



July 25, 2013

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

Re: Northern Border Pipeline Company
Annual Charge Adjustment Compliance Filing
Docket No. RP13-_____ - _____

Dear Ms. Bose:

Pursuant to Section 154.402 of the Federal Energy Regulatory Commission's ("FERC or "Commission") regulations,¹ Northern Border Pipeline Company ("Northern Border") hereby submits for filing the tariff sections listed in Appendix A to be part of its FERC Gas Tariff, Second Revised Volume No. 1 ("Tariff").² The purpose of the filing is to comply with new FERC regulations regarding Commission-assessed annual charges recovered through an annual charge adjustment ("ACA") clause. Northern Border requests that the Commission accept these revised tariff sections to become effective October 1, 2013.

Correspondence

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

¹ 18 C.F.R. Part 154 (2013).

² Specifically, Part 4.7 – Statement of Rates, ACA and Compressor Usage Surcharge ("Section 4.7"); and Part 6.16 – GT&C, FERC Annual Charge Adjustment Provision ("Section 6.16").

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Statement of the Nature, Reasons, and Basis for Filing

On March 21, 2013, in Docket No. RM12-14-000, the Commission issued Order No. 776,³ which amended the filing requirements for natural gas pipelines that recover Commission-assessed annual charges through an ACA clause.⁴ Previously, natural gas pipelines utilizing an ACA clause were required to make an annual filing to reflect within their tariffs the revised ACA unit charge authorized by the Commission each fiscal year.⁵ In an effort to reduce the regulatory burden associated with annual ACA filings, the Commission has eliminated this annual filing requirement by allowing pipelines to incorporate the ACA unit charge in their tariffs by reference to the Commission's website.⁶ To comply with Order No. 776 in time for the 2014 fiscal year, pipelines utilizing an ACA clause are required to make a one-time tariff filing to reference the ACA unit charge as published on the Commission's website.⁷ As such, Order No. 776 stipulates that the compliance filing be submitted 60 days prior to October 1, 2013, the start of the 2014 fiscal year.⁸

³ *Annual Charge Filing Procedures for Natural Gas Pipelines*, 142 FERC ¶ 61,209 (2013) ("Order No. 776").

⁴ 18 C.F.R. Part 154.402 (ACA Expenditures).

⁵ Order 776 at P 1. (In fn. 16, the Commission defines "fiscal year" as the twelve-month period beginning October 1 and ending the following September 30).

⁶ *Id.* at P 10. As further set forth in P 12, the ACA unit charge shall be specified on its website in the annual notice issued by the Commission entitled, "FY (Year) Gas Annual Charges Correction for Annual Charges Unit Charge." For fiscal year 2014, the Commission, in its notice entitled "FY 2014 Gas Annual Charges Correction for Annual Charges Unit Charge", has established an ACA unit charge of \$0.0012.

⁷ *Id.* at P 15.

⁸ *Id.*

In the instant filing, Northern Border is submitting revised tariff sections, attached hereto, to reflect the changes required by Commission Order No. 776. In tariff Section 4.7, Northern Border proposes to replace each listed ACA unit charge with a reference to the ACA unit charge as published on the Commission's website. Additionally, Northern Border proposes to delete language contained within tariff Section 6.16 regarding the annual filing requirement, which has been eliminated by Order No. 776.

Effective Date

Northern Border requests the Commission accept the revised tariff sections listed in Appendix A to become effective October 1, 2013.

Other Filings That 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 and 154.201 of the Commission's regulations, Northern Border is submitting the following XML filing package, which includes:

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 and 154.208 of the Commission's regulations, copies of this filing are being served upon all of Northern Border's existing customers and interested state regulatory agencies. A copy of this letter, together with the enclosed tariff sections and 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 Section 385.2011, 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. Additionally, 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

Enclosures

Appendix A

Northern Border Pipeline Company FERC Gas Tariff, Second Revised Volume No. 1

Clean Tariff

<u>Tariff Section</u>	<u>Version</u>
4.7 – Statement of Rates, ACA and Compressor Usage Surcharge	v.6.0.0
6.16 – GT&C, FERC Annual Charges Adjustment Provision	v.2.0.0

STATEMENT OF RATES

	Commodity Rate -----
Annual Charge Adjustment (ACA) Rate (per Dekatherm) 1/	3/
Compressor Usage Surcharge (per 100 Dekatherm-miles) 2/	\$0.0014

- 1/ In accordance with the Commission's regulations, the authorized FERC unit charge per dekatherm as computed pursuant to Section 6.16 is applied to physical transportation deliveries and is applicable to all transportation rate schedules.
- 2/ Rate is charged in accordance with Section 6.44 of the General Terms and Conditions.
- 3/ The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.

6.16 FERC ANNUAL CHARGE ADJUSTMENT PROVISION

1. Pursuant to Section 3401 of the Omnibus Budget Reconciliation Act of 1986, the FERC instituted a program of assessing annual charges to facilitate recovery of FERC costs incurred each fiscal year. Pursuant to Part 154.402 of the FERC's Regulations, Company intends to recover the charges assessed by the FERC through this Annual Charge Adjustment (ACA) provision and not through an NGA Section 4(e) rate filing. This Section 6.16 provides for a charge applicable to transportation deliveries, under a Shipper's transportation Agreement pursuant to Company's Rate Schedules, of gas made by Company at Company's physical delivery points.

This Section 6.16 paragraph 1 provides for the calculation of an ACA Charge on a monthly basis. Company shall compute the Shipper's monthly ACA Charge in the following manner:

- (a) Company's total transportation deliveries in Dekatherms for the Production Month, multiplied by the FERC ACA charge factor as shown on the Statement of Rates. The result is Company's total FERC ACA charge for such Production Month.
 - (b) Company shall calculate each Shipper's ACA Charge for a Production Month by multiplying the Company's total FERC ACA charge for such Production Month by a fraction, the numerator of which is Shipper's actual Dekatherm-miles transported for such Production Month and the denominator of which is Company's total Dekatherm-miles for all transportation rate schedules for such Production Month.
2. FERC Annual Charge Adjustment: Such charge shall be that ACA unit charge amount authorized from time to time by the FERC for such purposes. The ACA charge shall be effective on the applicable adjustment date provided in Section 6.16 paragraph 3 hereof without suspension, reduction or refund obligations.
 3. Adjustment Date: The adjustment date under this Section 6.16 shall be the date permitted by the FERC. On and after the adjustment date, Company shall, in accordance with the provisions of this Section 6.16, increase or decrease the charge applicable to each affected Rate Schedule so as to include the approved ACA charge factor that shall be used to calculate the amount to be collected during the period preceding the next adjustment date.

Appendix B

Northern Border Pipeline Company FERC Gas Tariff, Second Revised Volume No. 1

Marked Tariff

<u>Tariff Section</u>	<u>Version</u>
4.7 – Statement of Rates, ACA and Compressor Usage Surcharge	v.6.0.0
6.16 – GT&C, FERC Annual Charges Adjustment Provision	v.2.0.0

STATEMENT OF RATES

	Commodity Rate -----
Annual Charge Adjustment (ACA) Rate (per Dekatherm) 1/	\$0.0018 / <u>\$0.00183/</u>
Compressor Usage Surcharge (per 100 Dekatherm-miles) 2/	\$0.0014

1/ In accordance with the Commission's regulations, the authorized FERC unit charge per dekatherm as computed pursuant to Section 6.16 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.

3/ The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.

6.16 FERC ANNUAL CHARGE ADJUSTMENT PROVISION

1. Pursuant to Section 3401 of the Omnibus Budget Reconciliation Act of 1986, the FERC instituted a program of assessing annual charges to facilitate recovery of FERC costs incurred each fiscal year. Pursuant to Part 154.402 of the FERC's Regulations, Company intends to recover the charges assessed by the FERC through this Annual Charge Adjustment (ACA) provision and not through an NGA Section 4(e) rate filing. This Section 6.16 provides for a charge applicable to transportation deliveries, under a Shipper's transportation Agreement pursuant to Company's Rate Schedules, of gas made by Company at Company's physical delivery points.

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- (a) Company's total transportation deliveries in Dekatherms for the Production Month, multiplied by the FERC ACA charge factor as shown on the Statement of Rates. The result is Company's total FERC ACA charge for such Production Month.
 - (b) Company shall calculate each Shipper's ACA Charge for a Production Month by multiplying the Company's total FERC ACA charge for such Production Month by a fraction, the numerator of which is Shipper's actual Dekatherm-miles transported for such Production Month and the denominator of which is Company's total Dekatherm-miles for all transportation rate schedules for such Production Month.
2. FERC Annual Charge Adjustment: Such charge shall be that ACA unit charge amount authorized from time to time by the FERC for such purposes. The ACA charge shall be effective on the applicable adjustment date provided in Section 6.16 paragraph 3 hereof without suspension, reduction or refund obligations.
 3. Adjustment Date: The adjustment date under this Section 6.16 shall be the date permitted by the FERC. On and after the adjustment date, Company shall, in accordance with the provisions of this Section 6.16, increase or decrease the charge applicable to each affected Rate Schedule so as to include the approved ACA charge factor that shall be used to calculate the amount to be collected during the period preceding the next adjustment date.

- ~~4. Time and Manner of Filing and Related Reports: Company shall file the initial ACA charge factor and subsequent changes in such adjustment at least thirty (30) days prior to the proposed effective date by means of revised tariff section identified on the Statement of Rates. Such filing shall identify the amount of said adjustment.~~

~~Such filing shall be posted as defined by the FERC and shall be served upon each of Company's affected Shippers served under Company's Rate Schedules and upon interested State regulatory agencies.~~