



Northern Border Pipeline Company

December 6, 2018

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
Form No. 501-G Filing
Docket No. RP19-____-000

Dear Ms. Bose:

Pursuant to section 206.402 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), 18 C.F.R. § 206.402 (2018), and the Final Rule issued by the Commission in Docket No. RM18-11-000 on July 18, 2018,¹ Northern Border Pipeline Company (“Northern Border”) hereby submits its Form No. 501-G one-time informational report (“Form No. 501-G”).

Northern Border’s Form No. 501-G, which reflects Northern Border’s status as a pass-through entity, indicates a cost-of-service increase of 3.6 percent. Nevertheless, Northern Border will be implementing a 2.0 percent rate reduction for the benefit of its shippers through a limited Natural Gas Act (“NGA”)² section 4 rate filing.

Pursuant to section 154.404 of the Commission’s regulations, 18 C.F.R. § 206.402 (2018), and to Option 1 identified in the Final Rule,³ Northern Border is contemporaneously submitting a limited NGA section 4 rate reduction filing to implement the cost-of-service reduction.

Election of Option

In the Final Rule, the Commission identified four options for each interstate natural gas pipeline in connection with the filing of Form No. 501-G:

¹ *Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate*, Order No. 849, 83 Fed. Reg. 36,672 (Jul. 30, 2018) (“Final Rule”).

² 15 U.S.C § 717c.

³ Final Rule at P 198.

- A limited NGA section 4 rate reduction filing pursuant to 18 C.F.R. § 154.404 (2018) (“Option 1”);
- a commitment to file a general section 4 rate case or pre-packaged uncontested settlement in the near future (“Option 2”);
- an explanation why no rate change is needed (“Option 3”); and
- no action other than filing a report (“Option 4”).

Northern Border has elected Option 1 and, contemporaneously with its filing of this letter, Northern Border is filing a limited NGA section 4 rate filing to implement a reduction in its reservation rates for firm service, and its one-part rates that reflect fixed costs, by 2.0 percent.

Northern Border notes that its rates currently are subject to a 2017 settlement which was filed in Docket No. RP18-234-000 in lieu of Northern Border submitting an NGA section 4 rate filing (“2017 Settlement”).⁴ The 2017 Settlement provided for reduced rates which became effective on January 1, 2018, in addition to a further rate decrease that became effective on April 1, 2018. Therefore, the settlement rates are not reflected in the Form No. 501-G, which is based on 2017 data. When the settlement rate decreases are reflected, Northern Border’s ROE decreases from 20.0 percent to 13.9 percent. Moreover, Northern Border’s settlement rates are subject to a further reduction pursuant to the 2017 Settlement to be effective on January 1, 2020. When that further rate decrease is reflected, Northern Border’s ROE decreases further, to 13.1 percent. Furthermore, Article II of the 2017 Settlement requires Northern Border to submit a general NGA section 4 rate filing no later than January 1, 2024.

Finally, Northern Border is reducing its rates by 2.0 percent via its limited section 4 rate filing to become effective February 1, 2019. As noted above, this reduction is a superior result for customers than the 3.6 percent rate increase reflected in Northern Border’s Form No. 501-G.

As explained in the limited section 4 filing, Northern Border is committed to reflecting this reduction as an additional reduction to the rates to be effective on January 1, 2020 pursuant to the 2017 Settlement, and will work with stakeholders to document an amendment to the 2017 Settlement to reflect this.

Correspondence

The names, titles, mailing addresses, and telephone numbers of those persons to whom correspondence and communications concerning this filing should be addressed are as follows:

⁴ See *Northern Border Pipeline Co.*, 162 FERC ¶ 61,157 (2018).

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Reservation of Rights

This submission is made solely to comply with the Commission's regulation and Final Rule, and in particular the Form No. 501-G is submitted using 2017 Form No. 2 data as required by the Commission, on the form required by the Commission. By submitting Form No. 501-G, Northern Border does not represent or concede that the form provides an accurate representation of Northern Border's current costs and revenues.

By submitting this Form No. 501-G, Northern Border does not waive any rights with respect to further actions Northern Border or TransCanada Corporation may take in the future with respect to proceedings in, or arising out of, FERC Docket No. RM18-11-000. Northern Border reserves the right to propose, in any appropriate filing, alternative service structures, cost allocations or methods for designing rates, as well as an alternative return on equity, overall rate of return and methods for establishing just and reasonable rates, as well as to make any other proposals it deems appropriate. The instant filing should not be construed as a proposal by Northern Border, or as stating either Northern Border's position with regard to the appropriate values used in setting rates or the positions Northern Border may take in evidence and arguments when responding to participants' positions later in this proceeding or in any other proceeding.

Pursuant to Section 385.2005 and Section 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.

Respectfully submitted,

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 & Tariffs

Enclosures

Northern Border Pipeline Company

FERC Form No. 501-G

1

**FERC Form No. 501-G
One-time Report on Rate Effect of the Tax Cuts and Jobs Act**

Cost of Service

2 Pipeline Company Name **Northern Border Pipeline Company**

Line No.	(A) Description	(B) Form 2 Reference	(C) Calendar Year 2017 Actuals	(D) Net Amort. of Excess/ Deficient ADIT	(E) With Adjusted Tax Allowance
3	CID	C000626			
4	Is the Pipeline a separate income taxpaying entity? Does it conduct business, realize net income or loss, pay income taxes and distribute profits to shareholders?		No		
Cost of Service - Non Fuel					
Operating, Maintenance and Administrative & General					
5	Total Production & Gathering	P. 317; L. 30, C. (b)	\$ -	\$	-
6	Total Products Extraction	P. 318; L. 58, C. (b)	-		-
7	Total Natural Gas Storage	P. 322; L. 177, C. (b)	-		-
8	(Less) UG Compressor Station Fuel & Power	P. 320; L. 106, C. (b)	-		-
9	(Less) Other Compressor Station Fuel & Power	P. 321; LL. 131 & 132, C. (b)	-		-
10	(Less) LNG Compressor Station Fuel & Power	P. 322; LL. 157 & 158, C. (b)	-		-
11	Net Storage Costs	L. 7 minus LL. 8-10	-		-
12	Total Transmission	P. 323; L. 201, C. (b)	91,546,547		91,546,547
13	(Less) Gas for Compressor Station Fuel	P. 323; L. 184, C. (b)	63,570,988		63,570,988
14	(Less) Other Fuel & Power for Compressor Stns. (if included in true-up or tracking mechanism)	P. 323; L. 185, C. (b)	10,162,824		10,162,824
15	Net Transmission Costs	L. 12 minus LL. 13-14	17,812,735		17,812,735
16	Administrative & General	P. 325; L. 270, C. (b)	27,415,390		27,415,390
17	Total Operating, Maintenance and Admin. & Gen.	Sum of LL. 4, 5, 10, 14, 15	\$ 45,228,125	\$	45,228,125
18	Depreciation, Depletion, and Amortization	Form 2 - P. 337; L. 12, C. (h) Form 2A - P. 114; LL. 6-8, C. (c)	58,615,483		58,615,483
19	Amort. of Plant Acq. Adj. If 'yes' to P. 2; L. 5 of Form 501-G then 0, else P. 114; L. 9, C. (c)		-		-
Credits to Cost of Service					
20	Regulatory Debits (if incl. in a § 4 rate filing)	P. 114; L. 12, C. (c)	779,042		779,042
21	(Less) Regulatory Credits (if incl. in a § 4 rate filing)	P. 114; L. 13, C. (c)	-		-
22	Other Taxes	P. 114; L. 14, C. (c)	23,480,563		23,480,563
Return					
23	Long Term Debt	P. 2; L. 27 of Form 501-G	21,770,628		33,579,029
24	Preferred Stock (or equivalent)	P. 2; L. 28 of Form 501-G	-		-
25	Common Equity	P. 2; L. 29 of Form 501-G	44,434,961		68,536,508
26	Total Return		66,205,589		102,115,537
Allowance for Income Taxes					
27	Federal Income Tax Rate	P. 5; L. 3 of Form 501-G	35.00%		0.00%
28	Weighted Average State Income Tax Rate	P. 5; L. 4 of Form 501-G	5.40%		0.00%
29	Composite Income Tax Rate	P. 5; LL. 3-6 of Form 501-G	38.51%		0.00%
30	Income Tax Allowance on Equity Return	[(L. 24+L. 25)*(L. 29/(1-L. 29))]	27,828,758		-
31	(Less) Net Amort. of Excess(+) and/or Deficient(-) ADIT (Year 1 amortization)		-	9,066,659	-
32	Total Income Tax Allowance	L. 30 minus L. 31	27,828,758		-
33	Total Cost of Service - Non Fuel	Sum of LL. 17-20, 22, 26, 32 less L. 21	\$ 222,137,560	\$	230,218,750
34	Indicated Cost of Service Reduction	1 minus [L. 33, C. (E) divided by L. 33, C. (C)]			-3.6%

FERC Form No. 501-G
One-time Report on Rate Effect of the Tax Cuts and Jobs Act

Rate Base

Northern Border Pipeline Company

Line No.	(A) Description	(B) Form 2 Reference	(C) Calendar Year 2017 Actuals	(D) Excess/ Deficient ADIT Adjustment	(E) With Adjusted Tax Allowance
Rate Base					
1	Gas Plant in Service	P. 110; L. 2, C. (c)	\$ 2,602,115,143		\$ 2,602,115,143
2	Accumulated Depreciation	P. 110; L. 5, C. (c)	1,572,156,310		1,572,156,310
3	Acquisition Adjustment	P. 200; L. 12, C. (b)	1,368,512		1,368,512
4	(Less) Amort. of Plant Acquisition Adjustment	P. 200; L. 32, C. (b)	759,563		759,563
5	Yes Has the pipeline received permission to include Acq. Adjustment(s) in Rate Base? If no, provide amounts as a reduction to Rate Base.				
6	FERC Order Cite	RP06-72-000			
7	Net Acquisition Adjustment	If L. 5 is yes, then zero; else L. 3 minus L. 4	-		-
8	Net Plant	L. 1 minus L. 2 minus L. 7	1,029,958,833		1,029,958,833
Gas Stored Underground					
9	Base Gas - Account No. 117.1	P. 220; L. 5, C. (b)	-		-
10	System Balancing - Account No. 117.2	P. 220; L. 5, C. (c)	-		-
Working Capital					
11	Prepayments	P. 111; L. 54, C. (c)	741,334		741,334
12	Materials and Supplies	P. 111; L. 45, C. (c)	5,216,019		5,216,019
ADIT and Regulatory Assets and Liabilities					
13	Accumulated Deferred Income Taxes (IT)	P. 235; L. 3, C. (k)(see footnote)	46,500,319		-
14	(Less) Accum. Deferred IT - Other Property	P. 275; L. 3, C. (k)(see footnote)	240,964,199		-
15	(Less) Accum. Deferred IT - Other	P. 277; L. 3, C. (k)(see footnote)	4,160,797		-
16	Other Regulatory Assets	P. 232; L. 40, C. (g)	21,528,933	7,534,844	13,994,089
17	(Less) Other Regulatory Liabilities	P. 278; L. 45, C. (g)	178,121,602	178,121,602	-
18	Rate Base	Sum of LL. 8 - 13 minus LL. 14-15 plus L. 16 minus L. 17	\$ 680,698,840		\$ 1,049,910,275

The Commission will apply Opinion No. 414, et al. in reviewing data submitted on page 4. Opinion No. 414, et al. requires that the pipeline's, or the parent's debt if using the parent's capital, must be issued in its name, be publicly traded, and be rated by a rating agency. The pipeline or parent must have a proper capital structure, which for purposes of FERC Form No. 501-G must have an equity ratio less than 65%.

Opinion No. 414, 80 FERC ¶ 61,157 (1997); reh'g denied, Opinion No. 414-A, 84 FERC ¶ 61,084 (1998).

Employing the data provided on Page 4 for capital structure and the component costs of Long Term Debt and Preferred Stock, the Pipeline's cost of capital for purposes of FERC Form No. 501-G will be based upon Case 1 - amounts obtained from the Balance Sheet and Income Statement.

Summary of Page 4 Capital Structure and Capital Component Costs		Case 1 Balance Sheet & Income Statement	Case 2 Page 218a	Case 3 Parent's SEC Form 10K	Case 4 Hypothetical
19	1) Is the debt issued in the entity's name and traded?	Yes	Yes	0	
20	2) Is the debt rated by a rating agency?	Yes	Yes	0	
21	3) Is the equity ratio less than 65%?	Yes	Yes	No	
22	Each of the three above questions must be answered yes as the basis for using the capital structure and individual capital component cost.	All are 'Yes', using Case 1	Using Case 1	Using Case 1	Using Case 1

Return based upon Pipeline's Balance Sheet & Income Statement.

		<u>Capitalization Ratio</u>	<u>Component Cost</u>	<u>Wtd. Cost of Capital</u>
23	Long Term Debt	P. 4 of Form 501-G 38.12%	8.39%	3.20%
24	Preferred Stock (or equivalent)	P. 4 of Form 501-G 0.00%	0.00%	0.00%
25	Common Equity	P. 4 of Form 501-G 61.88%	10.55%	6.53%
26	Total Return	Sum of LL. 23 - 25 100.00%		9.73%
27	Return - Long Term Debt	L. 18 times L. 23, C. (E) \$	21,770,628	\$ 33,579,029
28	Return - Preferred Stock (or equivalent)	L. 18 times L. 24, C. (E)	-	-
29	Return - Common Equity	L. 18 times L. 25, C. (E)	44,434,961	68,536,508
30	Total Return	Sum of LL. 27 - 29	\$ 66,205,589	\$ 102,115,537

FERC Form No. 501-G
One-time Report on Rate Effect of the Tax Cuts and Jobs Act

Return on Equity
Pre Tax Cut and Pro Forma Post Tax Cut
Northern Border Pipeline Company

Line No.	(A) Description	(B) Form 2 Reference	(C) Calendar Year 2017 Actuals	(D) With Adjusted Tax Allowance	(E) Rate Moratorium Option 12% ROE Test
	Operating Revenue				Indicated Cost of Service Reduction of -3.6%
1	Total Operating Revenues	P. 301; L. 21, C. (h)	\$ 291,396,118	\$ 291,396,118	
2	(Less) Sales for Resale (Acct. Nos. 480-484)	P. 301; L. 4, C. (h)	-	-	
3	(Less) Commercial & Industrial Sales	P. 301; L. 2, C. (h)	-	-	
4	(Less) Gas Sales & Other Adj. from Acct. No. 495	P. 308; L. 10, C. (b)	-	-	
5	(Less) Fuel Related Revenues Incl. in Total Revenues	per Pipeline	9,725,580	9,725,580	
6	Total Adjusted Revenue	L. 1 minus sum of LL. 2-5	\$ 281,670,538	\$ 281,670,538	\$ 291,917,492
7	<input checked="" type="checkbox"/> Yes Enter 'Yes' or 'No' - Does the Pipeline track or true-up fuel retention?				
8	<input checked="" type="checkbox"/> Yes Enter 'Yes' or 'No' - Does the Pipeline have stated fuel rates?				
	Calculation of Return On Equity - Pre Tax Cut and Pro Forma Post Tax Cut				
9	Total Operating, Maintenance and Admin. & Gen.	P. 1; L. 17 of 501-G	\$ 45,228,125	\$ 45,228,125	\$ 45,228,125
10	Depreciation, Depletion, and Amortization	P. 1; L. 18 of 501-G	58,615,483	58,615,483	58,615,483
11	Amort. of Plant Acq. Adj.	P. 1; L. 19 of 501-G	-	-	-
12	Regulatory Debits (if incl. in a § 4 rate filing)	P. 1; L. 20 of 501-G	779,042	779,042	779,042
13	(Less) Regulatory Credits (if incl. in a § 4 rate filing)	P. 1; L. 21 of 501-G	-	-	-
14	Other Taxes	P. 1; L. 22 of 501-G	23,480,563	23,480,563	23,480,563
15	Non-Fuel Operating Cost Excl. Interest and Taxes	Sum of LL. 9-12 minus L. 13 plus L. 14	128,103,213	128,103,213	128,103,213
16	Operating Income	L. 6 minus L. 15	\$ 153,567,325	\$ 153,567,325	\$ 163,814,279
17	Interest Expense	P. 1; L. 23, C. (C) of 501-G	21,770,628	33,579,029	33,579,029
18	Income Before Income Taxes	L. 16 minus L. 17	\$ 131,796,697	\$ 119,988,296	\$ 130,235,250
	Allowance for Income Taxes				
19	Composite Income Tax Rate	P. 1; L. 29 of 501-G	38.51%	0.00%	0.00%
20	Income Taxes	L. 18 times L. 19	\$ 50,754,908	\$ -	\$ -
21	(Less) Net Amort. of Excess(+) and/or Deficient(-) ADIT	P. 1; L. 31 of 501-G	-	-	-
22	Total Income Tax Allowance	L. 20 minus L. 21	50,754,908	-	-
23	Net Income	L. 18 minus L. 22	\$ 81,041,789	\$ 119,988,296	\$ 130,235,250
24	(Less) Preferred Dividends	P. 1; L. 24, C. (C) of 501-G	-	-	-
25	Rate Base	P. 2; L. 18 of 501-G	\$ 680,698,840	\$ 1,049,910,275	\$ 1,049,910,275
26	Total Estimated ROE (excluding fuel)	[L. 23 - L. 24] / [L. 25 * P. 2; L. 25 C. (C) of 501-G]	19.2%	18.5%	20.0%

FERC Form No. 501-G
One-time Report on Rate Effect of the Tax Cuts and Jobs Act
Capital Structure and Component Costs
Northern Border Pipeline Company

Line No.	(A) Description	(B) Form 2 Reference	(C) Capitalization	(D) Capitalization Ratio	(E) Capital Component Cost Rate	(F) Weighted Cost of Capital
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The Commission will use your responses on the following four cases to evaluate your capital structure and capital component costs for Form No. 501-G: Case 1, balance sheet and income statement; Case 2, Page 218a of Form No. 2; Case 3, the parent's financial statements as filed in its SEC Form 10-K; or Case 4, a hypothetical capital structure and capital component costs.

Case 1. Cost of Capital based upon amounts obtained from the Balance Sheet and Income Statement.

1	Cost of Debt and Preferred Stock					
2	Interest	P. 116; LL. 62-68, C. (c)	\$ 22,256,991	= 8.39%		
3	Long-Term Debt	P. 112; L. 24, C. (c)	\$ 265,312,015			
4	Preferred Dividends	P. 120a; L. 68, C. (b)	\$ -	= 0		
5	Preferred Stock (or equivalent)	P. 112; L. 3, C. (c)	\$ -			
6	Common Equity	P. 112; L. 15, C. (c)	\$ 430,593,859			
7	Cost of Capital					
8	Long-Term Debt	L. 3	\$ 265,312,015	38.12%	8.39%	3.20%
9	Preferred Stock (or equivalent)	L. 5	\$ -	0.00%	0.00%	0.00%
10	Common Equity	L. 6 minus L. 5	\$ 430,593,859	61.88%	10.55%	6.53%
11	Totals		\$ 695,905,874	100.00%		9.73%
12	<input checked="" type="checkbox"/> Yes	Enter 'Yes' or 'No' - Is all of the debt listed on L. 3 above issued in the pipeline's name and publicly traded?				
13	<input checked="" type="checkbox"/> Yes	Enter 'Yes' or 'No' - Is all the debt listed on L. 3 above rated by a rating agency?				

Case 2. Cost of Capital based upon amounts obtained from Page 218a of the FERC Form No. 2.

	P. 218a	Column (b)	Column (c)	Column (d)		
14	Long-Term Debt	L. 3	\$ 431,270,045	60.24%	5.21%	3.14%
15	Preferred Stock (or equivalent)	L. 4	\$ -	0.00%	0.00%	0.00%
16	Common Equity	L. 5	\$ 284,704,358	39.76%	10.55%	4.20%
17	Totals		\$ 715,974,403	100.00%		7.33%
18	<input checked="" type="checkbox"/> Yes	Are the Values on P. 218a from the books and records of Northern Border Pipeline Company?				
19	If no, provide the name and stock symbol of the company for the source of the Page 218a amounts.					
20	Ticker	Company Name				
21	<input checked="" type="checkbox"/> Yes	Enter 'Yes' or 'No' - Is all of the debt listed on L. 15 above issued in the pipeline's name, or, that of the entity on L. 21? and publicly traded?				
22	<input checked="" type="checkbox"/> Yes	Enter 'Yes' or 'No' - Is all of the debt listed on L. 15 above rated by a rating agency?				

Case 3. Cost of Capital based upon Parent's Capital Structure and costs for Long Term Debt and Preferred Stock.

24	Long-Term Debt	SEC - 10K		0.00%	0.00%	0.00%
25	Preferred Stock (or equivalent)	SEC - 10K		0.00%	0.00%	0.00%
26	Common Equity	SEC - 10K		0.00%	10.55%	0.00%
27	Totals		\$ -	0.00%		0.00%
28	Provide the stock symbol(s), the name of the parent company(s), a hyperlink to the parent's SEC Form 10-K, and the associated year:					
29	Ticker(s)	Company Name(s)				
30	Year	10K Hyperlink(s)				
31	<input checked="" type="checkbox"/>	Enter 'Yes' or 'No' - Is all of the debt listed on L. 24 above publicly traded?				
32	<input checked="" type="checkbox"/>	Enter 'Yes' or 'No' - Is all of the debt listed on L. 24 above rated by a rating agency?				

Case 4. Cost of Capital based upon FERC Hypothetical Capital Structure and Cost of new Corporate Debt.

33	Long-Term Debt			43.00%	5.00%	2.15%
34	Preferred Stock			0.00%	0.00%	0.00%
35	Common Equity			57.00%	10.55%	6.01%
36	Totals			100.00%		8.16%

FERC Form No. 501-G
One-time Report on Rate Effect of the Tax Cuts and Jobs Act
Current Composite Income Tax Rate
Northern Border Pipeline Company

Line No.	(A) Description	(B) Form 2 Reference	(C) Weighting	(D) Marginal Tax Rates	(E) Weighted Average Tax Rates
1	Based on the response to Line 4 on Page 1 of Form No. 501-G, Northern Border Pipeline Company				
2	is a pass through entity for tax purposes. Please fill out lines 6, 10-15, 17-23.				
3	Federal Income Tax Rate (FIT) - Calendar Year 2017:				35.00%
4	State Income Tax Rate (SIT) - Calendar Year 2017:				5.40%
5	Composite Tax Rate - Calendar Year 2017:				38.51%
6	Provide the percentage of federal income tax deductible for state income taxes. = (p)				0.00%
7	Composite Tax Rate equals				
8	[FIT Rate * (1 - SIT Rate) / (1 - SIT Rate * FIT Rate * p)] + [SIT Rate * (1 - FIT Rate * p) / (1 - SIT Rate * FIT Rate * p)]				
<u>Tax Rates for C Corps.</u>					
9	Provide the sum of weighted state tax rate(s)	sum of all rows from P. 263b., C. (q)			0.00%
<u>Tax Rates for Pass Through Entities */</u>					
Federal Income Tax Rates					
10	Subchapter C	per Pipeline's parents' owners	83.7%	35.0%	29.30%
11	Individuals	per Pipeline's parents' owners	14.0%	35.0%	4.90%
12	Mutual Funds	per Pipeline's parents' owners	0.0%	35.0%	0.00%
13	Pensions, IRAs, Keogh Plans	per Pipeline's parents' owners	2.0%	35.0%	0.70%
14	UBTI Entities	per Pipeline's parents' owners	0.0%	35.0%	0.00%
15	Non-Taxpaying Entities	per Pipeline's parents' owners	0.3%	35.0%	0.11%
16	Weighted Average Rate		<u>100.00%</u>		<u>35.00%</u>
State and Local Income Tax Rates					
17	Subchapter C	per Pipeline's parents' owners	83.7%	5.4%	4.52%
18	Individuals	per Pipeline's parents' owners	14.0%	5.4%	0.76%
19	Mutual Funds	per Pipeline's parents' owners	0.0%	5.4%	0.00%
20	Pensions, IRAs, Keogh Plans	per Pipeline's parents' owners	2.0%	5.4%	0.11%
21	UBTI Entities	per Pipeline's parents' owners	0.0%	5.4%	0.00%
22	Non-Taxpaying Entities	per Pipeline's parents' owners	0.3%	5.4%	0.02%
23	Weighted Average Rate		<u>100.00%</u>		<u>5.40%</u>
24	Provide the date when the marginal tax rates were determined.			December 31, 2017	

*/ Income tax rates and weighting must be consistent with the Commission's *Policy Statement on Income Tax Allowances*, 111 FERC ¶ 61,139 (2005), and the Commission's *Order on Initial Decision and on Certain Remanded Cost Issues*, 113 FERC ¶ 61,277 (2005).