



August 1, 2016

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

Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 700
Houston, TX 77002-2700

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

tel 832.320.5675
fax 832.320.6675
email John_Roscher@TransCanada.com
web www.transcanada.com/tuscarora

Re: Tuscarora Gas Transmission Company
Compliance Filing
Docket No. RP16-____-____

Dear Ms. Bose:

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 Tuscarora Gas Transmission Company (“Tuscarora”) hereby submits for filing certain tariff sections² to be part of its FERC Gas Tariff, Second Revised Volume No. 1 (“Tariff”). These revised tariff sections are being submitted to implement, in part, the Stipulation and Agreement of Settlement in Docket No. RP16-299-000 (“Settlement”), filed with the Commission on July 15, 2016.³ Tuscarora requests that the Commission accept the proposed tariff sections to become effective August 1, 2016.

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 (2016).

² Specifically, Section 4.1 – Statement of Rates, FT and LFS Rates (“Section 4.1”); and Section 4.3 – Statement of Rates, IT Rates (“Section 4.3”).

³ The Settlement is awaiting Commission approval.

* Eva N. Neufeld
Associate General Counsel
Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 2400
Houston, Texas 77002-2700
Tel. (832)320-5623
Fax (832)320-6623
eva_neufeld@transcanada.com

John A. Roscher
Director, Rates, Tariffs, and Certificates
* Joan F. Collins
Manager, Tariffs and Compliance
Tuscarora Gas Transmission Company
700 Louisiana Street, Suite 700
Houston, Texas 77002-2700
Tel. (832) 320-5651
Fax (832) 320-6651
joan_collins@transcanada.com

* Persons designated for official service pursuant to Rule 2010.

Statement of Nature, Reasons and Basis for Filing

On January 21, 2016, in Docket No. RP16-299-000, the Commission issued an order instituting an investigation of Tuscarora's rates pursuant to Section 5 of the Natural Gas Act ("Commission Order").⁴ On July 15, 2016, Tuscarora filed its Settlement which resolves all issues set for hearing in the Commission Order and which reflects changes to Tuscarora's transportation rates, to be effectuated in two phases. As provided in Article VI, the Phase I Settlement Rates shall become effective on the Effective Date⁵ of the Settlement and remain in effect for three (3) years. The Phase II Settlement Rates shall become effective three (3) years from the Effective Date of the Settlement and shall remain in effect for three (3) years from such date. *Pro forma* tariff sections setting forth the Phase I and II Settlement Rates were included in Appendices B-1 and B-2, respectively, of the Settlement.

Article VIII of the Settlement further provides that within seven (7) days following the Effective Date of the Settlement, Tuscarora shall submit an NGA Section 4 filing containing live tariff sections, in lieu of the pro forma tariff sections contained in Appendix B-1 of the Settlement, to implement the Phase I Settlement Rates. Pursuant to Article IV.A.1 of the Settlement, the Settlement Effective Date shall occur on August 1, 2016, the first day of the month following the period for initial and reply comments to the Settlement.⁶

⁴ *Tuscarora Gas Transmission Company*, 154 FERC ¶ 61,030 (2016).

⁵ The Effective Date of the Settlement, as stated in Article IV of the Settlement, shall be the earlier of: (1) the first day of the month following the period for initial and reply comments associated with the filing of an uncontested settlement with the Commission, provided that no comments opposing or materially challenging the Settlement are filed with the Commission; (2) the first day of the month following a Commission order approving the Settlement without modification(s) or condition(s); or (3) the first day of the month following a Commission order approving the Settlement with modification(s) or condition(s), subject to the rights of the parties enumerated in this Article ("Effective Date").

⁶ In order to facilitate an August 1, 2016, Effective Date, Tuscarora's Settlement filing further requested that the comment period for participants in the proceeding be shortened to seven (7) days and that reply comments be due within seven (7) days thereafter. On July 18, 2016, the Commission issued its order granting Tuscarora's request. Thus, initial comments were due on or before July 22, 2016, and reply comments were due on before July 29, 2016. To date, no comments opposing or materially challenging the Settlement have been filed.

Therefore, in the instant filing, Tuscarora is submitting Sections 4.1 and 4.3 to effectuate Phase I Settlement Rates on August 1, 2016, consistent with the provisions of the Settlement. The rates submitted herein are identical to those reflected in *pro forma* Sections 4.1 and 4.3 contained in Appendix B-1 of the Settlement.

To the extent that the Settlement is subsequently rejected by the Commission or Tuscarora withdraws the Settlement,⁷ Tuscarora shall have the right, pursuant to Article VIII.2 of the Settlement, to charge each Settling Party,⁸ to the extent such party has paid the Phase I Settlement Rates, the difference between the rates that were in effect immediately prior to August 1, 2016, and the Phase I Settlement Rates collected from each Settling Party commencing on August 1, 2016, until the date that the Settlement is rejected by the Commission or withdrawn by Tuscarora, plus interest at the applicable FERC interest rate (“Rate Reduction Make-Up Charge”). Tuscarora shall apply any billing adjustment to the Settling Party’s next applicable monthly bill, following Commission acceptance of the appropriate tariff filing necessary to implement the Rate Reduction Make-Up Charge.

Proposed Effective Date and Waiver

Tuscarora respectfully requests that the Commission accept Sections 4.1 and 4.3, included as Appendix A, to be effective August 1, 2016, consistent with Article IV.A.1 (1) of the Settlement. Tuscarora further respectfully requests that the Commission grant all waivers of its regulations, including waiver of the thirty-day notice requirement, pursuant to 18 C.F.R. § 154.207, necessary to accept this filing and approve the tariff sections included as Appendix A to become effective August 1, 2016.

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, Tuscarora is submitting the following via its electronic tariff filing:

1. This transmittal letter;
2. A clean version of the tariff sections (Appendix A);
3. A marked version of the tariff sections (Appendix B).

⁷ Settlement rejection and withdrawal rights are described in Article IV- Settlement Effectiveness.

⁸ Settling Party is defined in Article III.A of the Settlement as (a) any party identified in Appendix A of the Settlement; or (b) any party or shipper not identified in Appendix A of the Settlement that (i) expressly supports or does not oppose the Settlement in initial or reply comments, and (ii) is not a Contesting Party as defined in Article III.B of the Settlement.

Certificate of Service

As required by Sections 154.7 and 154.208 of the Commission's regulations, copies of this filing are being served upon all parties in this proceeding, all of Tuscarora's existing customers and interested state regulatory agencies. A copy of this letter, together with the other attachments, is available during regular business hours for public inspection at Tuscarora'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,

TUSCARORA GAS TRANSMISSION COMPANY

A handwritten signature in black ink that reads "John A. Roscher". The signature is written in a cursive style with a long horizontal flourish extending to the right. Below the signature is a solid horizontal line.

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

Enclosures

Appendix A

Tuscarora Gas Transmission Company- FERC Gas Tariff, Second Revised Volume No. 1

Clean Tariff

Tariff Section

Version

4.1 – Statement of Rates, FT and LFS Rates

v.7.0.0

4.3 – Statement of Rates, IT Rates

v.8.0.0

RATE SCHEDULES FT and LFS
CURRENTLY EFFECTIVE RATES 1/

Reservation Charge	(Maximum)	\$ 8.3615
	(Minimum)	\$ 0.0000
Delivery Charge	(Maximum)	\$ 0.0031
	(Minimum)	\$ 0.0031
Authorized Overrun Charge	(Maximum)	\$ 0.2780
	(Minimum)	\$ 0.0031
Annual Charge Adjustment		2/
Measurement Variance Gas Factor	(Maximum)	2.0%
	(Minimum)	(2.0%)
Volumetric Reservation Charge for Capacity Release		\$ 0.2780 3/

- 1/ For scheduling, imbalance and unauthorized overrun charges see General Terms and Conditions, Section 6.6. Maximum and minimum rates are applicable to backhaul service.
- 2/ The Annual Charge Adjustment (ACA) is in addition to the above Delivery Charge and the Authorized Overrun Charge. The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.
- 3/ The Maximum Rate does not apply to capacity release transactions of one (1) year or less.

IT RATE SCHEDULE
CURRENTLY EFFECTIVE RATES 1/

Delivery Charge (Maximum)	\$ 0.2780
(Minimum)	\$ 0.0031
Annual Charge Adjustment	2/
Measurement Variance Gas Factor (Maximum)	2.0%
(Minimum)	(2.0%)

- 1/ For scheduling and imbalance charges see General Terms and Conditions, Section 6.6. Maximum and minimum rates are applicable to backhaul service.
- 2/ The Annual Charge Adjustment (ACA) is in addition to the above Delivery Charge. The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.

Appendix B

Tuscarora Gas Transmission Company- FERC Gas Tariff, Second Revised Volume No. 1

Marked Tariff

<u>Tariff Section</u>	<u>Version</u>
4.1 – Statement of Rates, FT and LFS Rates	v.7.0.0
4.3 – Statement of Rates, IT Rates	v.8.0.0

RATE SCHEDULES FT and LFS
 CURRENTLY EFFECTIVE RATES 1/

	Reservation Charge	(Maximum)	\$ 10.0375 <u>8.3615</u>
		(Minimum)	\$ 0.0000
	Delivery Charge	(Maximum)	\$ 0.00 0031
		(Minimum)	\$ 0.00 0031
	Authorized Overrun Charge	(Maximum)	\$ 0. 3300 <u>2780</u>
		(Minimum)	\$ 0.00 0031
	Annual Charge Adjustment		2/
	Measurement Variance Gas Factor	(Maximum)	2.0%
		(Minimum)	(2.0%)
	Volumetric Reservation Charge for Capacity Release		\$ 0. 3300 <u>2780</u> 3/

- 1/ For scheduling, imbalance and unauthorized overrun charges see General Terms and Conditions, Section 6.6. Maximum and minimum rates are applicable to backhaul service.
- 2/ The Annual Charge Adjustment (ACA) is in addition to the above Delivery Charge and the Authorized Overrun Charge. The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.
- 3/ The Maximum Rate does not apply to capacity release transactions of one (1) year or less.

IT RATE SCHEDULE
CURRENTLY EFFECTIVE RATES 1/

Delivery Charge (Maximum)	\$ 0. 3300 <u>2780</u>
(Minimum)	\$ 0.00 00 <u>31</u>
Annual Charge Adjustment	2/
Measurement Variance Gas Factor (Maximum)	2.0%
(Minimum)	(2.0%)

- 1/ For scheduling and imbalance charges see General Terms and Conditions, Section 6.6. Maximum and minimum rates are applicable to backhaul service.
- 2/ The Annual Charge Adjustment (ACA) is in addition to the above Delivery Charge. The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.