



**Transcontinental Gas Pipe Line Company, LLC**

October 31, 2014

DRAFT VERSION – FOR DISCUSSION PURPOSES ONLY

As Transco's business practices have evolved over the years, customers have requested greater clarity in Transco's tariff regarding priority of service. The proposed new General Terms and Conditions ("GT&C") sections 57, 58, 59 and 60 address those requests. These new sections do not introduce new practices; rather, they reflect existing tariff and business practices, setting forth the existing service priorities under Transco's tariff that currently are contained in several tariff sections – particularly Rate Schedule FT and Section 28 of the GT&C – in a more detailed, concise and consolidated format. These new tariff sections should make it easier for a customer to identify the priority of their services, and how those services fit within the overall priority queue.

Proposed new section 57 sets forth the hierarchy of priority of service from highest to lowest as they are applied throughout the system, i.e., receipt priorities, delivery priorities and priorities at throughput section boundaries ("TSBs"), segments of the pipeline where throughput is constrained. Section 57 also clarifies how PDA / limit values are considered in the evaluation of available capacity. Currently, PDA's and limit values are identified in Section 18.1 of the GT&C, but their respective priorities are not explicitly addressed in Section 28 of the GT&C. The proposed tariff changes clarify how PDA's / limit values are currently applied in our business practices.

Proposed Section 58 sets forth the process for ensuring all requests for service are limited to a customer's firm transportation entitlements within each segment of the pipeline. This process includes consideration of the "family of contracts" that are created through the capacity release process, as well as the ability of multiple parties to nominate transportation outside of their primary contract path through the use of secondary capacity rights.

Proposed Section 59 expands and clarifies the processes that are currently outlined in Sections 28.2 – 28.4 of the GT&C under which Transco allocates and schedules capacity among services nominated on its system. Each area of Transco's system, whether it be a receipt or delivery location, or a segment along a contract path is evaluated based on operational capabilities and customers' rights under their contracts. The proposed section also restates the provisions related to relief in emergency situations currently contained in Sections 28.5 – 28.7 of the GT&C.

Finally, section 60 reflects the application of priorities when an operator confirms receipts or deliveries at an aggregate level and relies on Transco to reduce a customer's nomination to the confirmed level.

These proposed changes are intended to bring all the processes under Transco's tariff and business practices for identifying and administering firm and interruptible rights on the Transco system together in a more concise manner. Transco encourages customers to review the proposed tariff revisions and

provide comments by the due date provided in future EBB postings. We will endeavor to incorporate your comments and suggestions prior to making the filing with the FERC. Additional information will be posted to the 1Line EBB as a non-critical notice.

**New GT&C Sections:**

**57 Priority of Service**

**58 Contract Entitlement Validations**

**59 Scheduling and Curtailment**

**60 Confirmations**

The new GT&C Sections 57-60 can be viewed [here](#). The existing tariff has a variety of conforming revisions that can be reviewed [here](#). In addition, a [summary](#) of the associated changes with a brief explanation is provided for your convenience.

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