

169 FERC ¶ 61,211  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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

Trailblazer Pipeline Company LLC

Docket Nos. RP20-216-000  
RP20-216-001

ORDER REJECTING TARIFF RECORDS

(Issued December 19, 2019)

1. On November 7, 2019 (TSA Filing), as amended on November 22, 2019 (Amendment Filing), Trailblazer Pipeline Company LLC (Trailblazer) filed tariff records reflecting thirteen negotiated rate transportation service agreements (TSAs) with eight shippers.<sup>1</sup> Trailblazer requests waiver of the Commission's 30-day notice requirement to permit the tariff records in the TSA Filing to become effective October 1, 2019 and the superseding tariff records submitted in the Amendment Filing to become effective November 1, 2019, to implement terms and conditions of a settlement to be filed in its rate proceeding in Docket No. RP18-922-000 (Rate Case Settlement). Trailblazer states that the Rate Case Settlement will resolve issues in Trailblazer's general rate case filed under section 4 of the Natural Gas Act (NGA) on June 29, 2018 in Docket No. RP18-922-000 (June 2018 Rate Case). As discussed below, we reject the referenced tariff records without prejudice.

---

<sup>1</sup> See Appendix. The shippers and associated contract numbers are (1) Chevron U.S.A. Inc. (Chevron), Contract No. 912541; (2) Fortigen Geneva, LLC (Fortigen), Contract No. 949748; (3) Macquarie Energy LLC (Macquarie), Contract Nos. 947961, 948519; (4) Morgan Stanley Capital Group Inc. (Morgan Stanley), Contract Nos. 949230, 949232, 949234; (5) PRG, LC (PRG), Contract No. 932549; (6) Shell Energy North America (US), L.P. (Shell Energy), Contract No. 933225; (7) Tallgrass Interstate Gas Transmission, LLC (TIGT), Contract No. 901362; and (8) Tenaska Marketing Ventures (Tenaska), Contract Nos. 935680, 948563, 949617.

## **Background**

2. On July 31, 2018, the Commission issued an order addressing the June 2018 Rate Case, accepting and suspending the tariff records reflecting rate increases, effective January 1, 2019, with the tariff records reflecting rate decreases to become effective August 1, 2018, subject to refund and the outcome of hearing and settlement procedures.<sup>2</sup> Subsequently on February 21, 2019, the Commission issued a separate order addressing a paper hearing on tax issues.<sup>3</sup> Thereafter, on October 16, 2019, Trailblazer filed a motion to place interim settlement rates into effect, effective October 1, 2019, anticipating that the Rate Case Settlement would soon be filed and, if approved, would resolve all of the issues set for hearing in the Docket No. RP18-922-000 proceeding.<sup>4</sup>

## **Proposal**

3. In its TSA Filing, Trailblazer states that the TSAs reflected herein will become effective October 1, 2019 pursuant to the anticipated Rate Case Settlement, but only in the event that the Rate Case Settlement becomes effective, as specified therein. According to Trailblazer, if the Rate Case Settlement does not become effective, then the TSAs shall be null and void, and both Trailblazer and the shippers shall be relieved of any rights or obligations specified in the TSAs.<sup>5</sup>

4. Trailblazer affirms in its TSA Filing that the TSAs do not deviate in any material respect from the form of service agreement in its tariff and asserts that it has authority to enter into negotiated rates under the Commission's Policy Statement on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines.<sup>6</sup> Trailblazer also

---

<sup>2</sup> See *Trailblazer Pipeline Co., LLC*, 164 FERC ¶ 61,074 (2018) (Suspension Order).

<sup>3</sup> *Trailblazer Pipeline Co., LLC*, 166 FERC ¶ 61,141 (2019).

<sup>4</sup> See *Trailblazer Pipeline Co., LLC*, 169 FERC ¶ 63,008 (2019) (Order of Chief Judge Approving Interim Settlement Rates); see also Commission Trial Staff, Status Update, Docket No. RP18-922-002 (Nov. 15, 2019) (reporting that final settlement documents are anticipated to be filed by December 6, 2019).

<sup>5</sup> TSA Filing Transmittal Letter at 2.

<sup>6</sup> *Policy Statement on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines*, 74 FERC ¶ 61,076 (1996) (Policy Statement), *clarified*, 74 FERC ¶ 61,194, *order on reh'g*, 75 FERC ¶ 61,024 (1996), *modified*, 104 FERC ¶ 61,134 (2003); *order on reh'g and clarification*, 114 FERC ¶ 61,042 (2006).

proposes several minor housekeeping changes to its tariff, to become effective October 1, 2019.

5. In its Amendment Filing, Trailblazer refiled seven tariff records (Revised Tariff Records) from the TSA Filing, with a requested effective date of November 1, 2019, to address electronic filing issues. The Revised Tariff Records contain revised version numbers and effective dates but are otherwise identical to the tariff records in the TSA Filing. Trailblazer states that these corrections were necessary to allow the Revised Tariff Records to reflect accurate data for the entirety of the contract lives associated with the new TSAs.<sup>7</sup>

6. Trailblazer requests waiver of the 30-day notice requirement in 18 C.F.R. § 154.207, to permit the tariff records to become effective October 1, 2019 or November 1, 2019. Trailblazer asserts that waiver is in the public interest where “no other shipper will be harmed” and “the needs of the consumers are met.”<sup>8</sup> According to Trailblazer, the Commission stated in the Policy Statement that “it would readily grant requests to waive the 30-day notice requirement of section 154.207 of ... its regulations.”<sup>9</sup>

7. On December 6, 2019, Trailblazer submitted an unopposed motion in Docket No. RP18-922-002 for a further suspension of the procedural schedule until December 20, 2019 to allow participants to finalize settlement documents reflecting their settlement in principle. In the motion, Trailblazer represents that “[p]articipants continue to work diligently and believe that the [settlement] documents will be finalized and filed no later than December 20, 2019.”<sup>10</sup>

---

<sup>7</sup> In its Amendment Filing, Trailblazer refiled seven records from its TSA Filing in order to ensure that those records would not be immediately superseded upon acceptance by the records filed in Docket No. RP20-132-000. *See Trailblazer Pipeline Co., LLC*, Docket No. RP20-132-000 (Nov. 19, 2019) (delegated letter order accepting tariff changes and negotiated rate agreements). Accordingly, those seven records from its TSA Filing are proposed to become effective from October 1, 2019 through October 31, 2019, and the Revised Tariff Records are proposed to become effective from November 1, 2019.

<sup>8</sup> TSA Filing Transmittal Letter at 3 (citing Policy Statement, 74 FERC at 61,241-42; *Gulfstream Natural Gas Sys., LLC*, 107 FERC ¶ 61,189, P 8 (2004)).

<sup>9</sup> *Id.* (citing Policy Statement, 74 FERC at 61,241).

<sup>10</sup> Motion at 2.

**Notice**

8. Public notice of the TSA Filing was issued on November 13, 2019 and public notice of the Amendment Filing was issued on November 25, 2019. Interventions and protests were due as provided in section 154.210 of the Commission's regulations.<sup>11</sup> Pursuant to Rule 214,<sup>12</sup> all timely filed unopposed motions to intervene and any 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 this proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

**Discussion**

9. We reject the tariff records listed in the Appendix. Trailblazer has represented that the terms of the Rate Case Settlement establish the effective date for the TSAs and that, if the Rate Case Settlement is not approved, the tariff records associated with the TSAs shall be "null and void."<sup>13</sup> However, the Rate Case Settlement has not been filed with the Commission and therefore the TSA Filing and the Amendment Filing are premature, as they contain tariff records that are conditioned upon a filing that is not before us. We therefore reject the tariff records listed in the Appendix, without prejudice to Trailblazer refiling them after the Rate Case Settlement has been filed.

**The Commission orders:**

The tariff records identified in the Appendix to this order are rejected without prejudice, as discussed in the body of this order.

By the Commission.

( S E A L )

Kimberly D. Bose,  
Secretary.

---

<sup>11</sup> 18 C.F.R. § 154.210 (2019).

<sup>12</sup> 18 C.F.R. § 385.214 (2019).

<sup>13</sup> See, e.g., TIGT Negotiated Rate Agreement, Art. 1.1 (submitted with filing).

## Appendix

Trailblazer Pipeline Company LLC  
FERC NGA Gas Tariff  
Tariffs

Docket No. RP20-216-000

*Tariff records rejected:*

[Rates, Negotiated Rates, 49.0.0](#)

[TOC, Table of Contents - Volume No. 2, 37.0.0](#)

[NRA, Section 2.2 NRA TIGT K# 901362, 5.0.0](#)

[NRA, Section 2.3 - NRA Tenaska K# 948563, 7.0.0](#)

[NRA, Section 2.5 NRA Tenaska K# 935680, 6.0.0](#)

[NRA, Section 2.12 NRA Macquarie K# 947961, 1.0.0](#)

[NRA, Section 2.14 - NRA Morgan Stanley K# 949230, 1.0.0](#)

[NRA, Section 2.15 NRA Morgan Stanley K# 949234, 1.0.0](#)

[NRA, Section 2.16 NRA - Morgan Stanley K# 949232, 1.0.0](#)

[NRA, Section 2.39 NRA Chevron K# 912541, 4.0.0](#)

[NRA, Section 2.40 NRA PRG K# 932549, 4.0.0](#)

[NRA, Section 2.41 NRA Shell Energy K# 933225, 4.0.0](#)

[NRA, Section 2.42 NRA Macquarie K# 948519, 4.0.0](#)

[NRA, Section 2.43 NRA Tenaska K# 949617, 4.0.0](#)

[NRA, Section 2.48 NRA Fortigen K# 949748, 0.0.0](#)

Docket No. RP20-216-001

*Tariff records rejected:*

[Rates, Negotiated Rates, 49.1.0](#)

[TOC, Table of Contents - Volume No. 2, 37.1.0](#)

[NRA, Section 2.39 NRA Chevron K# 912541, 4.1.0](#)

[NRA, Section 2.40 NRA PRG K# 932549, 4.1.0](#)

[NRA, Section 2.41 NRA Shell Energy K# 933225, 4.1.0](#)

[NRA, Section 2.42 NRA Macquarie K# 948519, 4.1.0](#)

[NRA, Section 2.43 NRA Tenaska K# 949617, 4.1.0](#)