



March 31, 2011

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

Northern Border Pipeline Company

717 Texas Street, Suite 2400
Houston, TX 77002-2761

John A. Roscher
Director, Rates & Tariffs

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RE: Northern Border Pipeline Company
Re-determination of Compressor Usage Surcharge
Docket No. RP11-_____-_____

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act and Section 154 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations,¹ Northern Border Pipeline Company ("Northern Border") submits for filing revised Section 4.7 to be part of its FERC Gas Tariff, Second Revised Volume No. 1 ("Tariff").² This tariff filing is being submitted to comply with the Compressor Usage Surcharge provisions of Section 6.44 of the General Terms and Conditions ("GT&C") of Northern Border's Tariff.³ Northern Border respectfully requests that the Commission accept revised Section 4.7, included in Appendix A, to become effective May 1, 2011.

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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* Persons designated for official service pursuant to Rule 2010.

¹ 18 C.F.R. Part 154 (2011).

² 4.7 – Statement of Rates, ACA and Compressor Usage Surcharge, v.2.0.0 ("Section 4.7").

³ 6.44 – GT&C, Compressor Usage Surcharge ("Section 6.44").

Statement of Nature, Reasons and Basis for Proposed Changes

Northern Border is submitting this filing to effectuate the annual adjustment to Northern Border's Compressor Usage Surcharge in accordance with Section 6.44 of the GT&C of Northern Border's Tariff. The surcharge is designed to track the recovery of the actual costs, incurred during the twelve months ending February of each year, related to both electricity usage at Northern Border's electric compressors and compressor fuel use taxes imposed on the consumption of natural gas quantities at natural gas powered stations along Northern Border's pipeline system.

As set forth in the supporting workpaper included in Appendix C to this filing, Northern Border is proposing a revised Compressor Usage Surcharge of \$0.0016 per 100 dekatherm-miles, a reduction from the current Compressor Usage Surcharge of \$0.0020 per 100 dekatherm-miles. The decrease in the proposed surcharge is driven by increased throughput levels that occurred during the twelve-month period ending February, 2011. This increase in throughput results in higher annual system-wide dekatherm-miles being utilized in the derivation of the surcharge.

Motion to Place Tariff into Effect

Northern Border respectfully requests that proposed tariff Section 4.7, if approved without addition, modification, or deletion, be placed into effect on May 1, 2011. Apart from the foregoing, Northern Border reserves its right under Section 154.7(a) to file a motion to place proposed tariff Section 4.7 into effect at the end of any suspension period ordered by the Commission.

Other Filings Which May Affect this Proceeding

There are no other filings before the Commission that may significantly affect tariff Section 4.7 proposed herein.

Material Enclosed

In accordance with Section 154.7(a)(1) of the Commission's Regulations, Northern Border is submitting an eTariff XML filing package, which includes:

- 1) This transmittal letter;
- 2) The clean tariff section (Appendix A);
- 3) A marked version of the tariff section (Appendix B); and
- 4) A workpaper in support of the proposed change (Appendix C).

Certificate of Service

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

Pursuant to Section 385.2005 and 385.2011(c)(5), the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of his knowledge and belief. The undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Joan Collins at (832) 320-5651.

Respectfully submitted,

Northern Border Pipeline Company
By: TransCanada Northern Border Inc., Its Operator

A handwritten signature in black ink that reads "John A. Roscher". The signature is written in a cursive style with a long horizontal flourish extending to the right.

John A. Roscher
Director, Rates and Tariffs

Appendix A

Clean Tariff

<u>Section</u>	<u>Description</u>	<u>Version</u>
4.7	Statement of Rates, ACA and Compressor Usage Surcharge	v.2.0.0

STATEMENT OF RATES

	Commodity Rate -----
Annual Charge Adjustment (ACA) Rate (per Dekatherm) 1/	\$0.0019
Compressor Usage Surcharge (per 100 Dekatherm-miles) 2/	\$0.0016

- 1/ In accordance with the Commission's regulations, the authorized FERC unit charge per dekatherm is applied to physical transportation deliveries and is applicable to all transportation rate schedules. Pursuant to Section 6.16 of the General Terms and Conditions herein, the ACA is effectively charged at a rate of \$0.0002 per 100 Dekatherm-miles.
- 2/ Rate is charged in accordance with Section 6.44 of the General Terms and Conditions.

Appendix B

Marked Tariff

<u>Section</u>	<u>Description</u>	<u>Version</u>
4.7	Statement of Rates, ACA and Compressor Usage Surcharge	v.2.0.0

STATEMENT OF RATES

	Commodity Rate -----
Annual Charge Adjustment (ACA) Rate (per Dekatherm) 1/	\$0.0019
Compressor Usage Surcharge (per 100 Dekatherm-miles) 2/	\$0.00 <u>16</u> 20

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- 2/ Rate is charged in accordance with Section 6.44 of the General Terms and Conditions.

Appendix C
Workpaper

Appendix C

Northern Border Pipeline Company
 Annual Compressor Usage Cost True-up and Revised
 Surcharge Rate to be Effective May 1, 2011

Line		
No.	<u>Estimated Usage Costs - Mar-11 - Feb-12</u>	<u>Total</u>
1	Electricity	\$ 13,653,523
2	Compressor Fuel Use Tax	789,689
3	Total Estimated Usage Costs	<u>\$ 14,443,212</u>
	<u>Actual Costs - Mar-10 - Feb-11</u>	<u>Total</u>
4	Electric Fuel Compressor	\$ 13,496,647
5	Compressor Fuel Use Tax	941,328
6	Total Actual Usage Costs	<u>\$ 14,437,975</u>
7	Usage Cost Collected	<u>16,967,155</u>
8	(Over)Under Collected	<u>\$ (2,529,180)</u>
9	Total Estimated Usage Costs (Line 3 + Line 8)	<u><u>\$ 11,914,032</u></u>
	<u>Actual Dth Miles Mar-10 - Feb-11</u>	
	Rate Schedules:	<u>Total</u>
10	IT-1	7,056,508,963
11	T-1	741,498,923,107
12	T-1B	840,834,212
13	Total Annual Dth Miles	<u><u>749,396,266,282</u></u>
14	Compressor Usage Surcharge per 100 Dth-Miles Effective May 1, 2011 (Line 9 / (Line 13 / 100))	<u><u>\$ 0.0016</u></u>