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**Transco Rate Case Suspension Order (Docket No. RP12-993-000)**

On August 31, 2012 Transco filed a Section 4 general rate case proposed to be effective October 1, 2012. On September 28, 2012, the Commission issued an “Order Accepting and Suspending Tariff Records Subject to Refund and Establishing Hearing Procedures” (“September 28<sup>th</sup> Order”). With the exception of certain rates that reflected an overall rate decrease, as discussed below, the Commission accepted and suspended the filed tariff records to be effective March 1, 2013, subject to refund and the outcome of a hearing. The Commission further directed that a prehearing conference be convened in this proceeding within 20 days from the date of the order for the purpose of establishing a procedural schedule.

In its September 28<sup>th</sup> Order, the Commission responded to protests which requested that Transco be directed to make effective immediately the proposed decreases in certain of the rates for some of Transco’s services. The Commission found that when determining whether a service’s rates have decreased, both the reservation and usage components for that particular service must be considered together. The Commission determined that the rates for the following services had decreased: Trenton Woodbury, Pocono, MarketLink, Sundance, Leidy East, Leidy to Long Island, Potomac, Sentinel and Rate Schedule LNG/LG-A. Thus, the rates for these services were accepted, without suspension (and not subject to refund), effective October 1, 2012. The Commission rejected the requests that Transco be directed to place into effect rates for services where a component of the rate decreased, but the overall rate was an increase (for all or a portion of the shippers under the service).

**Implementation of Revised Pooling Charges at Transco’s Market Area Pools in Zones 5 and 6 (Docket No. RP12-925-000)**

On October 1, 2012, Transco implemented its revised pooling structure at Transco’s Market Area Pools in Zones 5 and 6. Consistent with the tariff records approved by the Commission in a letter order dated August 23, 2012 in the referenced proceeding, Transco revised how zonal usage charges and fuel retention are assessed to quantities pooled at its market area pools in Zones 5 and 6 (i.e., the Station 165 Zone 5 Pool and the Station 210 Zone 6 Pool). Zonal usage charges and fuel retention for the zone in which the pool is located will apply to quantities pooled at these locations only once, upon transportation into the pool.

**Revised Fuel Retention Percentage for Rate Schedules LG-A, LNG, and LG-S (Docket No. RP12-1127-000)**

On September 28, 2012, Transco filed, pursuant to Section 38 of the General Terms and Conditions, a revised fuel retention percentage applicable to Rate Schedules LG-A, LNG, and LG-S proposed effective November 1, 2012.

**Tariff Filing to Adopt NAESB Version 2.0 Standards**

On September 27, 2012, Transco submitted a tariff filing to comply with Order No. 587-V which adopted Version 2.0 of the NAESB Standards. Included in the Version 2.0 standards are new and revised standards supporting (1) gas-electric interdependency, (2) Capacity Release redesign, (3) Electronic Delivery Mechanism, (4) Customer Security Administration Process, (5) pipeline postings of information regarding waste heat, and (6) minor technical revisions. The Version 2.0 standards are expected to become effective December 1, 2012.

**Mid-South Expansion Project Amendment (Docket No. CP12-462)**

On September 11, FERC issued an order amending Transco's Mid-South certificate, which will allow Transco to operate the new electric motor-driven compressor unit at Compressor Station 125 in Walton County, Georgia, above the 9,000-horsepower (hp) limit established in the August 25, 2011 initial certificate order in Docket No. CP 11-18. The amended authorization is conditioned on Transco not exceeding the station's total certificated horsepower of 49,800 hp.

On September 26, 2012, the Commission granted Transco's request to vacate the certificate authority for a compressor re-wheel at Station 125 since it was determined that the proposed re-wheel was no longer needed for the Mid-South Expansion Project.

**Annual Cash-Out Report (Docket No. RP11-2619-000)**

On September 28, 2012, Transco refunded approximately \$2.96 million of excess cash-out revenues for the annual billing period August 1, 2011 through July 31, 2012 to firm and interruptible transportation customers (including transportation bundled with storage) and OBA parties pursuant to Section 15 of the General Terms and Conditions of Transco's Tariff. Section 15 requires that, for each annual billing period, Transco will refund or carry forward the difference between revenues received and the costs incurred under Transco's cash-out provisions.