



April 1, 2016

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

Gas Transmission Northwest LLC
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Houston, TX 77002-2700

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Re: Gas Transmission Northwest LLC
Negotiated Rate Agreement 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 Gas Transmission Northwest LLC (“GTN”) hereby submits for filing and acceptance certain revised tariff sections² to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1-A (“Tariff”). The revised Tariff sections are being submitted to report a new negotiated rate transaction that GTN has entered into with Powerex Corp. (“Powerex”). GTN requests that the Commission accept the proposed tariff sections to be effective April 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, Part 4.6 – Statement of Rates, Negotiated Rate Agreements – FTS-1 and LFS-1 (“Section 4.6”); and Part 4.7 - Statement of Rates, Footnotes for Negotiated Rates – FTS-1 and LFS-1 (“Section 4.7”).

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* Persons designated for official service pursuant to Rule 2010.

Statement of Nature, Reasons and Basis for Filing

This filing is being submitted to update GTN's reporting of negotiated rate transactions initiated in accordance with the Commission's October 28, 1999, Order in Docket No. RP99-518-000.³ Within GTN's Tariff, Section 4.6 lists each negotiated rate agreement under Rate Schedule FTS-1 ("FTS-1"), identifying (1) the name of the shipper; (2) the term of the contract; (3) the contract quantity; (4) the receipt and delivery points; and (5) the footnote where a descriptor of the negotiated rate can be found. Section 4.7 lists the explanatory footnotes that provide further detail for each agreement listed in Section 4.6.

By this filing, GTN is proposing to modify Sections 4.6 and 4.7 to reflect the addition of a new negotiated rate service agreement with Powerex under Rate Schedule FTS-1 ("FTS-1"). Service under the Powerex agreement commences on April 1, 2016. Further, as a housekeeping measure, GTN is proposing to modify Sections 4.6 and 4.7 to remove references to two expired negotiated rate service agreements as well as associated explanatory footnotes 4 and 10.

The negotiated rate service agreement between GTN and Powerex does not contain any provision that deviates in any material respect from GTN's FTS-1 Form of Service Agreement in its Tariff.

Effective Date

GTN requests that the Commission accept the tariff sections attached as Appendix A to be effective April 1, 2016, and respectfully requests waiver of Section 154.207 of the Commission's regulations⁴ along with any other waivers necessary to allow for this effective date.

³ *PG&E Gas Transmission, Northwest Corporation*, 89 FERC ¶ 61,114 (1999).

⁴ See *Statement of Policy on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines*, 74 FERC ¶ 61,076 at 61,241-242 (1996) (indicating that the Commission will "readily grant requests to waive the 30-day notice requirement").

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

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

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 parties in this proceeding, all of GTN’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 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,

GAS TRANSMISSION NORTHWEST LLC



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

Enclosures

Appendix A

Gas Transmission Northwest LLC - FERC Gas Tariff, Fourth Revised Volume No. 1-A

Clean Tariff

<u>Tariff Section</u>	<u>Version</u>
4.6 – Statement of Rates, Negotiated Agreements – FTS-1 and LFS-1	v.4.0.0
4.7 – Statement of Rates, Footnotes for Negotiated Rates – FTS-1 and LFS-1	v.6.0.0

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

<u>SHIPPER</u>	<u>TERM OF CONTRACT</u>	<u>RATE SCHEDULE</u>	<u>DTH/D</u>	<u>PRIMARY RECEIPT POINT</u>	<u>PRIMARY DELIVERY POINT</u>	<u>RATE /2 /3</u>
Avista Corporation /1	11/1/01 - 10/31/25	FTS-1	20,000	Medford	Medford Ext. Meter	/7
Powerex Corp./1	04/01/16 - 10/31/16	FTS-1	20,000	Kingsgate	Malin	/5

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

Negotiated Rate Agreements Under Rate Schedules FTS-1 and LFS-1

Explanatory Footnotes for Negotiated Rates
under Rate Schedules FTS-1 and LFS-1

- /1 This contract does not deviate in any material aspect from the Form of Service Agreement in this Tariff.
- /2 Unless otherwise noted, all Shippers pay GTN's maximum Reservation Charge, Delivery Charge, ACA, and contribute fuel in-kind in accordance with this Tariff.
- /3 Index Price References: Unless otherwise noted, references to "Daily Index Price" shall mean the price survey midpoint for the specified point as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the next available Gas Daily publication. Unless otherwise noted, the references to the "NGI FOM" for a specified point shall mean Natural Gas Intelligence's First of Month Bid Week Survey (Supplement to NGI's Weekly Gas Index) Spot Gas Price for the specified point.
- /4 Reserved
- /5 GTN and Shipper have agreed to a Fixed Reservation Rate Charge of \$0.26300 inclusive of the mileage and non-mileage components, which shall be applicable to the Primary Receipt and Delivery Points as well as secondary points, as follows:
- Secondary Receipt Points: All points on GTN's system
Secondary Delivery Points: All points on GTN's system
- In addition, Shipper shall pay all applicable charges and surcharges in accordance with GTN's FERC Gas Tariff.
- /6 Reserved
- /7 The Reservation charge shall be equal to the rate set forth in GTN's FERC Gas Tariff identified as FTS-1 E-2 (WWP), or its successor, multiplied by the appropriate Effective Period Percentage as shown in the following table.

Effective Period	Percentage
11/1/01-10/31/02	75%
11/1/02-10/31/03	80%
11/1/03-10/31/04	85%
11/1/04-10/31/05	90%

11/1/05-10/31/06	95%
11/1/06-10/31/25	100%

The Daily Delivery Charge shall be equal to the 100% load factor equivalent of the FTS-1 E-2 rate, or its successor, and shall be multiplied by the positive difference between (a) volumes delivered and (b) the contract MDQ times the appropriate Effective Period Percentage.

Daily Delivery Charge = [Dth Delivered - (MDQ * Effective Period %)] * 100% Load Factor Equivalent FTS-1 E-2

/8 Reserved

/9 Reserved

/10 Reserved

/11 Reserved

/12 Reserved

/13 Reserved

/14 Reserved

/15 Reserved

/16 Reserved

/17 Reserved

/18 Reserved

Appendix B

Gas Transmission Northwest LLC - FERC Gas Tariff, Fourth Revised Volume No. 1-A

Marked Tariff

<u>Tariff Section</u>	<u>Version</u>
4.6 – Statement of Rates, Negotiated Agreements – FTS-1 and LFS-1	v.4.0.0
4.7 – Statement of Rates, Footnotes for Negotiated Rates – FTS-1 and LFS-1	v.6.0.0

STATEMENT OF EFFECTIVE RATES AND CHARGES
 FOR TRANSPORTATION OF NATURAL GAS

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

<u>SHIPPER</u>	<u>TERM OF CONTRACT</u>	<u>RATE SCHEDULE</u>	<u>DTH/D</u>	<u>PRIMARY RECEIPT POINT</u>	<u>PRIMARY DELIVERY POINT</u>	<u>RATE /2 /3</u>
Avista Corporation /1	11/1/01 - 10/31/25	FTS-1	20,000	Medford	Medford Ext. Meter	/7
Coral Energy Resources, LP /1	04/1/03 - /10	FTS-1	20,000	Malin	Kingsgate	/10
Pacific Gas and Electric Co. /1	01/01/12 - 05/31/14	FTS-1	50,000	Kingsgate	Malin	/4
Powerex Corp. /1	04/01/16 - 10/31/16	FTS-1	20,000	Kingsgate	Malin	/5

STATEMENT OF EFFECTIVE RATES AND CHARGES
FOR TRANSPORTATION OF NATURAL GAS

Negotiated Rate Agreements Under Rate Schedules FTS-1 and LFS-1

Explanatory Footnotes for Negotiated Rates
under Rate Schedules FTS-1 and LFS-1

- /1 This contract does not deviate in any material aspect from the Form of Service Agreement in this Tariff.
- /2 Unless otherwise noted, all Shippers pay GTN's maximum Reservation Charge, Delivery Charge, ACA, and contribute fuel in-kind in accordance with this Tariff.
- /3 Index Price References: Unless otherwise noted, references to "Daily Index Price" shall mean the price survey midpoint for the specified point as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the next available Gas Daily publication. Unless otherwise noted, the references to the "NGI FOM" for a specified point shall mean Natural Gas Intelligence's First of Month Bid Week Survey (Supplement to NGI's Weekly Gas Index) Spot Gas Price for the specified point.
- ~~/4 ReservedThe Maximum LTF Settlement Rate, as filed on October 31, 2007, in the Stipulation and Agreement of Settlement in Docket No. RP06-407-000 ("Settlement"), and approved by the Federal Energy Regulatory Commission on January 7, 2008, applies to the remaining initial term of contract F 10526 beyond the "Moratorium," as that term is defined in Article V.A.1 of the Settlement.~~
- ~~/5 ReservedGTN and Shipper have agreed to a Fixed Reservation Rate Charge of \$0.26300 inclusive of the mileage and non-mileage components, which shall be applicable to the Primary Receipt and Delivery Points as well as secondary points, as follows:~~
- ~~Secondary Receipt Points: All points on GTN's system~~
~~Secondary Delivery Points: All points on GTN's system~~
- ~~In addition, Shipper shall pay all applicable charges and surcharges in accordance with GTN's FERC Gas Tariff.~~
- /6 Reserved
- /7 The Reservation charge shall be equal to the rate set forth in GTN's FERC Gas Tariff identified as FTS-1 E-2 (WWP), or its successor, multiplied by the appropriate Effective Period Percentage as shown in the following table.

Effective Period	Percentage
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11/1/01-10/31/02	75%
11/1/02-10/31/03	80%
11/1/03-10/31/04	85%
11/1/04-10/31/05	90%
11/1/05-10/31/06	95%
11/1/06-10/31/25	100%

The Daily Delivery Charge shall be equal to the 100% load factor equivalent of the FTS-1 E-2 rate, or its successor, and shall be multiplied by the positive difference between (a) volumes delivered and (b) the contract MDQ times the appropriate Effective Period Percentage.

Daily Delivery Charge = [Dth Delivered - (MDQ * Effective Period %)] * 100% Load Factor Equivalent FTS-1 E-2

/8 Reserved

/9 Reserved

/10 Reserved

~~The Reservation Rate shall be \$0.02/Dth applied to the MDQ of the Agreement. In addition to the Reservation Rate, Coral shall pay commodity charges based on the actual gas transported. The Commodity Rate shall be redetermined daily and will equal (the Gas Daily Midpoint Price for PG&E, Malin minus the Gas Daily Midpoint Price for Stanfield, Ore. minus an Allowance for GTN Fuel minus \$0.004356/Dth minus \$0.02/Dth minus the applicable ACA surcharge per Dth) multiplied by 50%.~~

~~The Allowance for GTN Fuel shall be determined daily by the following expression:~~

~~The Gas Daily Midpoint Price for Stanfield, Ore. multiplied by the applicable fuel and line loss percentage for the actual path utilized to transport gas.~~

~~In the event that the index for Stanfield, Ore. and/or PG&E, Malin are not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index.~~

~~In the event that the index price for Stanfield, Ore. and/or PG&E, Malin are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and Coral will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement No. 08612 will terminate on the seventh day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.~~

~~This Agreement shall become effective April 1, 2003, and shall continue in full force and effect through April 30, 2003 and month to month thereafter, with either party having the right to terminate the Agreement, upon no less than 7 days notice to the other, given prior to the first day of any subsequent month.~~

/11 Reserved

/12 Reserved

/13 Reserved

/14 Reserved

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/18 Reserved