

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Gas Transmission Northwest LLC

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Docket No. RP18-____-000

**PETITION OF GAS TRANSMISSION NORTHWEST LLC
FOR WAIVER, OR IN THE ALTERNATIVE POSTPONEMENT,
OF THE REQUIREMENT TO FILE FORM NO. 501-G
AND REQUEST FOR EXPEDITED ACTION**

Pursuant to Rule 207(a)(5) of the Federal Energy Regulatory Commission's ("FERC" or "Commission") Rules of Practice and Procedure, 18 C.F.R. § 385.207(a)(5) (2018), and to Paragraph 163 of Order No. 849,¹ Gas Transmission Northwest LLC ("GTN") hereby petitions the Commission for waiver of the requirement to file Form No. 501-G pursuant to section 260.402(b) of the Commission's regulations.² GTN has entered into a settlement in principle that would resolve issues relating to the Tax Cut and Jobs Act ("Tax Act"), Order No. 849, and the Commission's Revised Policy Statement on income tax allowances.³ GTN currently is in Group I, and therefore is required to file its Form No. 501-G on October 11, 2018. In light of the settlement in principle, GTN requests that the Commission grant waiver of the requirement to file Form No. 501-G. In the alternative, GTN requests that the Commission postpone the deadline for it to file Form No. 501-G until December 6, 2018, the deadline for Group III pipelines. GTN is authorized to state that the parties to the settlement in principle support, or do not oppose, this request.

¹ *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).

² 18 C.F.R. § 260.402(b) (2018).

³ *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) ("Revised Policy Statement"), *order on reh'g*, 164 FERC ¶ 61,030 (2018).

In light of the imminence of the October 11, 2018 Form No. 501-G filing deadline, GTN respectfully requests that the Commission issue an order granting this petition on or before October 5, 2018.

In support hereof, GTN shows as follows:

I.
CORRESPONDENCE AND COMMUNICATION

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II. PETITION FOR WAIVER AND REQUEST FOR EXPEDITED ACTION

GTN is currently subject to a rate settlement approved by the Commission on June 30, 2015 in Docket No. RP15-904-000 (“2015 Settlement”).⁴ The 2015 Settlement provided for a rate decrease effective July 1, 2015, and further provides for GTN to implement an additional rate decrease to become effective on January 1, 2020.⁵ The 2015 Settlement also required GTN to submit a general rate filing pursuant to section 4 of the Natural Gas Act (“NGA”)⁶ such that the rates proposed therein will be effective no later than January 1, 2022.⁷

On July 18, 2018, the Commission issued Order No. 849 and its Order on Rehearing of its previously-issued revised policy statement on income tax allowances. In Order No. 849, the Commission offered pipelines four options: (1) file a limited NGA section 4 filing to reduce its rates; (2) commit to file a general NGA section 4 rate case or pre-packaged uncontested rate settlement in the near future; (3) provide a statement explaining why an adjustment to its rates is not needed; or (4) take no action other than filing Form No. 501-G.⁸ If a pipeline chooses options (3) or (4), the Commission will consider, based on the information provided in the Form No. 501-G filing and comments by interested parties, whether to issue a show cause order pursuant to NGA section 5⁹ requiring the pipeline to either reduce its rates to reflect the tax rate reduction or explain why it should not be required to do so.¹⁰ The Commission encouraged interstate natural gas companies to enter into pre-packaged uncontested settlements in order to address rate issues arising from the Tax Act, Order

⁴ *Gas Transmission Northwest LLC*, 151 FERC ¶ 61,280 (2015).

⁵ 2015 Settlement, § VI.A.

⁶ 15 U.S.C. § 717c.

⁷ 2015 Settlement, § V.1.

⁸ Order No. 849 at P 2, 31.

⁹ 15 U.S.C. § 717d.

¹⁰ Order No. 849 at P 34.

No. 849, and the Revised Policy Statement, stating that pipelines that do so between March 26, 2018 and the date their Form No. 501-G would otherwise be due need not file Form No. 501-G.¹¹

In response to Order No. 849 and the Revised Policy Statement, GTN has engaged in settlement discussions with its customers and other stakeholders in an effort to resolve the issues raised by these orders and the Tax Act. GTN provided a settlement offer to stakeholders on September 12, 2018, and convened an in-person settlement conference in Seattle, Washington on September 18-19, 2018. As a result of these discussions, GTN and its customers have agreed to a settlement in principle that will provide customers with rate relief resulting from the Tax Act, Order No. 849, and the Commission's revised tax allowance policy.

In Order No. 849, the Commission declined to provide a blanket exemption from the requirement to file Form No. 501-G for pipelines that are engaged in settlement discussions or that commit to file rate settlements in the future, but stated that pipelines may file requests for waiver if they are engaged in settlement negotiations.¹² The Commission further stated that in acting on such requests, it would consider whether other interested parties support, or do not oppose, the request.¹³ In light of the settlement in principle GTN has reached with its customers as discussed above, GTN requests that the Commission grant waiver of the requirement that it file Form No. 501-G pursuant to section 260.402(b) of the Commission's regulations on October 11, 2018. GTN submits that its efforts would be better spent on documenting the settlement and filing it with the Commission for approval as soon as possible, in order to provide prompt rate relief for the benefit of its customers,

¹¹ *Id.* at P 159.

¹² *Id.* at P 163.

¹³ *Id.*

than on preparing its Form No. 501-G for filing. In the alternative, GTN requests that the Commission postpone its filing deadline until December 6, 2018, the deadline for Group III pipelines.

Finally, in light of the imminence of the October 11, 2018 Form No. 501-G filing deadline, GTN respectfully requests that the Commission issue an order granting this petition on or before October 5, 2018. Commission action on the petition by October 5, 2018 is necessary to ensure that GTN will have sufficient notice to be able to finalize its Form No. 501-G filing if necessary.

**III.
CONCLUSION**

WHEREFORE, GTN respectfully requests that the Commission grant waiver of the requirement to file Form No. 501-G. In the alternative, GTN requests that the Commission postpone the deadline for it to file Form No. 501-G until December 6, 2018. GTN further requests that the Commission issue an order granting this petition on or before October 5, 2018.

Respectfully submitted,

/s/ Stefan M. Krantz

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