

Portland Natural Gas Transmission System

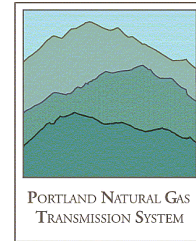
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March 28, 2024

Ms. Debbie-Anne Reese, Acting Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Portland Natural Gas Transmission System
Change in FERC Gas Tariff
Docket No. RP24-____-000

Dear Ms. Reese:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,¹ Portland Natural Gas Transmission System (“Portland”) respectfully submits for filing certain tariff sections² to be part of its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”). Portland is submitting the new Section 6.28 to enable Portland to make operational purchases and sales of gas. Portland respectfully requests that the Commission accept the proposed tariff sections, included herein as Appendix A, to become effective April 28, 2024.

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 (2024).

² Specifically, Portland is revising Part 1 – Table of Contents and proposing to add new Part 6.28 – General Terms & Conditions, Operational Purchases and Sales (“Section 6.28”).

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Statement of the Nature, Reasons, and Basis for Filing

In this filing, Portland is proposing to add a new Section 6.28 (Operational Purchases and Sales) to the General Terms and Conditions of its Tariff to authorize Portland to make operational purchases or sales of gas to maintain system operations, balances, pressure, and line pack. The Commission has indicated a preference that pipelines include in their tariffs specific provisions addressing operational sales and purchases of natural gas.³ Portland believes that it may be necessary, from time to time, to make operational purchases or sales of gas and its Tariff does not currently include such a provision. Accordingly, Portland proposes to add Section 6.28 to its Tariff to clarify the specific circumstances in which Portland is authorized to make operational purchases or sales of natural gas.

The Commission has held that pipelines with tariff authority to make operational purchases and sales must: (1) specify the circumstances under which it would perform an operational purchase or sale; (2) clarify that the operational sale would be unbundled from transportation and that any purchases or sales would have a lower transportation priority than firm service; (3) specify the posting and bidding procedures that will apply to operational purchases and sales; and (4) require the filing of an annual report.⁴ Portland's proposed tariff section addresses each of these requirements and is in keeping with operational purchases and sales provisions previously approved by the Commission.⁵

³ See, e.g., *Colorado Interstate Gas Co.*, 107 FERC ¶ 61,312 (2004), *order on reh'g*, 111 FERC ¶ 61,216 (2005); *ANR Pipeline Co.* 110 FERC ¶61,069 at P 57 (2005); *order on reh'g* 111 FERC ¶61,290 (2005).

⁴ See *ANR Pipeline Co.* 110 FERC ¶61,069 at P 56 (2005) (citing *Colorado Interstate Gas Co.*, 107 FERC ¶ 61,312 (2004); and *Dominion Transmission Inc.*, 106 FERC ¶ 61,029 (2004)).

⁵ See *Columbia Gulf Transmission Company*, 118 FERC ¶ 61,066 (2007); *Columbia Gas Transmission Corporation*, 119 FERC ¶ 61,264 (2007); and *Crossroads Pipeline Company*, Docket No. RP12-41-000, Letter Order Issued November 15, 2011.

Additionally, Section 6.28 provides that Portland will post on its electronic bulletin board the quantities available for operational sales and prescribe the applicable bidding procedures that will apply. Posting the gas for sale and the terms of the sale ensures that all shippers will have the opportunity to compete for these volumes and the terms of the sale will be open and transparent. All bids will be evaluated on a non-discriminatory basis.

As discussed above, the Commission routinely grants authority to make operational purchases and sales to pipelines in recognition that such authority is necessary for the safe and reliable operation of the system. Therefore, Portland requests that the Commission accept the tariff sections to become effective on April 28, 2024.

Effective Date

Portland respectfully requests that the Commission accepted tariff sections, included as Appendix A, to become effective April 28, 2024.

Other Filings Which 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 of the Commission's regulations and Commission Order No. 714,⁶ Portland is submitting the following via its electronic tariff filing:

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(b) and 154.208 of the Commission's regulations, a copy of this filing is being served upon all of Portland's existing customers and interested state regulatory agencies. A copy of this letter, together with any attachments, is available during regular business hours for public inspection at Portland's principal place of business.


⁶ *Electronic Tariff Filings*, 124 FERC ¶ 61,270 (2008) ("Order No. 714").

Pursuant to Section 385.2005 of the Commission's regulations, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of her knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Jonathan Scullion at (832) 320-5520.

Respectfully submitted,

PORTLAND NATURAL GAS TRANSMISSION SYSTEM
By Its Operator, TransCanada Northern Border Inc.

A handwritten signature in black ink, appearing to read 'Sorana Linder', with a long horizontal flourish extending to the right.

Sorana Linder
Director, Rates, Tariffs & Modernization

Enclosures

Appendix A

Clean Tariff Sections

Portland Natural Gas Transmission System FERC Gas Tariff, Third Revised Volume No. 1

<u>Tariff Sections</u>	<u>Version</u>
1 Table of Contents	v.23.0.0
6.28 Operational Purchases and Sales	v.0.0.0

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6.28 OPERATIONAL PURCHASE AND SALES

6.28.1 Transporter may buy and/or sell gas to the extent necessary to:

- (a) maintain system pressure and line pack;
- (b) manage system imbalances;
- (c) perform other operational functions of Transporter in connection with transportation, and other similar services; and
- (d) otherwise protect the operational integrity of Transporter's system.

Any operational purchases and/or sales will be made on an unbundled basis and the purchaser will be responsible for any transportation. Purchases by Transporter will be made at locations where the gas may be most operationally needed from time to time. Operational purchases or sales shall have a lower priority than firm service.

6.28.2 Transporter will post its operational sales quantities for bidding on its electronic bulletin board in accordance with the applicable bidding provisions which will be posted at the time of the sale. Transporter reserves the right, in its sole discretion,

- (a) to withdraw its postings;
- (b) reject all bids due to operational changes; and
- (c) reject any bids which do not meet or which contain modifications to the terms of the posting or which contain terms that are operationally unacceptable.

6.28.3 Transporter will file a report on or before March 1 of each year reflecting the operational purchases/sales for the 12-month period ending the preceding December 31. The report will indicate:

- (a) the source of the operational gas purchased/sold;
- (b) the date of the purchase/sale;
- (c) volumes;
- (d) the purchase/sale price;
- (e) the costs and revenues from the purchase/sale;

- (f) the disposition of the associated costs and revenues, including their absorption by Transporter;
- (g) an explanation of the purpose of any operational purchase/sales; and
- (h) whether Transporter exercised its rights under Section 6.28.2(a) and (b).

Appendix B

Marked Tariff Sections

Portland Natural Gas Transmission System FERC Gas Tariff, Third Revised Volume No. 1

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