§ 284.9 Interruptible transportation service.

(a) Interruptible transportation availability. (1) An interstate pipeline that provides firm transportation service under subparts B or G of this part must also offer transportation service on an interruptible basis under that subpart or subparts and separately from any sales service.

(2) An intrastate pipeline that provides transportation service under Subpart C may offer such transportation service on an interruptible basis under that subpart or subparts and separately from any sales service.

(3) Service on an interruptible basis means that the capacity used to provide the service is subject to a prior claim by another customer or another class of service and receives a lower priority than such other classes of service.

(b) The provisions regarding non-discriminatory access, reasonable operational conditions, and limitations contained in §284.7 (b), (c), and (f) apply to pipelines providing interruptible service under this section.

(c) Reservation fee. No reservation fee may be imposed for interruptible service. A pipeline’s rate for any transportation service provided under this section may not include any minimum bill provision, minimum take provision, or any other provision that has the effect of guaranteeing revenue.

[Order 436, 50 FR 42494, Oct. 18, 1985]

EDITORIAL NOTE: For Federal Register citations affecting §284.9, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and on GPO Access.

§ 284.10 Rates.

(a) Applicability. Any rate charged for transportation service under subparts B and G of this part must be established under a rate schedule that is filed with the Commission prior to commencement of such service and that conforms to the requirements of this section.

(b) Rate objectives. Maximum rates for both peak and offpeak periods must be designed to achieve the following three objectives:

(1) Rates for service during peak periods should ration capacity;

(2) Rates for firm service during offpeak periods and for interruptible service during all periods should maximize throughput; and

(3) The pipeline’s revenue requirement allocated to firm and interruptible services should be attained by providing the projected units of service in peak and off-peak periods at the maximum rate for each service.

(c) Rate design—(1) Volumetric rates. Except as provided in §284.7(e), any rate filed for service subject to this section must be a one-part rate that recovers the costs allocated to the service to the extent that the projected units of that service are actually purchased and may not include a demand charge, a minimum bill or minimum take provision or any other provision that has the effect of guaranteeing revenue. Such rate must separately identify cost components attributable to transportation, storage, and gathering costs.

(2) Based on projected units of service. Any rate filed for service subject to this section must be designed to recover costs on the basis of projected units of service. The fixed costs allocated to capacity reservations, as determined in accordance with §284.7(e),