



January 14, 2012

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

**Gas Transmission Northwest LLC**  
717 Texas Street, Room 25120  
Houston, TX 77002

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Re: Gas Transmission Northwest LLC  
Refund Report  
Docket No. RP12- \_\_\_\_ - \_\_\_\_

Dear Ms. Bose:

Pursuant to Section 154.501 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations and Section 6.36<sup>1</sup> of the General Terms and Conditions ("GT&C") of Gas Transmission Northwest LLC's ("GTN") FERC Gas Tariff, Fourth Revised Volume No. 1-A ("Tariff"), GTN hereby submits for filing and acceptance a refund report reflecting interruptible transportation ("IT") revenue credits on GTN's Coyote Springs Lateral for the period from November 1, 2011, through October 31, 2012 (the "Refund Year").

### Correspondence

The names, titles and mailing address of the persons to whom correspondence and communications concerning this filing should be directed are as follows:

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<sup>1</sup> Section 6.36 – GT&C, Crediting of IT Revenues on Extensions ("Section 6.36").

## Statement of the Nature, Reasons, and Basis for Filing

GTN's Coyote Springs Lateral extends 18.5 miles from milepost 304.25 on GTN's mainline to two (2) power plants located in Boardman, Oregon. GTN provides firm service on its Coyote Springs Lateral pursuant to a certificate issued in Docket No. CP93-618<sup>2</sup> and GTN's open access Rate Schedule FTS-1(E-3). GTN provides interruptible service on the Coyote Springs Lateral under Rate Schedule ITS-1(E-3), as approved by Commission Letter Order dated October 30, 1995.

Section 6.36 of GTN's GT&C requires GTN to credit back to "eligible" firm shippers ninety percent (90%) of the interruptible transportation revenues it receives on the Coyote Springs Lateral. Specifically, Section 6.36 provides that within forty-five days after November 1st of each year, GTN shall determine the total amount of applicable IT revenues received on the Coyote Springs Lateral (exclusive of variable costs and volumetric surcharges) during the previous twelve-month period and the portion of such amount to be credited to each eligible firm shipper.<sup>3</sup>

GTN will then credit the eligible firm shippers through a credit billing adjustment in the next invoice rendered after the determination of the applicable credit amount. In accordance with this provision, GTN refunded \$1,224.42 to eligible shippers through a credit billing adjustment on January 3, 2013. This refund includes interest calculated through the January 3rd invoice date.

Workpapers setting out the refund information as required by Section 154.501(e) of the Commission's Regulations are included in Appendix A. Schedule 1 sets out the origin of the revenues subject to refund, showing a step-by-step calculation of the refund amount. Specifically, this worksheet shows the interruptible revenue collected during each month of the refund year and calculates the credit amount for each month (*i.e.*, 90% of the revenue for each month). For the year ending October 31, 2012, GTN collected interruptible revenues under Rate Schedule ITS-1(E-3) totaling \$1,330.91 (Schedule 1, column h, line 19), of which \$1,197.82 was refunded to eligible shippers (Schedule 1, column i, line 19). Schedule 2 provides a calculation

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<sup>2</sup> *Pacific Gas Transmission Company*, 70 FERC ¶ 61,016, *reh'g*, 71 FERC ¶ 61,268 (1995).

<sup>3</sup> "Eligible" shippers are defined in Section 6.36(1)(a) of GTN's Tariff as firm shippers under Rate Schedule FTS-1(E-3), excluding shippers receiving service under a capacity release agreement.

of the interest accrual on a monthly basis, including quarterly compounding. The interest rate used is the average prime rate for the calendar quarter as specified in Section 154.501(d) of the Commission's Regulations. As indicated on Schedule 2, column h, line 26, GTN accrued cumulative interest charges of \$26.60 for a total refund amount of \$1,224.42 (Schedule 2, column j, line 26).

Schedule 3 shows the calculation of the refund amount issued to each shipper. Schedule 3, column b, reflects the total transportation revenue from firm transportation service on the Coyote Springs Lateral under Rate Schedules FTS-1(E-3) during the Refund Year.<sup>4</sup> As reflected on Schedule 3, column b, line 3, GTN collected a total of \$1,108,084.92 in firm revenue during the Refund Year. The percent of each shipper's contribution to GTN's firm revenue on the Coyote Springs Lateral is calculated by dividing each shipper's net contribution (column b) by the total firm revenue collected (column c); the resulting percentage is shown in column d, "Customer Allocation Percent." Each shipper's proportionate share of the refund is calculated by multiplying the Customer Allocation Percentage (column d) by the total amount to be refunded (column e), as calculated on Schedule 2. The resulting refund for each customer is set out in column f.

In accordance with Section 154.501(e)(6)(i) of the Commission's Regulations, this filing includes this transmittal letter (including all information required by the Commission's regulations), and workpapers showing the calculation of the refund (Appendix A).

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<sup>4</sup> Pursuant to Section 6.28.10 of GTN's GT&C, GTN invoices releasing shippers for their capacity, but credits the releasing shippers with revenue received from replacement shippers. In those instances where a shipper holds capacity at a rate below GTN's maximum tariff rate, and releases capacity to a second shipper at a rate greater than the releasing shipper's as-billed rate, the amount in excess of the releasing shipper's as-billed rate is credited directly to the releasing shipper, and does not constitute revenue received by GTN. As such, the net transportation revenues received from individual customers may not equal the total amount of a shipper's monthly invoice.


Certificate of Service

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010, a copy of this filing, together with all enclosures is being served upon all jurisdictional customers and interested state regulatory agencies.

In accordance with 18 C.F.R. § 154.4 and Rule 2011(c)(5) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2011(c)(5), I hereby certify that I have read this filing and know the contents of the eFiling; that the contents as stated in the filing are true to the best of my knowledge and belief and that I possess the full power and authority to sign this filing.

Any questions regarding this filing may be directed to Joan Collins at (832) 320-5651.

Respectfully submitted,

A handwritten signature in black ink that reads "John A. Roscher". The signature is written in a cursive style and is positioned above a solid horizontal line.

John A. Roscher  
Director, Rates and Tariffs

Enclosures

# Appendix A

**Interruptible Revenues Under Rate Schedule ITS-1(E-3)**

Line Number	Invoice Period [a]	Quantity (Dth) [b]	Distance [c]	Non-Mileage Delivery Rate (Dth) 1/ [d]	Mileage Delivery Rate Dth/mile 1/ [e]	Non-Mileage Revenue [f = b x d]	Mileage Revenue [g = b x c x e]	Total Revenue [h = f + g]	Revenue Credit 2/ [i = h x 90%]
1	Nov-11	7,500	6.00	0.001420	0.001412	\$ 10.65	\$ 63.54	\$ 74.19	\$ 66.77
2	Nov-11	2,440	18.50	0.001420	0.001412	3.46	63.74	67.20	60.48
3	Dec-11	4,650	6.00	0.001420	0.001412	6.60	39.39	45.99	41.39
4	Dec-11	4,915	18.50	0.001420	0.001412	6.98	128.39	135.37	121.83
5	Jan-12	9,300	6.00	0.001420	0.001412	13.21	78.79	92.00	82.80
6	Jan-12	3,285	18.50	0.001420	0.001412	4.66	85.81	90.47	81.42
7	Feb-12	5,800	6.00	0.001420	0.001412	8.24	49.14	57.38	51.64
8	Feb-12	4,525	18.50	0.001420	0.001412	6.43	118.20	124.63	112.17
9	Mar-12	2,880	18.50	0.001420	0.001412	4.09	75.23	79.32	71.39
10	Apr-12	3,250	18.50	0.001420	0.001412	4.62	84.90	89.52	80.57
11	May-12	2,130	18.50	0.001420	0.001412	3.02	55.64	58.66	52.79
12	Jun-12	2,880	18.50	0.001420	0.001412	4.09	75.23	79.32	71.39
13	Jul-12	1,770	18.50	0.001420	0.001412	2.51	46.24	48.75	43.88
14	Aug-12	2,575	18.50	0.001420	0.001412	3.66	67.26	70.92	63.83
15	Sep-12	4,500	6.00	0.001420	0.001412	6.39	38.12	44.51	40.06
16	Sep-12	2,325	18.50	0.001420	0.001412	3.30	60.73	64.03	57.63
17	Oct-12	4,650	6.00	0.001420	0.001412	6.60	39.39	45.99	41.39
18	Oct-12	2,275	18.50	0.001420	0.001412	3.23	59.43	62.66	56.39
19						\$ 101.74	\$ 1,229.17	\$ 1,330.91	\$ 1,197.82

1/ FERC Gas Tariff, Fourth Revised Volume No. 1-A, Section 4.1, Statement of Rates.

2/ Per GTN's Tariff (Section 6.36 - GT&C, Crediting of IT Revenues on Extensions) the crediting percentage (90%) is applied to interruptible transportation revenues, exclusive of variable costs and surcharges.

## Calculation of Interest

Line Number	Invoice Period [a]	Revenue Credit [b]	Start Date 1/ [c]	End Date [d]	Days of Interest Accrual [e]	Cumulative Interest Basis [f]	FERC Interest Rate [g]	Interest Amount 2/ [h]	Accrued Interest Used for Quarterly Compounding [i]	Total Revenue Credit [j]
1	Nov-11	\$ 127.25	12/13/2011	12/31/2011	19	\$ 127.25	3.25%	\$ 0.21	\$ 0.21	\$ 127.46
2	Nov-11		1/1/2012	1/14/2012	14	\$ 127.46	3.25%	\$ 0.16		\$ 127.46
3	Dec-11	\$ 163.22	1/15/2012	1/31/2012	17	\$ 290.68	3.25%	\$ 0.44		\$ 290.68
4	Dec-11		2/1/2012	2/12/2012	12	\$ 290.68	3.25%	\$ 0.31		\$ 290.68
5	Jan-12	\$ 164.22	2/13/2012	2/29/2012	17	\$ 454.90	3.25%	\$ 0.69		\$ 454.90
6	Jan-12		3/1/2012	3/12/2012	12	\$ 454.90	3.25%	\$ 0.48		\$ 454.90
7	Feb-12	\$ 163.81	3/13/2012	3/31/2012	19	\$ 618.71	3.25%	\$ 1.04	\$ 3.12	\$ 621.83
8	Feb-12		4/1/2012	4/13/2012	13	\$ 621.83	3.25%	\$ 0.72		\$ 621.83
9	Mar-12	\$ 71.39	4/14/2012	4/30/2012	17	\$ 693.22	3.25%	\$ 1.05		\$ 693.22
10	Mar-12		5/1/2012	5/12/2012	12	\$ 693.22	3.25%	\$ 0.74		\$ 693.22
11	Apr-12	\$ 80.57	5/13/2012	5/31/2012	19	\$ 773.79	3.25%	\$ 1.31		\$ 773.79
12	Apr-12		6/1/2012	6/14/2012	14	\$ 773.79	3.25%	\$ 0.96		\$ 773.79
13	May-12	\$ 52.79	6/15/2012	6/30/2012	16	\$ 826.58	3.25%	\$ 1.17	\$ 5.95	\$ 832.53
14	May-12		7/1/2012	7/13/2012	13	\$ 832.53	3.25%	\$ 0.96		\$ 832.53
15	Jun-12	\$ 71.39	7/14/2012	7/31/2012	18	\$ 903.92	3.25%	\$ 1.44		\$ 903.92
16	Jun-12		8/1/2012	8/12/2012	12	\$ 903.92	3.25%	\$ 0.96		\$ 903.92
17	Jul-12	\$ 43.88	8/13/2012	8/31/2012	19	\$ 947.80	3.25%	\$ 1.60		\$ 947.80
18	Jul-12		9/1/2012	9/17/2012	17	\$ 947.80	3.25%	\$ 1.43		\$ 947.80
19	Aug-12	\$ 63.83	9/18/2012	9/30/2012	13	\$ 1,011.63	3.25%	\$ 1.17	\$ 7.56	\$ 1,019.19
20	Aug-12		10/1/2012	10/12/2012	12	\$ 1,019.19	3.25%	\$ 1.09		\$ 1,019.19
21	Sep-12	\$ 97.69	10/13/2012	10/31/2012	19	\$ 1,116.88	3.25%	\$ 1.88		\$ 1,116.88
22	Sep-12		11/1/2012	11/13/2012	13	\$ 1,116.88	3.25%	\$ 1.29		\$ 1,116.88
23	Oct-12	\$ 97.78	11/14/2012	11/30/2012	17	\$ 1,214.66	3.25%	\$ 1.83		\$ 1,214.66
24	Oct-12		12/1/2012	12/31/2012	31	\$ 1,214.66	3.25%	\$ 3.34	\$ 9.43	\$ 1,224.09
25			1/1/2013	1/3/2013	3	\$ 1,224.09	3.25%	\$ 0.33	\$ 0.33	\$ 1,224.42
26		\$ 1,197.82						\$ 26.60		\$ 1,224.42

1/ The start date for interest calculation is the next day following the invoice due date.

2/ Interest is computed in accordance with Section 154.501 of the Commission's Regulations - the FERC interest rate (column g) times the proration of number of days in the month divided by the number of days in the year times the principal and any applicable compounded interest. Per Section 154.501, interest is compounded quarterly.

## Allocation of Revenue Credit

Line Number	Customer [a]	Net Transportation Revenue Contributed On Coyote Springs Lateral [b]	Total Net Transportation Revenue Contributed On Coyote Springs Lateral (Column b, line 3) [c]	Customer Allocation Percent 1/ (Col. b/Col. c) [d]	Refund Total (Schedule 2, Col. j, line 26) [e]	Refund Per Customer (Col. d x Col. e) [f]
1	Avista Corporation	\$ 577,121.52	\$ 1,108,084.92	52.08%	\$ 1,224.42	\$ 637.71
2	Portland General Electric Company	530,963.40	1,108,084.92	47.92%	1,224.42	586.71
3	<b>TOTAL</b>	<b>\$ 1,108,084.92</b>		<b>100.00%</b>		<b>\$ 1,224.42</b>

1/ Percentage rounded to 2 digits for display. Calculation based on 8 decimal places.