

156 FERC ¶ 61,189
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Cheryl A. LaFleur, Tony Clark,
and Colette D. Honorable.

Columbia Gulf Transmission, LLC

Docket No. RP16-302-000

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued September 22, 2016)

1. On January 21, 2016, the Commission instituted an investigation pursuant to section 5 of the Natural Gas Act (NGA), into the justness and reasonableness of the existing rates of Columbia Gulf Transmission, LLC (Columbia Gulf).¹ The January 21 Order also established hearing procedures related to the investigation, and required Columbia Gulf to file a cost and revenue study within seventy-five days of the issuance of the January 21 Order.
2. On July 26, 2016, Columbia Gulf filed an Offer of Settlement (Settlement) purporting to resolve all issues raised in the above-referenced proceeding. On August 15, 2016, the Presiding Judge certified the Settlement to the Commission as uncontested.² The terms of the Settlement are described briefly below.
3. Article I of the Settlement describes the pertinent filings and events leading up to the Settlement.
4. Article II establishes the Settlement rates and refunds. It provides that the daily maximum recourse FTS-1 demand rate will be reduced (from 14.11 cents per dekatherm) to 13.71 cents per dekatherm, effective July 1, 2016. It further provides that the ITS rate will be the 100 percent load factor derivative of the Settlement FTS-1 rate. It further

¹ *Columbia Gulf Transmission LLC*, 154 FERC ¶ 61,027 (January 21 Order), *order on reh'g*, 154 FERC ¶ 61,275 (2016).

² *Columbia Gulf Transmission, LLC*, 156 FERC ¶ 63,026 (2016).

requires Columbia Gas to file a refund report with the Commission within thirty days after the date of payment of refunds. Article III outlines Columbia Gulf's treatment of postretirement benefits other than pensions (PBOP), pension expenses, and regulatory expenses.

5. Article IV requires that Columbia Gulf file a general rate case under section 4 of the NGA by January 31, 2020, for rates to take effect by August 1, 2020. It further provides that Columbia Gulf will convene a meeting of all parties and shippers at least six months prior to filing the rate case to discuss settlement of the newly proposed rates.

6. Article V provides for a rate case and tariff filing moratorium. It provides that, except for filings for Annual Charges Adjustment and Transportation Retainage Adjustment, neither Columbia Gulf nor any other settling party will seek to modify Columbia Gulf's base recourse rates unless such modified rates would go into effect on or subsequent to July 1, 2019.

7. Article VI defines Settling Party and Contesting Party and describes the rights and obligations of each.

8. Article VIII provides for various reservations of rights typically found in settlement agreements. section 8.3 states the standard of review for changes to the Settlement:

The standard of review for any changes to the terms of this Settlement during the term of this Settlement shall be the just and reasonable standard and not the public interest standard.

9. Article IX provides that Columbia Gulf will file to implement the revised *pro forma tariff* within 30 days after the effective date of the Settlement.

10. The Commission finds that the Settlement appears to be fair, reasonable and in the public interest, and therefore, the Commission approves the Settlement pursuant to Rule 602(g), 18 C.F.R. § 385.602(g) (2016). Columbia Gulf is required to file revised tariff records within 30 days in eTariff format to reflect the Commission's action in this order.

11. This order terminates Docket No. RP16-302-000.

The Commission orders:

(A) The Settlement is approved, as discussed in the body of this order.

(B) Columbia Gulf is directed to file tariff records as discussed in the body of this order and as required by the Settlement.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.