



Gas Pipeline - Transco
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June 30, 2005

Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Attention: Magalie R. Salas, Secretary

Reference: Transcontinental Gas Pipe Line Corporation
Rock Creek Meter Station
Delivery Point Facilities Surcharge
Docket No. RP96-359-___

Ladies and Gentlemen:

Transcontinental Gas Pipe Line Corporation ("Transco") submits herewith for filing with the Federal Energy Regulatory Commission ("Commission") a copy of the executed service agreement amendment with Washington Gas Light Company ("WGL") that contains, among other things, a negotiated delivery point facilities surcharge under Transco's Rate Schedule FT for the costs to construct delivery point facilities referred to as the "Rock Creek Meter Station," a new delivery point to WGL. The effective date of this negotiated rate facilities surcharge is July 1, 2005, which is the anticipated in-service date of the Rock Creek Meter Station.

Statement of Nature, Reasons and Basis

Transco and WGL are parties to a service agreement, dated January 1, 1996, as amended, ("Service Agreement") under Transco's Rate Schedule FT for firm transportation service on Transco's pipeline system, and a Lateral Line, Interconnect, Reimbursement and Operating Agreement, dated March 2, 2004 ("Interconnect Agreement"), for the construction of the Rock Creek Meter Station, a new delivery point to WGL located on Transco's main line in Montgomery County, Maryland. Pursuant to the Interconnect Agreement, Transco and WGL have executed a third amendment to the Service Agreement¹ to revise Exhibit C to the Service Agreement to include a separately stated negotiated delivery point facilities surcharge ("Facilities Surcharge") for the construction of the Rock Creek Meter Station. The

¹ The first amendment to the Service Agreement was filed May 29, 2003 in Docket No. RP96-359-016 and accepted by the Commission's letter order issued June 20, 2003. On June 20, 2003, Transco requested a later effective date (July 1, 2003) which was accepted by the Commission's letter order issued July 16, 2003 in Docket No. RP96-359-017. The second amendment to the Service Agreement was filed June 30, 2004 in Docket No. RP96-359-021 and accepted by the Commission's letter order issued July 22, 2004.

Facilities Surcharge will be charged in addition to the rates, charges, surcharges and fuel payable by WGL in accordance with Transco's Rate Schedule FT.² The Interconnect Agreement also includes (1) provisions for adjustment to the negotiated facilities surcharge based on the actual final cost of the Rock Creek Meter Station (which adjustment would become effective on the effective date of Transco's tariff filing setting forth the revised negotiated facilities charge), and (2) WGL's agreement to directly reimburse Transco for unrecovered costs for the Rock Creek Meter Station if for any reason Transco is unable to collect the negotiated facilities surcharge as agreed to by the parties.

The third amendment also revises Exhibit B to the Service Agreement to replace the Frederick Meter Station with the Rock Creek Meter Station as a delivery point. Further, this amendment extends the term of the Service Agreement from March 31, 2009 until July 1, 2010, and restates the Maximum Daily Firm Quantities at each delivery point on Exhibit B in Dt/d instead of Mcf.

Pursuant to the Commission's Alternative Rate Policy Statement, for which the Commission has approved tariff sheets under Transco's Rate Schedule FT that permit Transco to negotiate rates,³ and Section 20.7 of the General Terms and Conditions of Transco's FERC Gas Tariff,⁴ Transco submits herewith for filing with the Commission the third amendment to the Service Agreement which includes the revisions described above. The amendment includes the exact legal name of the customer, the applicable charges, and the applicable rate schedule for the service. The quantity of gas to be transported under the Service Agreement remains unchanged. Transco affirms that the Service Agreement, as amended, does not deviate in any material aspect from the Rate Schedule FT form of service agreement in Transco's FERC Gas Tariff.

Effective Date

As noted above, the effective date of the negotiated rate transaction is July 1, 2005. Transco respectfully requests that the Commission grant any waivers that it may deem necessary to accept this filing as requested herein.

² This Facilities Surcharge is in addition to a similar surcharge set forth on Exhibit C which was approved by the Commission on July 22, 2004 for the construction of the Westmore Road Meter Stations in the second amendment to the Service Agreement

³ Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines (Alternative Rate Policy Statement), 74 FERC ¶ 61,076 (1996), reh'g and clarification denied, 75 FERC ¶ 61,024 (1996), reh'g denied, 75 FERC ¶ 61,066 (1996). Transcontinental Gas Pipe Line Corp., 76 FERC ¶ 61,318 (1996) (see Section 3.5 of Transco's Rate Schedule FT).

⁴ Section 20.7 sets forth the alternatives under which the costs to construct interconnect facilities, such as the Rock Creek Meter Station, will be paid for by the party requesting the facilities.

Materials Submitted Herewith

In accordance with Section 154.7(a)(1) of the Commission's Regulations, the following material is submitted herewith:

- (1) a proposed form of notice for the instant filing suitable for publication in the Federal Register, and a diskette copy of such notice labeled NT063005.ASC in accordance with Section 154.209 of the Commission's Regulations and
- (2) a copy of the amendment to the Service Agreement separately stating the negotiated delivery point facilities surcharge for the Rock Creek Meter Station, the addition of the Rock Creek Meter Station as a delivery point, and the extension of the term of the Service Agreement.

Posting and Certification of Service

In accordance with the provisions of Section 154.2(d) of the Commission's Regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Transco's main office at 2800 Post Oak Boulevard in Houston, Texas. In addition, Transco is serving copies of the instant filing to its affected customers and interested state commissions.

Any communications in regard to this filing should be sent to:

Scott C. Turkington
Director – Rates & Regulatory
Transcontinental Gas Pipe Line Corporation
P.O. Box 1396
Houston, Texas 77251
Email: scott.c.turkington@williams.com

And copies should be mailed to:

Julie P. Baumgarten
Senior Attorney
Transcontinental Gas Pipe Line Corporation
P.O. Box 1396
Houston, Texas 77251
Email: julie.baumgarten@williams.com

and

Federal Energy Regulatory Commission

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Marshia Younglund
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Washington, D.C. 20006
Email: marshia.younglund@williams.com

Respectfully submitted,
TRANSCONTINENTAL GAS PIPE LINE CORPORATION

/s/ Marg Camardello

By _____

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UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Transcontinental Gas Pipe Line Corporation

Docket No. RP96-359-

Notice of Proposed Changes in FERC Gas Tariff

Take notice that on June 30, 2005, Transcontinental Gas Pipe Line Corporation (“Transco”) tendered for filing with the Federal Energy Regulatory Commission (“Commission”) a copy of the executed service agreement amendment that contains, among other things, a negotiated delivery point facilities surcharge (“facilities surcharge”) under Transco’s Rate Schedule FT for the costs of the Rock Creek Meter Station, a new delivery point to Washington Gas Light Company. The effective date of this facilities surcharge is July 1, 2005, which is the anticipated in-service date of the Rock Creek Meter Station.

Any person desiring to intervene or protest this filing must file in accordance with Rules 211 and 214 of the Commission’s Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed in accordance with the provisions of Section 154.210 of the Commission’s regulations (18 CFR 154.210). Anyone filing an intervention or protest must serve a copy of that document on the Applicant. Anyone filing an intervention or protest on or before the intervention or protest date need not serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the “eFiling” link at <http://www.ferc.gov> . Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E. Washington, D.C. 20426.

This filing is accessible on-line at <http://www.ferc.gov>, using the “eLibrary” link and is available for review in the Commission’s Public Reference Room in Washington, D.C. There is an “eSubscription” link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email FERCOnlineSupport@ferc.gov, or call (866) 208-3676 (toll free). For TTY, contact (202) 502-8659.

Magalie R. Salas
Secretary

THIRD AMENDMENT TO SERVICE AGREEMENT

THIS AMENDMENT ("Amendment") is entered into this 1st day of July, 2005, by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Seller," first party, and WASHINGTON GAS LIGHT COMPANY, hereinafter referred to as "Buyer," second party.

WITNESSETH:

WHEREAS, Seller and Buyer are parties to that certain Service Agreement, dated January 1, 1996, as amended May 14, 2003 and July 1, 2004, under Seller's Rate Schedule FT (such agreement, as amended, is referred to herein as the "Service Agreement") pursuant to which Seller provides firm transportation service for Buyer up to a Transportation Contract Quantity ("TCQ") equal to the dekatherm equivalent of 59,500 Mcf of natural gas per day (which equates to 61,583 dt per day based on a conversion factor of 1.035 dt per Mcf); and

WHEREAS, Seller and Buyer now desire to further amend the Service Agreement to extend the term, to modify the Point(s) of Delivery by deleting a meter station and adding a meter station, and to add a second negotiated facilities surcharge for the final costs to construct certain delivery point facilities.

NOW THEREFORE, Seller and Buyer hereby agree to amend the Service Agreement as follows:

1. Article IV of the Service Agreement is hereby deleted in its entirety and replaced by the following:

"ARTICLE IV
TERM OF AGREEMENT

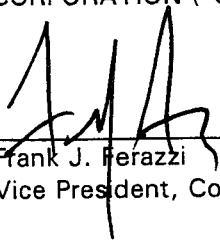
This agreement shall be effective as of January 1, 1996, and shall remain in force and effect until 9:00 a.m. Central Clock Time July 1, 2010, and thereafter until terminated by Seller or Buyer upon at least three (3) years written notice; provided, however, this agreement shall terminate immediately and, subject to the receipt of necessary authorizations, if any, Seller may discontinue service hereunder if (a) Buyer, in Seller's reasonable judgment fails to demonstrate credit worthiness, and (b) Buyer fails to provide adequate security in accordance with Section 32 of the General Terms and Conditions of Seller's Volume No. 1 Tariff. As set forth in Section 8 of Article II of Seller's August 7, 1989 revised Stipulation and Agreement in Docket Nos. RP88-68 et al., (a) pregranted abandonment under Section 284.221(d) of the Commission's Regulations shall not apply to any long term conversions from firm sales service to transportation service under Seller's Rate Schedule FT and (b) Seller shall not exercise its right to terminate this service agreement as it applies to transportation service resulting from conversions from firm sales service so long as Buyer is willing to pay rates no less favorable than Seller is otherwise able to collect from third parties for such service."

2. Exhibit B to the Service Agreement is hereby deleted in its entirety and replaced by Revised Exhibit B hereto.
3. Exhibit C to the Service Agreement is hereby deleted in its entirety and replaced by Revised Exhibit C hereto.
4. This Amendment shall be effective as of the date first above written.
5. Except as herein amended, the Service Agreement shall remain in full force and effect pursuant to the terms thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be signed by their respective officers or representative thereunto duly authorized.

TRANSCONTINENTAL GAS PIPE LINE
CORPORATION ("SELLER")

WASHINGTON GAS LIGHT COMPANY
("BUYER")

By  _____
Frank J. Perazzi *AK*
Vice President, Commercial Operations

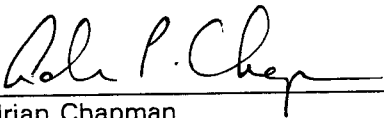
J *JPB* *RTL* *W* By  _____
Adrian Chapman
Vice President
Regulatory Affairs & Acquisition

EXHIBIT B

ATTACHED AND MADE PART OF THE SERVICE AGREEMENT BY AND BETWEEN TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER, AND WASHINGTON GAS LIGHT COMPANY, AS BUYER, DATED JANUARY 1, 1996, AS AMENDED.

<u>Point(s) of Delivery and Pressures **</u>	<u>Maximum Daily Firm Quantity at each delivery point (Dt/d) ***</u>
1. Station 54*	
2. Herndon Meter Station, located at milepost 1598.81 on Seller's main transmission line, adjacent to State Highway 1212 on the east side and State Highway 606 on the north side, Fairfax County, Virginia.	56,925
3. Bull Run Meter Station, located at milepost 1583.35 on Seller's main transmission line, adjacent to Transco's Compressor Station 185 located in Prince William County, Virginia.	56,925
4. Rock Creek Meter Station, located at milepost 1614.31 on Seller's main transmission line, in Montgomery County, Maryland.	4,658
5. Seller's Eminence Storage Field Covington County, Mississippi.	61,583

*Delivery to Seller's Washington Storage Field for injection into storage is subject to the terms, conditions and limitations of Seller's WSS Rate Schedule.

**Subject to the conditions contained in this Agreement, Seller shall make deliveries of gas for the account of Buyer at the Point(s) of Delivery specified above at such pressures as may be available from time to time in Seller's line serving such Point(s) of Delivery not to exceed maximum allowable operating pressure, but not less than the minimum pressure specified in either Seller's FERC tariff or any other superseding agreements for service for deliveries at the Point(s) of Delivery.

***For reservation charge billing purposes 56,925 Dt/d will be billed at the Zone 5 rate and 4,658 Dt/d at the Zone 6 rate. For commodity volumes, all volumes delivered at the Herndon and Bull Run meter stations will be billed at the Zone 5 commodity rate and all volumes delivered at the Rock Creek meter station will be billed at the Zone 6 commodity rate.

REVISED EXHIBIT C

ATTACHED AND MADE PART OF THE SERVICE AGREEMENT BY AND BETWEEN TRANSCONTINENTAL GAS PIPE LINE CORPORATION, AS SELLER, AND WASHINGTON GAS LIGHT COMPANY, AS BUYER, DATED JANUARY 1, 1996, AS AMENDED.

Specification of Negotiated Rate and Term:

Delivery Point Facilities Surcharge One. In addition to the rates, charges, surcharges and fuel payable by Buyer to Seller in accordance with Article V of this service agreement, Buyer, subject to the terms of this service agreement and receipt and acceptance of any necessary regulatory approvals by Seller, agrees to pay Seller each month for a term of five (5) years commencing on July 1, 2003 for those certain interconnect facilities described as "Transco's Facilities" in the Lateral Line, Interconnect, Reimbursement and Operating Agreement for the Westmore Road Meter Stations, dated July 15, 2002, between Seller and Buyer ("Westmore Road Interconnect Agreement") a negotiated reservation surcharge (hereinafter referred to as the "Westmore Road Facilities Charge") for the costs of such facilities. The Westmore Road Facilities Charge shall be \$104,906.64 per month through June 30, 2004 and \$99,003.63 per month from July 1, 2004 through June 30, 2008. The Westmore Road Facilities Charge of \$99,003.63 shall be billed to Buyer each month and determined by multiplying the transportation billing determinants of 61,583 dt/d (the TCQ hereunder) by a negotiated daily reservation surcharge of \$0.0529/dt (which equates to a monthly reservation surcharge of \$1.6076/dt). Notwithstanding the foregoing, the Facilities Charge is subject to adjustment in accordance with the provisions of the Westmore Road Interconnect Agreement.

Delivery Point Facilities Surcharge Two. In addition to the rates, charges, surcharges and fuel payable by Buyer to Seller in accordance with Article V of this service agreement, Buyer, subject to the terms of this service agreement and receipt and acceptance of any necessary regulatory approvals by Seller, agrees to pay Seller each month for a term of five (5) years commencing on July 1, 2005 for those certain interconnect facilities described as "Transco's Facilities" in the Lateral Line, Interconnect, Reimbursement and Operating Agreement for the Rock Creek Meter Station, dated March 2, 2004, between Seller and Buyer ("Rock Creek Interconnect Agreement") a negotiated reservation surcharge (hereinafter referred to as the "Rock Creek Facilities Charge") for the costs of such facilities. The Rock Creek Facilities Charge shall be \$42,110.00 per month through June 30, 2010. The Rock Creek Facilities Charge of \$42,110.00 shall be billed to Buyer each month and determined by multiplying the transportation billing determinants of 61,583 dt/d (the TCQ hereunder) by a negotiated daily reservation surcharge of \$0.02248/dt (which equates to a monthly reservation surcharge of \$0.6838/dt). Notwithstanding the foregoing, the Rock Creek Facilities Charge is subject to adjustment in accordance with the provisions of the Rock Creek Interconnect Agreement.