

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

November 22, 2006

In Reply Refer To:  
Columbia Gas Transmission Corporation  
Docket No. RP06-194-001

Columbia Gas Transmission Corporation  
12801 Fair Lakes Parkway  
Fairfax, VA 22033

Attention: Thomas D. Stone  
Manager, Rates and Tariffs

Reference: Fourth Revised Sheet Nos. 167 and 168 to FERC Gas Tariff, Second  
Revised Volume No. 1

Dear Mr. Stone:

1. On March 16, 2006, Columbia Gas Transmission Corporation (Columbia) filed the referenced tariff sheets in compliance with the Commission Order issued on March 1, 2006.<sup>1</sup> The tariff sheets modify section 3(f) and 4(g) of Rate Schedule FSS to allow waivers of past defaults, and also advance waivers, for specific, temporary, operational problems on a case-by-case non-discriminatory basis. The proposed tariff sheets are accepted, effective February 1, 2006, subject to the condition set forth below.

2. On January 30, 2006, Columbia filed tariff sheets to add new sections 3(f) and 4(g) to Rate Schedule FSS (Firm Storage Service) which would allow Columbia to waive certain limitations set forth in section 3 (Injections Into Storage) and section 4 (Withdrawals From Storage) of Rate Schedule FSS. Specifically, Columbia filed to add the following language to both sections 3 and 4 of Rate Schedule FSS:

Transporter may waive any of the limitations set forth in this section, provided that such waiver is granted in a non-discriminatory manner.

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<sup>1</sup> *Columbia Gas Transmission, Corp.*, 114 FERC ¶ 61,225 (2006).

Columbia stated that the proposed tariff language would provide it the ability to waive the specific storage limitations in the relevant section of Rate Schedule FSS and was consistent with tariff waiver provisions approved by the Commission for other pipelines.

3. On March 1, 2006, the Commission issued a letter order accepting Columbia's tariff revisions subject to further modification. We found that, although the waiver provisions did not amount to generic waiver proposals meriting rejection, the changes proposed by Columbia nevertheless were overbroad – lacking the limitations on the scope and duration of the waivers required by Commission policy.<sup>2</sup> The March 1, 2006 Order directed Columbia to modify the tariff provisions to allow waivers only of past defaults, and also advanced waivers, for specific, temporary, operational problems on a case-by-case and non-discriminatory basis.

4. On March 16, 2006, Columbia filed the following tariff language in compliance with the Commission's order:

Transporter may waive any of the limitations set forth in this section, and may waive a Shipper's default in advance or a default that already has occurred, for specific temporary operational problems, provided that such waiver is granted in a non-discriminatory manner on a case-by-case basis.

5. Public notice of Columbia's filing in the instant proceeding was issued on March 21, 2006, allowing for protests to be filed as provided in section 154.210 (18 C.F.R. §385.214 (2006)) of the Commission's regulations. No adverse comments or protests were filed.

6. The Commission finds that Columbia has not fully complied with the March 1, 2006 Order. The Commission intended the revision required by that order to limit the scope and duration of any waivers Columbia would grant pursuant to its waiver proposal. However, Columbia's revised tariff language containing the required limitations can be read as not applying to waivers granted pursuant to the initial clause of the proposed tariff provision ("Transporter may waive any of the limitations set forth in this section"). That is because the limitations, which are located in a separate clause, can be interpreted as setting forth an additional type of permitted waiver since the clause begins, "and may waive a Shipper's default ...." The Commission's required change to Columbia's tariff proposal was not meant to be a grant of an additional type of waiver to Columbia, but to qualify the type of waiver described by Columbia in its initial filing. Therefore, we will require Columbia to further modify the revisions proposed in sections 3(f) and 4(g) of Rate Schedule FSS to state the following:

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<sup>2</sup> *Discovery Gas Transmission L.L.C.*, 111 FERC ¶ 61,377 (2005).

Transporter may waive a Shipper's default of any of the limitations set forth in this section that has already occurred. In addition, Transporter may waive a Shipper's default of such limitations in advance, provided that such a waiver is to address a specific, temporary, operational problem. Any waiver granted pursuant to this section must be granted in a non-discriminatory manner on a case-by-case basis.

7. Columbia's tariff sheets are accepted effective February 1, 2006, subject to Columbia filing further revisions, as described above, within 10 days of this order.

By direction of the Commission.

Magalie R. Salas,  
Secretary.