

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

107 FERC 61,095

April 30, 2004

In Reply Refer To:
B-R Pipeline Company
Docket Nos. RP04-224-000 and CP01-418-002

B-R Pipeline Company
Dept.# 143-61
125 South Franklin Street
Chicago, Illinois 60606

Attention: Robert Cooper, Vice President

Reference: Original Sheet Nos. 1 to 146, Original Volume No. 1 of FERC Gas Tariff

Dear Mr. Cooper:

1. On March 19, 2004, B-R Pipeline Company (B-R) filed Original Volume No. 1 of its FERC Gas Tariff, in compliance with the October 3, 2003 Commission order (October 3 Order) granting B-R a Part 284 blanket certificate, as well as the February 18, 2004 Order on rehearing (February 18 Order).¹ This filing supercedes a pro forma filing made by B-R on November 3, 2003 in Docket No. CP01-418-002. The October 3 Order granted B-R a blanket certificate, but required B-R to make changes to its pro forma tariff and rates.² B-R has adequately complied with the requirements of the October 3 and February 18 Orders. Accordingly, the Commission accepts the tariff sheets effective May 1, 2004, as requested.

2. The Commission's October 3 Order stated that B-R's tariff would be subject to the Commission's Policy Statement on Natural Gas and Electric Price Indices, which requires that indices used in a tariff meet the criteria in the Policy Statement and reflect adequate liquidity at the referenced locations. B-R's tariff contains references to the Gas Daily price at Sumas, Washington.³

¹ 105 FERC ¶ 61,025 (2003), reh'g denied 106 FERC ¶ 61,166 (2004).

² The February 18 Order on rehearing affirmed the finding in the October 3 Order, which required that B-R eliminate a purchase premium from its rate base. It also dismissed as moot B-R's request for waiver of the marketing affiliate rules.

³ See Sheet Nos. 69, 73, 79 and 80.

3. The Commission has implemented the Policy Statement in a number of cases by directing Commission staff to study the particular price index utilized for compliance with the criteria in the Policy Statement.⁴ Consistent with those cases, the Commission staff is directed to file a report no later than 180 days from the date of this order regarding whether the index B-R proposes to use in its tariff meets the mandated standards and reflects adequate liquidity at the referenced locations to be reliable. B-R and other parties may file comments on staff's report, including additional evidence, no later than 15 days after staff issues its report. Thereafter, an order will be issued determining whether the indices proposed by B-R meet the criteria set forth in the Policy Statement and, if not, requiring B-R to make prospective changes to its proposal necessary to conform to the Policy Statement. Accordingly, B-R's filing is accepted subject to B-R refiling any changes required by the order.

4. The filing in Docket No. RP04-224-000 was noticed on March 24, 2004, with comments, protests or interventions due on March 31, 2004, respectively. No protests or adverse comments were filed. 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.

By direction of the Commission.

Linda Mitry,
Acting Secretary.

⁴ See Northern Natural Gas Company, 104 FERC ¶ 61,190 (2003); Natural Gas Pipeline Company of America, 104 FERC ¶ 61,182 (2003).