

169 FERC ¶ 61,243
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Richard Glick and Bernard L. McNamee.

Columbia Gulf Transmission, LLC

Docket No. RP20-177-000

ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued December 23, 2019)

1. On November 1, 2019, Columbia Gulf Transmission, LLC (Columbia Gulf) filed a stipulation and agreement (Settlement), which it states is in advance of its obligation to submit a general rate case under section 4 of the Natural Gas Act (NGA) no later than January 31, 2020, for rates to become effective August 1, 2020. We approve the Settlement and direct Columbia Gulf to file tariff records consistent with the terms of the Settlement.

I. Background and Proposal

2. On January 21, 2016, the Commission instituted an investigation pursuant to section 5 of the NGA, into the justness and reasonableness of the existing rates of Columbia Gulf.¹ On July 26, 2016, in Docket No. RP16-302-000, Columbia Gulf filed an uncontested Offer of Settlement (2016 Settlement) to resolve all issues raised in the aforesaid NGA section 5 proceeding. On August 15, 2016, the Presiding Judge certified the uncontested 2016 Settlement.² On September 22, 2016, the Commission approved the 2016 Settlement.³

3. Article IV of the 2016 Settlement required Columbia Gulf to file a general rate case under section 4 of the NGA by January 31, 2020, for rates to take effect by

¹ *Columbia Gulf Transmission LLC*, 154 FERC ¶ 61,027 (January 21 Order), *order on reh'g*, 154 FERC ¶ 61,275 (2016).

² *Columbia Gulf Transmission, LLC*, 156 FERC ¶ 63,026 (2016).

³ *Columbia Gulf Transmission, LLC*, 156 FERC ¶ 61,189 (2016).

August 1, 2020; Article V of the 2016 Settlement established a three-year moratorium period.⁴

4. On November 1, 2019, Columbia Gulf filed the instant Settlement stating that the Settlement is broadly supported,⁵ or not opposed, by Columbia Gulf and all of its shippers that have actively participated in the process, requesting a shortened comment period of seven (7) days, and requesting that the Commission approve the Settlement no later than December 31, 2019.⁶

5. Article III sets forth the base transportation rates under the Settlement, which reflect both decreases and increases, to be effective August 1, 2020.⁷ Article IV sets forth the applicable depreciation and negative salvage rates for both the Market zone and the Offsystem-Onshore zone.

6. Article IX provides that Columbia Gulf shall file a general rate case under section 4 of the NGA no later than January 31, 2027, for rates to take effect on August 1, 2027. Further, Columbia Gulf shall convene a meeting of all parties and shippers at least six months prior to filing a rate case under section 4 of the NGA to begin pre-settlement discussions to potentially pre-settle the next rate case.

7. Article X establishes a rate case and tariff filing moratorium during which neither Columbia Gulf, pursuant to section 4 of the NGA, nor any other settling party, any successor or assignee (including shippers acquiring capacity by capacity release) or affiliate of any settling party, pursuant to section 5 of the NGA, will seek to modify the settlement rates unless any such modification of the settlement rates would go into effect on or subsequent to August 1, 2022.

8. Article XIV of the Settlement provides that the standard of review for any changes to the Settlement shall be the just and reasonable standard and not the public interest standard.

⁴ *Id.*

⁵ On November 7, 2019, the Tennessee Valley Authority filed comments in support of the Settlement.

⁶ Columbia Gulf Petition for Approval of Stipulation and Agreement of Settlement at 2 (Petition).

⁷ These rates are listed in Appendix B of the Petition.

II. Discussion

9. Public notice of Columbia Gulf's Settlement was issued on November 4, 2019, with interventions, protests and initial comments due by November 13, 2019. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2019)), 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 comments in opposition to the Settlement were filed. The Settlement is thus uncontested.

10. We find that the Settlement appears to be fair and reasonable and in the public interest and is hereby approved. The Settlement is uncontested with settlement rates to be effective August 1, 2020.⁸ The Settlement also establishes a rate moratorium through August 1, 2022 and requires that Columbia Gulf file a general rate case under section 4 of the NGA on or before January 31, 2027. Furthermore, the Settlement satisfies the terms of the stipulation in the 2016 Settlement that Columbia Gulf file a general rate case under section 4 of the NGA no later than January 31, 2020. Therefore, we approve the Settlement. Commission approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

The Commission orders:

(A) The Settlement is approved, as discussed in the body of this order.

(B) Columbia Gulf is directed to file tariff records in accordance with the Settlement.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.

⁸ *Id.*