

121 FERC ¶ 61,005
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 1, 2007

In Reply Refer To:
Sempra Energy Trading Corporation,
Sempra Energy Solutions LLC,
Sempra Energy Trading (Calgary) Ltd.,
and the Royal Bank of Scotland plc.
Docket No. RP07-691-000

VanNess Feldman, P.C.
1050 Thomas Jefferson St., NW
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Washington, D.C. 20007

Attention: Julia R. Richardson
Counsel for Sempra Energy Trading Corporation, Sempra Energy
Solutions LLC, Sempra Energy Trading (Calgary) Ltd., and the
Royal Bank of Scotland plc.

Dear Ms. Richardson:

1. On September 11, 2007, you submitted, on behalf of Sempra Energy Trading Corporation, Sempra Energy Solutions LLC, Sempra Energy Trading (Calgary) Ltd., (collectively, Indicated Sellers), and the Royal Bank of Scotland plc (RBS), a request for a temporary waiver of certain Commission regulations and policies (such as the shipper-must-have-title policy and policy against buy/sell arrangements) in order to allow for the orderly transfer of the Indicated Sellers' natural gas purchase and sale agreements, pipeline transportation agreements and storage agreements to RBS. The transfer of these agreements is required due to the formation of a joint venture between Sempra Energy and RBS known as RBS Sempra Commodities LLP (RBS Sempra Commodities).¹ Each of the Indicated Sellers will become a wholly-owned subsidiary of RBS Sempra Commodities, in

¹As part of the formation of the joint venture, the Commission issued an order on September 13, 2007, in Docket No. EC07-120-000, authorizing the disposition of jurisdictional facilities. *Sempra Energy Trading Corp., et al.*, 120 FERC ¶ 62,184 (2007).

which RBS will directly own 51 percent of the voting interests and Sempra Energy will indirectly own 49 percent of the voting interests. For the reasons discussed, the Commission grants the requested waivers.

2. The Indicated Sellers explain that they intend to assign all of their natural gas purchase and sale agreements, pipeline transportation agreements and storage agreements to RBS. RBS will become the principal in, and successor-in-interest to, such agreements, and will sell natural gas in the U.S. pursuant to blanket certificate authority granted by the Commission under 18 C.F.R § 284.402 (2007). After the formation of the joint venture, the Indicated Sellers expect to act as agents for RBS in its gas marketing activities.

3. The Indicated Sellers and RBS anticipate that the joint venture will be finalized in the fourth quarter of 2007. The Indicated Sellers state they have to notify more than 1,500 counterparties to obtain consent for the assignment of the various natural gas agreements. The Indicated Sellers and RBS anticipate that the contractual assignment process will extend for a period after the joint venture is finalized. Because of the large volume of contracts, and the possibility of administrative delays or difficulties, Indicated Sellers and RBS are concerned that gas supply and transportation contracts might not be appropriately matched, causing a violation of the shipper-must-have title policy. Accordingly, Indicated Sellers and RBS request waiver of the Commission's regulations and policies, including the shipper-must-have-title policy and the policy against buy/sell agreements, for a period of 90 days after the joint venture is finalized. Indicated Sellers and RBS state that the waivers would only be for the limited purpose of completing the transfer of existing agreements from the Indicated Sellers to RBS. The Indicated Sellers and RBS request that the Commission act on the waiver requests by September 28, 2007, so that the appropriate procedures may be put in place to expedite the documentation of the contractual assignments prior to the anticipated completion of the joint venture.

4. Public notice of the filing was issued on September 14, 2007. Interventions and protests were due by September 24, 2007. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2007)), all timely filed motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. No protests were filed.

5. Indicated Sellers and RBS face numerous administrative requirements in transferring a large number of gas supply, transportation, and storage contracts subject to the Commission's jurisdiction as part of the effectuation of their joint venture. Therefore, since no objections have been raised, and for good cause shown, the Commission will grant the requested temporary waivers to the

Indicated Sellers and RBS so that they can complete the contractual assignment process in an orderly and efficient manner.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Acting Deputy Secretary.

cc: All Parties