

123 FERC ¶ 61,322
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

June 30, 2008

In Reply Refer To:
Gulf South Pipeline Company, LP
Docket No. CP07-32-004

Gulf South Pipeline Company, LP
9 E. Greenway Plaza, Suite 2800
Houston, TX 77046

Attention: Michael E. McMahon
Sr. Vice President & General Counsel

Reference: Certificate Compliance Filing

Ladies and Gentlemen:

1. On May 27, 2008, Gulf South Pipeline Company, LP (Gulf South) filed revised tariff sheets to its FERC Gas Tariff, Sixth Revised Volume No. 1 (see Appendix) to comply with the Commission's September 28, 2007 Order (Certificate Order) granting Gulf South the necessary authorizations to construct, own, operate and maintain the Southeast Expansion facilities,¹ and the Commission's February 21, 2008 Order amending the certificate and granting rehearing, in part (Rehearing Order).² The Certificate Order required Gulf South to file revised tariff sheets to comply with the requirements of the order 30 to 60 days prior to commencement of service and the Rehearing Order authorized Gulf South to charge incremental rates for service on the Southeast Expansion facilities. Additionally, Gulf South requests a waiver of the Certificate Order's requirement that the actual revised tariff sheets be filed no less than 30 days prior to the in-service date of the new facilities and of any and all of the Commission's regulations in order to permit the tariff sheets to become effective on

¹ *Gulf South Pipeline Company, LP*, 120 FERC ¶ 61,291 (2007).

² *Gulf South Pipeline Company, LP*, 122 FERC ¶ 61,162 (2008).

May 27, 2008. We grant waiver and accept Gulf South's revised tariff sheets to be effective on June 1, 2008,³ subject to further revision discussed below.

2. Public notice of Gulf South's filing was issued on June 6, 2008. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210 (2008). Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2008), all timely motions to intervene and any motions to intervene out-of-time filed before the issuance of this order are granted. No protests or adverse comments were filed.

3. The Certificate Order rejected Gulf South's proposal to charge incremental plus pricing for the Southeast Expansion Facilities.⁴ This finding was confirmed in the Rehearing Order.⁵ However, Gulf South's compliance filing continues to propose incremental plus pricing. For each of the firm rate schedules, Gulf South has added tariff language that states, "The above charges shall be increased to include an incremental transportation charge of: \$5.0474 for utilization of the Southeast Expansion Facilities." Under this pricing methodology, existing shippers that use the Southeast Expansion Facilities on a secondary basis will be charged the incremental rate in addition to their existing rates. This pricing methodology was rejected by the Commission in the Certificate and Rehearing Orders and Gulf South is ordered to revise it. Gulf South's revised tariff sheets should clearly state that the approved incremental rate applies to those customers contracting for capacity on the Southeast Expansion Project.⁶ In addition, the revised tariff sheets should not require that existing shippers with primary rights in Zone 3 pay the incremental rate in addition to their current rate when using the Southeast Expansion Facilities on a secondary basis.

³ Gulf South notified the Commission on June 3, 2008 that it had commenced service on June 1, 2008 on the Southeast Expansion Project pipeline and meter station facilities.

⁴ *Gulf South Pipeline Company, LP*, 120 FERC ¶ 61,291, at P 25 (2007).

⁵ *Gulf South Pipeline Company, LP*, 122 FERC ¶ 61,162, at P 10 (2008).

⁶ See, e.g., *Transcontinental Gas Pipe Line Corporation*, FERC Gas Tariff, Third Revised Volume No.1, Substitute Thirty-Fourth Revised Sheet Number 40C; *Texas Eastern Transmission, L.P.*, FERC Gas Tariff, Seventh Revised Volume No. 1, Twenty-Sixth Revised Sheet No. 35A.

4. The Commission accepts Gulf South's tariff sheets listed in the Appendix to be effective June 1, 2008, subject to Gulf South filing revised tariff sheets, within 15 days of the date of this order, consistent with the discussion in the body of this order.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties

J. Kyle Stephens
Gulf South Pipeline Company, LP
9 E. Greenway Plaza, Suite 2800
Houston, TX 77046

Appendix

**Gulf South Pipeline Company, LP
FERC Gas Tariff, Sixth Revised Volume No. 1**

Tariff Sheets Effective June 1, 2008, Subject to Conditions

Fourteenth Revised Sheet No. 20

Original Sheet No. 20A

Eleventh Revised Sheet No. 21

Original Sheet No. 21A

Eleventh Revised Sheet No. 22

Original Sheet No. 22A

Eleventh Revised Sheet No. 23

Original Sheet No. 23A

Ninth Revised Sheet No. 24

Original Sheet No. 24A