

May 1, 2008

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

Re: ANR Pipeline Company  
Operational Purchases and Sales Report  
Docket No. RP08-\_\_\_\_\_

Dear Ms. Bose:

ANR Pipeline Company ("ANR"), pursuant to Section 154.502 of the Regulations of the Federal Energy Regulatory Commission ("Commission") (18 C.F.R., Part 154.502) and Section 38.3 of the General Terms and Conditions of ANR's FERC Gas Tariff, Second Revised Volume No. 1 (the "Tariff"), hereby tenders for filing this report of its Operational Purchases and Sales of Gas for the twelve-month period beginning January 1, 2007 and ending on December 31, 2007.

Statement of the Nature, Reasons, and Basis for the Filing

Section 38.3 of the General Terms and Conditions ("GT&C") of the Tariff provides that ANR will file an annual report on or before May 1 of each year reflecting the operational purchases and sales of gas for the 12-month period ending the preceding December 31. The report will state the source of the gas purchased/sold, the date of the purchases/sales, volumes, the purchase/sales price, the cost and revenues for such purchase/sales and the disposition of the associated costs and revenues for all operational purchases and sales except those associated with the Cashout which is separately provided under Section 15 of the GT&C.

In compliance with this filing requirement, ANR is submitting the report attached hereto. This report consists of two schedules. Schedule 1 is a summary schedule detailing the purchases and sales by category for the 12-month period ending December 31, 2007 and Schedule 2 is the supporting schedule detailing the monthly activity of purchases and sales for the same reporting period. The report reflects that during the reporting period, ANR made purchases for line pack replacement and for fuel related to its non-TBO tracker contracts. For the same period, ANR also

made sales of Operational Balancing Agreement (“OBA”) Cashout volumes, sales of excess fuel volumes received prior to the implementation of ANR’s fuel tracker on April 1, 2005 and sales of gas associated with its storage enhancement project in Docket No. CP06-358. The attached report also includes information relating to the disposition of costs and revenues associated with the purchases and sales identified.

Material Enclosed

In accordance with 18 C.F.R. § 154.502, included with this transmittal letter are the following items.

- (1) An original and five copies of the instant filing, including the Schedules 1 and 2 of the annual report.

Pursuant to 18 C.F.R. Section 385.2011 of the Commission’s regulations, the undersigned states that the contents of the paper copies attached are true to the best of their knowledge and belief.

Service and Correspondence

The undersigned certifies that a copy of this filing has been mailed to each of ANR’s customers and affected state regulatory commissions in accordance with Section 154.208 of the Commission’s regulations. In addition, a copy of this filing is available for public inspection during regular business hours in ANR’s office at 717 Texas Street, Houston, Texas 77002-2761.

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

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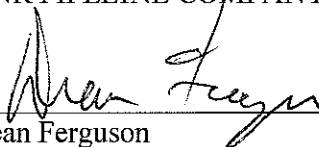
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Any questions regarding this filing may be directed to the undersigned at (832) 320-5503.

Respectfully submitted,

ANR PIPELINE COMPANY

A handwritten signature in black ink, appearing to read "Dean Ferguson", is written over a horizontal line.

Dean Ferguson  
Vice President, Marketing and  
Business Development

**ANR Pipeline Company**  
**Operational Purchases and Sales Activity**  
**For the Period January 2007 through December 2007**  
**Summary**

Line No.	Source of Gas (see footnotes) (Col 1)	DTH			AMOUNT		
		Purchases (Col 2)	(Sales) (Col 3)	Total (Col 4)	Purchases (Col 5)	(Sales) (Col 6)	Total (Col 7)
1	OBA Cashout (1)		(711,913)	(711,913)		(\$5,002,960)	(\$5,002,960)
2	Fuel - Non TBO Tracker Contracts (2)	4,099		4,099	\$29,518		\$29,518
3	Work Orders (3)	112,169		112,169	\$823,502		\$823,502
4	Docket CP06-358-000 (4)		(8,050,000)	(8,050,000)		(\$57,917,250)	(\$57,917,250)
5	Fuel (5)		(270,260)	(270,260)		(\$2,229,645)	(\$2,229,645)
6	Total	<u>116,268</u>	<u>(9,032,173)</u>	<u>(8,915,905)</u>	<u>\$853,020</u>	<u>(\$65,149,855)</u>	<u>(\$64,296,835)</u>

(1) Cashouts of Operational Balancing Agreements. FERC Account No. 495.

(2) Fuel related to Non Transportation by Other tracker contracts. FERC Account No. 805.

(3) Line pack replacement costs capitalized. FERC Account Nos. 107/108.

(4) Sales related to conversion of base to working gas capacity and sale of system balancing gas in Docket No. CP06-358. FERC Account No. 495.

(5) Excess fuel prior to ANR's implementation of a tracker on 4/1/05. FERC Account No. 495.

**ANR Pipeline Company**  
**Operational Purchases and Sales Activity**  
**For the Period January 2007 through December 2007**

Line No.	Source of Gas (see footnotes) - Name of Source/Purchaser (Col 1)	Date of Purchase / Sale (Col 2)	DTH (D) Purchase / (Sale) (Col 3)	Purchase / Sale Price (Col 4)	Amount Purchase/ (Sale) (Col 5)
<b>OBA Cashout (1)</b>					
1	Eagle Energy Partners I, L.P.	07/2007	(588,473)	6.9890	(\$4,112,838)
2	Eagle Energy Partners I, L.P.	07/2007	(3,311)	5.7950	(19,187)
3	Eagle Energy Partners I, L.P.	10/2007	(120,129)	7.2500	(870,935)
4	<b>Total OBA Cashout</b>		(711,913)		(\$5,002,960)
<b>Fuel - Non TBO Tracker Contracts (2)</b>					
5	Louis Dreyfus Energy Services, L.P.	01/2007	669	5.4700	\$3,659
6	Constellation Energy Commodities Group, Inc.	02/2007	633	7.6800	4,861
7	Constellation Energy Commodities Group, Inc.	02/2007	317	7.6800	2,435
8	Integrays Energy Services, Inc.	02/2007	63	7.6800	484
9	Integrays Energy Services, Inc.	03/2007	42	6.7225	282
10	Integrays Energy Services, Inc.	03/2007	5	6.7750	34
11	Integrays Energy Services, Inc.	03/2007	17	6.7900	115
12	Integrays Energy Services, Inc.	03/2007	42	7.0500	296
13	Louis Dreyfus Energy Services, L.P.	03/2007	170	6.8000	1,156
14	Louis Dreyfus Energy Services, L.P.	04/2007	88	7.5700	666
15	Louis Dreyfus Energy Services, L.P.	04/2007	441	7.5700	3,338
16	Masefield Natural Gas, Inc.	04/2007	9	7.5700	68
17	Masefield Natural Gas, Inc.	04/2007	442	7.5600	3,342
18	Masefield Natural Gas, Inc.	04/2007	62	7.5400	468
19	Nexen Marketing U.S.A. Inc.	04/2007	221	7.6000	1,680
20	Nexen Marketing U.S.A. Inc.	04/2007	221	7.6000	1,680
21	Masefield Natural Gas, Inc.	05/2007	271	7.5400	2,043
22	Nexen Marketing U.S.A. Inc.	05/2007	386	7.5400	2,911
23	<b>Total Fuel - Non TBO Tracker Contracts</b>		4,099		\$29,518
<b>Work Orders (3)</b>					
24	Louis Dreyfus Energy Services, L.P.	01/2007	4,731	5.4700	\$25,879
25	Constellation Energy Commodities Group, Inc.	02/2007	9,367	7.6800	71,938
26	Constellation Energy Commodities Group, Inc.	02/2007	4,683	7.6800	35,965
27	Integrays Energy Services, Inc.	02/2007	937	7.6800	7,196
28	Integrays Energy Services, Inc.	03/2007	2,458	6.7225	16,524
29	Integrays Energy Services, Inc.	03/2007	295	6.7750	1,999
30	Integrays Energy Services, Inc.	03/2007	983	6.7900	6,675
31	Integrays Energy Services, Inc.	03/2007	2,458	7.0500	17,329
32	Louis Dreyfus Energy Services, L.P.	03/2007	9,930	6.8000	67,524
33	Louis Dreyfus Energy Services, L.P.	04/2007	1,912	7.5700	14,474
34	Louis Dreyfus Energy Services, L.P.	04/2007	9,559	7.5700	72,362
35	Masefield Natural Gas, Inc.	04/2007	191	7.5700	1,446
36	Masefield Natural Gas, Inc.	04/2007	9,558	7.5600	72,258
37	Masefield Natural Gas, Inc.	04/2007	1,338	7.5400	10,088
38	Nexen Marketing U.S.A. Inc.	04/2007	4,779	7.6000	36,320
39	Nexen Marketing U.S.A. Inc.	04/2007	4,779	7.6000	36,320
40	Masefield Natural Gas, Inc.	05/2007	1,129	7.5400	8,513
41	Nexen Marketing U.S.A. Inc.	05/2007	1,614	7.5400	12,170
42	Masefield Natural Gas, Inc.	06/2007	20,000	7.4400	148,800
43	Masefield Natural Gas, Inc.	06/2007	21,468	7.4400	159,722
44	<b>Total Work Orders</b>		112,169		\$823,502
<b>Docket CP06-358-000 (4)</b>					
45	Fortis Energy Marketing & Trading GP	02/2007	(20,000)	7.9500	(\$159,000)
46	Fortis Energy Marketing & Trading GP	02/2007	(25,000)	7.9500	(198,750)
47	Sequent Energy Management	02/2007	(5,000)	7.9000	(39,500)
48	Eagle Energy Partners I, L.P.	05/2007	(2,000,000)	7.1500	(14,300,000)
49	Sempra Energy Trading Corp	05/2007	(2,000,000)	7.1500	(14,300,000)
50	Eagle Energy Partners I, L.P.	06/2007	(2,000,000)	7.2350	(14,470,000)
51	Integrays Energy Services, Inc.	06/2007	(2,000,000)	7.2250	(14,450,000)
52	<b>Total Docket CP06-358-000</b>		(8,050,000)		(\$57,917,250)
<b>Fuel (5)</b>					
53	NJR Energy Services Company	02/2007	(270,260)	8.2500	(\$2,229,645)
54	<b>Total Fuel</b>		(270,260)		(\$2,229,645)
55	<b>Total Operational Purchases and Sales</b>		<b>(8,915,905)</b>		<b>(\$64,296,835)</b>

- (1) Cashouts of Operational Balancing Agreements. FERC Account No. 495.  
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