169 FERC ¶ 61,084 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman; Richard Glick and Bernard L. McNamee.

ANR Pipeline Company

Docket No. RP20-22-000

ORDER ACCEPTING TARIFF RECORDS

(Issued October 30, 2019)

1. On October 1, 2019, ANR Pipeline Company (ANR) filed revised tariff records¹ to remove backhaul transactions from the listing of services exempt from both the Transporter's Use percentage and Electric Power Cost (EPC) Charge. As discussed below, we accept the proposed tariff records to become effective November 1, 2019, as requested.

I. <u>Background</u>

2. ANR proposes to revise tariff Sections 4.18, 4.19, and 6.1.86 to remove backhaul transactions from the listing of services exempt from the assessment of Transporter's Use percentage and EPC Charges. ANR states that the proposed revision will allow ANR to apply the Transporter's Use percentages and EPC Charges to shippers, regardless of direction of flow.²

3. ANR explains that it is not proposing, in this filing, to revise the currently effective Transporter's Use percentages and EPC Charges that became effective on April 1, 2019, and that remain subject to ongoing proceedings following the Commission's March 29 Order and the Rehearing Order in Docket No. RP19-741, et al.³

² ANR Filing at 5.

³ ANR Pipeline Co., 166 FERC ¶ 61,239 (March 29 Order), order on reh'g, 169 FERC ¶ 61,003 (2019) (Rehearing Order). In those decisions, the Commission concluded that ANR had incorrectly applied the backhaul exemption (the same

¹ ANR Pipeline Company, FERC NGA Gas Tariff, ANR Tariffs, <u>4.18 - Statement</u> of Rates, Transporter's Use (%), <u>12.0.0</u>; <u>4.19 - Statement of Rates, EPC Charge, 10.0.0</u>; and <u>6.1 - GT&C, Definitions, 5.0.0</u>.

II. <u>Notice of Filing, Interventions, and Protests</u>

4. Public notice of ANR's filing was issued on October 4, 2019. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.⁴ Pursuant to Rule 214,⁵ all timely filed motions to intervene and unopposed motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. On October 8, 2019, Tennessee Valley Authority filed comments in support of ANR's proposed tariff revisions.

5. On October 15, 2019, WEC Companies⁶ filed limited comments. WEC Companies state they do not oppose ANR's proposed tariff revisions. However, WEC Companies state the Commission should ensure that its rulings in this proceeding do not inhibit ANR from complying with the March 29 Order and the Rehearing Order addressing ANR's March 2019 Transporter's Use percentage and EPC filing. WEC Companies argue that the Commission should (1) require ANR to implement tariff revisions that make shippers whole for the incorrectly assessed Transporter's Use Percentages and EPC Charges since April 1, 2019, if ANR has not already implemented such a mechanism in Docket No. RP19-741 in compliance to the Rehearing Order; or (2) accept ANR's proposed tariff revisions in this proceeding subject to ANR's compliance filing to the Rehearing Order.

III. Discussion

6. We accept the tariff filing to remove backhaul transactions from the listing of services exempt from both the Transporter's Use percentage and EPC Charge. The Commission presumes that all transportation transactions require either gas compressor

⁴ 18 C.F.R. § 154.210 (2019).

⁵ 18 C.F.R. § 385.214 (2019).

⁶ The WEC companies include Minnesota Energy Resources Corporation; Michigan Gas Utilities Corporation; North Shore Gas Company; The Peoples Gas Light and Coke Company; Upper Michigan Energy Resources Corporation; Wisconsin Electric Power Company; Wisconsin Gas LLC; and Wisconsin Public Service Corporation.

exemption ANR proposes to eliminate in this filing) to certain north-to-south transportation services on its system because, as a result of recent changes to the flows on ANR's system, those movements were no longer accomplished via displacement, without using fuel or incurring other variable costs. Rehearing Order, 169 FERC \P 61,003 at P 13. ANR filed its compliance filing to the Rehearing Order in Docket No. RP19-741-002 on October 17, 2019.

fuel or, for non-gas-powered compressors, electric power costs.⁷ Furthermore, the fuel used for transportation and other services on a pipeline benefits all the pipeline's shippers, even those who rely on displacement (i.e., backhaul transactions), because a pipeline cannot physically deliver gas by displacement absent a corresponding forward-haul, which requires compression.⁸ Furthermore, no shipper objects to the tariff revisions proposed by ANR in this proceeding removing the backhaul exemption. Accordingly, we accept the proposed tariff records.

7. We decline WEC Companies' request to require ANR to make further tariff revisions at this time. WEC Companies' concerns are more appropriately addressed in ANR's compliance filing in Docket No. RP19-741-002, which is pending Commission action. Our acceptance of the subject tariff records here, which remove the backhaul exemption effective November 1, 2019, does not prejudge the Commission's future determination of whether ANR has properly complied with the requirements of the March 29 Order and the Rehearing Order.

The Commission orders:

The tariff records listed in footnote 1 are accepted to be effective November 1, 2019.

By the Commission.

(SEAL)

Kimberly D. Bose, Secretary.

⁷ *E.g.*, Rehearing Order, 169 FERC ¶ 61,003 at P 12.

⁸ Tex. E. Transmission, LP, 144 FERC ¶ 61,039, at P 42 (2013).