



October 28, 2021

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

ANR Pipeline Company
700 Louisiana Street, Suite 1300
Houston, TX 77002-2700

Sorana M. Linder
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Re: ANR Pipeline Company
NPV Compliance Filing
Docket No. RP21-1129-_____

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 and to comply with the Commission’s Order Accepting Tariff Records Subject to Conditions issued October 20, 2021 in Docket No. RP21-1129-000,² ANR Pipeline Company (“ANR”) hereby respectfully submits for filing and acceptance revised tariff section 6.2.10³ to be part of its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”). ANR respectfully requests that the Commission accept Section 6.2.10, included herein as Appendix A, to be effective October 20, 2021, which is the effective date of the tariff records accepted by the Commission in the Order.

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 (2021).

² *ANR Pipeline Company*, 177 FERC ¶ 61,049 (2021) (“Order”).

³ Specifically, Part 6.2.10 – GT&C – Sale of Service (“Section 6.2.10”).

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Statement of Nature, Reasons and Basis for Filing

On September 20, 2021, in Docket No. RP21-1129-000, ANR submitted a tariff filing (“September 20 Filing”) proposing revisions to Section 6 of its General Terms and Conditions (“GT&C”) to revise the definition of Net Present Value (“NPV”). Specifically, ANR proposed to revise the NPV definition to remove the Tariff requirement that ANR evaluate bids on a per dekatherm basis as well as to remove outdated language requiring ANR to apply a twenty-year term limitation for evaluating bids.

On October 4, 2021, Chevron U.S.A., Inc. and ConocoPhillips Company filed a protest, collectively as Indicated Shippers, challenging ANR’s September 20 Filing requesting the Commission reject the September 20 Filing as it did not require ANR to treat above-maximum recourse rate bids as maximum recourse rate bids for bid evaluation purposes and did not require ANR to post the NPV analysis used to determine the successful bidder in an open season.⁴

On October 14, 2021,⁵ ANR filed its Answer to the IS Protest in which ANR agreed to make certain revisions to clarify that ANR will treat above maximum recourse rate bids as maximum recourse rate bids for bid evaluations and require ANR to post the analysis used to determine the winning bidder.⁶ For convenience, ANR included as part of its Answer, *pro forma* tariff sections reflecting the agreed-to revisions.

⁴ Protest of Indicated Shippers (October 4, 2021) (“IS Protest”).

⁵ Motion for Leave to Answer and Answer of ANR (“Answer”).

⁶ Twin Eagle Resource Management, LLC also submitted two supplemental protests in this proceeding. However, the Commission did not require ANR to make any revisions in response to these protests. See the Supplemental Protest of Twin Eagle Resource Management, LLC (October 12, 2021).

On October 20, 2021, the Commission issued its Order accepting the tariff sections contained in the September 20, 2021 filing to become effective October 20, 2021, subject to ANR filing revised tariff sections, within 30 days of the issuance of the Order, to incorporate the modified language within Section 6.2.10, as reflected in the *pro forma* tariff records included with ANR's Answer.

To comply with the Commission's directive as set forth in the Order, ANR hereby submits revised Section 6.2.10 which includes (i) a provision obligating ANR to post the winning bid, the identity of the bidder(s), and the NPV analysis used to determine such winning bidder(s) following the close of an open season and (ii) a clarification that shipper's submitting bids with rates above the applicable maximum tariff rates will be considered to be paying the applicable maximum rate when determining the NPV of such bid. ANR respectfully requests that the Commission accept the proposed tariff section, submitted herein as Appendix A, to become effective October 20, 2021, as proposed in the September 20 Filing. The tariff section submitted herein are unchanged from the *pro forma* tariff section included as Appendix A to ANR's Answer.

Effective Date and Request for Waiver

While ANR does not believe that it needs a waiver to implement the tariff changes effective October 20, 2021, because the Commission accepted the tariff changes effective on that date in its Order subject to ANR making the changes proposed herein, out of an abundance of caution Columbia respectfully requests waiver of Section 154.207 of the Commission's regulations to allow for this effective date.

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

1. This transmittal letter;
2. Clean tariff sections (Appendix A); and
3. Marked tariff sections (Appendix B).

Certificate of Service

As required by Sections 154.7(b) and 154.208 of the Commission's regulations, a copy of this filing is being served upon all of ANR's existing customers and interested state regulatory agencies. A copy of this letter, together with any attachments, is available during regular business hours for public inspection at ANR's principal place of business.

Pursuant to Section 385.2005 of the Commission's regulations, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of their knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Jonathan Scullion at (832) 320-5520.

Respectfully submitted,

ANR Pipeline Company



Sorana M. Linder
Director, Rates, Tariffs & Modernization

Enclosures

Appendix A

Clean Tariff Records

*ANR Pipeline Company
FERC Gas Tariff, Third Revised Volume No. 1*

Tariff Section

Version

6.2.10 GT&C – Sale of Service

v.3.1.0

6.2.10 Sale of Service.

Transporter shall post available capacity on its Internet website. Capacity that becomes available may be sold on a first-come, first-served basis or may be subject to an open season bidding process. Transporter will respond to requests for Transportation Service submitted in accordance with this Section 6.2 within five (5) Business Days of Transporter's receipt of such request.

- (a) To the extent that Transporter does not consider a request acceptable and valid in accordance with Section 6.2.2, above, Transporter's response shall identify those elements of the request that cause Transporter to consider the request not acceptable and valid in accordance with Section 6.2.2, above.
- (b) To the extent that Transporter considers a request acceptable and valid in accordance with Section 6.2.2, above, Transporter's response shall state whether it is operationally feasible to provide the requested Transportation Service and whether the request for Transportation Service is granted pursuant to this Section 6.2.10, provided that Transporter shall not be obligated under any circumstances to accept requests for service at rates less than maximum rates.
- (c) To the extent that a valid request for capacity not subject to an open season is at maximum rates, is at a fixed MDQ for the requested term, and is operationally feasible for Transporter to provide, then Transporter shall take the following action for service requested within the time periods set forth below:
 - (i) Requests for a term of one year or longer that are made within six (6) months of the requested service commencement date shall obligate Transporter to either: 1) conduct an open season for the requested capacity in accordance with Section 6.2.10(i) below within five (5) Business Days of receiving such request and award such capacity to the shipper submitting the request/bid with the greatest economic value; or 2) honor such request. If Transporter conducts an open season for the requested capacity, the initial valid service request will be included in the open season, however, the shipper submitting such request may submit a bid with higher NPV during the open season;
 - (ii) Requests for a term of either a Winter Period or a Summer Period or longer, but less than one year, that are made within thirty (30) days of the requested service commencement date shall be honored;
 - (iii) Requests for a term of less than either a Winter Period or Summer Period, but longer than one month, that are made within ten (10) days of the requested service commencement date shall be honored;

- (iv) Requests for a term of one month or less that are made within six (6) days of the requested service commencement date shall be honored.
- (d) Transporter may grant, on a not unduly-discriminatory basis, requests for service made outside of the time periods set forth in Section 6.2.10(c) above.
- (e) A request for transportation services associated with a storage service request whose combined term is the same as the storage service term, and where the MDQ of the request matches, subject to an initial adjustment for Transporter's Use, the Maximum Daily Injection Quantity and the Maximum Daily Withdrawal Quantity, respectively, of the storage service, shall be a valid request and shall be administered under the same timeframe in Section 6.2.10(c)(i)-(iv) above as the storage service request regardless of whether the transportation service would be provided under multiple contracts for the injection and withdrawal periods.
- (f) When a request is made for transportation service that is associated with third-party storage, such service shall be available to similarly situated Shippers on the same terms and conditions as is transportation service associated with Transporter's storage services.
- (g) Transporter is not required to sell multiple year contracts unless the request is for continuous service at a fixed MDQ during the contract period.
- (h) Nothing in this Section 6.2.10 shall in any way limit or affect a Shipper's right, as defined under Section 6.22.3(b) of these General Terms and Conditions, to select the term of Agreement when the Shipper is willing to pay maximum rates to exercise its ROFR.
- (i) If Transporter conducts an open season it will post a notice of the open season on its Internet website to afford all potential Shippers an opportunity to acquire the capacity. Any award of capacity through an open season is subject to the requirements for service to commence as set forth in this Tariff, including Transporter's creditworthiness requirements. Any potential shipper wishing to purchase the capacity in an open season may participate in the open season. Transporter will use nondiscriminatory and objective posting, bidding and evaluation criteria for determining the NPV of a bid, which evaluation criteria will be specified in the notice of open season, along with the details of what constitutes a valid bid request, contingencies that Transporter is willing to accept, and details of when the successful bidder(s), if any, will be identified by posting of a notice on Transporter's Internet website. Any potential shipper submitting a bid with rates which exceed the applicable maximum tariff rates, including surcharges, shall be considered to be paying such applicable maximum tariff rates to determine the NPV for such bid. Once an open season commences, all requests for service for the

capacity available through the open season will be treated under this open season process.

- (j) Capacity made available in an open season may include capacity for service that commences outside of time periods set forth in Section 6.2.10(c) above, or that includes reduction options under Section 6.32 of these General Terms and Conditions, or that has been sold on a pre-arranged basis. Transporter shall conduct an open season to sell capacity in the following circumstances:
- (1) If (i) Transporter elects to sell capacity, or a potential Shipper requests service one year or more in advance of the date that the service is to commence, (ii) capacity available to satisfy that request is not otherwise subject to a pending request for Transportation Services, and (iii) Transporter wishes to sell capacity for the interim period prior to the start of the requested service commencement date without ROFR, then Transporter shall (1) so indicate in its open season posting, (2) include a bid methodology based on NPV, and (3) include the interim capacity as available capacity to be bid on by potential Shippers in the open season.
 - (2) If Transporter agrees with a potential Shipper to provide capacity reduction options in accordance with Section 6.32.5 of these General Terms and Conditions, Transporter shall (i) so indicate in its open season posting, and (ii) include a bid methodology based on NPV.
 - (3) Transporter may sell, on a pre-arranged basis, available firm capacity one year or more in advance of the date that the service is to commence. If Transporter sells capacity on a pre-arranged basis, Transporter will post the terms of the pre-arranged transaction and other parties will have an opportunity to bid on the capacity. At the time Transporter enters into a pre-arranged service agreement, Transporter will post a notice on its Internet website indicating that the pre-arranged capacity will be subject to an open season bidding process for a minimum of five (5) days permitting bids for service to start immediately or anytime in the future, even if such capacity has already been subject to an open season bidding process and is currently posted as available capacity. If another party submits a bid with a higher NPV, the pre-arranged Shipper will have a one-time right to match the higher bid within five (5) Business Days of notification in order to retain the capacity. If the pre-arranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the creditworthy bidder bidding the greatest NPV. If there is an open season ongoing for certain capacity, Transporter will not enter into a pre-arranged deal for that capacity during the open season.

If Transporter sells capacity on a pre-arranged basis, such capacity will be made available for transportation service on an interim basis up to the commencement date of the service agreement for such capacity. For such interim service agreements, Transporter reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. Transporter will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

Except as otherwise set forth in Section 6.2.10(j)(1), (2), and (3) above, any open season conducted by Transporter in accordance with this Section 6.2.10(j) shall comply with Section 6.2.10(i) above.

- (k) Transporter shall post the winning bid(s), the identity of the bidder(s), and the NPV analysis used to determine such winning bidder(s) on Transporter's Internet website following the close of the open season.

Appendix B

Marked Tariff Records

*ANR Pipeline Company
FERC Gas Tariff, Third Revised Volume No. 1*

Tariff Section

Version

6.2.10 GT&C – Sale of Service

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- (c) To the extent that a valid request for capacity not subject to an open season is at maximum rates, is at a fixed MDQ for the requested term, and is operationally feasible for Transporter to provide, then Transporter shall take the following action for service requested within the time periods set forth below:
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 - (ii) Requests for a term of either a Winter Period or a Summer Period or longer, but less than one year, that are made within thirty (30) days of the requested service commencement date shall be honored;
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