

171 FERC ¶ 61,107
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

May 8, 2020

In Reply Refer To:
Crossroads Pipeline Company
Docket No. RP20-657-000

Crossroads Pipeline Company
700 Louisiana Street
Suite 700
Houston, TX 77002-2700

Attention: Sandra L. Mazan, Legal Counsel

Dear Ms. Mazan:

1. On March 12, 2020, Crossroads Pipeline Company (Crossroads) filed a stipulation and agreement (Settlement) in lieu of filing a general Natural Gas Act (NGA) section 4 rate proceeding. Crossroads states that the Settlement is fully supported by its customers. As discussed below, we approve the Settlement as proposed and direct Crossroads to file tariff records, to be effective October 1, 2020, consistent with the terms of the Settlement.
2. Crossroads states that its current rates were established in 1995 following the conversion from a crude oil pipeline and the reconnecting of Indiana and Ohio pipeline segments, which brought the pipeline under the jurisdiction of the Commission. Crossroads asserts that the Settlement is a black box settlement that provides for base settlement rates that are unanimously supported or not opposed by all settling parties, to be effective October 1, 2020.
3. According to Crossroads, the black box Settlement proposes rate increases under Rate Schedules FT, IT-1, and PAL for monthly and daily reservation rates. The Settlement calls for Crossroads to amend several FT-1 contracts to extend the existing terms of each contract through May 31, 2023. Crossroads further states that there is no agreement on any underlying assumptions or methodologies, other than the depreciation and negative salvage rates used in deriving the settlement rates. In addition, Crossroads states that the Settlement provides that Crossroads will conduct a non-binding open season to solicit interest and support for construction of a new interconnection between its facilities and Rover Pipeline, LLC.

4. Crossroads states that the Settlement establishes a rate case moratorium under which Crossroads will not file an NGA section 4(e) general rate case prior to May 31, 2023, and each non-contesting party will not initiate or support any NGA section 5 proceeding seeking a change to any settlement rate unless any modification of the settlement rates would go into effect on or subsequent to June 1, 2023. Crossroads further states that the standard of review for any changes to the Settlement “shall be the just and reasonable standard and not the public interest standard.”

5. Public notice of the filing was issued on March 16, 2020. Interventions and protests were due as provided in section 154.210 of the Commission’s regulations.¹ Pursuant to Rule 214,² all timely filed motions to intervene and any unopposed motion 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. Ethanol Products, LLC filed comments in support of the Settlement. No comments in opposition to the settlement were filed.

6. We find that the uncontested Settlement appears to be fair and reasonable and in the public interest. The Settlement is supported or not opposed by all parties to the proceeding and establishes a rate moratorium through May 31, 2023. Therefore, we approve the Settlement as proposed. We direct Crossroads to file actual tariff records consistent with the Settlement in eTariff format as required by Order No. 714.³ The Commission’s approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

¹ 18 C.F.R. § 154.210 (2019).

² 18 C.F.R. § 385.214 (2019).

³ *Electronic Tariff Filings*, Order No. 714, 124 FERC ¶ 61,270 (2008).