to resolve all issues raised in its petition for rate approval filed on February 28, 2003, in Docket No. PR03-8-000. The Settlement represents a fair and equitable resolution of all rate issues and is approved. This order will benefit the public by providing HGPC current and potential customers access to fair and equitable rates for interruptible transportation services pursuant to Section 311 of the Natural Gas Policy Act (NGPA).

2. The major elements of the Settlement are:

a. Effective as of March 1, 2003, HGPC may charge and collect a maximum rate for NGPA Section 311 service on its Inlet System of 4.6 cents per MMBtu and a maximum rate of NGPA Section 311 service on its Header System of 1.3 cents per MMBtu. Both rates are subject to an additional one-half (0.5%) retainage for fuel and unaccounted-for gas.

- b. To the extent that HGPC collected any amount in excess of the settlement rates on or after March 1, 2003, HGPC shall refund such amounts with interest as prescribed by the Commission's regulations within thirty (30) days of this letter order and shall file a refund report within sixty (60) days of this letter order. To the extent that HGPC shall file a letter within thirty (30) days of this letter order confirming that no refund are due.
- c. On or before March 1, 2006, HGPC shall file a petition for rate approval under Section 284.123(b)(2) of the Commission's regulations to justify the current rates or to establish new rates for NGPA Section 311 transportation services.
- d. The Settlement accepted herein represents a negotiated settlement, the terms and conditions of which will not become effective until the Commission order approving the Settlement becomes final and no longer subject to rehearing.
3. The Settlement was filed pursuant to Rule 602 (f)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602 (f)(2) (2002). Pursuant to HGPC's request, an expedited comment period was established with initial comments due June 30, 2003, and reply comments due on or before July 7, 2003. No protests or adverse comments were filed.
4. This letter order does not relieve the company from its obligations to file the required reports under Part 284 of the Commission's regulations, 18 C.F.R. Part 284 (2001). The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

By direction of the Commission. Commissioner Brownell concurring with a separate statement attached.

Linda Mitry,
Acting Secretary.

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Humble Gas Pipeline Company

Docket Nos. PR03-8-000
PR03-8-001

(Issued July 28, 2003)

BROWNELL, Commissioner, concurring:

1. For the reasons set forth in Green Canyon Pipe Line Company, L.P. in Docket No. PR01-15-001, I would not impose a triennial rate approval requirement on Section 311 pipelines. Here, Humble Gas Pipeline Company has agreed to make a triennial rate approval filing as part of an overall settlement. Therefore, I agree with the result of this order which is to approve an uncontested settlement.

Nora Mead Brownell
Commissioner