



November 24, 2015

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

**Gas Transmission Northwest LLC**  
700 Louisiana Street, Suite 700  
Houston, TX 77002-2700

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Director, Rates, Tariffs, and Certificates

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Re: Gas Transmission Northwest LLC  
Change in FERC Gas Tariff  
Docket No. RP16-\_\_\_\_-\_\_\_\_

Dear Ms. Bose:

Pursuant to Section 154.204 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations,<sup>1</sup> Gas Transmission Northwest LLC ("GTN") hereby submits for filing revised tariff Sections 4.1 and 4.3 to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1-A ("Tariff").<sup>2</sup> As described in greater detail below, Sections 4.1 and 4.3 are being submitted to set forth Medford Lateral daily negotiated rates stated on the basis of 366 days for any leap year. GTN requests that the Commission accept Sections 4.1 and 4.3 to become effective January 1, 2016.

### Correspondence

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

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<sup>1</sup> 18 C.F.R. Part 154 (2015).

<sup>2</sup> Section 4.1 – Statement of Rates, Rate Schedules FTS-1 and LFS-1 ("Section 4.1"); Section 4.3 – Statement of Rates, Footnotes to Statement of Effective Rates and Changes ("Section 4.3").

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

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

On November 30, 2006, in Docket No. RP07-85-000 (“November 2006 Filing”), GTN filed tariff sheets to convert the monthly reservation charges for negotiated rate service on GTN’s Medford lateral to daily reservation charges (“Medford Daily Reservation Charges”).<sup>3</sup> GTN stated that the conversion of the negotiated Medford rates was necessary to complete the implementation of daily reservation charges, which were proposed for firm recourse service in GTN’s general rate proceeding in Docket No. RP06-407-000. The November 2006 Filing also included a provision requiring that GTN reset these negotiated Medford rates during leap years in order to keep GTN revenue neutral.<sup>4</sup>

In the instant filing, GTN is submitting revised Sections 4.1 and 4.3 to modify the Medford Daily Negotiated Reservation Charges for service under Rate Schedules FTS-1(E-2)(Diamond 1) and FTS-1(E-2)(Diamond 2) to reflect daily charges computed on the basis of 366 days for leap years. The proposed reservation charges, which are slightly lower than the current charges, are calculated by multiplying the currently effective daily reservation charges by 365, dividing the results by 366, and rounding to six decimal places. The calculation for the two affected rate schedules is provided in Appendix A. As 2016 is a leap year, the proposed reservation charges will be placed into effect on January 1, 2016, and will remain in effect through December 31, 2016.

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<sup>3</sup> The associated tariff sheets were accepted by Letter Order dated December 20, 2006.

<sup>4</sup> See Part 4.3, note (1) – Daily reservation charges will be reset for leap years.

Furthermore, within Section 4.3, GTN is relocating the leap year reference from footnote (l) to footnote (h) and adding leap year charges to footnote (h) in order to avoid the need for further leap year filings. Moreover, as a housekeeping measure, GTN is eliminating references to the Medford Extension annual revenue requirement in Section 4.3, footnote (h), as this provision is no longer applicable.<sup>5</sup> Due to the combination of footnotes (h) and (l) in Section 4.3, GTN is removing the reference to footnote (l) from the E-2 (Diamond 1) and E-2 (Diamond 2) Rate Schedules in Section 4.1, and footnote (l) will be reserved for future use.

#### Effect on Existing Rate Schedules

Other than as described herein, this filing will not impact GTN's existing rate schedules.

#### Effective Date

GTN requests that the Commission accept the revised Sections 4.1 and 4.3 to become effective January 1, 2016.

#### Other Filings That May Affect This Proceeding

On November 20, 2015, in Docket No. RP16-209-000, GTN filed tariff Sections 4.1, 4.2, 4.3, and 4.5, which effectuated GTN's phase I settlement rates in accordance with the Stipulation and Agreement of Settlement in Docket No. RP15-904-000.<sup>6</sup> That filing is currently pending before the Commission. Sections 4.1 and 4.3, submitted herein, supersedes those submitted in RP16-209-000.

#### Contents of Filing

In accordance with Section 154.7 and 154.201 of the Commission's regulations, and Order No. 714,<sup>7</sup> GTN is submitting the following XML filing package, which includes:

1. This transmittal letter;

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<sup>5</sup> *Gas Transmission Northwest LLC*, Docket No. RP14-180-000 (December 12, 2013) (Unpublished Director's Letter Order). The Medford FTS-1 (E-2) (WWP) negotiated rate agreement has been converted to a recourse rate agreement.

<sup>6</sup> *Gas Transmission Northwest LLC*, 151 FERC ¶ 61,280 (2015).

<sup>7</sup> *Electronic Tariff Filings*, 124 FERC ¶ 61,270 (2008) ("Order No. 714").

2. A workpaper detailing the change in basis from 365 days to 366 days for the two negotiated Medford contracts (Appendix A);
3. Clean tariff sections (Appendix B); and
4. Marked tariff sections (Appendix C).

Certificate of Service

As required by Sections 154.7(b) and 154.208 of the Commission's regulations, copies of this filing are being served upon all of GTN's existing customers and interested state regulatory agencies. A copy of this letter, together with the enclosed tariff sections and other attachments, is available during regular business hours for public inspection at GTN's principal place of business.

Pursuant to Section 385.2005 and Section 385.2011, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of his knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

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

Respectfully submitted,



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John A. Roscher  
Director, Rates, Tariffs, and Certificates

Enclosures

# **Appendix A**

**Workpaper**

**Medford Lateral Leap Year Rate Adjustment**

	<u>365 Day Rates</u> (a)	<u>Annual Equivalent</u> <u>(column a X 365)</u> (b)	<u>366 Day Rates</u> <u>(column b / 366)</u> (c)
<u>FTS-I-E-2 (Diamond 1)</u>			
Non-Mileage Reservation	\$0.000000	\$0.000000	\$0.000000
Mileage Reservation	\$0.002972	\$1.084780	\$0.002964
<u>FTS-I-E-2 (Diamond 2)</u>			
Non-Mileage Reservation	\$0.000000	\$0.000000	\$0.000000
Mileage Reservation	\$0.001166	\$0.425590	\$0.001163

# Appendix B

## Gas Transmission Northwest LLC – GTN Tariffs

### *FERC Gas Tariff, Fourth Revised Volume No. 1-A*

#### Clean Tariff

<u>Section No.</u>	<u>Section Description</u>	<u>Version</u>
4.1	Statement of Rates – Rate Schedules FTS-1 and LFS-1	(v.15.0.0)
4.3	Statement of Rates – Footnotes to Statement of Effective Rates and Charges	(v.12.0.0)

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
 TRANSPORTATION OF NATURAL GAS

Rate Schedules FTS-1 and LFS-1

	RESERVATION							
	DAILY MILEAGE (a) (Dth-MILE)		DAILY NON-MILEAGE (b) (Dth)		DELIVERY (c) (Dth-MILE)		FUEL (d) (Dth-MILE)	
	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>	<u>Max.</u>	<u>Min.</u>
BASE	0.000434	0.000000	0.034393	0.000000	0.000016	0.000016	0.0050%	0.0000%
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (f)	0.002759	0.000000	0.004641	0.000000	0.000026	0.000026	---	---
E-2 (h) (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h) (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---
COYOTE SPRINGS								
E-3 (i)	0.001282	0.000000	0.001283	0.000000	0.000000	0.000000	---	---
CARTY LATERAL								
E-4 (p)	---	---	0.166475	0.000000	0.000000	0.000000	---	---
OVERRUN CHARGE (j)								
	---	---	---	---	---	---	---	---
SURCHARGES								
ACA (k)	---	---	---	---	(k)	(k)	---	---



STATEMENT OF EFFECTIVE RATES AND CHARGES  
 FOR TRANSPORTATION OF NATURAL GAS

Notes:

- (a) The mileage component shall be applied per pipeline mile to gas transported by GTN for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.
- (b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.
- (c) The delivery rates are applied per pipeline mile to gas transported by GTN for delivery to shipper based on distance of gas transported. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.
- (d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of GTN's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Section 6.38 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. Currently effective fuel charges may be found on GTN's Internet website under "Informational Postings."
- (e) Seasonal recourse rates apply to short-term firm (STF) service under Rate Schedule FTS-1 (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) and IT Service under Rate Schedule ITS-1. By March 1 of each year GTN may designate up to four (4) months as peak months during a twelve-month period beginning on June 1 of the same year through May 31 of the following year. All other months will be considered off-peak months. Reservation rate components that apply to STF service and per-unit-rate IT service are as follows (delivery charges and applicable surcharges continue to apply):

	4 Peak Mos.	3 Peak Mos.	2 Peak Mos.	1 Peak Mo.	0 Peak Mos.
Peak NM Res.	\$0.048150	\$0.048150	\$0.048150	\$0.048150	\$0.034393
Peak Mi. Res.	\$0.000608	\$0.000608	\$0.000608	\$0.000608	\$0.000434

Off-Pk NM Res.	\$0.027515	\$0.029807	\$0.031642	\$0.033142	\$0.034393
Off-Pk Mi. Res.	\$0.000347	\$0.000376	\$0.000399	\$0.000418	\$0.000434

Months currently designated as "Peak Months" may be found on GTN's Internet website under "Informational Postings." By March 1 of each year, GTN will post the Peak Months for the upcoming twelve-month period beginning June 1 of the same year.

- (f) Applicable to firm service on GTN's Medford Extension.
- (g) Reserved for Future Use.
- (h) E-2 (Diamond 1) is a negotiated reservation charge of \$0.002972 per Dth per day for first 45,000 Dth/d and E-2 (Diamond 2) is a negotiated reservation charge of \$0.001166 per Dth per day for the second 45,000 Dth/d. During leap years, E-2 (Diamond 1) is a negotiated reservation charge of \$0.002964 per Dth per day for first 45,000 Dth/d and E-2 (Diamond 2) is a negotiated reservation charge of \$0.001163 per Dth per day for the second 45,000 Dth/d.
- (i) Applicable to firm service on GTN's Coyote Springs Extension.
- (j) The Overrun Charge shall be equal to the rates and charges set forth for interruptible service under Rate Schedule ITS-1.
- (k) In accordance with Section 6.22 of the Transportation General Terms and Conditions of this FERC Gas Tariff, Fourth Revised Volume No. 1-A, all Transportation services that involve the physical movement of gas shall pay an ACA unit adjustment. The currently effective ACA unit adjustment as published on the Commission's website ([www.ferc.gov](http://www.ferc.gov)) is incorporated herein by reference. This adjustment shall be in addition to the Base Tariff Rate(s) specified above.
- (l) Reserved for Future Use.
- (m) Reserved.
- (n) The Rate Schedule ITS-1 Mileage Component shall be applied per pipeline mile to gas transported by GTN based on the distance of gas transported. Consult GTN's system map in Section 3 for receipt and delivery point and milepost designations.
- (o) The Rate Schedule ITS-1 Non-Mileage Component shall be applied per Dth of gas transported by GTN for immediate delivery to the facilities of another entity or an extension facility.
- (p) Applicable to firm service on GTN's Carty Lateral Extension.

# Appendix C

## Gas Transmission Northwest LLC – GTN Tariffs

### *FERC Gas Tariff, Fourth Revised Volume No. 1-A*

#### Marked Tariff

<u>Section No.</u>	<u>Section Description</u>	<u>Version</u>
4.1	Statement of Rates – Rate Schedules FTS-1 and LFS-1	(v.15.0.0)
4.3	Statement of Rates – Footnotes to Statement of Effective Rates and Charges	(v.12.0.0)

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Rate Schedules FTS-1 and LFS-1

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	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.
BASE	0.000434	0.000000	0.034393	0.000000	0.000016	0.000016	0.0050%	0.0000%
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (f)	0.002759	0.000000	0.004641	0.000000	0.000026	0.000026	---	---
E-2 (h)⊕ (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h)⊕ (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---
COYOTE SPRINGS								
E-3 (i)	0.001282	0.000000	0.001283	0.000000	0.000000	0.000000	---	---
CARTY LATERAL								
E-4 (p)	---	---	0.166475	0.000000	0.000000	0.000000	---	---
OVERRUN CHARGE (j)								
	---	---	---	---	---	---	---	---
SURCHARGES								
ACA (k)	---	---	---	---	(k)	(k)	---	---

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 FOR TRANSPORTATION OF NATURAL GAS

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- (d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of GTN's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Section 6.38 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. Currently effective fuel charges may be found on GTN's Internet website under "Informational Postings."
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Months currently designated as "Peak Months" may be found on GTN's Internet website under "Informational Postings." By March 1 of each year, GTN will post the Peak Months for the upcoming twelve-month period beginning June 1 of the same year.

- (f) Applicable to firm service on GTN's Medford Extension.
- (g) Reserved for Future Use.
- (h) ~~Applies to Diamond Energy service, which commences 1998. Rate E-2 (Diamond 1) is a negotiated reservation charge of \$0.002972 per Dth per day for first 45,000 Dth/d and E-2 (Diamond 2) is a negotiated reservation charge of \$0.001166 per Dth per day for the second 45,000 Dth/d. Revenues will be applied to annual revenue requirement on the Medford Extension. During leap years, E-2 (Diamond 1) is a negotiated reservation charge of \$0.002964 per Dth per day for first 45,000 Dth/d and E-2 (Diamond 2) is a negotiated reservation charge of \$0.001163 per Dth per day for the second 45,000 Dth/d.~~
- (i) Applicable to firm service on GTN's Coyote Springs Extension.
- (j) The Overrun Charge shall be equal to the rates and charges set forth for interruptible service under Rate Schedule ITS-1.
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- (l) ~~Daily reservation charges will be reset for leap years.~~ Reserved for Future Use.
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