



March 15, 2019

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 & Regulatory

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RE: Tuscarora Gas Transmission Company
Motion to Place Interim and Replacement Tariff Sections Into Effect
Docket No. RP19-419-_____

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Federal Energy Regulatory Commission (“FERC” or “Commission”) regulations,¹ Rule 212 of the Commission’s Rules of Practice and Procedure,² and the Stipulation and Agreement of Settlement between Tuscarora and the Settling Parties, as such term is defined therein, that is to be filed concurrently with this motion (“Settlement”), Tuscarora Gas Transmission Company (“Tuscarora”) hereby submits as part of its FERC Gas Tariff, Second Revised Volume No. 1 (“Tariff”) this Type 580³ motion to place interim tariff sections and rates, included herein as Appendix A, into effect on February 1, 2019, pursuant to Commission regulation 375.307(a)(7)(v).

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 (2019).

² 18 C.F.R. § 385.212 (2019) (“Rule 212”).

³ Type of Filing Code 580 – Compliance Filing, pursuant to the Commission’s Order No. 714. *Electronic Tariff Filings*, 124 FERC ¶ 61,270 (2008).

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Statement of Nature, Reasons and Basis for Proposed Changes

On July 18, 2018, the Commission issued Order No. 849⁴ and its Order on Rehearing of its previously-issued Revised Policy Statement on income tax allowances.⁵ To discuss the matter, Tuscarora held an in-person informational meeting with customers on November 28, 2018. On December 6, 2018, Tuscarora submitted its Form No. 501-G one-time informational report in unadjusted and adjusted forms, and contemporaneously filed a limited NGA section 4 rate reduction filing.⁶

The Limited Section 4 Filing provided for a reduction in the currently effective Phase I Rate Schedule FT and Rate Schedule LFS Reservation Charge and Volumetric Reservation Charge for Capacity Release rates, as well as the Phase I Rate Schedule IT Maximum Delivery

⁴ *Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate*, Order No. 849, 83 Fed. Reg. 36,672 (Jul. 30, 2018) (“Final Rule”).

⁵ *Inquiry Regarding the Commission’s Policy for Recovery of Income Tax Costs*, Revised Policy Statement on Treatment of Income Taxes, 162 FERC ¶ 61,227 (2018), *order on reh’g*, 164 FERC ¶ 61,030 (2018) (“Revised Policy Statement”).

⁶ *Tuscarora Gas Transmission Company*, Docket No. RP19-416-000, Form No. 501-G Filing, and Docket No. RP19-419-000, Limited Section 4 Income Tax Rate Reduction Filing (filed Dec. 6, 2018) (“Limited Section 4 Filing”).

Charge rate, by 1.7 percent, effective on February 1, 2019 (“Limited Section 4 Filing Rates”). Thereafter, on January 16, 2019, Tuscarora and its customers held settlement discussions to discuss providing additional rate relief for customers and addressing the limited set of issues prompted by the 501-G process. At that time, Tuscarora and its customers agreed to the material terms of the Settlement.

On January 31, 2019, the Commission issued an order accepting the Limited Section 4 Filing Rates, effective February 1, 2019.⁷ In accordance with the Settlement, which is to be filed concurrently with this motion, Tuscarora is hereby proposing to modify the Limited Section 4 Filing Rates to reduce the commodity component of such rates and apply the reduction to the rates under Rate Schedule PL (“Modified Limited Section 4 Filing Rates”). These Modified Limited Section 4 Filing Rates are reflected in the tariff sections listed in Appendix A, to be effective February 1, 2019.

The Settlement provides that, in the event that the Settlement is rejected by the Commission or Tuscarora withdraws the Settlement under the circumstances permitted therein, then, to the extent a Settling Party has paid the Modified Limited Section 4 Filing Rates, Tuscarora shall have the right to charge each Settling Party the difference between the Limited Section 4 Filing Rates and the Modified Limited Section 4 Filing Rates collected from each Settling Party under each contract for the period commencing on the date that the Modified Limited Section 4 Filing Rates took effect until the date that the Settlement is rejected by the Commission or withdrawn by Tuscarora, plus interest at the applicable Commission interest rate.

Motion to Place Tariff Records into Effect

Pursuant to Rule 212 of the Commission’s Rules of Practice and Procedure, Tuscarora hereby moves that the tariff sections, included herein as Appendix A, be placed into effect February 1, 2019. Tuscarora requests the Commission grant any waivers necessary, including Section 154.207, to allow for such effective date.

⁷ *Tuscarora Gas Transmission Company*, 166 FERC ¶ 61,082 (2019) (“January 31 Order”).

Other Filings Which May Affect this Proceeding

There are no other filings before the Commission that may significantly affect the changes proposed herein. However, as noted above, Tuscarora intends to file the Settlement for Commission approval concurrently with this motion.

Material Enclosed

In accordance with Section 154.7(a)(1) of the Commission's Regulations, Tuscarora is submitting the following XML filing package, which includes:

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

Certificate of Service

As required by Section 154.7(b) and 154.208 of the Commission's regulations, copies of this filing are being served on all of Tuscarora's existing customers and upon interested state regulatory agencies. A copy of this letter, together with any 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(c)(5), 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. The undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to John Roscher at (832) 320-5675

Respectfully submitted,

Tuscarora Gas Transmission Company

/s/ Richard Bralow

Richard Bralow

Legal Counsel

Enclosures

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2019), I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Houston, Texas this 15th day of March, 2019.

/s/ Richard Bralow _____

Appendix A

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

Clean Tariff

<u>Tariff Section</u>	<u>Version</u>
4.1 – Statement of Rates, FT and LFS Rates	v. 8.1.0
4.3 – Statement of Rates, IT Rates	v. 9.1.0
4.5 – Statement of Rates, PL Rates	v. 2.0.0

RATE SCHEDULES FT and LFS
CURRENTLY EFFECTIVE RATES 1/

Reservation Charge	(Maximum)	\$ 8.2194
	(Minimum)	\$ 0.0000
Delivery Charge	(Maximum)	\$ 0.0030
	(Minimum)	\$ 0.0030
Authorized Overrun Charge	(Maximum)	\$ 0.2733
	(Minimum)	\$ 0.0030
Annual Charge Adjustment		2/
Measurement Variance Gas Factor	(Maximum)	2.0%
	(Minimum)	(2.0%)
Volumetric Reservation Charge for Capacity Release		\$ 0.2733 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)	\$ 0.2733
(Minimum)	\$ 0.0030
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.

PL RATE SCHEDULE
CURRENTLY EFFECTIVE RATES

Delivery Charge: (Maximum)	\$ 0.0473
(Minimum)	\$ 0.0000

Appendix B

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

Marked Tariff

Tariff Section

Version

4.1 – Statement of Rates, FT and LFS Rates

v. 8.1.0

4.3 – Statement of Rates, IT Rates

v. 9.1.0

4.5 – Statement of Rates, PL Rates

v. 2.0.0

RATE SCHEDULES FT and LFS
CURRENTLY EFFECTIVE RATES 1/

Reservation Charge	(Maximum)	\$ 8.2194
	(Minimum)	\$ 0.0000
Delivery Charge	(Maximum)	\$ 0.0031 0030
	(Minimum)	\$ 0.0031 0030
Authorized Overrun Charge	(Maximum)	\$ 0.2733
	(Minimum)	\$ 0.0031 0030
Annual Charge Adjustment		2/
Measurement Variance Gas Factor	(Maximum)	2.0%
	(Minimum)	(2.0%)
Volumetric Reservation Charge for Capacity Release		\$ 0.2733 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)	\$ 0.2733
(Minimum)	\$ 0. 003 <u>0030</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.

PL RATE SCHEDULE
CURRENTLY EFFECTIVE RATES

	Delivery Charge: (Maximum)	\$ 0.0481 <u>0.0473</u>
	(Minimum)	\$ 0.0000