May 27, 2014

Ms. Kimberly D. Bose
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Re:  Columbia Gulf Transmission, LLC, Docket No. RP14-_____
ELEOP Retainage Tariff Filing

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Federal Energy Regulatory Commission’s (“Commission”) regulations,1 Columbia Gulf Transmission Company, LLC (“Columbia Gulf”) herewith submits for filing the following revised tariff records to its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”) with a proposed effective date of May 1, 2011:

<table>
<thead>
<tr>
<th>Part</th>
<th>Version</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>V.8</td>
<td>12.0.0</td>
<td>Retainage Rates</td>
</tr>
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Statement of the Nature, Reasons and Basis

The purpose of this filing is to revise Rate Schedule FTS-2 of Columbia Gulf’s Tariff to incorporate retainage rates for Columbia Gulf’s East Lateral Efficiency Optimization Project (“ELEOP”). As background, on May 20, 2010, Columbia Gulf filed with the Commission an application pursuant to Section 7(c) of the NGA for the Commission to issue a certificate of public convenience and necessity authorizing Columbia Gulf to construct and operate ELEOP.2 In the May 20 Filing, Columbia stated that:

[T]he newly isolated segments of Columbia Gulf’s pipeline system will have their own unique lost and unaccounted-for (“LAUF”) characteristics, versus those which prevail on the remainder of the pipeline system. Specifically, the LAUF quantities will consist of the difference in the sum of the quantities of gas measured at all of the receipt points, and the quantity of gas measured at the delivery point. Columbia Gulf proposes that shippers utilizing the ELEOP facilities provide retainage that is equal to the actual LAUF on those facilities,

similar to the treatment of retainage on Columbia Gulf’s Offsystem-Onshore facilities.3

Columbia included proposed Tariff revisions reflecting the proposed retainage rate for ELEOP.4 After the May 20 Filing, Columbia provided additional information on the LAUF for ELEOP in response to Commission data requests.

On October 28, 2010, the Commission issued Columbia Gulf a certificate for the construction, ownership and operation of ELEOP.5 In the ELEOP Order, with respect to LAUF and retainage, the Commission stated “[w]e approve th[e] proposal as a reasonable method of calculating and assessing ELEOP retainage, and condition approval herein on Columbia making such filing.”6

On March 28, 2011, and corrected on March 31, 2011, Columbia Gulf filed with the Commission the negotiated rate service agreements between Columbia Gulf and anchor shippers for the ELEOP: Chevron U.S.A., Inc., PXP Offshore, LLC and McMoran Oil & Gas.7 The service agreements each provide that “Shipper will pay the retainage rate applicable to the East Lateral Efficiency Optimization Project, as set forth in Transporter’s Tariff, as it may change from time to time.” On April 14, 2011, the Commission accepted for filing the negotiated rate service agreements, effective May 1, 2011.8

Due to administrative oversight, Columbia Gulf never filed the Tariff revisions incorporating the retainage rates for ELEOP with the Commission prior to the in-service date of ELEOP. Columbia Gulf has since discovered the oversight, and to remedy this situation, it is making the Tariff revisions in this filing. Columbia Gulf requests that the Commission approve the Tariff revisions, which are consistent with the revisions provided to the Commission in the May 20 Filing.

Motion and Waiver

Pursuant to Section 154.7(a)(9) of the Commission’s regulations, Columbia Gulf moves to place the proposed tariff record into effect on May 1, 2011. Good cause exists to grant this effective date as this date corresponds to the effective date of the corresponding service agreements for ELEOP. Columbia Gulf also respectfully requests that the Commission grant any waivers that it may deem necessary to accept this filing and to place the filed tariff sections into effect as requested herein.

3 Id.
4 See May 20 Filing at Exhibit P.
6 ELEOP Order at P ____.
Materials Submitted Herewith

In accordance with Section 154.7(a)(1) of the Commission’s regulations, Columbia Gulf has included in this filing the following materials:

(1) The proposed revised tariff record; and

(2) A marked version of the revised tariff record, in accordance with Section 154.201(a) of the Commission’s regulations.

Posting and Certification of Service

Pursuant to Sections 154.7(b) and 154.208(b) of the Commission’s regulations, Columbia Gulf is sending a copy of this filing by electronic mail or first-class mail, postage prepaid, to each of Columbia Gulf’s firm shippers, affected state commissions, and interruptible shippers. This filing is also available for public inspection during regular business hours in a convenient form and place at Columbia Gulf’s offices at 5151 San Felipe, Suite 2400, Houston, Texas, 77056.

Service on Columbia Gulf

It is requested that a copy of all communications, correspondence and pleadings with respect to this filing be sent to:

Georgia B. Carter, Senior Vice President, Rates & Regulatory Affairs  
*James R. Downs, Vice President, Rates & Regulatory Affairs  
Sorana Linder, Manager, Rates & Regulatory Affairs  
Columbia Gulf Transmission, LLC  
5151 San Felipe, Suite 2400  
Houston, Texas 77056  
Phone: (713) 386-3759  
Email: gcarter@nisource.com  
jdowns@nisource.com  
slinder@nisource.com

*S. Diane Neal, Assistant General Counsel  
Tyler Brown, Senior Counsel  
Columbia Gulf Transmission, LLC  
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Houston, Texas 77056  
Phone: (713) 386-3745  
Email: dNeal@nisource.com  
tbrown@nisource.com

*Persons designated for official service pursuant to Rule 2010.
Subscription

Pursuant to Section 385.2005 and Section 385.2011(c)(5) of the Commission’s regulations, the undersigned certifies that: (1) he has read the filing and knows its contents; (2) the contents are true to the best of his knowledge and belief; and (3) the undersigned possesses full power and authority to sign the filing.

Respectfully submitted,

James R. Downs
Vice President, Rates and Regulatory Affairs

Enclosures
CLEAN
TARIFF SECTION
## RETAINAGE RATES

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