

121 FERC ¶ 61,199  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

November 26, 2007

In Reply Refer To:  
Equitrans, L.P.  
Docket No. RP07-325-000

Equitrans, L.P.  
225 North Shore Drive  
Pittsburgh, Pennsylvania 15212-5861

Attention: David K. Dewey  
Vice President and General Counsel

Reference: Technical Conference and  
Seventeenth Revised Sheet No. 5, Twenty-Sixth,  
Revised Sheet No. 6 and Fifteenth Revised Sheet No. 10 to  
Equitrans, L.P.'s FERC Gas Tariff, Original Volume No. 1.

Dear Mr. Dewey:

1. On March 1, 2007, Equitrans, L.P. (Equitrans) filed the above referenced tariff sheets to institute a surcharge to recover certain costs incurred by Equitrans under the Pipeline Safety Improvement Act of 2002 (PSIA). Equitrans asserted these costs are "Qualifying Costs" pursuant to section 38 of the General Terms and Conditions (GT&C) of its tariff.<sup>1</sup> Equitrans requested that the tariff sheets and the surcharge be made effective April 1, 2007. The filing was protested. On March 29, 2007, the Commission issued an order<sup>2</sup> which accepted and suspended the proposed tariff revisions, subject to refund and condition, and subject to the outcome of a technical conference. A technical conference was convened and comments were filed. As discussed below, the Commission removes the refund condition, and accepts Equitrans' proposal and the subject tariff sheets effective April 1, 2007 without further condition.

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<sup>1</sup> Section 38 is entitled "Pipeline Safety Cost Tracker (PSCT) Mechanism," and is found on Original Sheet Nos. 313 and 314 of Equitrans, L.P.'s FERC Gas Tariff, Original Volume No. 1.

<sup>2</sup> *Equitrans, L.P.*, 118 FERC ¶ 61,258 (2007) (March 29 Order).

2. Section 38 of the GT&C of Equitrans' FERC Gas Tariff, Original Volume No. 1, sets forth a Pipeline Safety Cost Tracker (PSCT) tracking mechanism for the recovery of Qualifying Costs incurred by Equitrans under the PSIA. Equitrans states that from September 1, 2005 through December 31, 2006, it incurred total costs to the PSIA in the amount of \$1,717,715, which, when divided by the total billing determinants of 53,979,080 Dth, yields a surcharge of \$0.0318 per Dth. In the March 1, 2007 filing, Equitrans submitted workpapers in support of its calculations in Appendix B to the instant filing, as required by section 154.403 of the Commission's regulations.
3. Comments on the March 1, 2007 filing were filed by Columbia Gas of Pennsylvania, Inc. (CPA), and the Peoples Natural Gas Company d/b/a Dominion Peoples and Hope Gas, Inc., d/b/a Dominion Hope (the Dominion LDCs). The March 1, 2007 filing was protested by KeySpan Delivery Companies (KeySpan) and the Independent Oil & Gas Association of West Virginia (IOGA). The Philadelphia Gas Works (Philadelphia) filed a request for a technical conference. In general, the parties stated they supported the important goals of the PSIA and submitted that Equitrans should be encouraged to comply with federal safety laws. However, the parties also generally questioned the validity of the costs Equitrans seeks to recover and the underlying support for these costs.
4. In the March 29 Order, the Commission stated that the parties had raised many issues requiring further review. Therefore, the Commission accepted and suspended the proposed tariff revisions, to become effective April 1, 2007, subject to refund and condition, and subject to the outcome of a technical conference.
5. On May 4, 2007, a technical conference was convened. At the technical conference, Equitrans made a detailed presentation, and entertained questions from the attendees of the conference. At the conclusion of the conference, the parties agreed to file initial comments by June 15, 2007, and reply comments by June 29, 2007. Following the technical conference, and pursuant to requests from the parties and Commission staff, on May 16, 2007, Equitrans filed a hard copy of its power point presentation with the Commission.
6. On June 15, 2007, only one party, the Dominion LDCs, filed comments. The Dominion LDCs stated that, on the basis of Equitrans' presentation at the technical conference, it no longer had any objection to the Commission removing the refund condition imposed in the March 29 Order, and terminating the instant proceeding. On June 29, 2007, Equitrans filed its comments and committed to providing more detailed information in its future filings, showing why the subject costs qualify for recovery under its PSCT. Equitrans also requested that the Commission remove the refund condition imposed in the March 29, 2007 Order.

7. Equitrans has shown that the costs it seeks to recover are valid PSIA costs and has provided the underlying support for these costs. Based upon Equitrans' detailed explanation and commitment to provide more detailed information in its future PSIA filings, showing why the costs qualify for recovery under its PSCT, the Commission removes the refund condition, and accepts Equitrans' proposal and the subject tariff sheets effective April 1, 2007, without further condition.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

cc: All Parties  
Public File