



December 23, 2024

Ms. Debbie-Anne Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Great Lakes Gas Transmission
Limited Partnership**
700 Louisiana Street, Suite 1300
Houston, TX 77002-2700

Sorana Linder
Director – Rates, Tariffs, & Modernization

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Re: Great Lakes Gas Transmission Limited Partnership
Filing in Compliance with November 29, 2024 Order
Docket No. RP25-166-000

Dear Ms. Reese:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,¹ and the Commission’s November 29, 2024 Order on Accepting Tariff Records and Directing to Show Cause in Docket No. RP25-166-00 (“Order”),² Great Lakes Gas Transmission Limited Partnership (“Great Lakes”) respectfully submits its compliance filing to revise the tariff section included as Appendix A³ to be part of its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”) as more fully described below. Great Lakes requests that the Commission accept the proposed Tariff section to become effective December 1, 2024, as provided by the Order.

Correspondence

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

¹ 18 C.F.R. Part 154 (2024).

² *Great Lakes Gas Transmission Limited Partnership*, 189 FERC ¶ 61,154 (2024).

³ Specifically, Part 6.2.1 – Gen. Terms & Conditions, Requests.

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* Persons designated for official service pursuant to Rule 2010.

Statement of Nature, Reasons and Basis for Filing

On November 1, 2024 Great Lakes filed revised Tariff records to modify its creditworthiness provisions, bid evaluation methodology, and capacity release provisions of its General Terms and Conditions (“GT&C”). On November 13, 2024, Northern States Power Companies – Minnesota and Wisconsin filed a Motion for Leave to Intervene and Limited Protest (“NSP Companies Protest”). Among other matters, the NSP Companies Protest requested that the Commission direct Great Lakes to post the results of open seasons to include the successful bid and information necessary to calculate net present value (“NPV”) on its electronic bulletin board. On November 29, 2024, the Commission accepted Great Lakes’ Tariff records to be effective December 1, 2024; however, the Commission directed Great Lakes to either (1) show cause as to why it should not post information regarding the results of open seasons for available capacity on its website; or (2) file revised tariff records requiring it to post such information.

In this instant filing, Great Lakes submits its revised tariff record to comply with the Commission’s Order to post the NPV analysis used to determine the successful bidder(s), if any, as well as the identity of the successful bidder(s), if any, on its internet website after the close of the open season. This revision would provide Shippers greater transparency and a check permitting them to confirm that capacity was awarded in a non-discriminatory fashion.

Effective Date

Great Lakes respectfully requests that the Commission accept the proposed Tariff section, included as Appendix A, to become effective December 1, 2024, as provided by the Commission’s Order.

Other Filings Which May Affect This Proceeding

There are no other filings before the Commission that may significantly affect the changes proposed herein.

Contents of Filing

In accordance with Section 154.7 of the Commission’s regulations, Great Lakes is submitting the following via its electronic tariff filing:

1. This transmittal letter;
2. Clean tariff sections (Appendix A); and
3. Marked tariff sections (Appendix B).

Certificate of Service

As required by Sections 154.7(b) and 154.208 of the Commission’s regulations, a copy of this filing is being served upon all of Great Lakes’s existing customers and interested state regulatory agencies. A copy of this letter, together with any attachments, is available during regular business hours for public inspection at Great Lakes’s principal place of business.

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

Respectfully submitted,

Great Lakes Gas Transmission, LLC



Sorana Linder
Director, Rates, Tariffs, & Modernization

Enclosures

Appendix A

Great Lakes Gas Transmission Limited Partnership FERC Gas Tariff, Third Revised Volume No. 1

Clean Tariff

<u>Tariff Section</u>	<u>Version</u>
6.2.1 - GT&C, Requests	4.0.1

6.2.1 Requests.

- (a) Any Shipper or prospective shipper desiring service on Transporter's system must fully complete the request for service available through Transporter's Internet Website.
- (b) In circumstances where Transporter already possesses the static information, e.g., address, contacts, etc., for a Shipper and where the variable information, e.g., MDQ, term, etc., is provided through other reliable sources, e.g., a bid for Transportation Service, Shipper shall not be required to provide all or a portion of the information included in such Request. It will, however, be the responsibility of Shipper to notify Transporter of any changes to the information already in Transporter's possession.
- (c) Transporter will begin processing Shipper's request for service, but Transporter does not guarantee that service will be available. Transporter will not provide service until Shipper has executed a service agreement. Shipper also shall be required to meet other provisions of Transporter's FERC Gas Tariff, Third Revised Volume No. 1, including the credit requirements set out in Section 6.26 of this Tariff. Standard form Service Agreements for each service offered by Transporter are set out in the Form of Service Agreement portion of this Tariff.

Shipper shall not be entitled to receive transportation service under this FERC Gas Tariff, Third Revised Volume No. 1 if Shipper is not current in its payments to Transporter for any charge, rate or fee authorized by the Commission for transportation service; provided, however, if the amount not current pertains to a bona fide dispute, including but not limited to force majeure claims relating to this FERC Gas Tariff, Shipper shall be entitled to receive or continue to receive transportation service if it complies with Section 6.9.4.

- (d) Transporter's acceptance of a Request is subject to Shipper satisfying Transporter's creditworthiness requirements of Section 6.26.
- (e) The applicable Commission filing fees relative to service under Rate Schedules FT, EFT, LFT, and IT shall be paid by the Shipper pursuant to Section 5.1.5 paragraph 1 of Rate Schedule FT, Section 5.2.5 paragraph 1 of Rate Schedule EFT, Section 5.3.5 paragraph 1 of Rate Schedule LFT, and Section 5.4.5 paragraph 1 of Rate Schedule IT in this FERC Gas Tariff, Third Revised Volume No. 1.
- (f) Transporter shall tender an Agreement identifying all subsequent information that is required before Transporter will execute the agreement, within thirty (30) Days after a Request is deemed valid; provided, however, that Transporter is not required to tender an Agreement for service pursuant to any Request seeking firm Transportation Service under Rate Schedule FT, expedited firm Transportation Service under Rate Schedule EFT, or limited firm Transportation Service under Rate Schedule LFT of

this FERC Gas Tariff, Third Revised Volume No. 1, if: (1) Transporter does not have sufficient capacity to render additional firm, expedited firm, or limited firm service, or (2) Transporter has capacity to render the requested firm, expedited firm, or limited firm service, but Shipper cannot commence service the first Day of the Month following the Shipper's execution of the Agreement, or on such later date as is mutually agreeable, or (3) the creditworthiness requirements as specified in Section 6.26 have not been satisfied. Shipper shall have thirty (30) Days from the date request is approved in which to execute the Agreement and to provide the required subsequent information or the Request shall be deemed null and void. Within thirty (30) Days of the receipt by Transporter of the executed Agreement, and all satisfactory subsequent information from the Shipper, the Transporter will execute the Agreement.

- (g) Transporter may conduct an open season for available capacity that is not otherwise subject to a pending request for transportation services. If Transporter conducts such an open season it will post a notice of the open season on Transporter's Internet Website to afford all potential shippers an opportunity to acquire the capacity. Any award of capacity through an open season is subject to the requirements for service to commence as set forth in this FERC Gas Tariff, Third Revised Volume No. 1, including Transporter's creditworthiness requirements. Any potential shipper wishing to purchase the capacity in an open season may participate in the open season. Transporter will use nondiscriminatory and objective posting, bidding, and evaluation criteria, which evaluation criteria will be specified in the notice of open season, along with the details of what constitutes a valid bid request. The NPV analysis used to determine the successful bidder(s), if any, as well as the identity of the successful bidder(s), if any, will be posted on Transporter's Internet Website within twenty-four (24) hours of the close of the open season. Once an open season commences, all requests for service for the capacity available through the open season will be treated under this open season process.
- (h) If Transporter is willing to consider offers for available or unsubscribed capacity containing Reduction Options, Transporter shall so state in its notice of such capacity. Such notice may include specific criteria of the acceptable terms for any Reduction Option. Transporter, in its determination of the value of a request for service containing a Reduction Option, will only consider the minimum incremental revenue guaranteed under the Service Agreement (i.e. the least possible revenue resulting from the transaction) if the option is or is not exercised, including any exit payment that the Shipper proposes to pay at the exercise of its option.
- (i) If specified in an open season posting, Transporter will take into account bidder's probability of default when evaluating bids for long-term firm capacity with terms of three (3) years or more. Within such open season, bidder's (or bidder's guarantor) unenhanced senior unsecured debt rating will be determined by Transporter in accordance with Section 6.26. If bidder's (or bidder's guarantor) unenhanced senior

unsecured debt rating is determined by Transporter to have met the minimum investment grade rating standard set forth below, its NPV shall not be subject to a probability of default adjustment. If bidder's (or bidder's guarantor) debt rating is determined by Transporter to have not met such minimum investment grade rating standard, Transporter shall make an adjustment to reduce bidder's (or bidder's guarantor) NPV to take into account bidder's (or bidder's guarantor) probability of default ("PD"), as defined below.

Transporter will use data from S&P Global Market Intelligence LLC's most recent "Global Corporate Average Cumulative Default Rates By Rating Modifier" table, published on their website, as extrapolated to reflect the maximum bid term to be used for evaluation purposes, to quantify bidder's PD.

The specific bid evaluation methodology to be used will be included as part of Transporter's open season posting with sufficient specificity to allow a prospective shipper to calculate the value of its bid and duplicate Transporter's results. The following formula, which may be used in an open season, illustrates the application of PD in bid valuation:

$$NPV = \sum [R * (1 / (1+i)^n)] * (1-PD)$$

Where:

\sum = Summation of months 1 through n

n = term in months

R = Incremental monthly revenue of all services and paths in bid

i = Monthly Discount Factor (current FERC annual interest rate divided by 12)

PD = For an investment grade bidder (or bidder's investment grade guarantor, if applicable) PD shall be equal to zero. For non-investment grade bidders (or bidder's non-investment grade guarantor), PD shall be equal to bidder's probability of default (%) for the applicable bid term minus the probability of default (%) associated with a BBB- rating and the same bid term.

A non-investment grade bidder may elect to increase the NPV of its bid by posting collateral (Voluntary Collateral), whereby the amount of Voluntary Collateral provided to Transporter will increase the bidder's NPV dollar for dollar. For bid evaluation purposes, a non-investment grade bidder's Voluntary Collateral shall be limited to an amount no greater than such bidder's PD times the revenue component of the NPV formula excluding PD [$PD * (\sum [R * (1 / (1+i)^n])$]. Should a bidder desire to enhance its bid through Voluntary Collateral, such collateral must be received by

Transporter no later than the close of the open season. Voluntary Collateral shall be in addition to that as required pursuant to Section 6.26.

If bidder wishes to use a guarantor, such guarantor's rating may be substituted for NPV purposes if bidder indicates such on its bid form; provided, however, such guarantee financial assurance is acceptable to Transporter and provided to Transporter prior to the close of the open season. If bidder (or bidder's guarantor, if applicable) does not have an unenhanced senior unsecured debt rating, Transporter will assign an equivalent rating. If bidder's guarantor is not creditworthy pursuant to Section 6.26, Transporter may request a financial assurance as outlined in Section 6.26.2.

Irrespective of whether a bid(s) has the highest NPV of the bids received, Transporter may reject bids for service that (i) may detrimentally impact the operational integrity of Transporter's system; (ii) do not satisfy all the terms of the specified open season posting; or (iii) contain terms and conditions other than those set forth in Transporter's FERC Gas Tariff.

In the event bidder posts Voluntary Collateral and/or a guarantee as described above, and bidder's bid is rejected, Transporter shall return the Voluntary Collateral and/or guarantee. In the event Voluntary Collateral and/or guarantee is/are posted and bidder's awarded capacity is pro-rated, the Voluntary Collateral and guarantee shall be pro-rated accordingly and the excess returned to bidder. Furthermore, any Voluntary Collateral and guarantee held will be returned over time in proportion to the initial term of the firm service agreement.

Appendix B

Great Lakes Gas Transmission Limited Partnership FERC Gas Tariff, Third Revised Volume No. 1

Marked Tariff

<u>Tariff Section</u>	<u>Version</u>
6.2.1 - GT&C, Requests	4.0.1

6.2.1 Requests.

- (a) Any Shipper or prospective shipper desiring service on Transporter's system must fully complete the request for service available through Transporter's Internet Website.
- (b) In circumstances where Transporter already possesses the static information, e.g., address, contacts, etc., for a Shipper and where the variable information, e.g., MDQ, term, etc., is provided through other reliable sources, e.g., a bid for Transportation Service, Shipper shall not be required to provide all or a portion of the information included in such Request. It will, however, be the responsibility of Shipper to notify Transporter of any changes to the information already in Transporter's possession.
- (c) Transporter will begin processing Shipper's request for service, but Transporter does not guarantee that service will be available. Transporter will not provide service until Shipper has executed a service agreement. Shipper also shall be required to meet other provisions of Transporter's FERC Gas Tariff, Third Revised Volume No. 1, including the credit requirements set out in Section 6.26 of this Tariff. Standard form Service Agreements for each service offered by Transporter are set out in the Form of Service Agreement portion of this Tariff.

Shipper shall not be entitled to receive transportation service under this FERC Gas Tariff, Third Revised Volume No. 1 if Shipper is not current in its payments to Transporter for any charge, rate or fee authorized by the Commission for transportation service; provided, however, if the amount not current pertains to a bona fide dispute, including but not limited to force majeure claims relating to this FERC Gas Tariff, Shipper shall be entitled to receive or continue to receive transportation service if it complies with Section 6.9.4.

- (d) Transporter's acceptance of a Request is subject to Shipper satisfying Transporter's creditworthiness requirements of Section 6.26.
- (e) The applicable Commission filing fees relative to service under Rate Schedules FT, EFT, LFT, and IT shall be paid by the Shipper pursuant to Section 5.1.5 paragraph 1 of Rate Schedule FT, Section 5.2.5 paragraph 1 of Rate Schedule EFT, Section 5.3.5 paragraph 1 of Rate Schedule LFT, and Section 5.4.5 paragraph 1 of Rate Schedule IT in this FERC Gas Tariff, Third Revised Volume No. 1.
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