UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

	)	
Pipeline Credits During Outages	)	Docket No. RP11-___-000
	)	

PETITION BY
THE NATURAL GAS SUPPLY ASSOCIATION,
THE INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA,
THE PROCESS GAS CONSUMERS GROUP,
THE AMERICAN PUBLIC GAS ASSOCIATION AND
THE AMERICAN FOREST AND PAPER ASSOCIATION REQUESTING
THE FEDERAL ENERGY REGULATORY COMMISSION
TO ENFORCE ITS POLICIES ON PIPELINE CREDITS DURING OUTAGES

Pursuant to Rule 207 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("FERC" or the "Commission"), 18 C.F.R. § 385.207 (2010), Sections 4 and 5 of the Natural Gas Act ("NGA"), 15 U.S.C. §§ 717c(a) and 717d(a), and the Commission's order in *Kern River Gas Transmission Company*, 129 FERC ¶ 61,262 (2009) ("*Kern River*"), o*rder on reh'g*, 132 FERC ¶ 61,111 (2010), the Natural Gas Supply Association ("NGSA"), the American Forest and Paper Association, Inc. ("AF&PA"), the American Public Gas Association ("APGA"), the Independent Petroleum Association of America ("IPAA"), and the Process Gas Consumers Group ("PGC") (collectively, the "Associations") hereby request that the Commission exercise its NGA Section 5 authority to enforce its policy regarding pipeline crediting during outages and order pipelines to amend their tariffs in accordance with Commission policy.

I. IDENTITY AND INTEREST OF THE ASSOCIATIONS

NGSA represents integrated and independent companies that produce and market natural gas in the United States on issues that broadly affect the natural gas industry. NGSA is the voice of suppliers who find, sell, transport and deliver approximately 30 percent of the United States' natural gas supply. Established in 1965, NGSA encourages the use of natural gas within a balanced national energy policy and promotes the benefits of competitive markets to ensure reliable and efficient transportation and delivery of natural gas and to increase the supply of natural gas to U.S. consumers. Natural gas produced by NGSA's members is transported on virtually all of the interstate natural gas pipelines regulated by the Commission.

IPAA represents thousands of American independent oil and natural gas producers and associated service companies. Independent producers drill 90 percent of the wells in the United States and produce approximately 82 percent of the nation's natural gas and over 68 percent of the country's domestic crude oil supply (well above that amount in the Lower-48 states). IPAA members ship natural gas on hundreds of pipelines throughout the United States.

AF&PA is the national trade association of the forest products industry, representing pulp, paper, packaging and wood products manufacturers, and forest landowners in the United States. AF&PA members make products essential for everyday life from renewable and recyclable resources that sustain the environment. The forest products industry accounts for approximately 5 percent of the total U.S. manufacturing GDP, putting it on par with the automotive and chemical industries. Industry companies produce $200 billion in products annually and employ approximately 900,000 people earning $54 billion in annual payroll. The industry is among the top 10 manufacturing sector employers in 48 states. AF&PA members own and operate facilities that consume natural gas delivered through the numerous interstate natural gas pipelines.

APGA is the national association for publicly-owned natural gas distribution systems. There are approximately 1,000 public gas systems in 36 states and almost 720 of these systems are APGA members. Publicly-owned gas systems are not-for-profit, retail distribution entities owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities. APGA members purchase interstate natural gas transportation services at rates and under terms and conditions that are regulated by the Commission.

PGC is a trade association of industrial consumers of natural gas, organized to promote the development and adoption of coordinated, rational, and consistent federal and state policies with respect to gas service to industrial gas users. PGC members own and operate hundreds of plants in virtually every state in the nation. PGC members own and operate manufacturing facilities that consume natural gas delivered through interstate natural gas pipelines systems throughout the U.S.

As organizations representing shippers of natural gas, the Associations have an interest in ensuring that, consistent with the Commission's obligation to maintain just and reasonable rates and terms and conditions, the Commission's policy on reservation charge credits during outages is consistently and rationally applied by pipelines.

II. COMMUNICATIONS

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III. EXECUTIVE SUMMARY

In recent years, a number of cases have come before the Commission in which pipeline shippers have urged the Commission to require pipelines to comply with its clear policy on crediting during times of service interruptions. In those instances, the Commission has stood by its policy and has required that pipelines amend their tariffs in compliance thereof. However, after examining some thirty-three pipeline tariffs, the Associations have determined that a lack of compliance with this crediting policy is prevalent and requires generic Commission action. In *Kern River*, the Commission reiterated that FERC may take action under Section 5 in instances where it is *made aware* of a tariff provision that is clearly contrary to Commission policy, even

[1] Due to the joint nature of this motion, the Associations respectfully request a waiver of the requirements of Section 385.203 of the Commission's regulations to allow the inclusion of more than two persons on the service list in this proceeding.

in the absence of a complaint and in the absence of a related filing. The Associations' submission herein serves to make the Commission aware that the problem of non-conforming tariff provisions is widespread and that generic action is needed. Given the Commission's clear policy on this matter, there should be no uncertainty as to whether pipelines will provide shippers with appropriate credits during outages. This untenable situation, which can cause unnecessary conflicts between pipelines and shippers, can be avoided if pipeline tariffs are required to incorporate clear outage crediting provisions in line with Commission policy. Moreover, overly-broad definitions of *force majeure* in pipeline tariffs have prevented shippers from securing appropriate outage credits, which further thwarts the Commission's crediting policy. Therefore, the Associations ask that the Commission ensure that pipeline tariffs maintain a clear distinction between the two types of outages with crediting provisions that clearly reflect the well-articulated Commission-mandated differences.

The Associations urge the Commission to enforce its policy on pipeline credits during outages and to require that pipelines with non-compliant tariffs make filings with the Commission proposing tariff amendments in compliance with the Commission's crediting policy.[2] Pipelines that believe they are in compliance with existing Commission policy regarding reservation credits should be afforded the opportunity to show that their current tariff provisions in fact comply with Commission policy.

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[2] Action by the Commission is being requested barring any currently effective settlement provisions that may preclude the exercise of Commission authority on a given pipeline.

IV. BACKGROUND

A. Commission Policy Regarding Reservation Charge Credits During *Force Majeure* and Non-*Force Majeure* Outages Mandates Credits to Shippers

The Commission's long-standing policy regarding reservation charge credits during non-*force majeure* outages is that reservation charges must be credited in full to the shippers "whenever there is a service interruption due to a non-*force majeure* event beginning at Day 1."[3]

In addition, Commission policy requires pipelines to share the financial burden of a *force majeure*-caused outage by partially crediting shippers' reservation charges. In the case of interruptions that are due to *force majeure* events, reservation charges must be credited in full to the shippers "after a short grace period (*i.e*., 10 days or less)," or partially credited "starting at Day 1."[4] The crediting method providing for full refunds after a grace period is referred to as the Safe Harbor method and the one providing for partial refunds starting at Day 1 is referred to as the No-Profit method.

In *Entrega Gas Pipeline Inc*.,[5] the Commission explained its policy regarding reservation charge credits during outages as well as during *force majeure* events. Specifically, the Commission stated:

> The Commission's policy regarding reservation charge adjustments is that where scheduled gas is not delivered due to a non-*force majeure* or planned maintenance event, the failure was due to the pipeline's conduct and was within its control. [*See El Paso Natural Gas Co.*, 105 FERC ¶ 61,262 (2003). *See also Tennessee Gas Pipeline Co.*, 76 FERC ¶ 61,022 (1996), *order on reh'g*, 80 FERC ¶ 61,070 (1997).] In that case, a [*sic*] there must be a full reservation charge adjustment as to the undelivered amount. However, the Commission has found that when the pipeline's

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3 *Entrega Gas Pipeline LLC*, 114 FERC ¶ 61,326 at P 13 (2006), *citing Entrega Gas Pipeline Inc*., 112 FERC ¶ 61,177 (2005), *order on reh'g*, 113 FERC ¶ 61,327 (2005).

4 *Id.*

5 112 FERC ¶ 61,177 (2005), *order on reh'g*, 113 FERC ¶ 61,327 (2005).

> failure to deliver is due to a *force majeure* or unplanned maintenance event, all parties should share the risk. [*Id.*] In this circumstance, the pipeline would be required to provide a partial reservation charge adjustment to the affected firm shippers. We have found that a partial reservation charge adjustment could take the form of covering a portion of the pipeline's reservation rate that is associated with the pipeline's return on equity and associated income taxes or there could be a short grace period (*e.g.*, within the first 10 days of the event) when the pipeline would be excused from providing any credits. However, after the grace period ends, the pipeline is at risk for the entire reservation charge. [*See, e.g.*, *Natural Gas Pipeline Co. of America*, 106 FERC ¶ 61,310 (2004), *order denying reh'g and granting clarification*, 108 FERC ¶ 61,170 (2004). *See also Paiute Pipeline Company*, 109 FERC ¶ 61,139 (2004), o*rder on reh'g*, 111 FERC ¶ 61,107 (2005).][6]

B. The Development of the Commission's Policy

The Commission has repeatedly and consistently stated its crediting policy over the past decade. Given the clarity of the Commission's policy for credits during pipeline outages, there is no basis for any interstate pipeline tariff to be unclear on this point or inconsistent with this policy. The following provides an extensive look at the Commission's long-held position on outage crediting.

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6 *Id*. at P 58. This established FERC policy has been favorably noted by the Court of Appeals. *See North Baja Pipeline, LLC v. FERC*, 483 F.3d 819, 820 (D.C. Cir. 2007) (emphasis added) (citing Order No. 636) (citation omitted):

> [n]atural gas shippers typically pay two fees to transport gas on a pipeline. The first fee, called a 'reservation charge,' is based on the amount of pipeline capacity reserved by the shipper. The second fee, called a 'usage charge,' is based on the actual amount of gas transported by the shipper. In accordance with FERC policy, pipelines recover their fixed costs (such as operating expenses) in the reservation charge and their variable costs (primarily the cost of fuel for pipeline compressors) in the usage charge. *When pipeline service is interrupted, shippers generally receive a 'reservation charge credit,' which (in substance) is a refund of the reservation charge the shipper paid to reserve pipeline capacity*.

1) *Force Majeure* Related Outages

In Order No. 636,[7] the Commission decided that pipelines should recover their transportation costs under the straight fixed variable ("SFV") method of assigning all fixed costs related to transportation to the reservation charge.[8] Subsequently, in Opinion No. 406,[9] the Commission found that, in order "to effectuate a sharing of the risk of *force majeure* interruptions," pipelines should "provide reservation charge credits equal to [their] return on equity and taxes [in order to] return[] the balance of risk back to the *status quo* before the Commission mandated the use of the SFV rate design."[10] The Commission explained that "under the prior modified fixed variable ("MFV") rate design, there was a built-in sharing of the risk because the pipeline's recovery of its return on equity and taxes was dependent on its throughput."[11]

In *North Baja Pipeline, LLC*, 109 FERC ¶ 61,159 (2004), the Commission explained its policy regarding reservation credits during *force majeure* events and stated that it "has two concurrent policies which allow either full reservation credits after ten days or partial crediting starting at day one of a *force majeure* event."[12] Specifically, the Commission stated:

> The Commission has provided guidance regarding reservation credits in several cases. In [*El Paso Natural Gas Company*, 104

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7 *Pipeline Service Obligations and Revisions to Regulations Governing Self-Implementing Transportation; and Regulation of Natural Gas Pipelines After Partial Wellhead Decontrol*, Order No. 636, 59 FERC ¶ 61,030, 57 Fed. Reg. 13,267 (Apr. 8, 1992) ("Order No. 636"), *order on reh'g*, Order No. 636-A, 60 FERC ¶ 61,102, 57 Fed. Reg. 36,128 (Aug. 3, 1992); *order on reh'g*, 61 FERC ¶ 61,272 (1992) (Order No. 636-B), *reh'g denied*, 62 FERC ¶ 61,007 (1993), *aff'd in part and remanded in part sub. nom*, *United Distrib. Cos. v. FERC*, 88 F.3d 1105 (D.C. Cir. 1996), *cert. denied*, *Associated Gas Dist. v. FERC*, 117 S.Ct. 1723 (1997); *order on remand*, Order No. 636-C, 78 FERC ¶ 61,186 (1997); *order on reh'g*, Order No. 636-D, 83 FERC ¶ 61,210 (1998).

8 *See* Order No. 636 at p. 30,434.

9 *Tennessee Gas Pipeline Company*, Opinion No. 406, 76 FERC ¶ 61,022 (1996) ("Opinion No. 406"); *order on reh'g*, Opinion No. 406-A, 80 FERC ¶ 61,070 at p. 61,200 (1997) ("Opinion No. 406-A").

10 Opinion No. 406 at p. 61,089.

11 *Id.*

12 *North Baja Pipeline, LLC*, 109 FERC ¶ 61,159 at P 14 (2004), *aff'd*, *North Baja Pipeline, LLC v. FERC*, 483 F.3d 819, 820 (D.C. Cir. 2007)

> FERC ¶ 61,045 (2003); *clarif. order*, 108 FERC ¶ 61,056 (2004)], the Commission required the pipeline to provide for partial reservation charge credits equal to the return on equity and income tax portion of the reservation charge for service interruptions from day one caused by *force majeure* situations. The Commission held that *force majeure* events are no-fault occurrences, and therefore, all parties including the pipeline, should share the burdens of a *force majeure* interruption. The Commission further explained its reservation charge credit policy in [*Texas Eastern Transmission Corporation*, 62 FERC ¶ 61,015 (1993) (*Texas Eastern*)]. In *Texas Eastern*, the Commission stated that the pipeline must issue demand charge credits if it fails to deliver under most circumstances, except in limited circumstances such as a *force majeure* occurrence. The Commission stated Texas Eastern should not receive relief after the lesser of ten days or when it has or should have, in the exercise of due diligence, overcome the *force majeure* event. Finally, in [*Natural Gas Pipeline Company of America*, 106 FERC ¶ 61,310 (2004)], the Commission held that shippers are entitled to the full reservation charge credits once the ten-day period ends and reservation charge credits would not apply to a shortfall that occurs within ten days. In sum, the Commission has two concurrent policies which allow either full reservation credits after ten days or partial crediting starting at day one of a *force majeure* event.[13]

Also, in Opinion No. 406, the Commission explained that

> [b]y definition, neither [the pipeline], nor its shippers are at fault for *force majeure* interruptions, because these are unexpected and uncontrollable events. The Commission has previously recognized that a *force majeure* interruption is a no-fault occurrence, by ruling in prior cases that all parties should bear the risk of *force majeure* events. Since no blame can be ascribed for a *force majeure* interruption, we find that it is appropriate for Tennessee and its shippers to share the risks associated with *force majeure* interruptions of service.[14]

In Opinion No. 406-A, the Commission "reaffirm[ed] the principle articulated in Opinion No. 406 that the risk of *force majeure* should be shared by all parties, and that requiring a

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13 *Id*. *See also Entrega Gas Pipeline Inc*., 112 FERC ¶61,177 at P 56-58 (2005).

14 Opinion No. 406 at p. 61,088 (footnotes omitted).

pipeline to provide partial reservation charge credits may be an appropriate way of sharing that risk."[15] The Commission went on to explain:

> A *force majeure* event and the resulting interruption in service is, by definition, a no-fault occurrence. If a *force majeure* interruption is the fault of no one party, then it is logical that no one party should be made to bear the adverse consequences associated with the interruption. In other words, if all parties are subject to, or 'bear the risk of' *force majeure* events, as we have previously recognized, then all parties should shoulder, or share, the burden the *force majeure* interruption imposes. That *force majeure* is a no-fault occurrence is a rational basis for finding that all parties including the pipeline should share the risks associated with *force majeure* interruptions.
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> Prior to Order No. 636, and the Commission's requirement that pipelines utilize the SFV rate design, the risk of a *force majeure* interruption was automatically shared between the pipeline and the shippers. A non-SFV rate design methodology, such as the MFV method, places some portion of the pipeline's fixed costs in the usage charge. Thus, in the event of an interruption in service due to *force majeure*, the shippers would be at risk for the payment of the reservation charge, and the pipeline would be at risk for the costs included in the usage charge, since the customer would not have to pay any usage charge. However, under the SFV method, the pipeline shares no risk because all of its fixed costs are included in the reservation charge.[16]

The Commission added:

> Under the partial credit approach, as approved in Opinion No. 406, the pipeline bears some of the risk by foregoing its profit on an interruption in service that was not the fault of the shippers, thereby relieving the shippers of their obligation to pay their full reservation charge for service they did not receive due to events beyond their control. The shippers bear some of the risk by paying some of the reservation charge, enough to permit the pipeline to recover its fixed costs, which it should be entitled to since the interruption was not the pipeline's fault either. Requiring partial reservation charge credits equal to a pipeline's return on equity and taxes also provides incentive to the pipeline to operate at a high

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15 Opinion No. 406-A at p. 61,199.

16 *Id*.

> degree of reliability, just as it would have in a fully competitive environment.[17]

2) Outages Related to Non-*Force Majeure* Events

The Commission's policy requires pipelines to provide shippers with *full* reservation charge credits for non-*force majeure* interruptions in firm service.[18] In the Commission's view, pipelines are responsible for operating their systems, and if they curtail firm service due to an event within their control, shippers should not bear any of the associated risk.[19] Therefore, the Commission requires *full* reservation charge credits in the case of service interruption in such cases.[20] The Commission also views this credit as an incentive for pipelines to manage their systems in a way to avoid unnecessary interruptions.[21]

In Opinion No. 406, Tennessee Gas Pipeline Company's ("Tennessee") tariff required Tennessee to provide *full* reservation charge credits for all non-*force majeure* interruptions in firm service, to the extent Tennessee fails to deliver scheduled volumes.[22] The Commission refused to allow Tennessee to provide only *partial* reservation charge credits for interruptions within Tennessee's control.[23] Rather, the Commission insisted that Tennessee continue to provide *full* reservation charge credits for those interruptions that are within its control.[24]

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17 *Id.* at p. 61,200.

18 Opinion No. 406 at p. 61,086.

19 *Id.*

20 *Id.*

21 *Id.*

22 *Id.*

23 *Id.*

24 *Id.* Specifically, the Commission stated:

> This ruling requiring full credits is consistent with the rationale supporting the Commission's policy to require pipelines to provide reservation charge credits for non-*force majeure* interruptions in firm service. Because a pipeline is responsible for operating its system so that it can meet its contractual obligations, if the pipeline must curtail firm service due to an event within its control, or management, the Commission finds it inequitable for the pipeline's customers to bear the risk associated with such mismanagement. Thus, the

(continued...)

Further, Commission policy requires reservation charge credits every time that the pipeline fails to provide *100 percent* of its scheduled service. For example, in *SG Resources Mississippi, L.L.C.*,[25] SG Resources Mississippi, L.L.C.'s ("SGRM") proposed "not to provide reservation charge credits when it schedules at least 98 percent of a shipper's nominations in non-*force majeure* situations."[26] The Commission stated that its "policy regarding reservation charge adjustments is that where scheduled gas is not delivered due to a non-*force majeure* or planned maintenance event, there must be a full reservation charge adjustment as to the undelivered amount."[27] The Commission found that "SGRM's proposal not to provide reservation charge credits when it schedules at least 98 percent of a shipper's nominations in non-*force majeure* situations does not comply with Commission policy because it requires shippers to bear the risk associated with interruption of service within the pipeline's control."[28] Therefore, the Commission "directed [SGRM] to revise its tariff to provide reservation credit when it does not provide 100 percent of its scheduled service."[29]

(...continued)

> Commission generally requires a pipeline to provide reservation charge credits to compensate its customers for the interruption in service. The reservation charge credits also provide an incentive for the pipeline to manage its system so that it can avoid interruptions that it could have avoided if it had better managed its system. Requiring Tennessee's customers to share in the risk of an interruption that was caused by Tennessee through a partial reservation charge credit does not further these underlying objectives of providing adequate compensation to customers and adequate incentive for Tennessee to avoid interruptions within its control.

25 122 FERC ¶ 61,180 (2008).

26 *Id.* at P 6.

27 *Id.*

28 *Id.*

29 *Id. See also, e.g., Orbit Gas Storage, Inc*., 126 FERC ¶ 61,095, P 69 (2009) ("[Orbit Gas Storage, Inc. ("OGS")] is directed to revise the threshold for triggering reservation charge credits from 98 percent to 100 percent of scheduled service") (citations omitted); *Petal Gas Storage, L.L.C.*, 126 FERC ¶ 61,199, P 25-26 (2009) ("The revised section, GT&C section 4.4 provides that [Petal Gas Storage, L.L.C ("Petal")] will provide a credit when Petal fails to deliver at least 98 percent of the shipper's confirmed nomination . . . Accordingly, Petal must revise section 4.4 and eliminate the 98 percent limitation in non-force majeure situations."); *Rockies Express Pipeline LLC*, 116 FERC ¶ 61,272 at P 63 (2006) (requiring change from 98% to 100%); *Bison Pipeline LLC*, 131 FERC ¶ 61,013

(continued...)

3) Recent Developments

In *Kern River*, Kern River Gas Transmission Company ("Kern River") filed revised tariff sheets to improve the *pro forma* firm transportation service agreement for one of its rate schedules and clarify existing provisions in the General Terms and Conditions of its tariff.

In addition to responding to Kern River's proposal, the Commission ordered that "Kern River must file revisions in its tariff to provide credits consistent with Commission policy when firm service is curtailed or show cause why it should not be required to do so."[30] The Commission recognized that the issue "pertaining to crediting of reservation charges during periods of curtailment [is] not directly related to tariff changes proposed . . . by Kern River."[31] However, the Commission found that the *absence of "a provision providing for the crediting of reservation charges during periods of curtailment" is "clearly contrary to Commission policy*."[32] The Commission stated: "The fact that a proposed revision is not directly related to the subject filing and the *absence of a complaint* are not conditions precedent to Commission action under section 5 of the NGA where the Commission is *made aware* of a tariff provision that is *clearly contrary to Commission policy*."[33]

More specifically, the Commission explained:

> The Commission finds Kern River's support for addressing reservation charge credits only in a rate case contrary to recent Commission precedent. In [*Wyoming Interstate Company, Ltd.*, 129 FERC ¶ 61,022 (2009) ("*WIC*")] and [*Tuscarora Gas Transmission Company*, 120 FERC ¶ 61,022 (2007) ("*Tuscarora*")], neither of which was a rate case, the Commission

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at P 50 (2010) (the Commission "directed [Bison Pipeline LLC ("Bison")] to revise its tariff to provide reservation charge credits when it does not provide 100 percent of its scheduled service.")

30 *Kern River* at P 1.

31 *Id.* at P 17.

32 *Id.* at P 22 (emphasis added).

33 *Id.* (emphasis added; footnote omitted).

> exercised NGA section 5 authority to reflect Commission policy with regard to reservation charge credits. Further, upon review of Kern River's tariff, the Commission finds various methods are utilized in calculating firm reservation charge credits during times of curtailment for firm Rate Schedules CH-1, UP-1, MO-1, and SH-1. In addition, firm Rate Schedule KRF-1 does not include a provision providing for the crediting of reservation charges during periods of curtailment. Finally, the Commission finds section 7.2 of Kern River's GT&C to be inconsistent with the various rate schedules stated above by providing that continued payment of the monthly reservation charge for firm service during a *force majeure* event will be a matter for individual negotiation between Kern River and shipper. Accordingly, the Commission will require Kern River either to file revisions in its tariff to provide credits in a uniform way consistent with Commission policy when firm service is curtailed or show cause why it should not be required to do so. *The fact that a proposed revision is not directly related to the subject filing and the absence of a complaint are not conditions precedent to Commission action under section 5 of the NGA where the Commission is made aware of a tariff provision that is clearly contrary to Commission policy*. [*See Tuscarora*, 120 FERC ¶ 61,022 at P 13 (2007)]. Commission policy requires that pipelines provide full reservation charge credits for all scheduled gas not delivered due to a non *force majeure* event and partial reservation charge credits during *force majeure* events. The Commission will not direct which partial credit method Kern River should choose. Within 30 days of the date of this order, Kern River must revise its tariff to provide such credits in conformance to Commission policy, or explain why it should be exempted from this requirement.[34]

Kern River's tariff was "clearly contrary to Commission policy" and FERC ordered the pipeline to either "revise its tariff to provide such credits in conformance to Commission policy, or explain why it should be exempted from this requirement."[35] In *Kern River*, as in all cases, the Commission has full discretion to order the pipeline to revise its tariff to be in conformance with Commission policy, or explain why it should be exempted from this requirement. In addition, the Commission found that a complaint and a related filing are not conditions precedent

[34] *Id.* at P 22 (footnote omitted) (emphasis added).

[35] *Id.*

to Commission action under Section 5. The Commission must simply be *made aware* of a tariff provision that is contrary to Commission policy. The Associations' submission herein serves to make the Commission aware that this problem is widespread and that generic action is required.

C. Crediting Policies Are Well-Established and Are Clearly Set Forth by the Commission and the D.C. Circuit

The Commission's policy on credits to shippers during outages was affirmed by the D.C. Circuit in *North Baja Pipeline, LLC v. FERC*, 483 F.3d 819 (D.C. Cir. 2007) ("*North Baja*"). In *North Baja*, the DC Circuit reaffirmed the Commission's policy that the costs of any *force majeure*-induced service disruptions must be shared between the pipeline and its shippers. Specifically, the DC Circuit affirmed that if an outage is due to a *force majeure* event, pipelines would share the burden of the outage equitably with shippers.[36]

Additionally, the court held that *force majeure* events are events that disrupt pipelines' service and are *both* "uncontrollable" and "unexpected."[37] Thus, the court concluded that scheduled maintenance does not qualify as a *force majeure* event.[38] Therefore, pipelines must provide full credits of reservation charges to shippers during outages that are not caused by force majeure or those outages that are not both "uncontrollable" and "unexpected," as is the case for scheduled maintenance.

As mentioned above, to date, the Commission has approved two options for sharing this burden equitably, though the Commission has remained open to other equitable cost-sharing mechanisms for outages caused by *force majeure* events. Under the first option, referred to as Safe Harbor, the Commission allows pipelines to offer no credits for the first 10 days or less (*i.e.*,

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36 *North Baja*, 483 F.3d at 822

37 *Id.* at 823.

38 *Id.*

the lesser of ten days or when the pipeline has or should have, in the exercise of due diligence, overcome the *force majeure* event) and then provide shippers with full credits of reservation charges after that period. Under the second option, referred to as No-Profit, pipelines provide shippers a partial "percentage refund" for the entire period of the interruption.

Given that both the D.C. Circuit and the Commission have set forth a clear policy requiring pipelines to provide cost-sharing mechanisms during *force majeure* events, the Commission should ensure that all pipelines implement an acceptable form of this crediting policy.

D. The Associations' Analysis of Pipeline Tariffs

The Associations analyzed a sample of 33 tariffs from major interstate natural gas pipelines in order to determine whether pipelines were appropriately applying the Commission's policy on outage credits. Our analysis indicates that the vast majority of these pipelines' tariffs do not fully comply with the Commission's policy on outage credits, thus indicating a widespread lack of compliance with the Commission's longstanding outage crediting policy.[39] The Associations' analysis shows that out of the 33 tariffs analyzed: (1) 20 pipelines do not have appropriate tariff language ensuring that partial credits are issued to shippers during *force majeure* events,[40] and (2) 24 pipelines do not include appropriate tariff language granting full credits during non-*force*

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[39] *See* Review of Tariffs to Assess Compliance with Commission Policy on Pipeline Reservation Charge Credits, attached hereto as Exhibit A, and Tariff Reference for Pipeline Survey on Pipeline Outage Credits, attached hereto as Exhibit B. Exhibit A is a chart summarizing the results of the examination of pipeline tariff provisions form the standpoint of their compliance with Commission Policy on reservation charge credits during outages. Exhibit B is the list of pipeline tariff sections that were examined. The Associations attempted to fully examine each individual pipeline tariff to determine the extent of compliance. However, given the difficulty of interpreting certain tariff provisions and the variety of means by which pipelines incorporate crediting provisions, there may be instances where the examined tariff language is open to interpretation. In these instances, the tariff provisions should be amended to make the crediting process abundantly clear.

[40] The 20 pipelines are: ANR Pipeline Company, Algonquin Gas Transmission, LLC, CenterPoint Energy Gas Transmission Company, Columbia Gulf Transmission Company, Dominion Transmission, Inc., East Tennessee Natural Gas, LLC, Equitrans, L.P., Gas Transmission Northwest Corporation, Gulf South Pipeline Company, Kinder Morgan Interstate Gas Transmission LLC, Mojave Pipeline Company, LLC, Northern Border Pipeline Company, Northern Natural Gas Company, Panhandle Eastern Pipe Line Company LP, Questar Pipeline Company, Sea Robin Pipeline Company, LLC, Southern Star Central Gas Pipeline, Inc., Tennessee Gas Pipeline Company, Texas Gas Pipeline, and Trunkline Gas Company, LLC.

majeure outages.[41] In all, the attached chart indicates that 28 of the 33 pipelines in the sample have inadequate or inappropriate tariff language addressing outage crediting.

Therefore, it appears from our review that the *vast majority* of pipeline tariffs are *clearly contrary* to Commission policy.[42] Given this widespread problem, we ask the Commission to take a generic look at all interstate pipeline outage crediting provisions and order all pipelines whose tariffs are out of compliance to immediately amend their tariffs in accordance with Commission policy, consistent with the Commission's decision in *Kern River*,[43] or to show that their tariffs are currently in compliance with the Commission's outage crediting policy.

V. REQUEST THAT THE COMMISSION ENFORCE ITS CREDITING POLICY

A. The Commission Should Ensure That Pipelines Implement the Commission's Current Policy on Outages and Include in Their Tariffs Provisions Implementing Reservation Charge Credits

The Associations support the Commission's long-standing policy, as evidenced by its prior decisions cited and discussed above, that pipelines should issue reservation charge credits during

41 The 24 pipelines are: Algonquin Gas Transmission, LLC, CenterPoint Energy - Mississippi River Transmission Corporation, Cheyenne Plains Gas Pipeline Company, LLC, Columbia Gulf Transmission Company, Dominion Transmission, Inc., Equitrans, L.P., Gas Transmission Northwest Corporation, Gulf South Pipeline Company, Kinder Morgan Interstate Gas Transmission LLC, Mojave Pipeline Company, North Baja Pipeline, LLC, Northern Border Pipeline Company, Northern Natural Gas Company, Northwest Pipeline, Panhandle Eastern Pipe Line Company LP, Questar Pipeline Company, Sea Robin Pipeline Company, LLC, Southern Natural Gas Company, Tennessee Gas Pipeline Company, Texas Eastern Pipeline, Texas Gas Pipeline, Transcontinental Pipeline Company, Transwestern Pipeline Company, LLC, and Trunkline Gas Company, LLC.

42 In a number of pipeline tariffs, outage refund provisions are not clearly stated which, in addition to constituting a lack of compliance with Commission policy, can lead to unnecessary conflicts between pipelines and shippers. Considering the level of clarity that the Commission has repeatedly and consistently provided in setting forth its crediting policy, the lack of such clarity in pipeline tariff provisions is tantamount to the absence of appropriate crediting provisions.

43 In addition, 3 pipelines tariffs do not provide for reservation charge credits every time that the pipeline fails to provide 100 percent of its scheduled service as required by Commission policy and as explained above. *See SG Resources Mississippi, L.L.C.*, 122 FERC ¶ 61,180 (2008); *Orbit Gas Storage, Inc.*, 126 FERC ¶ 61,095 (2009); *Petal Gas Storage, L.L.C.*, 126 FERC ¶ 61,199 (2009); *Rockies Express Pipeline LLC*, 116 FERC ¶ 61,272 (2006); *Bison Pipeline LLC*, 131 FERC ¶ 61,013 (2010). These pipelines are: Gas Transmission Northwest Corporation (credits provided only when scheduling less than 95%); North Baja Pipeline, LLC (credits provided only when scheduling less than 98%); Northwest Pipeline GP (credits provided only when scheduling less than 97%).

certain outages and disruptions. Specifically, pipelines should issue *full* reservation charge credits to shippers in the event of an outage that is not due to a *force majeure* event. If an outage is due to a *force majeure* event, pipelines should follow the Commission's policy on credits, which requires a *sharing* of costs between pipelines and shippers.

As further discussed above, under *Kern River*, the "absence of a complaint" is not a "condition[] precedent to Commission action under section 5 of the NGA where the Commission is *made aware* of a tariff provision that is *clearly contrary to Commission policy*."[44] Thus, pursuant to the Commission's decision in *Kern River*, the Associations are hereby making the Commission aware that many pipeline tariffs do not include "a provision providing for the crediting of reservation charges during periods of curtailment," which is "clearly contrary to Commission policy."[45] Therefore, the Associations request that the Commission require that all pipeline tariffs provide for the crediting of reservation charges during periods of curtailment.[46] Pipelines should have the opportunity, in response to any Commission action, to show that their provisions comply with Commission policy under the "consistent with or superior to" standard.[47]

It is imperative that the Commission exercise its NGA Section 5 authority, barring any currently effective settlement provisions that may preclude such an exercise, to ensure that

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[44] *Kern River* at P 22 (emphasis added).

[45] *Id.*

[46] The Commission often requires pipelines to make changes to their tariffs to implement Commission policy when the Commission establishes policies that affect pipeline tariff provisions. *See, e.g.*, *Standards for Business Practices of Interstate Natural Gas Pipelines*, Order Nos. 587 thru 587-T; *Standards for Business Practices for Interstate Natural Gas Pipelines*, Order No. 698, 72 Fed. Reg. 38,757 (July 16, 2007), FERC Stats. & Regs. ¶ 31,251 (2007); *order granting clarification and denying reh'g*, Order No. 698-A, 121 FERC ¶ 61,264 (2007). *See also Policy Statement on Provisions Governing Natural Gas Quality and Interchangeability in Interstate Natural Gas Pipeline Company Tariffs*, 115 FERC ¶ 61,325 at 29 (2006) ("Unless these specifications are stated in the tariff, the Commission will not be able to address gas quality and interchangeability concerns.").

[47] *See, e.g., Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003 at P 26, FERC Stats. & Regs. ¶ 31,146 (2003), *order on reh'g*, Order No. 2003-A, FERC Stats. & Regs. ¶ 31,160 (2004), *order on reh'g*, Order No. 2003-B, FERC Stats. & Regs. ¶ 31,171 (2004), *order on reh'g*, Order No. 2003-C, FERC Stats. & Regs. ¶ 31,190 (2005), *aff'd sub nom. Nat'l Ass'n of Regulatory Util. Comm'rs v. FERC*, 475 F.3d 1277 (D.C. Cir. 2007).

pipelines are consistently following the Commission's long-standing policy on crediting during outages. The Commission should ensure that:

(1) All pipelines incorporate into their tariffs an acceptable *sharing mechanism* that allows for partial reservation charge credits during outages that are due to unexpected and uncontrollable *force majeure* events, and

(2) All pipeline tariffs explicitly require *full* reservation charge credits to shippers during outages that are *not* due to unexpected and uncontrollable *force majeure* events.

B. Pipelines Must Adopt Definitions of *Force Majeure* That Do Not Frustrate the Commission's Policy on Reservation Charge Credits

The Associations note that the definitions of *force majeure* in many pipeline tariffs are over-broad, allowing the pipelines to include scheduled maintenance as a *force majeure* event and, as a result, pipelines refuse to issue appropriate full credits to shippers.[48] Overly-broad tariff definitions of a *force majeure* event have the effect of thwarting the Commission's crediting policy, which requires that full reservation charge credits be given to shippers in the case of non-*force majeure* outages. Therefore, the Associations ask that the Commission maintain a clear distinction between the following two types of outages: (1) outages due to *force majeure* for which pipelines issue *partial* refunds; and (2) non-*force majeure* outages for which pipelines must offer *full* reservation charge credits. As the D.C. Circuit affirmed in *North Baja*, *force majeure* outages must be both "unexpected and uncontrollable."[49] The Commission, therefore,

48 The Associations' analysis shows that the tariffs of 11 pipelines among the 33 tariffs that were examined include overbroad definitions of Force Majeure. These pipelines are: ANR Pipeline Company, CenterPoint Energy Gas Transmission Company, Gulf South Pipeline Company, Kinder Morgan Interstate Gas Transmission LLC, Mojave Pipeline Company, LLC, North Baja Pipeline, LLC, Panhandle Eastern Pipe Line Company LP, Sea Robin Pipeline Company, LLC, Southern Natural Gas Company, Texas Eastern Pipeline Company and, Trunkline Gas Company, LLC.

49 *North Baja*, 483 F.3d at 823.

should also review pipeline definitions of *force majeure* in order to ensure that shippers receive *full* credits for non-*force majeure* outages.[50]

V. CONCLUSION

Despite clear and longstanding Commission policy, a large number of pipeline tariffs unfairly place the full financial burden of outages onto shippers that contracted and paid for a service that is not being provided. It is inequitable and unfair for pipelines to retain funds associated with reservation payments that rightfully belong to shippers. When pipeline outages occur, shippers already bear obvious costs associated with shutting in natural gas as well as securing alternate means to serve their own downstream transactions and commitments. In addition to these losses, absent Commission action, shippers often must also forfeit their reservation charges in those instances where the pipeline tariff is not compliant with Commission policy. The importance of these outage credits to shippers cannot be overstated. Simply put, shippers that do not receive transportation service and are nevertheless forced to pay full reservation charges are paying unjust and unreasonable rates.

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50 The Commission can address the issue of overly-broad pipeline definitions of *force majeure* by requiring pipelines to include in their tariffs language similar to the following (*see* Section 11.3(a) of the Transportation General Terms And Conditions of the El Paso Natural Gas Company tariff):

> A *force majeure* event shall mean unplanned or unanticipated events or circumstances that are not within the control of the party claiming suspension of its obligation and which such party could not have avoided through the exercise of reasonable diligence. A *force majeure* event includes, without limitation, acts of God, including fires, explosions, earthquakes or volcanic eruptions, storms, floods, and washouts; necessity for compliance with any court order, law, regulation or ordinance promulgated by any governmental authority having jurisdiction, either federal, Indian, state or local, civil or military; acts of a public enemy; wars and civil disturbances; strikes, lockouts or other industrial disturbances; failure of any third parties necessary to the performance by either Transporter or Shipper under the Executed Transportation Service Agreement, breakage or accident to machinery or lines of pipe; the necessity for making repairs or alterations to machinery or lines of pipe due to an unplanned event; freezing of wells or pipelines; the necessity for testing (as required by governmental authority); inability to obtain necessary materials, supplies, permits, or labor to perform or comply with any obligation or condition of this Tariff; inability to obtain rights of way; and any other causes that are not reasonably in the control of the party claiming suspension.

Moreover, as shown in the attached chart, outage refund provisions in a number of pipeline tariffs are often either clearly inconsistent with Commission policy or lacking sufficient clarity leading to unnecessary conflicts between pipelines and shippers. The Commission can and should prevent these conflicts by ensuring that pipeline tariffs incorporate clear outage crediting provisions in line with Commission policy. Crediting provisions in pipeline tariffs should simply not be an issue considering the level of clarity that the Commission has provided in setting forth its crediting policy. This definitive policy must be translated into equally definitive tariff language.

The widespread lack of compliance with the Commission's crediting policy begs immediate action on the part of the Commission. Barring any currently effective settlement provisions that may preclude the exercise of Commission authority on a given pipeline, the Commission should order all pipelines with non-compliant tariffs to bring their tariffs and practices into compliance with Commission policy. This petition should serve as a starting point for the Commission to examine all pipeline tariffs over a reasonable period of time to ensure that they comply with the Commission's crediting policy as set forth in this petition.[51] Pipelines whose tariffs the Commission deems to be out of compliance with the outage crediting policy should be ordered to immediately amend their tariffs in accordance with Commission policy. Pipelines should have the opportunity to show that their current tariff provisions comply with Commission policy.[52]

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[51] Although this petition focuses on natural gas pipelines, the Associations note that the Commission's crediting policy should apply equally to all jurisdictional natural gas service providers, such as liquefied natural gas ("LNG") and storage service providers. Therefore, the Associations' request a broad examination of tariff provisions and an equally broad Commission enforcement of its crediting policy.

[52] The Associations are providing an assessment of only a sample of pipeline tariffs in the attached chart. Therefore, the Commission will need to assess the appropriateness of outage crediting provisions of more pipelines than provided here. Such an undertaking may prove to be burdensome if conducted all at once. Therefore, the

(continued...)

WHEREFORE, in consideration of the foregoing, the Associations respectfully request that the Commission enforce its policy on pipeline credits during outages as explained above.

Respectfully submitted,

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(...continued)
Associations encourage the Commission to employ a phased approach similar to that used in previous rulemaking proceedings such as the Order No. 636 rulemaking proceeding.

EXHIBIT A

Review of Tariffs to Assess Compliance with Commission Policy on Pipeline Reservation Charge Credits

(X= No, tariff does not comply; ✓=Yes, tariff complies with policy)

Pipelines Surveyed (33)	Follows Crediting Policy for Force Majeure Events (20-no; 13 -yes)	Follows Crediting Policy for Non-emergency Outages (24-no; 9-yes)	Adequate Force Majeure Definition (11-no; 22-Yes)	Appears to Comply with Outage Crediting Policy (28-no; 5-yes)
ANR Pipeline	X	✓	X	X
Algonquin Gas Transmission	X	X	✓	X
CenterPoint Energy Gas	X [i]	✓	X	X
CenterPoint Energy-Mississippi	✓	X	✓	X
Cheyenne Plains	✓	X	✓	X
Colorado Interstate Gas (CIG)	✓	✓	✓	X
Columbia Gas Transmission*	✓	✓	✓	✓
Columbia Gulf Transmission	X	X	✓	X
Dominion Transmission	X	X	✓	X
East Tennessee	X	✓	✓	X
El Paso	✓	✓	✓	✓

Pipelines Surveyed (33)	Follows Crediting Policy for Force Majeure Events (20-no; 13 -yes)	Follows Crediting Policy for Non-emergency Outages (24-no; 9-yes)	Adequate Force Majeure Definition (11-no; 22-Yes)	Appears to Comply with Outage Crediting Policy (28-no; 5-yes)
Equitrans	X	X	✓	X
Florida Gas Transmission	✓	✓	✓	✓
Gas Transmission Northwest (GTN)	X [ii]	X	✓	X
Gulf South Pipeline Company	X	X	X	X
Kinder Morgan Interstate	X	X	X	X
Mojave	X	X	X	X
National Fuel	✓	✓	✓	✓
North Baja	✓	X [iii]	X	X
Northern Border	X	X	✓	X
Northern Natural	X	X	✓	X
Northwest Pipeline	✓	X [iv]	✓	X
Panhandle Eastern	X	X	X	X
Questar	X	X	✓	X

Pipelines Surveyed (33)	Follows Crediting Policy for Force Majeure Events (20-no; 13 -yes)	Follows Crediting Policy for Non-emergency Outages (24-no; 9-yes)	Adequate Force Majeure Definition (11-no; 22-Yes)	Appears to Comply with Outage Crediting Policy (28-no; 5-yes)
Sea Robin	X	X	X	X
Southern Natural Gas	✓	X	X	X
Southern Star Central Gas	X	✓	✓	X
Tennessee Gas	X	X	✓	X
Texas Eastern	✓	X	X	X
Texas Gas	X	X	✓	X
Transco	✓	X	✓	✓
Transwestern	✓	X	✓	X
Trunkline	X	X	X	X

The Associations attempted to fully examine each individual pipeline tariff to determine the extent of compliance. However, given the difficulty of interpreting a number of tariff provisions and the various means by which some pipelines incorporate such crediting provisions, there may be instances in which the tariff language is open to interpretation. In those instances, the language should be amended to make the crediting process abundantly clear.

[i] While the language in Centerpoint's tariff would appear, at first glance, to provide shippers with refunds, Centerpoint restricts credits to max rate shippers. Therefore, it does not provide reservation charge credits in all instances and the tariff language should be clarified.

[ii] GTN's tariff does not provide for reservation charge crediting during outages where the pipeline can provide up to 95% of a shipper's MDQ. Consistent with the SGRM order in the attached filing, GTN should have provisions allowing for reservation charge crediting if it cannot transport 100% of a shipper's gas.

[iii] North Baja's tariff does not provide for reservation charge crediting during outages where the pipeline can provide up to 98% of a shipper's nominated gas. Consistent with the SGRM order in the attached filing, North Baja should have provisions allowing for reservation charge crediting if it cannot transport 100% of a shipper's gas.

[iv]Northwest's tariff does not provide for reservation charge crediting during outages where the pipeline can provide up to 97% of a shipper's nominated gas. Consistent with the SGRM order in the attached filing, Northwest should have provisions allowing for reservation charge crediting if it cannot transport 100% of a shipper's gas.

EXHIBIT B

Tariff Reference for Pipeline Survey on Pipeline Outage Credits

ANR. Docket No. RP06-613-000; First Revised Sheet No. 113; effective 11/01/2006; Sections 7.1-7.3 and Sec. 3.1(d) of GT&C

Algonquin Gas Transmission. Docket No. RP05-417-000; First Revised Sheet No. 552; effective 09/01/2005; Sections 16.1-16.5

Centerpoint Energy Gas Transmission Company. Docket No. RP03-239-000; Original Sheet No. 441 Sixth Revised Volume No.1, effective 02/28/2003; Sections 8.1-8.3 of GT&C

Centerpoint Energy - Mississippi River. Docket No. RS92- 43-006; Third Revised Volume No. 1 Original Sheet No. 158; effective 11/01/1993; Sections 12.1-12.2 of GT&C

Cheyenne Plains. Docket No. CP03-302-000; Sections 11.3 and 16.1 of GT&C

CIG. Docket No. RP99-300-000; First Revised Sheet No. 332A; Article 12, Section 12.1 and Article 13, Section 13.1 of GT&C

Columbia Gas Transmission LLC. Docket No. RP09-340-000 Third Revised Volume No. 1, Original Sheet No. 336; effective 03/03/2009; Sections 15.1-15.2 and 16.1-16.2 of GT&C

Columbia Gulf Transmission. Docket No. RS92- 6-007; First Revised Sheet No. 201; effective 11/01/1993; Sections 15.1-15.2 of GT&C

Dominion Transmission. Docket No. RP00-555-000; Original Sheet No. 1040; effective 09/23/2000; Sections 10.1-10.2 and 11.1-11.2 of GT&C

East Tennessee. Docket No. RP09-528-000; Third Revised Sheet No. 104; effective 05/21/2009; Sections 4.1 and 24.1

El Paso Natural Gas Company. Docket No. RP05-422-022, Second Revised Volume No. 1A, Fourth Revised Sheet No. 242; effective 10/01/2007;; Sections 7.1-7.4 of GT&C

Equitrans. Docket No. CP96-532-001; Original Sheet No. 447; effective 11/19/1998; ARTICLE IX.

Florida Gas Transmission. Docket No. RP09-922-001; Fifth Revised Volume No. 1, Part 5 Version 0.0.0; effective July 30, 2010; Rate Schedule FTS-1, Page 5 of 12 and Fifth Revised Volume No. 1, Part VI; Section 8 of GT&C

Gas Transmission Northwest (GTN). Docket No. RP04- 23-000; Original Sheet No. 120; effective June 30, 2010; Parts 5.1.3.1 and 5.1.3.8-5.1.3.10

Gulf South Pipeline Company. Docket No. GT01- 6-000; GT&C; effective July 1, 2010; Seventh Revised Volume No. 1; Section 6.21.5. Force Majeure; Version 0.0.0

Kinder Morgan Interstate Gas Transmission. Docket No. GT00- 19-000; Original Sheet No. 20; effective 12/28/1999; Section 5.4. Docket No. RP01- 70-000; First Revised Sheet No. 24; effective 12/01/2000; Section 16.1

Mojave Pipeline Company. Docket No. GT97- 60-000; Original Sheet No. 221, effective 09/01/1997; Sections 12.1-12.3 of GT&C and Original Sheet No. 471, Section 6.4

National Fuel Gas Supply Corporation. Docket No. RP97-398-000; Original Sheet No. 58; effective 08/01/1997, Sections 8.1-8.5

North Baja Pipeline LLC. Docket No. RP10-660-000; First Revised Volume No. 1 v.0.0.0, effective 4/28/2010; Part 6.7.7; Section 6 of GT&C

Northern Border Pipeline Company. Docket No. RP04-204-001; Second Revised Volume No. 1 v.0.0.0, Part 5.6.8; General Terms and Conditions Reservation Charge Credits; Section 4. and FERC Gas Tariff Second Revised Volume No. 1 v.0.0.0 Rate Schedule PAL PART 5.6.8; Reservation Charge Credits

Northern Natural. Docket No. RP07-648-000; Sixth Revised Sheet No. 103; effective 10/01/2007; Rate Schedule TF Firm Throughput Services. Docket No. RS92- 8-004; Original Sheet No. 217; effective 11/01/1993; Section 10 of GT&C

Northwest Pipeline Corporation. Docket No. RP93- 5-000; First Revised Sheet No. 318; TF-1 Firm Transportation; Sections 12.1-12.3. Docket No. RP08-130-000; Original Sheet No. 216; Section 9 of GT&C, Force Majeure.

Panhandle Eastern Pipe Line Corporation. Docket No. RP04-321; Original Sheet No. 241; effective 06/30/2004; Section 9.2 of GT&C. Docket No. RP04-321-000 Original Sheet No. 328; effective 06/30/2004, Section 20 of GT&C.

Questar Pipeline Company. Docket No. RP07-457-000; Ninth Revised Sheet No. 43, effective 01/01/2008; Part 1 of GT&C

Sea Robin Pipeline Company. Docket No. RP05- 87-000; Original Sheet No. 184; effective 12/31/2004; Sections 17.1-17.2 of GT&C and First Revised Sheet No. 148; Section 8.1 of GT&C

Southern Natural Gas Company. Docket No. RP04-523-000; Sixth Revised Sheet No. 38. effective 03/01/2005; FT Rate Schedule; Section 3(a). Docket No. RP00-476-004; First Revised Sheet No. 120; effective 09/01/2003; Section 8.3 of GT&C

Southern Star Central Gas Pipeline. Docket No. RP03-352-000; Original Sheet No. 108; FTS Rate Schedule; Section 8. Reservation Charge Credits. Docket No. RP09-758-000; Fourth Revised Sheet No. 248; Section 21. Force Majeure of GT&C

Tennessee Gas Pipeline Company. Docket No. RP95-112-009; Second Sub 1st Revised Sheet No. 163; effective 08/01/1995; Rate Schedule FT-A; and Fourth Revised Sheet No. 174; Rate Schedule FT-G. Docket No. RS92- 23-018; Substitute Original Sheet No. 362; effective 09/01/1993; Section X of GT&C

Texas Eastern Transmission. Docket No. RP96-218; First Revised Sheet No. 204; effective 05/29/1996; Rate Schedule CDS; Section 3.6. Docket No. MT94- 24-000; First Revised Sheet No. 648; effective 10/01/1994; Section 17 of GT&C

Texas Gas Transmission. Docket No. RP08-392-000; effective 09/15/2008; Section 10, Force Majeure and Curtailment of GT&C

Transcontinental Gas Pipe Line Company, LLC. Docket No. RP09-763-000; Fourth Revised Volume No. 1; effective 07/12/2009 and First Revised Sheet No. 349; Section 11 of GT&C and FT Firm Transportation Service Section 3, Rates and Charges

Transwestern Pipeline Company, LLC. Docket No. RP05- 14-000, Third Revised Volume No. 1; effective 11/01/2004; Original Sheet No. 116; Section 11 of GT&C

Trunkline Gas Company. Docket No. RP96-293-000; Second Revised Sheet No. 173; effective 08/01/1996; Section 4 of GT&C, Curtailment and Interruption. Docket No.RS92- 25-005; Sub Original Sheet No. 215; effective 09/01/1993; Section 19 of GT&C, Force Majeure