



April 30, 2025

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

**Great Lakes Gas Transmission L.P.**

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*via eTariff Filing*

Re: Great Lakes Gas Transmission Limited Partnership  
General Section 4 Rate Filing & Tariff Changes  
Docket No. RP25-

Dear Secretary Reese:

Pursuant to section 4(e) of the Natural Gas Act (“NGA”), 15 U.S.C. § 717c(e), and Subpart D of Part 154 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), 18 C.F.R. §§ 154.301-315, Great Lakes Gas Transmission Limited Partnership (“Great Lakes”) hereby submits the revised tariff records in Appendix A to be part of its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”). The tariff records support a system-wide general increase in Great Lakes’ rates, and include changes to Great Lakes’ rates, rate schedules, and General Terms and Conditions (“GT&C”).

Great Lakes’ current rates for service were established by a settlement dated October 30, 2017, in Docket No. RP17-598 (“RP17-598 Settlement”),<sup>1</sup> as amended in 2022 (“Amended Settlement”).<sup>2</sup> Pursuant to Article V.B. of the Amended Settlement, Great Lakes is required to file a new NGA general section 4 rate case no later than April 30, 2025, with rates to become effective no later than November 1, 2025. Great Lakes is submitting the instant rate case filing in fulfillment of that requirement. While the tariff sections that Great Lakes is submitting reflect an effective date of June 1, 2025, Great Lakes requests that the Commission suspend the tariff sections for the full five-month suspension period so that the sheets do not become effective until November 1, 2025. Doing so would be consistent with the Commission’s long-standing practice with respect to proposed rates in general section 4 rate filings, and would also ensure that the proposed rates would only be effective commencing on November 1, 2025, consistent with Article V.C. of the Amended Settlement.

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<sup>1</sup> See *Great Lakes Gas Transmission L.P.*, 162 FERC ¶ 61,152 (2018) (approving RP17-598 Settlement).

<sup>2</sup> See *Great Lakes Gas Transmission L.P.*, 179 FERC ¶ 61,065 (2022) (approving Amended Settlement).

**Service and Communications**

The exact legal name of the entity for whom the filing is made is Great Lakes Gas Transmission Limited Partnership, which has its principal place of business at 700 Louisiana Street, Houston, Texas 77002. The names, addresses, and telephone and facsimile numbers of the responsible company officials to whom questions regarding the filing may be addressed, and of the persons upon whom service is to be made, are as follows:

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Each of the foregoing persons has been designated for service in accordance with Rule 203(b)(3) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203(b)(3). Great Lakes respectfully requests that the Commission waive Rule 203(b)(3) to allow more than two persons to be designated to receive service. The foregoing individuals are also designated pursuant to 18 C.F.R. § 154.7(a)(2) of the Commission's regulations.

The materials specified in 18 C.F.R. § 154.208(a) are being served upon Great Lakes' customers and affected state regulatory commissions. In accordance with 18 C.F.R. § 154.208(e), Great Lakes is posting a link to the filing on its Informational Postings website at [www.tcplus.com/Great\\_Lakes/](http://www.tcplus.com/Great_Lakes/), where it may be found by clicking the "Regulatory" link on the left-hand side of the page. Additionally, a complete copy of this filing is available for public inspection during regular business hours in a convenient form and place at Great Lakes' offices in Houston, Texas, in accordance with 18 C.F.R. § 154.2(d) of the Commission's regulations.

## **Statement of Nature, Reasons and Basis**

### **Overview of Great Lakes' System**

The purpose of this filing is to restate Great Lakes' rates for service on its interstate transportation system. Great Lakes is a bi-directional pipeline system that spans approximately 2,115 miles traversing three states (Minnesota, Wisconsin, and Michigan) with a mainline capacity of approximately 2.2 billion cubic feet per day ("Bcf/d").

The Great Lakes system extends from an interconnection with TC Energy's Canadian Mainline system ("TCPL Mainline") at the U.S./Canada border near St. Vincent, Minnesota ("St. Vincent") and Emerson, Manitoba ("Emerson") to an interconnection with TC Energy's Great Lakes Pipeline Canada at the international border near St. Clair, Michigan and St. Clair, Ontario ("St. Clair"), and includes a 44-mile lateral pipeline that extends from Great Lakes' mainline in the Upper Peninsula of Michigan to the international border near Sault Ste. Marie, Michigan and Sault Ste. Marie, Ontario. Great Lakes has several direct and indirect connections with third-party natural gas pipelines including, among others, ANR Pipeline Company ("ANR"), Northern Natural Gas Company, and the TCPL Mainline, as well as numerous third-party natural gas storage providers throughout Michigan and Ontario's Dawn Natural Gas Storage Hub.

The Great Lakes system is divided into three zones – a Western Zone, a Central Zone, and an Eastern Zone. The Western Zone extends from the Clow/Emerson Meter Station at the international boundary in Minnesota to the Superior Meter Station in Wisconsin; the Central Zone spans from the Iron River Compressor Station in Wisconsin to the Gaylord/Jordan Valley Compressor Station in Michigan; and the Eastern Zone extends from the South Chester Meter Station in Michigan to the China Meter Station at the international boundary in Michigan.

### **Basis of Current Rates and Evolution of Great Lakes' Business Environment**

Great Lakes' current rates for service were established in the RP17-598 Settlement. Since that time, Great Lakes has seen significant changes to primarily its supply sources. Great Lakes witness Alexander Kearley identifies the two most important developments: (1) supply changes, particularly growth in receipts at Emerson; and (2) relatively flat demand.

On the supply side, Mr. Kearley explains that historically, Great Lakes received the majority of its gas supply from the Western Canada Sedimentary Basin ("WCSB") at its Emerson interconnect with the TCPL Mainline at the international boundary near St. Vincent. Additionally, Great Lakes received volumes from its interconnection with ANR at Farwell, Michigan ("Farwell"). In 2008, prior to the advent of shale drilling and expansive growth of U.S. Appalachia supply, approximately 90 percent of Great Lakes' supply came by way of the WCSB through its interconnect with the TCPL Mainline. By 2019, the percentage of receipts on Great Lakes from the WCSB at Emerson had declined to approximately 61 percent, and in 2024, Great Lakes continued to see approximately 61 percent of supply entering the system at Emerson, and the balance entering across other key points including Farwell and St. Clair. The same period has seen considerable growth in Appalachia and WCSB production. As a result, Great Lakes' receipts grew from 1.92 Bcf/d in 2019 to 2.34 Bcf/d in 2024, notably at the Emerson and St Clair receipt points. In 2019, Emerson receipts averaged 1.18 Bcf/d and increased to average 1.43 Bcf/d in 2024.

During the same time frame, receipts at St Clair grew on average from 0.06 in 2018 to 0.27 Bcf/d in 2024. Farwell also saw a small increase of 0.03 Bcf/d through this period, with the balance from other receipt points showing a decline of 0.07 Bcf/d.

By contrast to the significant supply-side changes, the demand distribution for Great Lakes' services in its key markets has remained relatively stable during this period. In 2019, approximately 37 percent of deliveries occurred at St. Clair, with 14 percent at Fortune Lake, Michigan ("Fortune Lake"), 7 percent at Farwell, and the balance to other delivery points. In 2024, deliveries, on a proportional basis, at these points remain largely unchanged – 36 percent at St. Clair, 13 percent at Fortune Lake, and 9 percent at Farwell.

Of particular significance to this filing, as Great Lakes witnesses Kearley, Matt Parks, and Sorana M. Linder explain, the advanced age of Great Lakes' pipeline system presents the need for Great Lakes to modernize its system to enhance efficiency, reliability, and safety, including to comply with Pipeline and Hazardous Materials Safety Administration ("PHMSA"), U.S. Department of Homeland Security Transportation Security Administration ("TSA"), and Environmental Protection Agency ("EPA") regulations. Therefore, Great Lakes is proposing to implement a modernization program, as described below.

### **Summary of Testimony**

Included with this filing is Statement P, which contains the prepared direct testimony and exhibits supporting Great Lakes' proposed rates, tariff changes, and modernization program. A list of Great Lakes' witnesses is set forth below, along with a brief summary of the principal topics addressed in each witness's testimony.

<b><u>Witness</u></b>	<b><u>Testimony</u></b>
Sorana M. Linder	Overview of need for, and contents of, filing; support for change in rate design to zones-traversed methodology and seasonal rate design; support for modification to park and loan rates; description of and support for Great Lakes' modernization program and Reliability and Compliance Surcharge
Alexander Kearley	Overview of Great Lakes system, assessment of supply and market changes since Great Lakes' last rate case, commercial environment and business risks faced by Great Lakes
Josh Figueroa	Selection of proxy group and recommended ROE
Dr. Nathalie Hinchey	Business risk analysis

Matt Parks	Overview of various third-party government compliance and safety requirements in relation to Great Lakes' modernization program, including costs incurred to comply with PHMSA, EPA, and TSA obligations; Eligible Facilities Plan ("EFP")
Alexander J. Kirk	Gas supply projections to support the economic life of Great Lakes' system
Kevin H. Lange	Cost analysis of retiring and removing facilities to support net negative salvage rate
Steven R. Fall	Depreciation and negative salvage
David J. Haag	Policy support for rate design proposal
Daniel E. Humble	Description and policy support for certain tariff changes
Nadine Dixon	Operational support for proposed change to "transportation path" definition
Philip J. Antolin	Overall cost-of-service consisting of operations and maintenance expenses, depreciation and amortization, return allowance, income taxes and taxes other than income taxes, rate base and return, capital structure, cost of debt, and regulatory assets and liabilities
Meghan Tew	Income tax allowance and accumulated deferred income tax ("ADIT") balance; regulatory asset treatment for allowance for funds used during construction
Jennifer B. Gordon	Billing determinants and revenues, including Statement G; cost allocation, functionalization and rate design
Erik K. Anderson	Contemporaneous evidence of competition for discounted rate contracts and a discount-type adjustment for a negotiated rate contract; commercial support for right of first refusal ("ROFR") timeline modifications

### **Reasons for Proposed Rate Increase**

Great Lakes' cost-of-service and rate calculations are based upon the costs and throughput levels for the base period (twelve months ended January 31, 2025) as adjusted for known and measurable changes through the test period ending October 31, 2025. As a result of the changes proposed herein, Great Lakes' maximum recourse rates for service under its various rate schedules will be as set forth on Statement J included with this filing.

The rate design proposed herein by Great Lakes reflects a change from the rate design underlying Great Lakes' existing rates. Specifically, as explained by Great Lakes witness Linder and as discussed more fully below, Great Lakes is proposing to change from its existing zone-of-delivery rate design to a zones-traversed rate design.

In compliance with section 154.7(a)(6) of the Commission's regulations, the following table compares the cost-of-service, rate base, and throughput contained in this filing with the same information underlying Great Lakes' last rates found to be just and reasonable by the Commission:

	<u>This Filing</u>	<u>RP17-598 Rates</u> <sup>3</sup>
Cost-of-Service	\$291,606,359	\$186,750,693
Total Rate Base	\$762,401,149	\$511,445,404
Throughput	849,746,173 Dth/year	463,670,602 Dth/year

The proposed rate increase is largely due to the substantial increase in Great Lakes' rate base, much of which is the result of historical maintenance and non-growth capital expenditures Great Lakes has made. The proposed rate increase also reflects the significantly higher business risk that Great Lakes now faces. Great Lakes witness Dr. Nathalie Hinchey demonstrates that Great Lakes has significantly higher business risk relative to the relevant pipeline proxy group. Dr. Hinchey and Great Lakes witness Kearley describe the five principle risks that Great Lakes faces in the current environment: (1) contractual risk; (2) operational risk; (3) regulatory risk; (4) competitive risk; and (5) supply risk.

**Contractual Risk.** As explained by Great Lakes witnesses Kearley and Hinchey, Great Lakes is facing contractual risk. Dr. Hinchey describes how Great Lakes has increased contractual risk because it has significantly shorter contract cover than the proxy group pipelines. Mr. Kearley explains that this risk is exacerbated because a significant majority of revenues and volumes on Great Lakes are from contracts held by marketers, who are less incentivized to establish long-term commercial relationships with a pipeline or to support significant capital investment in interconnecting infrastructure.

**Operational Risk.** As Great Lakes witness Kearley explains, the advanced age of Great Lakes' pipeline system puts Great Lakes at greater risk than other pipelines with respect to ongoing maintenance to ensure compliance with PHMSA and EPA rules. These increased costs impose significant risk on Great Lakes. Additionally, Great Lakes has increased operating risk associated

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<sup>3</sup> The RP17-598 Settlement was a "black box" settlement that did not establish a stipulated cost-of-service or rate base, and the Amended Settlement maintained the "black box" rates established by the RP17-598 Settlement. The figures below are taken from Great Lakes' rate filing in Docket No. RP17-598-000.

with its modernization program and the advanced age of the pipeline combined with the physical stress of increased utilization of the pipeline. Great Lakes witness Hinchey demonstrates that Great Lakes faces higher operational risk than the proxy group pipelines because of the significant maintenance and non-growth capital expenditures on the system. In addition, Mr. Kearley describes how the uncertainty created by international trade tariffs could negatively impact Great Lakes' operations insofar as certain critical pipeline components could be subject to tariffs or require additional administrative steps or higher costs to procure.

**Regulatory Risk.** Great Lakes witness Kearley explains that Great Lakes is facing increased regulatory risk as a result of increasingly successful opposition to the development of new pipeline infrastructure, which opposition is being pressed at the Commission, in courts, and before environmental and land use regulators. Mr. Kearley also explains how Great Lakes is facing increased regulatory risk associated with federal and state policy and legislative initiatives that impact Great Lakes' ability to expand its system to serve new and existing markets, including state efforts to deny needed permits and, as further explained by Great Lakes witness Alexander J. Kirk, development of Renewable Portfolio Standards and decarbonization policies that limit the participation of natural gas in a state's resource mix. Great Lakes witness Hinchey also describes the greater regulatory risk which Great Lakes faces as a result of state decarbonization policies designed to reduce demand for natural gas. Given that Great Lakes serves markets in Canada, Canadian decarbonization policies also have a significant impact on Great Lakes' regulatory risk. Mr. Kearley also describes the potential impact of import tariffs on cross-border energy trade, as well as on producers and consumers, that could significantly disrupt established energy trade patterns and the pipelines that source international energy supplies, including Great Lakes.

**Competitive Risk.** As Great Lakes witness Kearley explains, Great Lakes' location within the pipeline grid renders it particularly susceptible to competition. Great Lakes currently serves a vast geographic area, supplying gas to three states and to Eastern and Southern Ontario. The vast majority of markets that Great Lakes serves have several other interstate pipelines that also provide service, therefore putting competitive pressure on Great Lakes. As Great Lakes witness Kearley describes, competition is notable in both the Western Zone and the Eastern Zone.

**Supply Risk.** Great Lakes witness Kearley describes the supply risks that could impact Great Lakes' transportation value by reducing the supply available to be transported on Great Lakes, specifically the: (1) increased demand for WCSB natural gas supply within Western Canada; and (2) the commencement of Canadian liquified natural gas exports that rely on WCSB supply.

**Return on Equity.** Following the Commission's Policy Statement on Determining Return on Equity for Natural Gas and Oil Pipelines,<sup>4</sup> Great Lakes witness Josh Figueroa supports an appropriate return on common equity of 14.54 percent. Mr. Figueroa's recommended ROE is an equally-weighted average of the results from the Commission's discounted cash flow model and capital asset pricing model. Mr. Figueroa recommends an ROE at the midpoint of the upper third of the zone of reasonableness, to reflect Great Lakes' increased business risks compared to those of the proxy group as determined by Dr. Hinchey.

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<sup>4</sup> *Inquiry Regarding the Commission's Policy for Determining Return on Equity*, 171 FERC ¶ 61,155 (2020).

The proposed rates thus incorporate this increase in return on equity, reflecting the increased business and financial risks that Great Lakes now faces. As detailed in the testimony of Great Lakes witness Philip J. Antolin, Great Lakes' proposed rates include an overall cost of capital of 11.73 percent. Mr. Antolin establishes Great Lakes' overall cost-of-service for the twelve-month base period ending January 31, 2025, adjusted for known and measurable changes for the test period ending October 31, 2025, as approximately \$292 million. This cost-of-service is based on Great Lakes' actual capital structure of 34.92 percent debt/65.08 percent equity and the depreciation rates calculated by Great Lakes witness Steven R. Fall. Great Lakes witness Antolin supports the use of Great Lakes' own capital structure, which conforms to the Commission's policy in that Great Lakes issues its own non-guaranteed debt, has its own debt ratings separate from its parent, and has a common equity ratio in line with others previously approved by the Commission. Great Lakes witness Meghan Tew supports Great Lakes' proposed income tax allowance and ADIT balance.

The following table summarizes Great Lakes' overall rate of return:

	<u>Capitalization Ratio</u>	<u>Cost</u>	<u>Weighted Cost</u>
Long-Term Debt	34.92%	6.49%	2.27%
Equity	65.08%	14.54%	9.46%
Overall Rate of Return			11.73%

### **Depreciation and Negative Salvage**

As supported by Great Lakes witnesses Fall, Kirk and Kevin H. Lange, Great Lakes' rates also reflect the following: (1) a depreciation rate for Great Lakes' total transmission plant of 1.84 percent; and (2) the establishment of total negative salvage and terminal decommissioning rates of 1.27 percent for transmission plant.

### **Other Rate-Related Proposals**

#### **Discount and Discount-Type Adjustments**

Great Lakes' proposed rates reflect a discount adjustment for service provided at discounted rates, as well as a discount-type adjustment for service provided at a negotiated rate. Great Lakes' adjustment is consistent with its Tariff and with Commission policies that allow a pipeline to seek a reduction in the volumes used to design its maximum rates if it obtained those volumes by offering reduced rates in order to meet competition.<sup>5</sup> Great Lakes witness Jennifer B. Gordon provides an explanation of the calculation of the discount and discount-type adjustments as well as an explanation of Great Lakes' Tariff provision on negotiated rates and shows that recourse rate shippers are not adversely impacted by the discount-type adjustment for the negotiated rate contract. Great Lakes witness Erik K. Anderson provides contemporaneous evidence to support the fact that Great Lakes' discounted rate and negotiated rate contracts were entered into to meet

<sup>5</sup> See *Policy for Selective Discounting by Natural Gas Pipelines*, 111 FERC ¶ 61,309 (2005); see also Tariff, GT&C § 46, Negotiated Rates.



competition and that Great Lakes would not have been able to contract for the capacity at a higher rate.

### **Rate Design**

As explained by Great Lakes witness Linder, Great Lakes proposes to change its current rate design from a zone-of-delivery method to a zones-traversed method. Under the zone-of-delivery method, Great Lakes allocates costs to rate zones based upon dekatherm-miles associated with deliveries into Great Lakes' three rate zones, regardless of the zone of receipt. The effect of this rate design is that gas delivered into a given zone typically faces the same maximum transportation rate, regardless of the length of haul. By contrast, the zones-traversed method is a distance-sensitive rate design that allocates costs to individual zones based upon the contract volumes that move across each of the zones, weighted by the distance the volumes move across each zone. As such, costs are allocated to zones based upon usage and distance factors. For example, a west-to-east contract would result in the allocation of costs to each of Great Lakes' three rate zones (the Western Zone, Central Zone, and Eastern Zone) based upon the contract volumes and the distances traversed by the contract in each zone.

Ms. Linder explains that Great Lakes' historic zone-based rate design was premised on the assumption that transportation volumes on the Great Lakes system generally originated in the Western Zone, and traveled eastward to points of delivery in the Eastern Zone. The historic rate design makes use of a matrix of rates for various shorter-haul receipt and delivery point combinations. However, the operation of Great Lakes' system has changed in two significant ways since the historic rate design was adopted: shorter-haul service originating in Great Lakes' Central and Eastern Zones has become increasingly prevalent, and Great Lakes has bidirectional flows including in an east-to-west direction, as described by Great Lakes witnesses Kearley and Nadine Dixon. As a result of these developments, the existing zone-of-delivery rate design, in combination with the matrix of rates, effectively prevents Great Lakes from recovering its cost-of-service and earning its authorized ROE, and thus no longer produces just and reasonable results. Accordingly, Great Lakes proposes to adopt the zones-traversed rate design, which maintains Great Lakes' existing three-zone structure but properly allocates costs to individual rate zones, thereby enabling the use of a matrix of rates and eliminating the under-recovery inherent in the legacy rate design.

Great Lakes witness Haag explains how the proposed rate design is consistent with the Commission's rate design policies, because it will continue to reflect material variations in the cost of providing service due to the distance over which transportation will occur. Mr. Haag further explains that the proposed rate design continues to provide shippers in each zone with direct access to major natural gas markets and various pipeline interconnections, while reducing the overall transportation costs incurred by those shippers who only desire to utilize one zone on the Great Lakes system. In addition, the proposed rate design reflects the integrated nature of the Great Lakes system and more accurately allocates Great Lakes' mileage sensitive costs consistent with the actual utilization and operation of the Great Lakes system.

### **Seasonal Rates**

As discussed by Great Lakes witness Linder, Great Lakes is proposing to continue in effect the seasonal rates established in Article VII.A. of the Stipulation and Agreement dated September 27, 2013 in Docket No. RP13-1367-000<sup>6</sup> and continued in effect in the RP17-598 Settlement and Amended Settlement, consistent with the Commission's policy governing seasonal rates for firm services as set forth in Order No. 637.<sup>7</sup> Under the current mechanism, Great Lakes may charge peak rates for up to five months during each 12-month period beginning April 1, and may charge a peak multiplier of up to 1.4. The remaining off-peak months have an offsetting multiplier, such that the arithmetic mean of the seasonal rates for each of the applicable 12 months will equal the 100 percent load factor equivalent firm rate from which the seasonal rates are derived. As Ms. Linder explains, seasonal rates provide Great Lakes with the ability to take advantage of pricing opportunities when selling unused capacity, thereby providing Great Lakes with an opportunity to maximize its revenues and reduce the cost burden on Great Lakes' long-term firm shippers. Great Lakes witness Gordon provides additional support for the design of the seasonal rates.

### **Park and Loan Rates**

Great Lakes' current park and loan rates reflect a first-day/subsequent-day structure. Under this structure, the First Day Fee is Great Lakes' maximum interruptible transportation rate, and the Subsequent Day Fee is arbitrarily set equal to one-fifth of the First Day rate. Great Lakes is proposing to modify its park and loan rates from a first-day/subsequent-day structure to a one-part rate that is equivalent to Great Lakes' maximum interruptible transportation rate. As Ms. Linder explains, the Commission has accepted the use of interruptible transportation rates to design interruptible park and loan rates so long as such rates do not exceed the interstate pipeline's highest interruptible transportation rate. Moreover, the Commission has previously approved rate structures in which the park and/or loan rate for each day was based on the pipeline's system-wide maximum IT rate. Great Lakes witness Gordon describes the proposed one-part rate for PAL service. In addition, Great Lakes witness Daniel E. Humble describes conforming changes to the PAL rate schedule and *pro forma* PAL service agreement to reflect the change in rate design.

### **Summary of Proposed Tariff Changes**

Great Lakes is proposing to implement the tariff changes summarized below as part of its filing. As noted above, while the revised tariff sections contained in Appendix A reflect an effective date of June 1, 2025, Great Lakes requests that the Commission, consistent with its standard practice, suspend the tariff sections for the full five-month suspension period so that the rates do not become effective until November 1, 2025.

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<sup>6</sup> The RP13-1367 Settlement was approved by the Commission by letter order dated November 14, 2013. *Great Lakes Gas Transmission Ltd. Partnership*, 145 FERC ¶ 61,126 (2013).

<sup>7</sup> *Regulation of Short-Term Natural Gas Transportation Services and Regulation of Interstate Natural Gas Transportation Services*, Order No. 637, 1996-2000 FERC Stats. & Regs. [Regs. Preambles] ¶ 31,093 at 31,288-89 (2000), *order on clarification*, Order No. 637-A, 1996-2000 FERC Stats. & Regs. [Regs. Preambles] ¶ 31,099 (2000), *order on reh'g*, Order No. 637-B, 92 FERC ¶ 61,062 (2000).

### **Reliability and Compliance Surcharge**

As noted above, Great Lakes has an ongoing need to comply with existing and emerging regulatory requirements, and anticipates the need to spend significant amounts in the next six years to address these requirements. Accordingly, Great Lakes is proposing a Reliability and Compliance Surcharge (“RACS”) program to recover costs associated with its continuing and necessary work to ensure that its system complies with regulatory requirements. As Great Lakes witness Linder explains, the RACS is designed to allow Great Lakes to recover specified costs for projects in the following modernization categories: (1) system reliability; (2) third-party compliance; and (3) safety and integrity.

Great Lakes witness Parks sponsors the EFP that describes the projects that Great Lakes has identified at this time that would be eligible for recovery through the RACS over the proposed six-year term of the program. As Mr. Parks testifies, the projects listed in the EFP were selected based on Great Lakes’ prioritization of its needs such that each of the facilities listed in the EFP meet one or more of the following criteria: (1) it operates at a relatively high level of risk; (2) it requires upgrades to meet current or emerging regulations; and/or (3) its reliability is lower than necessary to meet current or future service requirements. As Ms. Linder explains, Great Lakes’ RACS proposal is consistent with Commission policy governing cost recovery mechanisms for modernization of natural gas pipeline facilities, as stated by the Commission in its Modernization Policy Statement.<sup>8</sup>

Great Lakes is proposing to add Part 6.28 to its GT&C to implement the RACS. The tariff records included with this filing reflect an initial RACS surcharge of \$0.00. The RACS sets forth procedures pursuant to which Great Lakes will make annual limited NGA section 4 filings to implement an additive surcharge to recover Great Lakes cumulative revenue requirement for capital investments made in certain defined Eligible Facilities as identified in the EFP described by Great Lakes witness Parks. Great Lakes commits to spending at least \$30 million in general plant maintenance capital (“GPMC”); if Great Lakes expends less than \$30 million in GPMC in any given year, Great Lakes will forego recovery of any capital expenditure in the applicable RACS filing. As Ms. Linder explains, the total revenue requirement for projects identified in the EFP will not exceed \$834 million over the six-year term of the RACS.

In addition, Great Lakes proposes to have the discretion to recover the costs of specific projects that (1) may not be known at this time but fall into one of the modernization categories discussed above and (2) address issues Great Lakes believes could lead to imminent unsafe conditions. Furthermore, Great Lakes is proposing a mechanism within the RACS that would permit recovery of any unforeseen modernization costs that are not identified in the EFP or included in the discretionary categories just described, subject to the requirement that they receive consensus support from customers or Commission approval during the term of the RACS program. This NGA section 4 rate proceeding and the structure of the RACS will provide Great Lakes and its shippers ample opportunity to collaborate on the RACS proposal.

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<sup>8</sup> *Cost Recovery Mechanisms for Modernization of Natural Gas Facilities*, 151 FERC ¶ 61,047 (2015) (“Modernization Policy Statement”), *clarification denied*, 152 FERC ¶ 61,046 (2015).

### **Right of First Refusal Timelines**

Part 6.16 of Great Lakes' GT&C sets governs the ROFR process. As Great Lakes witness Humble explains, the current ROFR process, including Electronic Bulletin Board posting requirements and open season requirements, exceeds 100 days when the required notice and decision timelines are taken in full. Great Lakes proposes to streamline that process by decreasing the notification and decision timelines by approximately half. Specifically, Great Lakes proposes to shorten the following timelines to fifteen (15) days: (1) the 30-day period a shipper must notify Great Lakes of its decision to exercise its ROFR in Part 6.16.1; (2) the 30-day ROFR open season notice period in Parts 6.16.2 and 6.16.3; (3) the 30-day period that shippers have to match the Best Bid for Matching Purposes in Part 6.16.7; (4) the 20-day period to renew service in the event there are no valid bids in Part 6.16.8; and (5) the 30-day period that a shipper has until its ROFR expires in Part 6.16.10. Additionally, Great Lakes proposes to shorten the timeline that Great Lakes must provide a notice of bid results to the shipper in Part 6.16.6, from fifteen (15) days to five (5) business days.

Great Lakes witness Anderson explains that the streamlining of the ROFR process is necessary due to changing market conditions and increased demand for capacity in the Midwest and Great Lakes region, as further described by Great Lakes witness Kearley. Mr. Anderson further explains that Shippers will benefit from Great Lakes' proposal because capacity that is in demand on Great Lakes will be made available sooner and awarded in a timelier manner to shippers that value it the most, consistent with Commission policy. Mr. Humble explains that these changes will impact existing shippers with existing contracts subject to ROFR; however, such shippers will still have adequate time to provide notice and to make decisions throughout the ROFR process.

### **Clarification of "Transportation Path" Definition**

The term "Transportation Path" is defined in Part 6.5.1 of Great Lakes' GT&C as "that area of the Transportation Service provided under Shipper's Agreement that is bounded by the farthest upstream Primary Receipt Point within Shipper's Agreement and the farthest downstream Primary Delivery Point within Shipper's Agreement (or vice-versa where the receipt point is downstream of the delivery point)." As Great Lakes witness Humble explains, this definition was established when flows on Great Lakes were unidirectional. Great Lakes witness Dixon describes how historically gas flowed on Great Lakes in a west-to-east direction. As market and supply areas have changed over the years, however, the flow of gas on Great Lakes became bidirectional.

To reflect the current operational reality on its system, Great Lakes proposes to revise language in the "Transportation Path" definition to remove the references to "upstream" and "downstream." Great Lakes proposes that the definition of "Transportation Path" read as follows: "shall mean that area of the Transportation Service provided under Shipper's Agreement that is bounded by the farthest Primary Receipt Point within Shipper's Agreement and the farthest Primary Delivery Point within Shipper's Agreement."

In addition, to ensure clarity, Great Lakes proposes to revise Part 6.3.1(g) of the GT&C, which discusses the pooling point at Emerson. The current language states, "[f]or administrative purposes, this pooling point shall be considered a logical point located immediately downstream of the physical interconnect." Because Great Lakes is now a bidirectional system, "immediately downstream" causes confusion regarding location of the logical point. Accordingly, Great Lakes

proposes the following revision: “For administrative purposes, this pooling point shall be considered a logical point located immediately southeast of the physical interconnect.” As Mr. Humble explains, these clarifications will have no impact on existing shippers.

### **Other Filings Which May Affect This Proceeding**

Pursuant to 18 C.F.R. § 154.204(f), Great Lakes states that as of the time of this filing, it has no filings pending before the Commission that may significantly affect the changes proposed herein.

### **Materials Submitted**

In accordance with sections 154.7 and 154.201 of the Commission’s regulations and Order No. 714,<sup>9</sup> Great Lakes is submitting an eTariff XML filing package, which includes the following:

1. The tariff records being revised in RTF format with metadata attached;
2. This transmittal letter, which incorporates the Statement of Nature, Reasons and Basis as required by 18 C.F.R. § 154.7(a)(6), in PDF format;
3. Appendix A, a list in PDF format of revised tariff records being filed;
4. Appendix A-1, a clean version of the revised tariff records in PDF format for publishing in eLibrary;
5. Appendix A-2, a marked version of the revised tariff records in accordance with the provisions of section 154.201(a) of the Commission’s regulations;
6. Appendix B, a table of contents that associates the statements and schedules included in the filing with the corresponding exhibit number and electronic file name;
7. Appendix C, a representation by Great Lakes’ authorized accounting representative, as required by 18 C.F.R. § 154.308;
8. Statements A through P, and related statements, schedules and workpapers, in PDF or (in the case of statements, schedules and workpapers) in native format with all links and formulas included), as required by 18 C.F.R. § 154.312;
9. The necessary documentation to support the revised tariff sections, as required by 18 C.F.R. §§ 154.201 and 154.207; and
10. A statement that all affected customers and state regulatory commissions have received an abbreviated electronic version of this rate filing, as required by 18 C.F.R. § 154.208.

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<sup>9</sup> *Electronic Tariff Filings*, Order No. 714, 2008-2013 FERC Stats. & Regs. [Regs. Preambles] ¶ 31,276 (2008), *final rule*, Order No. 714-A, III FERC Stats. & Regs. [Regs. Preambles] ¶ 31,356 (2014).

**Proposed Effective Date and Motion to Place Rates Into Effect**

As noted above, while the tariff sections that Great Lakes is proposing reflect an effective date of June 1, 2025, Great Lakes requests that the Commission suspend the tariff sections for the full five-month suspension period so that the sheets do not become effective until November 1, 2025. Pursuant to 18 C.F.R. § 154.7(a)(9), Great Lakes hereby requests that the Commission accept and suspend the tariff sections, as described above. Great Lakes will file a separate motion pursuant to 18 C.F.R. § 154.206 to place the tariff sections into effect at the end of the suspension period.

**Requests for Waivers**

Pursuant to 18 C.F.R. §§ 154.7(a)(7) and 154.207, Great Lakes respectfully requests that the Commission grant all waivers necessary to allow the tariff sections to become effective as proposed herein, including any necessary waivers of Parts 154, 157, 284 and 385 of the Commission's regulations, as well as any other rule, policy, pronouncement or order.

**Certificate of Service**

In accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010, a copy of this filing, together with all enclosures, is being served upon all jurisdictional customers and interested state regulatory agencies.

**Certification**

Pursuant to 18 C.F.R. §§ 385.2005 and 385.2011, 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.

Respectfully submitted,

/s/ Sorana Linder

Sorana Linder  
Vice President, Rates & Regulatory

Enclosures

## APPENDIX A

### Great Lakes Gas Transmission Limited Partnership

#### *FERC Gas Tariff, Third Revised Volume No. 1*

#### List of Proposed Tariff Records

<b><u>Tariff Sections</u></b>		<b><u>Version</u></b>
1	Table of Contents	17.0.0
4.1	Statement of Rates, Rate Schedule FT, LFT, and EFT Rates	9.0.0
4.3	Statement of Rates, Rate Schedule IT Rates	6.0.0
4.4	Statement of Rates, Rate Schedule PAL Rates	7.0.0
4.9	Statement of Rates, RACS	4.0.0
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5.2.5	Rate Schedule EFT, Additional Charges	2.0.0
5.3.5	Rate Schedule LFT, Additional Charges	2.0.0
5.4.5	Rate Schedule IT, Additional Charges	2.0.0
5.5.4.1	Rate Schedule PAL, Rates	4.0.0
5.5.4.2	Rate Schedule PAL, Park and Loan Charges	4.0.0
6.3.1	GT&C, General Nomination Guidelines	5.0.0
6.5.1	GT&C, Definitions	2.0.0
6.16.1	GT&C, Notification to Shipper and Shipper Response	2.0.0
6.16.2	GT&C, Posting of Notice for Bids	3.0.0
6.16.3	GT&C, Submission of Bids	2.0.0
6.16.6	GT&C, Notice of Bid Results	2.0.0
6.16.7	GT&C, Matching and Award of Capacity	2.0.0
6.16.8	GT&C, Absence of Bids	3.0.0
6.16.10	GT&C, Shipper's Right of First Refusal	2.0.0
6.28	GT&C, RACS	0.0.0
7.4.1	Form of Service Agreements, Park and Loan Service Agreement – Appendix A	4.0.0

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GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP

Open Access Rates  
Firm Transportation Service  
Rate Schedule FT 6/

	Western Zone 1/ 2/ 3/ Deliveries	Central Zone 1/ 2/ 3/ Deliveries	Eastern Zone 1/ 2/ 3/ Deliveries
Receipts in Western Zone - -----	----- (Rates per Dth)	----- (Rates per Dth)	----- (Rates per Dth)
Reservation Fee	\$3.854	\$7.372	\$9.122
Utilization Fee	0.00431	0.00952	0.01176
Max. Volumetric Rate at 100% L.F. 4/ 5/	0.12671	0.24237	0.29990
Receipts in Central Zone - -----			
Reservation Fee	\$7.372	\$4.429	\$6.179
Utilization Fee	0.00952	0.00521	0.00745
Max. Volumetric Rate at 100% L.F. 4/ 5/	0.24237	0.14561	0.20315
Receipts in Eastern Zone - -----			
Reservation Fee	\$9.122	\$6.179	\$2.661
Utilization Fee	0.01176	0.00745	0.00224
Max. Volumetric Rate at 100% L.F. 4/ 5/	0.29990	0.20315	0.08748

Limited Firm Transportation Service  
Rate Schedule LFT 1/ 2/ 3/ 4/ 5/ 6/

The rates shown above for Service under Rate Schedule FT shall also be applicable to Service under Rate Schedule LFT except that the maximum Reservation Fee shall be adjusted to reflect the appropriate number of Days that Service shall be available utilizing the following formula, rounded to 3 decimal places:  $LFT = FT \times ((TD - UD)/TD)$  where:

LFT = LFT Reservation Fee  
FT = Applicable FT Reservation Fee  
TD = Number of Days during Agreement Term  
UD = Number of Unavailable Days

Expedited Firm Transportation Service  
Rate Schedule EFT 1/ 2/ 3/ 4/ 5/ 6/  
-----

The rates shown above for Service under Rate Schedule FT shall also be applicable to Service under Rate Schedule EFT except that the maximum Reservation Fee shall be adjusted to reflect the applicable expedited period of gas flow (EPF) utilizing the following formula, rounded to 3 decimal places:  $EFT = FT \times (24/EPF)$  where:

EFT = EFT Reservation Fee  
FT = Applicable FT Reservation Fee  
24 = Number of Hours in a Gas Day  
EPF = MDQ/MHQ  
-----

- 1/ Pursuant to Section 5.1.5 paragraph 2 of Rate Schedules FT, Section 5.2.5 paragraph 2 of Rate Schedule EFT, and Section 5.3.5 paragraph 2 of Rate Schedule LFT, Shipper shall pay, in addition to the rate specified for this service, an ACA charge set forth in Section 4.6 of this FERC Gas Tariff, and the RACS rate set forth in Section 4.9 of this FERC Gas Tariff.
- 2/ The minimum charge for Reservation Fees, backhauls and/or exchange transportation shall be \$0.00 per Dth.
- 3/ In addition, Shipper shall pay the 100% load factor rate for the service outside the zones for which a Reservation Fee or Volumetric Rate is paid.
- 4/ In addition to the Volumetric Rate, the Utilization Fee is applicable to all services.
- 5/ 100% load factor rate is calculated as:  $(\text{Reservation Fee} \times 12)/365$ , rounded to 5 decimal places.
- 6/ Seasonal recourse rates apply to short-term firm ("STF") service (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) under Rate Schedule FT and rate schedules that are based upon Rate Schedule FT rates, in addition to interruptible transportation service under Rate Schedule IT. On or before February 15 of each year, Great Lakes shall identify the number of peak months (from zero to five) for the upcoming 12-month period beginning April 1, identify the months to which peak rates apply; and set the peak rate multiplier from one up to a maximum of 1.4. Peak rates will be set by multiplying the applicable firm reservation charge (or reservation component) by the peak multiplier. The remaining off-peak months will have a multiplier equal to  $1-(P/O) \times (M-1)$  where:

P=Peak Months

O=Off-Peak Months (Equal to 12-P)

M=Multiplier for Peak Months

Transporter's seasonal recourse rate elections and resulting peak and off-peak rates shall be posted under the Informational Postings section of Transporter's Internet Website.

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP

Open Access Rates  
Interruptible Transportation Service  
Rate Schedule IT

	----- (Rates Per Dth) -----		
	Western Zone Deliveries 1/ 2/ -----	Central Zone Deliveries 1/ 2/ -----	Eastern Zone Deliveries 1/ 2/ -----
Receipts in Western Zone - -----			
Utilization Fee - Maximum	3/	3/	3/
- Minimum	0.00431	0.00952	0.01176
Receipts in Central Zone - -----			
Utilization Fee - Maximum	3/	3/	3/
- Minimum	0.00000	0.00521	0.00745
Receipts in Eastern Zone - -----			
Utilization Fee - Maximum	3/	3/	3/
- Minimum	0.00000	0.00000	0.00224

- 
- 1/ Pursuant to Section 5.4.5 paragraph 2 of Rate Schedule IT, Shipper shall pay, in addition to the specified rate for this service, an ACA charge set forth in Section 4.6 of this FERC Gas Tariff, and the RACS rate set forth in Section 4.9 of this FERC Gas Tariff.
  - 2/ The minimum charge for backhauls and/or exchange transportation shall be \$0.00 per Dth.
  - 3/ Seasonal recourse rates apply to short-term firm ("STF") service (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) under Rate Schedule FT and rate schedules that are based upon Rate Schedule FT rates, in addition to interruptible transportation service under Rate Schedule IT. On or before February 15 of each year, Great Lakes shall identify the number of peak months (from zero to five) for the upcoming 12-month period beginning April 1, identify the months to which peak rates apply; and set the peak rate multiplier from one up to a maximum of 1.4. Peak rates will be set by multiplying the applicable firm reservation charge (or reservation component) by the peak multiplier. The remaining off-peak months will have a multiplier equal to  $1 - (P/O) \times (M-1)$  where:  
P=Peak Months  
O=Off-Peak Months (Equal to 12-P)  
M=Multiplier for Peak Months

Transporter's seasonal recourse rate elections and resulting peak and off-peak rates shall be posted under the Informational Postings section of Transporter's Internet Website.

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP

Open Access Rates  
Park and Loan Services  
Rate Schedule PAL (Rates Per Dth) 1/  
-----

	Maximum -----	Minimum -----
PARK and LOAN		
Daily Fee	2/	\$0.00000

-----  
1/ An ACA charge set forth in Section 4.6 of this FERC Gas Tariff shall not be assessed on any transaction under Rate Schedule PAL.

2/ Seasonal recourse rates apply to short-term firm ("STF") service (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) under Rate Schedule FT and rate schedules that are based upon Rate Schedule FT rates, in addition to interruptible transportation service under Rate Schedules IT and PAL. On or before February 15 of each year, Great Lakes shall identify the number of peak months (from zero to five) for the upcoming 12-month period beginning April 1, identify the months to which peak rates apply; and set the peak rate multiplier from one up to a maximum of 1.4. Peak rates will be set by multiplying the applicable firm reservation charge (or reservation component) by the peak multiplier. The remaining off-peak months will have a multiplier equal to  $1 - (P/O) \times (M - 1)$  where:

P=Peak Months

O=Off-Peak Months (Equal to 12-P)

M=Multiplier for Peak Months

Transporter's seasonal recourse rate elections and resulting peak and off-peak rates shall be posted under the Informational Postings section of Transporter's Internet Website.

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP  
 Regulatory and Compliance Surcharge (RACS)  
 Firm Transportation Service  
 Rate Schedule FT

	Western Zone Deliveries ----- (Rates per Dth)	Central Zone Deliveries ----- (Rates per Dth)	Eastern Zone Deliveries ----- (Rates per Dth)
Receipts in Western Zone - -----			
Reservation Fee	\$0.000	\$0.000	\$0.000
Receipts in Central Zone - -----			
Reservation Fee	\$0.000	\$0.000	\$0.000
Receipts in Eastern Zone - -----			
Reservation Fee	\$0.000	\$0.000	\$0.000

Limited Firm Transportation Service  
 Rate Schedule LFT

The RACS rate shown above shall also be applicable to Rate Schedule LFT except that the RACS rate shall be adjusted to reflect the appropriate number of Days that Service shall be available utilizing the following formula, rounded to 3 decimal places:  $LFTR = FTR \times ((TD - UD)/TD)$  where:

LFTR = LFT RACS Fee  
 FTR = Applicable FT RACS Fee  
 TD = Number of Days during Agreement Term  
 UD = Number of Unavailable Days



Expedited Firm Transportation Service  
Rate Schedule EFT

-----

The RACS rate shown above shall also be applicable to Rate Schedule EFT except that the maximum RACS rate shall be adjusted to reflect the applicable expedited period of gas flow (EPF) utilizing the following formula, rounded to 3 decimal places:  $EFTR = FTR \times (24/EPF)$  where:

EFTR = EFT RACS Fee  
FTR = Applicable FT RACS Fee  
24 = Number of Hours in a Gas Day  
EPF = MDQ/MHQ

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP  
 Regulatory and Compliance Surcharge (RACS)  
 Interruptible Transportation Service  
 Rate Schedule IT

	Western Zone Deliveries ----- (Rates per Dth)	Central Zone Deliveries ----- (Rates per Dth)	Eastern Zone Deliveries ----- (Rates per Dth)
Receipts in Western Zone - -----			
Utilization Fee - Maximum - Minimum	\$0.000	\$0.000	\$0.000
Receipts in Central Zone - -----			
Utilization Fee - Maximum - Minimum	\$0.000	\$0.000	\$0.000
Receipts in Eastern Zone - -----			
Utilization Fee - Maximum - Minimum	\$0.000	\$0.000	\$0.000

### 5.1.5 ADDITIONAL CHARGES

1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

2. FERC Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

3. Regulatory and Compliance Surcharge (RACS).

Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.

## 5.2.5 ADDITIONAL CHARGES

### 1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

### 2. FERC Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

### 3. Regulatory and Compliance Surcharge (RACS).

Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.

### 5.3.5 ADDITIONAL CHARGES

#### 1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

#### 2. FERC Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

#### 3. Regulatory and Compliance Surcharge (RACS).

Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.

## 5.4.5 ADDITIONAL CHARGES

### 1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

### 2. FERC Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

### 3. Regulatory and Compliance Surcharge (RACS).

Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.

5.5.4.1 Rates.

The maximum and minimum rate for services under this Rate Schedule PAL are listed in Section 4.4 of Transporter's FERC Gas Tariff, Third Revised Volume No. 1. Transporter may adjust, in its sole discretion, and not on an unduly discriminatory basis, the rate charged for any day. Except as permitted by Section 5.5.4.5, Negotiated Rates, the adjusted rate shall not exceed the applicable maximum rate, nor shall they be less than the minimum rate, set forth in Section 4.4. Transporter shall have the right to charge the maximum rate at any time as a condition for new service or for continuation of service under an existing Agreement, unless otherwise provided by the Agreement.

5.5.4.2 Park and Loan Charges.

- (A) The monthly charges for Parking Service shall be the product of (a) the quantities of Gas received by Transporter on any Day during the Month that Gas is received for Parking Service and (b) the applicable Daily Fee as listed in Section 4.4 of Transporter's FERC Gas Tariff, or as otherwise mutually agreed between Transporter and Shipper.
- (B) The monthly charges for Loan Service shall be the product of (a) the quantities of Gas loaned to Shipper by Transporter on any Day during the Month that Gas is loaned to Shipper for Loan Service and (b) the applicable Daily Fee as listed in Section 4.4 of Transporter's FERC Gas Tariff, or as otherwise mutually agreed between Transporter and Shipper.
- (C) If on a given Day Transporter is unable to schedule a Shipper's nomination that would have reduced Shipper's outstanding Park and/or Loan balance on a given day, solely for the purpose of assessing a Daily Fee under Sections 5.5.4.2(A) and/or 5.5.4.2(B) above, Shipper shall not be charged a Daily Fee for the quantity of Gas Transporter was unable to schedule in response to Shipper's nomination.



### 6.3.1 General Nomination Guidelines.

- (a) Shipper shall furnish a nomination under Transporter's Rate Schedule FT, EFT, LFT, or IT of the estimated daily quantities of gas it desires Transporter to transport from each point of receipt to each point of delivery. Further, the sum of the transportation quantities nominated along any segment shall not exceed the aggregate MDQ for that segment. However, Shipper may nominate its full MDQ at a point as both a forward haul and a backhaul at the same time, subject to availability and operational capabilities at that point. Any quantities nominated at such point that are inverse in direction to that provided in the Agreement, shall be given a Category B Shipper priority status pursuant to Section 6.11.1 paragraph 2(b) of these General Terms & Conditions for allocation purposes.

For quantities required in excess of Shippers' MDQ, Shipper shall nominate all such quantities under a separate IT agreement.

Shipper shall also furnish a nomination for the estimated daily quantities of Gas for which it desires Park and Loan Service under Transporter's Rate Schedule PAL.

Shipper shall have the ability to make a nomination at a receipt or delivery point on Transporter's system to reflect the transfer of title for a quantity of Gas to another Shipper(s) at that same point ("Title Transfer Tracking"). To submit a Title Transfer Tracking nomination, a Shipper must first enter into a Market Center Agreement on Transporter's Customer Activities Website. The quantity of Gas nominated by a Shipper for title transfer must equal the quantity nominated for acceptance by the other Shipper(s). Such transfers do not involve any physical movement of Gas at the point and title to such Gas shall transfer directly from nominating Shipper to accepting Shipper(s). There is currently no charge assessed for Title Transfer Tracking.

- (b) All nominations must be made electronically either through Transporter's Customer Activities Website or through EDI pursuant to Section 6.24 of the General Terms and Conditions, or by such other mutually agreed upon method. In the event of a failure of electronic nomination communication equipment, the internet, or a third party service provider, or any other similar emergency event, Shipper may submit and Transporter will accept written nominations. Any such emergency event shall be handled in a not unduly discriminatory manner.
- (c) If Transporter is required to allocate the capacity of its system among its Shippers on any Gas Day pursuant to Section 6.11 hereof, Transporter shall use the information furnished by each Shipper on the nomination in making such allocation.
- (d) In order to maintain efficient operation and to allow for optimum system utilization, Shipper shall notify Transporter of any changes of daily deliveries to Transporter or

daily receipts from Transporter which deviate from scheduled nominations. Transporter shall notify Shipper of any changes of daily receipts from Shipper or of any daily deliveries to Shipper. The notification required by the preceding two sentences shall be made by telephone or other instant communication immediately upon knowledge thereof.

- (e) Reserved for Future Use.
- (f) Shipper shall have the ability to make nominations with roll over options and shall have the ability to nominate for multiple months or years, provided the nomination begin and end dates are within the term of the Shipper's Service Agreement. Any Shipper submitting nominations, however, for periods beyond the current month shall be required to submit revised nominations for the upcoming business month after Transporter's Use percentages for said month are established. Transporter will post such percentages on Transporter's Internet Website as set forth in Section 6.27, paragraph (b) of these General Terms and Conditions.
- (g) Transporter has established a pooling point on its system at the Emerson point of interconnection. For administrative purposes, this pooling point shall be considered a logical point located immediately southeast of the physical interconnect. Shippers will be allowed to aggregate gas at the Emerson pooling point from multiple physical or logical points, and/or dis-aggregate gas from the Emerson pooling point to multiple physical or logical points. Shippers may make deliveries to the Emerson pooling point from any receipt point, or make deliveries to any point on the system from the Emerson pooling point. The priority for the Emerson pooling point shall be the same as the priority for the Emerson physical point for each Service Agreement.

#### 6.5.1 Definitions.

For purposes of this subsection, the following terms shall have the following meanings:

1. "Primary Receipt Point" shall mean the point designated within an Agreement under Rate Schedule FT, Rate Schedule EFT, or Rate Schedule LFT of this FERC Gas Tariff, Third Revised Volume No. 1 as the primary point for receipt of natural gas on a firm basis.

The receipt points listed in Agreements under Rate Schedule FT to Transporter's FERC Gas Tariff, Original Volume No. 3 (now contained in this Third Revised Volume No. 1) on November 1, 1993 shall become Primary Receipt Points under those Agreements on November 1, 1993 without further action by a Shipper.

2. "Secondary Receipt Point" shall mean a receipt point that is not a Primary Receipt Point.
3. "Primary Delivery Point" shall mean the point designated within an Agreement under Rate Schedule FT, Rate Schedule EFT, or Rate Schedule LFT of this FERC Gas Tariff, Original Volume No. 3 (now contained in this Third Revised Volume No. 1) as a primary point for delivery of natural gas on a firm basis.

The delivery points listed in Agreements under Rate Schedule FT to Transporter's FERC Gas Tariff, Original Volume No. 3 (now contained in this Third Revised Volume No. 1) on November 1, 1993 shall become Primary Delivery Points under those Agreements on November 1, 1993 without further action by a Shipper.

4. "Secondary Delivery Point" shall mean a delivery point that is not a Primary Delivery Point.
5. "Transportation Path" shall mean that area of the Transportation Service provided under Shipper's Agreement that is bounded by the farthest Primary Receipt Point within Shipper's Agreement and the farthest Primary Delivery Point within Shipper's Agreement.

6.16.1 Notification to Shipper and Shipper Response.

(a) Transporter shall notify Shipper twelve (12) months prior to the expiration of an existing Agreement of the impending termination, or may notify Shipper of Transporter's exercise of any contractual right to terminate the existing Agreement. Within thirty (30) days of Transporter's notification, Shipper shall provide to Transporter:

- (1) a written response stating that Shipper wishes to exercise its right of first refusal pursuant to this Section 6.16, including the quantity, if any, for which Shipper does not wish the provisions of this Section 6.16 to apply; or
- (2) a written response stating that Shipper does not wish to exercise its right of first refusal.

Nothing in this section shall preclude Shipper from renewing the existing Agreement pursuant to Section 5.1.2 paragraph 1(b) of Rate Schedule FT and Section 5.2.2(j)(2) of Rate Schedule EFT or Section 5.3.2(g)(2) of Rate Schedule LFT, as applicable.

- (b) Shipper's failure to provide within fifteen (15) days of Transporter's notification the written response required by Section 6.16.1(a) shall constitute an irrevocable waiver of Shipper's right of first refusal.
- (c) Nothing in this section shall require Transporter to discount below the maximum rate applicable to a Transportation Service nor shall Transporter be required to agree to any other terms.

#### 6.16.2 Posting of Notice for Bids.

Within five (5) business days of receipt of Shipper's Section 6.16.1(a)(1) written response that it wishes to exercise its right of first refusal, Transporter shall post upon Transporter's Internet Website a notice of capacity available for bids containing the following information:

- (a) The quantity of capacity available upon expiration of Shipper's existing Agreement subject to existing Shipper's right of first refusal (bids for partial capacity are permitted).
- (b) The date of expiration of the Agreement.
- (c) The Primary Receipt Point(s) of the Agreement.
- (d) The Primary Delivery Point(s) of the Agreement.
- (e) The maximum rate applicable to the Transportation Service as set forth in Sections 4.1 and/or 4.2.
- (f) If the service to be renewed is under Transporter's Rate Schedule LFT, Transporter shall make clear in the posting that service is subject to periods of unavailability as provided for under such rate schedule and shall post the number of Days that Service shall be unavailable.

The notice shall remain posted on Transporter's Internet Website and the capacity shall remain open for bids for fifteen (15) days.

- 6.16.3 Submission of Bids. "Potential Shippers" are persons who desire Transportation Service to be provided to them in whole (or in part) from the capacity made available upon expiration of Shipper's existing Agreement. Bids from Potential Shippers must be received by Transporter within fifteen (15) days of the Section 6.16.2 posting date. A bid shall be an offer to enter into a Transportation Service Agreement under Rate Schedule FT, Rate Schedule EFT, or Rate Schedule LFT of Transporter's FERC Gas Tariff, Third Revised Volume No. 1, as appropriate.

6.16.6 Notice of Bid Results. Within five (5) days of the close of the bidding period, Transporter will notify Shipper:

- (1) of the rate and term, as adjusted pursuant to Section 6.16.5(b), and the quantity of each BBMP, if any, ranked from highest to lowest NPV per unit; or
- (2) that no valid bids were received.

6.16.7 Matching and Award of Capacity.

- (a) Shipper shall have fifteen (15) days from Transporter's Section 6.16.6 notice to match the BBMP(s) for the quantity that Shipper wishes to renew. Shipper shall match the BBMP(s) in order of ranking (highest to lowest).
- (b) In order to match a BBMP, Shipper must agree to a net present value of rate and term which at least equals the net present value of the rate and term, as reflected in Transporter's Section 6.16.6 notice, of the BBMP being matched; provided, however that Shipper shall not be required to pay any rate higher than the maximum applicable tariff rate; and further provided that Transporter shall not be required to accept any rate other than the rate stated in the BBMP, or the maximum applicable tariff rate, nor shall Transporter be required to agree to any other terms.
- (c) If a matched BBMP represents a volumetric portion of the total capacity posted for bids under Section 6.16.2, the volumetric amount of capacity to which the matched BBMP applies shall be awarded to Shipper. Shipper may choose to renew a volumetric portion of a particular BMMP provided it has matched any and all higher-ranked BBMP(s) for their full volumetric capacity.
- (d) To the extent that the quantity Shipper wishes to renew exceeds the aggregate quantity of the BBMP(s), and after Shipper has matched all BBMP(s) for their full volumetric quantity, the provisions of Section 6.16.8 regarding absence of bids shall apply to the remaining quantity.



6.16.8 Absence of Bids. In the event Transporter does not receive any valid bids, Transporter and Shipper shall have fifteen (15) days from Transporter's Section 6.16.6 notice to mutually agree upon the terms and conditions of renewed service, provided that (a) Transporter shall not be required to discount below the maximum applicable tariff rate or to agree to any other terms; and (b) Shipper may select the term of renewed service after agreeing to pay the maximum rate.

6.16.10 Shipper's Right of First Refusal.

Shipper's right of first refusal shall expire upon award to Shipper of the total capacity Shipper wishes to renew, or fifteen (15) days from Transporter's Section 6.16.6 notice, whichever is earlier. Shipper shall have a new right of first refusal on its renewal agreement for (a) capacity renewed at the maximum rate that meets the requirements set forth in Section 6.16; and (b) capacity renewed under a discounted recourse rate agreement or negotiated rate agreement if Shipper and Transporter so agree in accordance with Section 6.16.

## 6.28 REGULATORY AND COMPLIANCE SURCHARGE.

This Section 6.28 establishes the procedures to recover Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). These revenue requirements will be recovered through the Regulatory and Compliance Surcharge ("RACS"), set forth in the Statement of Rates, to be applicable to Transporter's transportation services under Rate Schedule(s) FT, EFT, LFT, and IT, as may be revised from time to time ("Applicable Rate Schedules").

### 1. Transporter's RACS Filings.

The first RACS Filing will implement RACS to become effective April 1, 2027, to recover the Revenue Requirement related to Eligible Facilities that have been placed into service between November 1, 2025 through November 30, 2026 ("Initial RACS Period"). Subsequently, Transporter will have the right to file to adjust the RACS Surcharge annually to become effective April 1 to recover the Revenue Requirement related to Eligible Facilities placed into service during the December 1 through November 30 period (RACS Period(s)) prior to such RACS Filing and any trailing capital expenditures associated with such Eligible Facilities placed into service during such prior period(s). The final RACS Filing will recover the Revenue Requirement related to Eligible Facilities placed into service during December 1, 2030 through October 31, 2031 ("Final RACS Period") and any trailing capital expenditures associated with such Eligible Facilities placed into service during prior period(s). Any filings by Transporter pursuant to this Section 6.28 are referred to in this FERC Gas Tariff as a RACS Filing.

### 2. RACS Implementation.

- (a) Eligible Facilities have been defined in the Eligible Facilities Plan ("EFP") as filed by Transporter with the FERC and also include the facilities added in accordance with Section 6.28.2(a)(i) and Section 6.28.2(a)(ii) of this FERC Gas Tariff. The initial RACS rate is set at \$0. Subsequently, the Revenue Requirement underlying each adjustment in the RACS will be based on Transporter's capital expenditures for Eligible Facilities during all previous prior period(s) ("Prior RACS Period(s)") to the extent not already included in the then-effective RACS. Transporter's RACS Filings will revise the RACS to take into account both changes in the Revenue Requirement and the over/under-recovered Revenue Requirement from Prior RACS Periods.
  - (i) Transporter retains the discretion to recover capital expenditures associated with projects related to facilities not listed in the EFP through the RACS set forth in any RACS Filing provided that the expenditures are associated with projects falling within one or both of the following categories: (1) projects to

address issues that Transporter believes could lead to imminent unsafe conditions; and (2) projects that Transporter deems necessary to comply with new legislative and/or regulatory requirements. Such will be deemed to be Eligible Facilities for purposes of this FERC Gas Tariff. If Transporter elects to include costs associated with such projects in the RACS Filing, Transporter may not exceed the RACS Program Cost Cap set forth in Section 6.28.2(c) of this FERC Gas Tariff.

- (ii) Transporter shall be permitted to recover capital expenditures associated with facilities that are not listed in the EFP and that do not fall into one of the categories listed in Section 6.28.2(a)(i) provided that Transporter receives the consent of the majority of shippers subject to the RACS. Such facilities will be deemed to be Eligible Facilities for purposes of this FERC Gas Tariff.
- (b) Shippers will retain the right to challenge the prudence of any costs included in the RACS at the time Transporter makes each RACS Filing.
- (c) The total amount of prudent investment in Eligible Facilities incurred which may be recovered through the RACS will not exceed the program cap of \$834 million (“RACS Program Cost Cap”). Any costs exceeding the RACS Program Cost Cap shall be treated as General Plant Maintenance Capital (“GPMC”) under Section 6.28(d) of this FERC Gas Tariff.
- (d) Transporter will expend annual GPMC costs of \$30 million per year (“GPMC Projects”) during the proposed RACS Term and such GPMC Projects will not be considered Eligible Facilities. If Transporter expends less than \$30 million in GPMC during any RACS Period(s), Transporter will forgo the inclusion of any capital expenditures in the applicable RACS Filing.

### 3. RACS Calculation.

In each RACS Filing, Transporter will calculate the RACS and allocate to the Applicable Rate Schedules (as defined above) in a manner consistent with Transporter’s effective cost allocation and rate design, as set forth below:

- (a) Transporter will first calculate the Revenue Requirement related to Eligible Facilities that were placed in and remained in service during the prior RACS Period(s) set forth in Section 6.28.1 of this FERC Gas Tariff and any applicable trailing capital expenditures associated with such Eligible Facilities placed into service during such applicable Prior RACS Period(s). The Revenue Requirement associated with the RACS consists of the following:
  - (i) The Eligible Facilities will consist of the following rate base multipliers: (1) a pre-tax rate of return of 14.72 percent and (2) the applicable Taxes Other

than Income Taxes (“TOIT”). These rate base multipliers will be multiplied by the “net rate base” (i.e., the gross plant minus accumulated depreciation and accumulated deferred income taxes) associated with Transporter’s Eligible Facilities. (3) Transporter’s depreciation rate of 1.84 percent and (4) Transporter’s negative salvage rate of 1.27 percent will then be multiplied by the gross plant associated with Transporter’s Eligible Facilities.

- (b) Transporter will allocate the Revenue Requirement across each Applicable Rate Schedule to derive the RACS on a per unit basis, utilizing the greater of:
- (i) The projected reservation billing determinants, by zone, based on the most recently available twelve (12) months of billing determinants for Shippers under the Applicable Rate Schedules, adjusted for anticipated contract expirations and discount adjustments for both discounted and negotiated rate contracts; or
  - (ii) The billing determinant floors shown in the table below reflecting a 15 percent adjustment of the applicable totals reflected in the J-1 Schedules filed in Transporter’s 2025 Section 4 rate case filing for each RACS Filing.

Zones	Western Zone	Central Zone	Eastern Zone
Billing Determinant Floors (Dth)	1,869,608	2,215,384	2,522,639

- (c) If the billing determinants, by zone, are lower than the floors set forth herein, Transporter will impute billing determinants at the maximum applicable rate and the revenues that would be associated with such billing determinants to reflect the above stated billing determinant levels in the calculation of the RACS.
- (d) Any over/under recovery of the Revenue Requirement will be recovered in the next succeeding RACS Filing. The over/under recovery will be calculated each year by comparing the actual Revenue Requirement, to the revenues received during the recovery period, including any revenues required to be imputed by Transporter pursuant to Section 6.28.3(c) above.

#### 4. Term of RACS.

The RACS charge will be effective for the term commencing November 1, 2025 and ending on October 31, 2031 (“RACS Term”). Transporter shall have the right to seek to terminate the RACS prior to the end of the RACS Term by filing a general NGA Section 4 rate case. Upon termination of the RACS, Shippers under the Applicable Rate Schedules will remain subject to any unrecovered RACS costs and Transporter will be required to refund any over-recovered RACS costs. Any positive or negative

balances in Transporter's RACS account as of the expiration of the RACS will be charged or refunded to Shippers, as applicable, in the next monthly billing cycle that is at least fifteen (15) days after the termination of the RACS.

Date: \_\_\_\_\_ Contract No.: \_\_\_\_\_

APPENDIX A  
PARK AND LOAN (PAL) SERVICE AGREEMENT

This Appendix A is entered into by Great Lakes Gas Transmission Limited Partnership (Transporter) and \_\_\_\_\_ (Shipper) and;

WHEREAS, Shipper and Transporter have entered into PAL Service Agreement No. \_\_\_\_\_ to facilitate the contracting process.

NOW, THEREFORE, Shipper and Transporter agree that the terms below, together with the terms and conditions of the previously executed PAL Service Agreement, constitute a single Park and Loan Service Agreement and fully describe the service to be provided and the rights and obligations of Shipper and Transporter.

COMPANY - Great Lakes Gas Transmission Limited Partnership

COMPANY ADDRESS - Transportation Accounting and Contracts  
700 Louisiana St., Suite 1300  
Houston, TX 77002-2700

SHIPPER - \_\_\_\_\_  
SHIPPER'S ADDRESS - \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PAL Term: \_\_\_\_\_ to \_\_\_\_\_

Maximum Quantity ("MQ"): \_\_\_\_\_

PAL Point: \_\_\_\_\_

Date: \_\_\_\_\_

Contract No.: \_\_\_\_\_

Applicable PAL Service Option (Park or Loan):

<u>Transaction</u>	<u>Loc Name</u>	<u>Loc</u>	<u>MQ</u>	<u>Zone</u>		
<u>Activity</u>	<u>Ratable</u>	<u>Start Date</u>	<u>End Date</u>	<u>Min Daily</u>	<u>Max Daily</u>	
<u>Rates</u>	<u>Effective Date</u>		<u>Daily</u>			
<u>Start</u>	<u>End</u>		<u>Rate</u>			

This Appendix A is made and entered into as of \_\_\_\_\_, \_\_\_\_\_

AGREED TO BY:

SHIPPER

GREAT LAKES GAS TRANSMISION  
LIMITED PARTNERSHIP

By: Its Operator, TransCanada Northern Border  
Inc.

By:  
Name:  
Title:

By:  
Name:  
Title:



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GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP

Open Access Rates  
Firm Transportation Service  
Rate Schedule FT 6/

	Western Zone 1/ 2/ 3/ Deliveries ----- (Rates per Dth)	Central Zone 1/ 2/ 3/ Deliveries ----- (Rates per Dth)	Eastern Zone 1/ 2/ 3/ Deliveries ----- (Rates per Dth)
Receipts in Western Zone - -----			
Reservation Fee	<del>\$2.754</del> <u>3.854</u>	<del>\$4.586</del> <u>7.372</u>	<del>\$8.186</del> <u>9.122</u>
Utilization Fee	<del>0.00288</del> <u>0.00431</u> <del>0.00954</del> <u>0.01176</u>	<del>0.00544</del> <u>0.00952</u>	
Max. Volumetric Rate at 100% L.F. 4/ 5/	<del>0.09054</del> <u>0.12671</u>	<del>0.15079</del> <u>0.24237</u>	<del>0.26913</del> <u>0.29990</u>
Receipts in Central Zone - -----			
Reservation Fee	<del>\$4.586</del> <u>7.372</u>	<del>\$2.366</del> <u>4.429</u>	<del>\$5.965</del> <u>6.179</u>
Utilization Fee	<del>0.00544</del> <u>0.00952</u> <del>0.00666</del> <u>0.00745</u>	<del>0.00256</del> <u>0.00521</u>	
Max. Volumetric Rate at 100% L.F. 4/ 5/	<del>0.15079</del> <u>0.24237</u>	<del>0.07778</del> <u>0.14561</u>	<del>0.19612</del> <u>0.20315</u>
Receipts in Eastern Zone - -----			
Reservation Fee	<del>\$8.186</del> <u>9.122</u>	<del>\$5.965</del> <u>6.179</u>	<del>\$4.133</del> <u>2.661</u>
Utilization Fee	<del>0.00954</del> <u>0.01176</u> <del>0.00666</del> <u>0.00745</u>	<del>0.00666</del> <u>0.00745</u>	<del>0.00410</del> <u>0.00224</u>
Max. Volumetric Rate at 100% L.F. 4/ 5/	<del>0.26913</del> <u>0.29990</u>	<del>0.19612</del> <u>0.20315</u>	<del>0.13587</del> <u>0.08748</u>

Limited Firm Transportation Service  
Rate Schedule LFT 1/ 2/ 3/ 4/ 5/ 6/

The rates shown above for Service under Rate Schedule FT shall also be applicable to Service under Rate Schedule LFT except that the maximum Reservation Fee shall be adjusted to reflect the appropriate number of Days that Service shall be available utilizing the following formula, rounded to 3 decimal places:  $LFT = FT \times ((TD - UD)/TD)$  where:

LFT = LFT Reservation Fee  
FT = Applicable FT Reservation Fee  
TD = Number of Days during Agreement Term  
UD = Number of Unavailable Days

Expedited Firm Transportation Service  
Rate Schedule EFT 1/ 2/ 3/ 4/ 5/ 6/  
-----

The rates shown above for Service under Rate Schedule FT shall also be applicable to Service under Rate Schedule EFT except that the maximum Reservation Fee shall be adjusted to reflect the applicable expedited period of gas flow (EPF) utilizing the following formula, rounded to 3 decimal places:  $EFT = FT \times (24/EPF)$  where:

EFT = EFT Reservation Fee  
FT = Applicable FT Reservation Fee  
24 = Number of Hours in a Gas Day  
EPF = MDQ/MHQ  
-----

- 1/ Pursuant to Section 5.1.5 paragraph 2 of Rate Schedules FT, Section 5.2.5 paragraph 2 of Rate Schedule EFT, and Section 5.3.5 paragraph 2 of Rate Schedule LFT, Shipper shall pay, in addition to the rate specified for this service, an ACA charge set forth in Section 4.6 of this FERC Gas Tariff, [and the RACS rate set forth in Section 4.9 of this FERC Gas Tariff](#).
- 2/ The minimum charge for Reservation Fees, backhauls and/or exchange transportation shall be \$0.00 per Dth.
- 3/ In addition, Shipper shall pay the 100% load factor rate for the service outside the zones for which a Reservation Fee or Volumetric Rate is paid.
- 4/ In addition to the Volumetric Rate, the Utilization Fee is applicable to all services.
- 5/ 100% load factor rate is calculated as:  $(\text{Reservation Fee} \times 12)/365$ , rounded to 5 decimal places.
- 6/ Seasonal recourse rates apply to short-term firm ("STF") service (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) under Rate Schedule FT and rate schedules that are based upon Rate Schedule FT rates, in addition to interruptible transportation service under Rate Schedule IT. On or before February 15 of each year, Great Lakes shall identify the number of peak months (from zero to five) for the upcoming 12-month period beginning April 1, identify the months to which peak rates apply; and set the peak rate multiplier from one up to a maximum of 1.4. Peak rates will be set by multiplying the applicable firm reservation charge (or reservation component) by the peak multiplier. The remaining off-peak months will have a multiplier equal to  $1-(P/O) \times (M-1)$  where:  
P=Peak Months  
O=Off-Peak Months (Equal to 12-P)  
M=Multiplier for Peak Months

Transporter's seasonal recourse rate elections and resulting peak and off-peak rates shall be posted under the Informational Postings section of Transporter's Internet Website.

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP

Open Access Rates  
 Interruptible Transportation Service  
 Rate Schedule IT

-----  
 (Rates Per Dth)

	Western Zone Deliveries 1/ 2/ -----	Central Zone Deliveries 1/ 2/ -----	Eastern Zone Deliveries 1/ 2/ -----
Receipts in Western Zone - -----			
Utilization Fee - Maximum	<del>(3/)</del>	<del>(3/)</del>	<del>(3/)</del>
- Minimum	0.00288 <del>0.00431</del>	0.00544 <del>0.00952</del>	0.00954 <del>0.01176</del>
Receipts in Central Zone - -----			
Utilization Fee - Maximum	<del>(3/)</del>	<del>(3/)</del>	<del>(3/)</del>
- Minimum	0.00000	0.00256 <del>0.00521</del>	0.00666 <del>0.00745</del>
Receipts in Eastern Zone - -----			
Utilization Fee - Maximum	<del>(3/)</del>	<del>(3/)</del>	<del>(3/)</del>
- Minimum	0.00000	0.00000	0.00410 <del>0.00224</del>

- 
- 1/ Pursuant to Section 5.4.5 paragraph 2 of Rate Schedule IT, Shipper shall pay, in addition to the specified rate for this service, an ACA charge set forth in Section 4.6 of this FERC Gas Tariff, and the RACS rate set forth in Section 4.9 of this FERC Gas Tariff.
  - 2/ The minimum charge for backhauls and/or exchange transportation shall be \$0.00 per Dth.
  - 3/ Seasonal recourse rates apply to short-term firm ("STF") service (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) under Rate Schedule FT and rate schedules that are based upon Rate Schedule FT rates, in addition to interruptible transportation service under Rate Schedule IT. On or before February 15 of each year, Great Lakes shall identify the number of peak months (from zero to five) for the upcoming 12-month period beginning April 1, identify the months to which peak rates apply; and set the peak rate multiplier from one up to a maximum of 1.4. Peak rates will be set by multiplying the applicable firm reservation charge (or reservation component) by the peak multiplier. The remaining off-peak months will have a multiplier equal to 1-(P/O) x (M-1) where:  
 P=Peak Months  
 O=Off-Peak Months (Equal to 12-P)  
 M=Multiplier for Peak Months

Transporter's seasonal recourse rate elections and resulting peak and off-peak rates shall be posted under the Informational Postings section of Transporter's Internet Website.

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP

Open Access Rates  
Park and Loan Services  
Rate Schedule PAL (Rates Per Dth) 1/  
-----

	Maximum -----	Minimum -----
PARK and LOAN		
<del>First Daily Fee</del> <u>2/</u>	<del>\$0.27867</del>	\$0.00000
<del>Subsequent Day Fee</del>	<del>\$0.05573</del>	<del>\$0.00000</del>

-----  
1/ An ACA charge set forth in Section 4.6 of this FERC Gas Tariff shall not be assessed on any transaction under Rate Schedule PAL.

2/ Seasonal recourse rates apply to short-term firm ("STF") service (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) under Rate Schedule FT and rate schedules that are based upon Rate Schedule FT rates, in addition to interruptible transportation service under Rate Schedules IT and PAL. On or before February 15 of each year, Great Lakes shall identify the number of peak months (from zero to five) for the upcoming 12-month period beginning April 1, identify the months to which peak rates apply; and set the peak rate multiplier from one up to a maximum of 1.4. Peak rates will be set by multiplying the applicable firm reservation charge (or reservation component) by the peak multiplier. The remaining off-peak months will have a multiplier equal to  $1-(P/O) \times (M-1)$  where:

P=Peak Months

O=Off-Peak Months (Equal to 12-P)

M=Multiplier for Peak Months

Transporter's seasonal recourse rate elections and resulting peak and off-peak rates shall be posted under the Informational Postings section of Transporter's Internet Website.



GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP  
Regulatory and Compliance Surcharge (RACS)  
Firm Transportation Service  
Rate Schedule FT

	<u>Western</u> <u>Zone</u> <u>Deliveries</u>	<u>Central</u> <u>Zone</u> <u>Deliveries</u>	<u>Eastern</u> <u>Zone</u> <u>Deliveries</u>
	----- (Rates per Dth)	----- (Rates per Dth)	----- (Rates per Dth)
<u>Receipts in Western Zone -</u> -----			
<u>Reservation Fee</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>
<u>Receipts in Central Zone -</u> -----			
<u>Reservation Fee</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>
<u>Receipts in Eastern Zone -</u> -----			
<u>Reservation Fee</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>

Limited Firm Transportation Service  
Rate Schedule LFT

The RACS rate shown above shall also be applicable to Rate Schedule LFT except that the RACS rate shall be adjusted to reflect the appropriate number of Days that Service shall be available utilizing the following formula, rounded to 3 decimal places:  $LFTR = FTR \times ((TD - UD)/TD)$  where:

$$\begin{aligned}
 LFTR &= \text{LFT RACS Fee} \\
 FTR &= \text{Applicable FT RACS Fee} \\
 TD &= \text{Number of Days during Agreement Term} \\
 UD &= \text{Number of Unavailable Days}
 \end{aligned}$$

Expedited Firm Transportation Service  
Rate Schedule EFT

-----  
The RACS rate shown above shall also be applicable to Rate Schedule EFT except that the maximum RACS rate shall be adjusted to reflect the applicable expedited period of gas flow (EPF) utilizing the following formula, rounded to 3 decimal places:  $EFTR = FTR \times (24/EPF)$  where:

$$\begin{aligned} EFTR &= \text{EFT RACS Fee} \\ FTR &= \text{Applicable FT RACS Fee} \\ 24 &= \text{Number of Hours in a Gas Day} \\ EPF &= \text{MDQ/MHQ} \end{aligned}$$

GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP  
Regulatory and Compliance Surcharge (RACS)  
Interruptible Transportation Service  
Rate Schedule IT

	<u>Western</u>	<u>Central</u>	<u>Eastern</u>
	<u>Zone</u>	<u>Zone</u>	<u>Zone</u>
	<u>Deliveries</u>	<u>Deliveries</u>	<u>Deliveries</u>
	<u>-----</u>	<u>-----</u>	<u>-----</u>
	<u>(Rates per Dth)</u>	<u>(Rates per Dth)</u>	<u>(Rates per Dth)</u>
<u>Receipts in Western Zone -</u>			
<u>-----</u>			
<u>Utilization Fee - Maximum</u>			
<u>- Minimum</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>
<u>Receipts in Central Zone -</u>			
<u>-----</u>			
<u>Utilization Fee - Maximum</u>			
<u>- Minimum</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>
<u>Receipts in Eastern Zone -</u>			
<u>-----</u>			
<u>Utilization Fee - Maximum</u>			
<u>- Minimum</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>

### 5.1.5 ADDITIONAL CHARGES

#### 1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

#### 2. FERC Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

#### 3. Regulatory and Compliance Surcharge (RACS).

Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.

## 5.2.5 ADDITIONAL CHARGES

### 1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

### 2. FERC Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

### 3. Regulatory and Compliance Surcharge (RACS).

Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.

### 5.3.5 ADDITIONAL CHARGES

#### 1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

#### 2. FERC Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

#### 3. Regulatory and Compliance Surcharge (RACS).

Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.

## 5.4.5 ADDITIONAL CHARGES

### 1. Commission and Other Regulatory Fees.

Shipper shall reimburse Transporter for all fees required by the Commission or any other regulatory body that are separately assessed and directly related to the service provided under this rate schedule.

### 2. [FERC](#) Annual Charges Adjustment (ACA).

Transporter shall collect pursuant to Section 6.18 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the ACA charge from Shipper for all gas transported, as authorized by Commission's orders, so that Transporter may recoup the annual charges assessed by the Commission for the previous fiscal ~~y~~Year in accordance with its final Order No. 472, issued May 29, 1987, and Order No. 472-B issued September 16, 1987 in Docket No. RM87-3. The currently effective rate for the ACA charge shall be set forth in Section 4.6 of this FERC Gas Tariff, Third Revised Volume No. 1.

### 3. [Regulatory and Compliance Surcharge \(RACS\)](#).

[Transporter shall collect pursuant to Section 6.28 of the General Terms and Conditions of Volume No. 1 of this FERC Gas Tariff, the RACS rate from Shipper for the recovery of Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system \(Modernization Program\). The currently effective rate for the RACS shall be set forth in Section 4.9 of this FERC Gas Tariff.](#)

5.5.4.1 Rates.

The maximum and minimum rates for services under this Rate Schedule PAL are listed in Section 4.4 of Transporter's FERC Gas Tariff, Third Revised Volume No. 1. Transporter may adjust, in its sole discretion, and not on an unduly discriminatory basis, the rates charged for any day. Except as permitted by Section 5.5.4.5, Negotiated Rates, the adjusted rate(s) shall not exceed the applicable maximum rate(s), nor shall they be less than the minimum rate(s), set forth in Section 4.4. Transporter shall have the right to charge the maximum rate at any time as a condition for new service or for continuation of service under an existing Agreement, unless otherwise provided by the Agreement.



5.5.4.2 Park and Loan Charges.

~~(A) — The monthly charges for Parking Service shall be the sum of the following the product of (a) the quantities of Gas received by Transporter on any Day during the Month that Gas is received for Parking Service and (b) the applicable Daily Fee as listed in Section 4.4 of Transporter's FERC Gas Tariff, or as otherwise mutually agreed between Transporter and Shipper.;~~

~~(B) —~~

~~(C) — The product of (a) the quantities of Gas received by Transporter on any Day during the Month that Gas is received for Parking Service and (b) the applicable First Day Fee as listed in Section 4.4 of Transporter's FERC Gas Tariff, or as otherwise mutually agreed between Transporter and Shipper; and~~

~~(D) —~~

~~(E) (2) — the product of (a) the quantities of Gas parked on the Transporter's system on each Day of the Month, excluding the days on which Shipper parks and subsequently removes such Gas from Transporter's system, and (b) the applicable Subsequent Day Fee.~~

~~(F)~~ (A)

(B) The monthly charges for Loan Service shall be the ~~sum of the following:~~ product of (a) the quantities of Gas loaned to Shipper by Transporter on any Day during the Month that Gas is loaned to Shipper for Loan Service and (b) the applicable Daily Fee as listed in Section 4.4 of Transporter's FERC Gas Tariff, or as otherwise mutually agreed between Transporter and Shipper.

~~(1) — The product of (a) the quantities of Gas loaned to Shipper by Transporter on any Day during the Month that Gas is loaned to Shipper for Loan Service and (b) the applicable First Day Fee as listed in Section 4.4 of Transporter's FERC Gas Tariff, or as otherwise mutually agreed between Transporter and Shipper; and~~

~~(2) — the product of (a) the quantities of loaned Gas retained by Shipper on each Day of the Month, excluding the days on which Shipper is first loaned such Gas and subsequently returns it, and (b) the applicable Subsequent Day Fee.~~

(C) If on a given Day Transporter is unable to schedule a Shipper's nomination that would have reduced Shipper's outstanding Park and/or Loan balance on a given day, solely for the purpose of assessing a ~~Subsequent Day charge~~ Daily Fee under Sections 5.5.4.2(A) ~~(2)~~ and/or 5.5.4.2(B) ~~(2)~~ above, Shipper shall not be charged a ~~Subsequent Day~~ Daily Fee for the quantity of Gas Transporter was unable to schedule in response to Shipper's nomination.

### 6.3.1 General Nomination Guidelines.

- (a) Shipper shall furnish a nomination under Transporter's Rate Schedule FT, EFT, LFT, or IT of the estimated daily quantities of gas it desires Transporter to transport from each point of receipt to each point of delivery. Further, the sum of the transportation quantities nominated along any segment shall not exceed the aggregate MDQ for that segment. However, Shipper may nominate its full MDQ at a point as both a forward haul and a backhaul at the same time, subject to availability and operational capabilities at that point. Any quantities nominated at such point that are inverse in direction to that provided in the Agreement, shall be given a Category B Shipper priority status pursuant to Section 6.11.1 paragraph 2(b) of these General Terms & Conditions for allocation purposes.

For quantities required in excess of Shippers' MDQ, Shipper shall nominate all such quantities under a separate IT agreement.

Shipper shall also furnish a nomination for the estimated daily quantities of Gas for which it desires Park and Loan Service under Transporter's Rate Schedule PAL.

Shipper shall have the ability to make a nomination at a receipt or delivery point on Transporter's system to reflect the transfer of title for a quantity of Gas to another Shipper(s) at that same point ("Title Transfer Tracking"). To submit a Title Transfer Tracking nomination, a Shipper must first enter into a Market Center Agreement on Transporter's Customer Activities Website. The quantity of Gas nominated by a Shipper for title transfer must equal the quantity nominated for acceptance by the other Shipper(s). Such transfers do not involve any physical movement of Gas at the point and title to such Gas shall transfer directly from nominating Shipper to accepting Shipper(s). There is currently no charge assessed for Title Transfer Tracking.

- (b) All nominations must be made electronically either through Transporter's Customer Activities Website or through EDI pursuant to Section 6.24 of the General Terms and Conditions, or by such other mutually agreed upon method. In the event of a failure of electronic nomination communication equipment, the internet, or a third party service provider, or any other similar emergency event, Shipper may submit and Transporter will accept written nominations. Any such emergency event shall be handled in a not unduly discriminatory manner.
- (c) If Transporter is required to allocate the capacity of its system among its Shippers on any Gas Day pursuant to Section 6.11 hereof, Transporter shall use the information furnished by each Shipper on the nomination in making such allocation.
- (d) In order to maintain efficient operation and to allow for optimum system utilization, Shipper shall notify Transporter of any changes of daily deliveries to Transporter or

daily receipts from Transporter which deviate from scheduled nominations. Transporter shall notify Shipper of any changes of daily receipts from Shipper or of any daily deliveries to Shipper. The notification required by the preceding two sentences shall be made by telephone or other instant communication immediately upon knowledge thereof.

- (e) Reserved for Future Use.
- (f) Shipper shall have the ability to make nominations with roll over options and shall have the ability to nominate for multiple months or years, provided the nomination begin and end dates are within the term of the Shipper's Service Agreement. Any Shipper submitting nominations, however, for periods beyond the current month shall be required to submit revised nominations for the upcoming business month after Transporter's Use percentages for said month are established. Transporter will post such percentages on Transporter's Internet Website as set forth in Section 6.27, paragraph (b) of these General Terms and Conditions.
- (g) Transporter has established a pooling point on its system at the Emerson point of interconnection. For administrative purposes, this pooling point shall be considered a logical point located immediately ~~downstream~~ southeast of the physical interconnect. Shippers will be allowed to aggregate gas at the Emerson pooling point from multiple physical or logical points, and/or dis-aggregate gas from the Emerson pooling point to multiple physical or logical points. Shippers may make deliveries to the Emerson pooling point from any receipt point, or make deliveries to any point on the system from the Emerson pooling point. The priority for the Emerson pooling point shall be the same as the priority for the Emerson physical point for each Service Agreement.

#### 6.5.1 Definitions.

For purposes of this subsection, the following terms shall have the following meanings:

1. "Primary Receipt Point" shall mean the point designated within an Agreement under Rate Schedule FT, Rate Schedule EFT, or Rate Schedule LFT of this FERC Gas Tariff, Third Revised Volume No. 1 as the primary point for receipt of natural gas on a firm basis.

The receipt points listed in Agreements under Rate Schedule FT to Transporter's FERC Gas Tariff, Original Volume No. 3 (now contained in this Third Revised Volume No. 1) on November 1, 1993 shall become Primary Receipt Points under those Agreements on November 1, 1993 without further action by a Shipper.

2. "Secondary Receipt Point" shall mean a receipt point that is not a Primary Receipt Point.
3. "Primary Delivery Point" shall mean the point designated within an Agreement under Rate Schedule FT, Rate Schedule EFT, or Rate Schedule LFT of this FERC Gas Tariff, Original Volume No. 3 (now contained in this Third Revised Volume No. 1) as a primary point for delivery of natural gas on a firm basis.

The delivery points listed in Agreements under Rate Schedule FT to Transporter's FERC Gas Tariff, Original Volume No. 3 (now contained in this Third Revised Volume No. 1) on November 1, 1993 shall become Primary Delivery Points under those Agreements on November 1, 1993 without further action by a Shipper.

4. "Secondary Delivery Point" shall mean a delivery point that is not a Primary Delivery Point.
5. "Transportation Path" shall mean that area of the Transportation Service provided under Shipper's Agreement that is bounded by the farthest ~~upstream~~ Primary Receipt Point within Shipper's Agreement and the farthest ~~downstream~~ Primary Delivery Point within Shipper's Agreement ~~—(or vice-versa where the receipt point is downstream of the delivery point).~~

6.16.1 Notification to Shipper and Shipper Response.

(a) Transporter shall notify Shipper twelve (12) months prior to the expiration of an existing Agreement of the impending termination, or may notify Shipper of Transporter's exercise of any contractual right to terminate the existing Agreement. Within thirty (30) days of Transporter's notification, Shipper shall provide to Transporter:

- (1) a written response stating that Shipper wishes to exercise its right of first refusal pursuant to this Section 6.16, including the quantity, if any, for which Shipper does not wish the provisions of this Section 6.16 to apply; or
- (2) a written response stating that Shipper does not wish to exercise its right of first refusal.

Nothing in this section shall preclude Shipper from renewing the existing Agreement pursuant to Section 5.1.2 paragraph 1(b) of Rate Schedule FT and Section 5.2.2(j)(2) of Rate Schedule EFT or Section 5.3.2(g)(2) of Rate Schedule LFT, as applicable.

- (b) Shipper's failure to provide within ~~thirty~~fifteen (~~30~~15) days of Transporter's notification the written response required by Section 6.16.1(a) shall constitute an irrevocable waiver of Shipper's right of first refusal.
- (c) Nothing in this section shall require Transporter to discount below the maximum rate applicable to a Transportation Service nor shall Transporter be required to agree to any other terms.

#### 6.16.2 Posting of Notice for Bids.

Within five (5) business days of receipt of Shipper's Section 6.16.1(a)(1) written response that it wishes to exercise its right of first refusal, Transporter shall post upon Transporter's Internet Website a notice of capacity available for bids containing the following information:

- (a) The quantity of capacity available upon expiration of Shipper's existing Agreement subject to existing Shipper's right of first refusal (bids for partial capacity are permitted).
- (b) The date of expiration of the Agreement.
- (c) The Primary Receipt Point(s) of the Agreement.
- (d) The Primary Delivery Point(s) of the Agreement.
- (e) The maximum rate applicable to the Transportation Service as set forth in Sections 4.1 and/or 4.2.
- (f) If the service to be renewed is under Transporter's Rate Schedule LFT, Transporter shall make clear in the posting that service is subject to periods of unavailability as provided for under such rate schedule and shall post the number of Days that Service shall be unavailable.

The notice shall remain posted on Transporter's Internet Website and the capacity shall remain open for bids for ~~thirty~~ fifteen (3015) days.

6.16.3 Submission of Bids. "Potential Shippers" are persons who desire Transportation Service to be provided to them in whole (or in part) from the capacity made available upon expiration of Shipper's existing Agreement. Bids from Potential Shippers must be received by Transporter within ~~thirty~~ fifteen (~~30~~15) days of the Section 6.16.2 posting date. A bid shall be an offer to enter into a Transportation Service Agreement under Rate Schedule FT, Rate Schedule EFT, or Rate Schedule LFT of Transporter's FERC Gas Tariff, Third Revised Volume No. 1, as appropriate.

6.16.6 Notice of Bid Results. Within ~~fifteen~~five (~~15~~) days of the close of the bidding period, Transporter will notify Shipper:

- (1) of the rate and term, as adjusted pursuant to Section 6.16.5(b), and the quantity of each BBMP, if any, ranked from highest to lowest NPV per unit; or
- (2) that no valid bids were received.



6.16.7 Matching and Award of Capacity.

- (a) Shipper shall have ~~thirty-five~~ thirty (30) days from Transporter's Section 6.16.6 notice to match the BBMP(s) for the quantity that Shipper wishes to renew. Shipper shall match the BBMP(s) in order of ranking (highest to lowest).
- (b) In order to match a BBMP, Shipper must agree to a net present value of rate and term which at least equals the net present value of the rate and term, as reflected in Transporter's Section 6.16.6 notice, of the BBMP being matched; provided, however that Shipper shall not be required to pay any rate higher than the maximum applicable tariff rate; and further provided that Transporter shall not be required to accept any rate other than the rate stated in the BBMP, or the maximum applicable tariff rate, nor shall Transporter be required to agree to any other terms.
- (c) If a matched BBMP represents a volumetric portion of the total capacity posted for bids under Section 6.16.2, the volumetric amount of capacity to which the matched BBMP applies shall be awarded to Shipper. Shipper may choose to renew a volumetric portion of a particular BBMP provided it has matched any and all higher-ranked BBMP(s) for their full volumetric capacity.
- (d) To the extent that the quantity Shipper wishes to renew exceeds the aggregate quantity of the BBMP(s), and after Shipper has matched all BBMP(s) for their full volumetric quantity, the provisions of Section 6.16.8 regarding absence of bids shall apply to the remaining quantity.

6.16.8 Absence of Bids. In the event Transporter does not receive any valid bids, Transporter and Shipper shall have ~~twenty~~fifteen (~~20~~15) days from Transporter's Section 6.16.6 notice to mutually agree upon the terms and conditions of renewed service, provided that (a) Transporter shall not be required to discount below the maximum applicable tariff rate or to agree to any other terms; and (b) Shipper may select the term of renewed service after agreeing to pay the maximum rate.

#### 6.16.10 Shipper's Right of First Refusal.

Shipper's right of first refusal shall expire upon award to Shipper of the total capacity Shipper wishes to renew, or ~~thirty-fifteen~~ (3015) days from Transporter's Section 6.16.6 notice, whichever is earlier. Shipper shall have a new right of first refusal on its renewal agreement for (a) capacity renewed at the maximum rate that meets the requirements set forth in Section 6.16; and (b) capacity renewed under a discounted recourse rate agreement or negotiated rate agreement if Shipper and Transporter so agree in accordance with Section 6.16.

## 6.28 REGULATORY AND COMPLIANCE SURCHARGE.

This Section 6.28 establishes the procedures to recover Transporter's revenue requirements associated with investments in Eligible Facilities in order to modernize Transporter's system (Modernization Program). These revenue requirements will be recovered through the Regulatory and Compliance Surcharge ("RACS"), set forth in the Statement of Rates, to be applicable to Transporter's transportation services under Rate Schedule(s) FT, EFT, LFT, and IT, as may be revised from time to time ("Applicable Rate Schedules").

### 1. Transporter's RACS Filings.

The first RACS Filing will implement RACS to become effective April 1, 2027, to recover the Revenue Requirement related to Eligible Facilities that have been placed into service between November 1, 2025 through November 30, 2026 ("Initial RACS Period"). Subsequently, Transporter will have the right to file to adjust the RACS Surcharge annually to become effective April 1 to recover the Revenue Requirement related to Eligible Facilities placed into service during the December 1 through November 30 period (RACS Period(s)) prior to such RACS Filing and any trailing capital expenditures associated with such Eligible Facilities placed into service during such prior period(s). The final RACS Filing will recover the Revenue Requirement related to Eligible Facilities placed into service during December 1, 2030 through October 31, 2031 ("Final RACS Period") and any trailing capital expenditures associated with such Eligible Facilities placed into service during prior period(s). Any filings by Transporter pursuant to this Section 6.28 are referred to in this FERC Gas Tariff as a RACS Filing.

### 2. RACS Implementation.

(a) Eligible Facilities have been defined in the Eligible Facilities Plan ("EFP") as filed by Transporter with the FERC and also include the facilities added in accordance with Section 6.28.2(a)(i) and Section 6.28.2(a)(ii) of this FERC Gas Tariff. The initial RACS rate is set at \$0. Subsequently, the Revenue Requirement underlying each adjustment in the RACS will be based on Transporter's capital expenditures for Eligible Facilities during all previous prior period(s) ("Prior RACS Period(s)") to the extent not already included in the then-effective RACS. Transporter's RACS Filings will revise the RACS to take into account both changes in the Revenue Requirement and the over/under-recovered Revenue Requirement from Prior RACS Periods.

(i) Transporter retains the discretion to recover capital expenditures associated with projects related to facilities not listed in the EFP through the RACS set forth in any RACS Filing provided that the expenditures are associated with projects falling within one or both of the following categories: (1) projects to

address issues that Transporter believes could lead to imminent unsafe conditions; and (2) projects that Transporter deems necessary to comply with new legislative and/or regulatory requirements. Such will be deemed to be Eligible Facilities for purposes of this FERC Gas Tariff. If Transporter elects to include costs associated with such projects in the RACS Filing, Transporter may not exceed the RACS Program Cost Cap set forth in Section 6.28.2(c) of this FERC Gas Tariff.

(ii) Transporter shall be permitted to recover capital expenditures associated with facilities that are not listed in the EFP and that do not fall into one of the categories listed in Section 6.28.2(a)(i) provided that Transporter receives the consent of the majority of shippers subject to the RACS. Such facilities will be deemed to be Eligible Facilities for purposes of this FERC Gas Tariff.

(b) Shippers will retain the right to challenge the prudence of any costs included in the RACS at the time Transporter makes each RACS Filing.

(c) The total amount of prudent investment in Eligible Facilities incurred which may be recovered through the RACS will not exceed the program cap of \$834 million ("RACS Program Cost Cap"). Any costs exceeding the RACS Program Cost Cap shall be treated as General Plant Maintenance Capital ("GPMC") under Section 6.28(d) of this FERC Gas Tariff.

(d) Transporter will expend annual GPMC costs of \$30 million per year ("GPMC Projects") during the proposed RACS Term and such GPMC Projects will not be considered Eligible Facilities. If Transporter expends less than \$30 million in GPMC during any RACS Period(s), Transporter will forgo the inclusion of any capital expenditures in the applicable RACS Filing.

### 3. RACS Calculation.

In each RACS Filing, Transporter will calculate the RACS and allocate to the Applicable Rate Schedules (as defined above) in a manner consistent with Transporter's effective cost allocation and rate design, as set forth below:

(a) Transporter will first calculate the Revenue Requirement related to Eligible Facilities that were placed in and remained in service during the prior RACS Period(s) set forth in Section 6.28.1 of this FERC Gas Tariff and any applicable trailing capital expenditures associated with such Eligible Facilities placed into service during such applicable Prior RACS Period(s). The Revenue Requirement associated with the RACS consists of the following:

(i) The Eligible Facilities will consist of the following rate base multipliers: (1) a pre-tax rate of return of 14.72 percent and (2) the applicable Taxes Other

than Income Taxes (“TOIT”). These rate base multipliers will be multiplied by the “net rate base” (i.e., the gross plant minus accumulated depreciation and accumulated deferred income taxes) associated with Transporter’s Eligible Facilities. (3) Transporter’s depreciation rate of 1.84 percent and (4) Transporter’s negative salvage rate of 1.27 percent will then be multiplied by the gross plant associated with Transporter’s Eligible Facilities.

(b) Transporter will allocate the Revenue Requirement across each Applicable Rate Schedule to derive the RACS on a per unit basis, utilizing the greater of:

- (i) The projected reservation billing determinants, by zone, based on the most recently available twelve (12) months of billing determinants for Shippers under the Applicable Rate Schedules, adjusted for anticipated contract expirations and discount adjustments for both discounted and negotiated rate contracts; or
- (ii) The billing determinant floors shown in the table below reflecting a 15 percent adjustment of the applicable totals reflected in the J-1 Schedules filed in Transporter’s 2025 Section 4 rate case filing for each RACS Filing.

<u>Zones</u>	<u>Western Zone</u>	<u>Central Zone</u>	<u>Eastern Zone</u>
<u>Billing Determinant Floors (Dth)</u>	<u>1,869,608</u>	<u>2,215,384</u>	<u>2,522,639</u>

(c) If the billing determinants, by zone, are lower than the floors set forth herein, Transporter will impute billing determinants at the maximum applicable rate and the revenues that would be associated with such billing determinants to reflect the above stated billing determinant levels in the calculation of the RACS.

(d) Any over/under recovery of the Revenue Requirement will be recovered in the next succeeding RACS Filing. The over/under recovery will be calculated each year by comparing the actual Revenue Requirement, to the revenues received during the recovery period, including any revenues required to be imputed by Transporter pursuant to Section 6.28.3(c) above.

#### 4. Term of RACS.

The RACS charge will be effective for the term commencing November 1, 2025 and ending on October 31, 2031 (“RACS Term”). Transporter shall have the right to seek to terminate the RACS prior to the end of the RACS Term by filing a general NGA Section 4 rate case. Upon termination of the RACS, Shippers under the Applicable Rate Schedules will remain subject to any unrecovered RACS costs and Transporter will be required to refund any over-recovered RACS costs. Any positive or negative

balances in Transporter's RACS account as of the expiration of the RACS will be charged or refunded to Shippers, as applicable, in the next monthly billing cycle that is at least fifteen (15) days after the termination of the RACS.

Date: \_\_\_\_\_ Contract No.: \_\_\_\_\_

APPENDIX A  
PARK AND LOAN (PAL) SERVICE AGREEMENT

This Appendix A is entered into by Great Lakes Gas Transmission Limited Partnership (Transporter) and \_\_\_\_\_ (Shipper) and;

WHEREAS, Shipper and Transporter have entered into PAL Service Agreement No. \_\_\_\_\_ to facilitate the contracting process.

NOW, THEREFORE, Shipper and Transporter agree that the terms below, together with the terms and conditions of the previously executed PAL Service Agreement, constitute a single Park and Loan Service Agreement and fully describe the service to be provided and the rights and obligations of Shipper and Transporter.

COMPANY - Great Lakes Gas Transmission Limited Partnership

COMPANY ADDRESS - Transportation Accounting and Contracts  
700 Louisiana St., Suite 1300  
Houston, TX 77002-2700

SHIPPER - \_\_\_\_\_  
SHIPPER'S ADDRESS - \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

PAL Term: \_\_\_\_\_ to \_\_\_\_\_

Maximum Quantity ("MQ"): \_\_\_\_\_

PAL Point: \_\_\_\_\_



Date: \_\_\_\_\_

Contract No.: \_\_\_\_\_

Applicable PAL Service Option (Park or Loan):

<u>Transaction</u>	<u>Loc Name</u>	<u>Loc</u>	<u>MQ</u>	<u>Zone</u>		
<u>Activity</u>	<u>Ratable</u>	<u>Start Date</u>	<u>End Date</u>	<u>Min Daily</u>	<u>Max Daily</u>	
<b><u>Rates</u></b>						
	<u>Effective Date</u>	<u>Start</u>	<u>End</u>	<del><u>First Day</u></del>	<u>Daily</u>	<del><u>Subsequent Days</u></del>
		<u>Rate</u>		<u>Rate</u>		

This Appendix A is made and entered into as of \_\_\_\_\_, \_\_\_\_\_

AGREED TO BY:

SHIPPER

GREAT LAKES GAS TRANSMISION  
LIMITED PARTNERSHIP

By: Its Operator, TransCanada Northern Border  
Inc.

By:  
Name:  
Title:

By:  
Name:  
Title:

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<b>Title</b>	<b>FERC Statement/ Schedule</b>	<b>Exhibit Number</b>	<b>Electronic File Name</b>
Letter of Transmittal			Transmittal Letter.pdf
Tariff Sheets			Transmittal Letter.pdf
List of Tariff Records – Appendix A			Transmittal Letter.pdf
Tariff Records Clean – Appendix A-1			App A-1 – Tariff Records Clean.pdf
Tariff Records Redline – Appendix A-2			App A-2 – Tariff Records Redline.pdf
Table of Contents – Appendix B			Transmittal Letter.pdf
Accounting Representation – Appendix C			Transmittal Letter.pdf
<b>Prepared Direct Testimony of Sorana M. Linder</b>	P	GL-0001	Exhibit No. GL-0001_Linder Direct Testimony.pdf
Reliability and Compliance Surcharge (“RACS”) Pre-Tax Return Calculation	P	GL-0002	Exhibit. No. GL-0002.pdf
<b>Prepared Direct Testimony of Alexander Kearley</b>	P	GL-0003	Exhibit No. GL-0003_Kearley Direct Testimony.pdf
<b>Prepared Direct Testimony of Josh Figueroa</b>	P	GL-0004	Exhibit No. GL-0004_Figueroa Direct Testimony.pdf
Resume of Josh Figueroa	P	GL-0005	Exhibit No. GL-0005.pdf
ROE Calculations (including MRP)	P	GL-0006	Exhibit No. GL-0006.pdf
<b>Prepared Direct Testimony of Nathalie Hinchey</b>	P	GL-0007	Exhibit No. GL-0007_Hinchey Direct Testimony.pdf
<i>Curriculum Vitae</i> of Nathalie Hinchey	P	GL-0008	Exhibit No. GL-0008.pdf
FPC v. Hope Natural Gas	P	GL-0009	Exhibit No. GL-0009.pdf
Policy Statement on Determining Return on Equity for Natural Gas and Oil Pipelines	P	GL-0010	Exhibit No. GL-0010.pdf
Canadian National Energy Board’s Reasons for Decision	P	GL-0011	Exhibit No. GL-0011.pdf
Relevant Companies’ 10-Ks	P	GL-0012	Exhibit No. GL-0012.pdf
Relevant Companies’ FERC Form 2s	P	GL-0013	Exhibit No. GL-0013.pdf
Relevant Companies’ FERC Form 6s	P	GL-0014	Exhibit No. GL-0014.pdf
Workpaper 1	P	GL-0015	Exhibit No. GL-0015.pdf
Workpaper 2	P	GL-0016	Exhibit No. GL-0016.pdf
Workpaper 3	P	GL-0017	Exhibit No. GL-0017.pdf

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Workpaper 4	P	GL-0018	Exhibit No. GL-0018.pdf
Workpaper 5	P	GL-0019	Exhibit No. GL-0019.pdf
Workpaper 6	P	GL-0020	Exhibit No. GL-0020.pdf
Workpaper 7	P	GL-0021	Exhibit No. GL-0021.pdf
<b>Prepared Direct Testimony of Matt Parks</b>	P	GL-0022	Exhibit No. GL-0022_Parks Direct Testimony.pdf
Eligible Facilities Plan	P	GL-0023	Exhibit No. GL-0023.pdf
<b>Prepared Direct Testimony of Alexander J. Kirk</b>	P	GL-0024	Exhibit No. GL-0024_Kirk Direct Testimony.pdf
<i>Curriculum Vitae</i> of Alexander J. Kirk	P	GL-0025	Exhibit No. GL-0025.pdf
Government of Canada News Release, <i>Government of Canada legislates climate accountability with first net-zero emissions law</i> (June 2021)	P	GL-0026	Exhibit No. GL-0026.pdf
Requirements of Public Authorities	P	GL-0027	Exhibit No. GL-0027.pdf
Lawrence Berkeley National Laboratory, Queued Up: Characteristics of Power Plants Seeking Transmission Interconnection As of the End of 2023 (Apr 2024)	P	GL-0028	Exhibit No. GL-0028.pdf
Vignesh Ramasamy, et al., National Renewable Energy Laboratory Report, U.S. Solar Photovoltaic System and Energy Storage Cost Benchmarks, With Minimum Sustainable Price Analysis: Q1 2022 (Sept. 2022)	P	GL-0029	Exhibit No. GL-0029.pdf
National Renewable Energy Laboratory, Annual Technology Baseline 2024 LCOE Graphic	P	GL-0030	Exhibit No. GL-0030.pdf
U.S. Department of Energy, Land-Based Wind Market Report: 2024 Edition (Aug. 2024)	P	GL-0031	Exhibit No. GL-0031.pdf
National Renewable Energy Laboratory, Winter 2024 Solar Industry Update (January 24, 2024)	P	GL-0032	Exhibit No. GL-0032.pdf
Energy Information Administration, Today in Energy: U.S. battery capacity increased 66% in 2024 (March 2025)	P	GL-0033	Exhibit No. GL-0033.pdf
U.S. East Region Non-Speculative Resources and Production	P	GL-0034	Exhibit No. GL-0034.pdf
Great Lakes' Index of Customers Data and Computations	P	GL-0035	Exhibit No. GL-0035.pdf
<b>Prepared Direct Testimony of Kevin H. Lange</b>	P	GL-0036	Exhibit No. GL-0036_Lange Direct Testimony.pdf
<i>Curriculum Vitae</i> of Kevin H. Lange	P	GL-0037	Exhibit No. GL-0037.pdf
TDC Workpapers	P	GL-0038	Exhibit No. GL-0038.pdf
TDC Supporting Documents	P	GL-0039	Exhibit No. GL-0039.pdf
<b>Prepared Direct Testimony of Steven R. Fall</b>	P	GL-0040	Exhibit No. GL-0040_Fall Direct Testimony.pdf

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<i>Curriculum Vitae</i> of Steven Fall	P	GL-0041	Exhibit No. GL-0041.pdf
Depreciation Workpapers	P	GL-0042	Exhibit No. GL-0042.pdf
Transmission Survivor Curve Study	P	GL-0043	Exhibit No. GL-0043.pdf
<b>Prepared Direct Testimony of David J. Haag</b>	P	GL-0044	Exhibit No. GL-0044_Haag Direct Testimony.pdf
<i>Curriculum Vitae</i> of David J. Haag	P	GL-0045	Exhibit No. GL-0045.pdf
<b>Prepared Direct Testimony of Daniel E. Humble</b>	P	GL-0046	Exhibit No. GL-0046_Humble Direct Testimony.pdf
<b>Prepared Direct Testimony of Nadine Dixon</b>	P	GL-0047	Exhibit No. GL-0047_Dixon Direct Testimony.pdf
<b>Prepared Direct Testimony of Philip J. Antolin</b>	P	GL-0048	Exhibit No. GL-0048_Antolin Direct Testimony.pdf
<b>Prepared Direct Testimony of Meghan Tew</b>	P	GL-0049	Exhibit No. GL-0049_Tew Direct Testimony.pdf
<b>Prepared Direct Testimony of Jennifer B. Gordon</b>	P	GL-0050	Exhibit No. GL-0050_Gordon Direct Testimony.pdf
Maximum Seasonal Peak Rate Multiplier	P	GL-0051	Exhibit No. GL-0051.pdf
<b>Prepared Direct Testimony of Erik K. Anderson</b>	P	GL-0052	Exhibit No. GL-0052_Anderson Direct Testimony.pdf
<b>Statements and Schedules</b>			
Cost-of-Service Summary	A	GL-0053	COS-1.xlsx
Rate Base and Return Summary	B	GL-0054	COS-1.xlsx
Summary of Accumulated Deferred Income Taxes	B-1	GL-0055	COS-1.xlsx
Regulatory Asset and Liability	B-2	GL-0056	COS-1.xlsx
Cost of Plant Summary	C	GL-0057	COS-1.xlsx
Gas Plant by Account	C-1	GL-0058	COS-1.xlsx
Gas Plant Additions Claimed in Rate Base	C-2	GL-0059	COS-1.xlsx
Storage Plant by Major Function	C-3	GL-0060	COS-1.xlsx
Methods and Procedures Used in Capitalizing Allowance for Funds Used During Construction (AFUDC) and Other Construction Overheads	C-4	GL-0061	COS-1.xlsx
Gas Plant in Service Not Being Used in Rendering Gas Service	C-5	GL-0062	COS-1.xlsx
Accumulated Provision for Onshore Book Depreciation, Depletion, and Amortization	D	GL-0063	COS-1.xlsx
Difference Between Present Book Depreciation Rates and Depreciation Rates Not Yet Approved by FERC	D-1	GL-0064	COS-1.xlsx

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Methods and Procedures Followed in Depreciating, Depleting or Amortizing Plant and Recording Abandonment	D-2	GL-0065	COS-1.xlsx
Working Capital	E	GL-0066	COS-1.xlsx
Cash Working Capital Computation	E-1	GL-0067	COS-1.xlsx
Materials & Supplies and Prepayments	E-2	GL-0068	COS-1.xlsx
Gas Stored Underground for Resale	E-3	GL-0069	COS-1.xlsx
Claimed Rate of Return on Equity	F-1	GL-0070	COS-1.xlsx
Capitalization and Cost of Capital	F-2	GL-0071	COS-1.xlsx
Long-Term Debt (Debt Capital)	F-3	GL-0072	COS-1.xlsx
Preferred Stock Capital	F-4	GL-0073	COS-1.xlsx
Summary of Revenues, Credits, and Billing Determinants	G	GL-0074	COS-1.xlsx
Billing Determinants and Revenues - Base Period	G-1	GL-0075	COS-1.xlsx
Billing Determinants and Revenues - Adjustment Period	G-2	GL-0076	COS-1.xlsx
Reconciliation of Base Period to Adjustment Period	G-3	GL-0077	COS-1.xlsx
At-Risk Revenue	G-4	GL-0078	COS-1.xlsx
Other Revenue	G-5	GL-0079	COS-1.xlsx
Miscellaneous Revenue	G-6	GL-0080	COS-1.xlsx
Operation and Maintenance Expenses Summary	H-1	GL-0081	COS-1.xlsx
Summary of System Labor, Materials and Other Expenses, and Expenses Applicable to Accounts 810 and 812	H-1(1)	GL-0082	COS-1.xlsx
Total System Labor Costs	H-1(1)(a)	GL-0083	COS-1.xlsx
Total Material and Other Expenses Exclusive of Gas Costs	H-1(1)(b)	GL-0084	COS-1.xlsx
Gas Operation and Maintenance Expenses	H-1(1)(c)	GL-0085	COS-1.xlsx
Detail of Administrative and General Expenses	H-1(2)	GL-0086	COS-1.xlsx
Gas Operation and Maintenance Expenses	H-1(2)(a)	GL-0087	COS-1.xlsx
Advertising Expenses	H-1(2)(b)	GL-0088	COS-1.xlsx
Office Supplies and Expenses	H-1(2)(c)	GL-0089	COS-1.xlsx
Administrative Expenses Transferred Credit	H-1(2)(d)	GL-0090	COS-1.xlsx
Outside Services Employed	H-1(2)(e)	GL-0091	COS-1.xlsx
Employee Pensions and Benefits	H-1(2)(f)	GL-0092	COS-1.xlsx
Regulatory Commission Expenses	H-1(2)(g)	GL-0093	COS-1.xlsx
Duplicate Charges – Credit	H-1(2)(h)	GL-0094	COS-1.xlsx
Miscellaneous General Expenses	H-1(2)(i)	GL-0095	COS-1.xlsx
Intercompany Transactions	H-1(2)(j)	GL-0096	COS-1.xlsx
Lease Expense	H-1(2)(k)	GL-0097	COS-1.xlsx

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Depreciation, Depletion, Amortization and Negative Salvage Expense	H-2	GL-0098	COS-1.xlsx
Reconciliation of Depreciable Plant to Total Gas Plant	H-2(1)	GL-0099	COS-1.xlsx
Federal and State Income Taxes	H-3	GL-0100	COS-1.xlsx
State Income Taxes	H-3(1)	GL-0101	COS-1.xlsx
Reconciliation of Net Book Plant and Net Tax Plant	H-3(2)	GL-0102	COS-1.xlsx
Summary of Other Taxes	H-4	GL-0103	COS-1.xlsx
Adjustment to Other Taxes	H-4	GL-0104	COS-1.xlsx
Functionalized Cost-of-Service – Explanatory Notes	I	GL-0105	COS-1.xlsx
Overall Cost-of-Service	I-1	GL-0106	COS-1.xlsx
Cost of Service by Function	I-1(a)	GL-0107	COS-1.xlsx
Functionalized Cost of Service by Incremental and Non-Incremental	I-1(b)	GL-0108	COS-1.xlsx
Cost of Service by Zone	I-1(c)	GL-0109	COS-1.xlsx
Allocation of Non-Direct Costs to Functions	I-1(d)	GL-0110	COS-1.xlsx
Classification of Cost-of-Service	I-2	GL-0111	COS-1.xlsx
Allocation of Cost-of-Service	I-3	GL-0112	COS-1.xlsx
Transmission and Compression of Gas by Others	I-4	GL-0113	COS-1.xlsx
Gas Balance	I-5	GL-0114	COS-1.xlsx
Comparison and Reconciliation of Estimated Operating Revenues with Cost-of-Service	J	GL-0115	COS-1.xlsx
Summary of Billing Determinants	J-1	GL-0116	COS-1.xlsx
Derivation of Rates	J-2	GL-0117	COS-1.xlsx
Comparative Balance Sheets	L	GL-0118	COS-1.xlsx
Income Statement for the Twelve Months Ended January 31, 2025	M	GL-0119	COS-1.xlsx
Description of Company Operations	O	GL-0120	Exhibit No. GL-0120.pdf

## **APPENDIX C**

### **GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP**

#### **Accounting Representation**

**STATEMENT OF AUTHORIZED ACCOUNTING REPRESENTATIVE**

**PURSUANT TO 18 C.F.R. § 154.308**

**RATE FILING OF GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP**

**DATED APRIL 30, 2025**

**TO THE FEDERAL ENERGY REGULATORY COMMISSION:**

I, Philip J. Antolin, Director, U.S. Pipeline Accounting, TransCanada USA Services Inc., the company responsible for the operation of Great Lakes Gas Transmission Limited Partnership ("Great Lakes"), do hereby represent that the cost statements, supporting data, and workpapers submitted as part of the above-mentioned filing by Great Lakes, which purport to represent the books of Great Lakes, do, in fact, set forth the results shown by such books.



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Philip J. Antolin  
Director, U.S. Pipeline Accounting  
TransCanada USA Services Inc.