

169 FERC ¶ 61,099  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

November 7, 2019

In Reply Refer To:  
Algonquin Gas Transmission, LLC  
Docket No. RP20-79-000

Algonquin Gas Transmission, LLC  
P.O. Box 1642  
Houston, TX 77251-1642

Attention: Steven E. Hellman  
Associate General Counsel

Dear Mr. Hellman:

1. On October 21, 2019, Algonquin Gas Transmission, LLC (Algonquin) filed a request for temporary waiver of certain provisions of its tariff to allow Algonquin to temporarily provide its customers with additional receipt point flexibility to mitigate the effects of scheduled system maintenance. For good cause shown, we grant the temporary waivers requested herein, effective from November 8, 2019 through April 15, 2020.
2. Algonquin states that it is undertaking an integrity maintenance program to improve safety and reliability through increased inspections and data analysis of Algonquin's pipeline facilities (Integrity Program).<sup>1</sup> Algonquin states that during the implementation of the Integrity Program, it plans to reduce operating pressure on, and potentially take out of service, certain sections of its pipeline facilities during the 2019-2020 winter season. Algonquin states that it is working with its customers to minimize business interruptions.
3. In addition, Algonquin notes that it has received input from multiple customers regarding whether Algonquin could undertake measures to mitigate the effects that the implementation of the Integrity Program will have on the businesses of its customers. In response to those inquiries, Algonquin has determined that awarding temporary receipt point flexibility, and using available capacity through an open and transparent process, will help its customers to mitigate certain of the impacts. Specifically, in the instant

---

<sup>1</sup> Transmittal at 1.

filing, Algonquin states that it is requesting temporary waivers to allow it to hold an open season that will enable customers to acquire additional receipt point flexibility.<sup>2</sup> Algonquin states that the proposed open season will enable customers that are the original holders of firm service agreements to request additional Maximum Daily Receipt Obligations (MDRO) for a given firm service agreement, at points within the transportation path and up to the transportation path quantity for the firm service agreement as primary points of receipt, such that the sum of the MDROs under the given firm service agreement may exceed the Maximum Daily Transportation Quantity (MDTQ) under the firm service agreements.<sup>3</sup> Algonquin states that the point capacity posted in the open season would only be available at certain specified physical receipt points on Algonquin's system. Algonquin proposes that the receipt point flexibility granted pursuant to the open season begin on November 16, 2019, or on such later date contingent upon the Commission granting this waiver request, and continue through and including April 15, 2020. Algonquin states that the proposed additional MDRO flexibility will allow customers more options in sourcing gas supply from unconstrained points through unconstrained paths during the implementation of the Integrity Program. Further, Algonquin states that in the event MDRO requests exceed certain posted meter capacity, such capacity will be allocated on a *pro-rata* basis among requesting customers.

4. Algonquin states that it requires waiver of four provisions of its tariff. First, Algonquin requests a waiver of the General Terms and Conditions (GT&C) Section 37 to award the additional receipt point flexibility contemplated above. According to Algonquin, GT&C Section 37 provides the limited circumstances under which the sum of a customer's MDRO or Maximum Daily Delivery Obligation, as applicable, may exceed the customer's MDTQ. Algonquin states that Section 37 does not permit it to award temporary receipt point flexibility in excess of a customer's MDTQ to mitigate planned integrity work. Accordingly, Algonquin avers that the temporary waiver will permit it to provide the necessary receipt point flexibility to mitigate the effects of the implementation of the Integrity Program.

---

<sup>2</sup> *Id.*

<sup>3</sup> *Id.* at 1-2. Algonquin states that the receipt point flexibility described herein will be available to original contract holders and not replacement customers who have acquired capacity through Algonquin's capacity release mechanism. Algonquin states that, without such limitation, it will not be able to implement this mitigation measure in the timeframe contemplated due to complexities associated with administering the capacity release mechanism.

5. Algonquin additionally requests waiver of the Request for Service requirements of GT&C Section 2 with respect to the open season.<sup>4</sup> Algonquin states that under the current proposal, MDRO requests awarded pursuant to the open season will be administered like a data correction and will be reflected in its Link® Customer Interface System.<sup>5</sup> As such, customers requesting additional MDRO through the open season will not be required to submit requests for service pursuant to GT&C Section 2.1 or to execute amendments to their firm service agreements pursuant to GT&C Section 2.3. Additionally, MDRO requests will be granted to all customers who meet the requirements of the open season, and requests exceeding meter capacity will be allocated on a pro-rata basis among requesting customers. Accordingly, Algonquin states that it will need a waiver of GT&C Section 2.5(d) because it will award receipt point capacity in the open season based on net present value.

6. Finally, Algonquin requests waiver of similar clauses in Part 5, Rate Schedules, and GT&C Section 12, which prohibit service modifications except via a superseding service agreement, because implementing these contracting requirements could unduly delay implementation of the mitigation measure.

7. Algonquin submits that good cause exists to promptly grant this request. Algonquin states that the open season will provide its customers with an open and transparent opportunity to request additional receipt point capacity during the implementation of the Integrity Program and Algonquin will grant such requests on a not unduly discriminatory basis. Algonquin asserts that by granting the requested temporary waivers, the Commission will facilitate service continuity to affected customers during the implementation of the Integrity Program in the 2019-2020 winter season when constraints are anticipated to exist on Algonquin's system.<sup>6</sup>

8. Public notice of the filing was issued on October 22, 2019 with interventions and protests due by October 28, 2019. Pursuant to Rule 214,<sup>7</sup> all timely filed motions to intervene and any unopposed motions to intervene out-of-time filed before the issuance

---

<sup>4</sup> *Id.* at 2. GT&C Section 2 governs how current and potential shippers shall request new or amended service. It governs the required information, conditions on service requests, execution, future capacity, open seasons, and interim service. [Algonquin Gas Transmission, LLC/Algonquin Database 1, 2., Request for Transportation Service, 6.0.0.](#)

<sup>5</sup> *Id.* at 2.

<sup>6</sup> *Id.*

<sup>7</sup> 18 C.F.R. § 385.214 (2019).

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 adverse comments or protests were filed.

9. We find that good cause exists to grant the requested temporary waiver of the provisions of Algonquin's tariff discussed above because doing so will facilitate service continuity to affected customers during Algonquin's planned system maintenance. Further, granting this waiver is consistent with Commission action on several occasions that granted similar temporary waivers during system capacity constraint situations on other pipelines.<sup>8</sup> Accordingly, we grant the requested temporary waiver to be effective from November 8, 2019, through April 15, 2020.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

---

<sup>8</sup> *Gulf South Pipeline Co., LP*, 127 FERC ¶ 61,093, at P 8 (2009) (citing *Natural Gas Pipeline Co. of America*, 121 FERC ¶ 61,098 (2007); *Northern Natural Gas Co.*, 109 FERC ¶ 61,013 (2004), *waiver extended*, 109 FERC ¶ 61,115 (2004); *TransColorado Gas Transmission Co.*, 111 FERC ¶ 61,389 (2005); *Great Lakes Gas Transmission Ltd. P'ship*, 102 FERC ¶ 61,331 (2003)).