

**Gas Pipeline – Transco** 2800 Post Oak Boulevard (77056) P.O. Box 1396 Houston, Texas 77251-1396 713/215-4060

December 2, 2009

Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Attention: Kimberly D. Bose, Secretary

Reference: Transcontinental Gas Pipe Line Company, LLC

Clean-up Filing to Remove Rate Schedule X-170 from Transco's Tariff

Docket No. RP10-

# Ladies and Gentlemen:

Pursuant to Section 4 of the Natural Gas Act and Part 154 of the regulations of the Federal Energy Regulatory Commission ("Commission"), Transcontinental Gas Pipe Line Company, LLC ("Transco") hereby submits for filing certain revised tariff sheets to its FERC Gas Tariff, Fourth Revised Volume No. 1, and First Revised Volume No. 2 ("Tariff"). The revised tariff sheets, which are enumerated in Appendix A, are proposed to be effective January 4, 2010.

# Statement of Nature, Reasons, and Basis

The purpose of the instant filing is to reflect the termination of Transco's Rate Schedule X-170 and to remove references to Rate Schedule X-170 from its Tariff. On June 16, 1994, Northern Natural Gas Company ("Northern") filed an abandonment application with the Commission in Docket No. CP94-608, which among other things, requested the abandonment of an exchange agreement between Transco and Northern used by Transco to render service under its Rate Schedule X-170. Included in Northern's application was a request to terminate Transco's Rate Schedule X-170. On November 29, 1995, the Commission approved Northern's abandonment application in Docket No. CP94-608-000 et al. Due to an administrative oversight, Rate Schedule X-170 has yet to be removed

<sup>&</sup>lt;sup>1</sup> Northern Natural Gas Company, 73 FERC ¶ 61,223 (1995).

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from Transco's Tariff. Therefore, Transco is including herein revised tariff sheets reflecting the abandonment of Rate Schedule X-170.

# **Proposed Effective Date**

The revised tariff sheets submitted herein are proposed to be effective January 4, 2010. In the event the Commission elects to accept and suspend the revised tariff sheets submitted herein, in accordance with Section 154.7(a)(9) of the Commission's Regulations ("Regulations"), Transco moves to place such tariff sheets into effect at the end of the applicable suspension period.

# **Materials Submitted Herewith**

In accordance with Section 154.7(a)(1) of the Regulations, the following material is submitted herewith:

- (1) Appendix A contains the enumeration and effective date of the revised tariff sheets, the revised tariff sheets and a redlined version of such tariff sheets in accordance with the provision under Section 154.201(a) of the Regulations; and
- (2) As required by Section 154.4 of the Regulations, a diskette copy of the revised Volume No. 1 tariff sheet labeled TF120209.ASC.

# **Posting and Certification of Service**

In accordance with the provisions of Section 154.2(d) of the Commission's Regulations, copies of this filing are available for public inspection, during regular business hours, in a convenient form and place at Transco's main office at 2800 Post Oak Boulevard in Houston, Texas. In addition, Transco is serving copies of the instant filing to its affected customers and interested State Commissions.

Any communications regarding this filing should be sent to:

Scott Turkington Director – Rates & Regulatory Transcontinental Gas Pipe Line Company, LLC P.O. Box 1396 Houston, Texas 77251

Email: scott.c.turkington@williams.com

Phone: (713) 215-3391

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and copies should be mailed to:

David Glenn Senior Counsel Transcontinental Gas Pipe Line Company, LLC P.O. Box 1396 Houston, Texas 77251

Email: david.a.glenn@williams.com

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Marshia Younglund Manager, Federal Regulatory Affairs The Williams Companies 1627 Eye Street, N.W., Suite 900 Washington, D.C. 20006 Email: marshia.younglund@williams.com

Phone: (202) 833-8994

Respectfully submitted, TRANSCONTINENTAL GAS PIPE LINE COMPANY, LLC

/s/ Charlotte Hutson

By\_\_\_\_\_

Charlotte Hutson Manager – Rates

Email: charlotte.a.hutson@williams.com

(713) 215-4060

# TRANSCONTINENTAL GAS PIPE LINE COMPANY, LLC

# APPENDIX A TARIFF SHEETS

# FOURTH REVISED VOLUME NO. 1

# EFFECTIVE JANUARY 4, 2010

First Revised Sheet No. 3

# FIRST REVISED VOLUME NO. 2

# EFFECTIVE JANUARY 4, 2010

First Revised Sheet No. 1

First Revised Sheet No. 45

First Revised Sheet No. 46

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First Revised Sheet No. 3
Superseding
Original Sheet No. 3

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Issued by: Frank J. Ferazzi, Vice President

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Issued by: Frank J. Ferazzi, Vice President

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Transcontinental Gas Pipe Line Company, LLC

FERC Gas Tariff

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# RATE SCHEDULE X 170

| Parties to the Agreement: | Transcontinental Gas Pipe Line Corporation                |
|---------------------------|---|
|                           | Northern Natural Gas Company Division of InterNorth, Inc. |
| Date of Agreement:        | June 15, 1978, as amended April 24, 1980                  |
| Service Rendered:         | Exchange  |

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# EXCHANGE AGREEMENT

## BETWEEN

### TRANSCONTINENTAL GAS PIPE LINE CORPORATION

### AND

#### NORTHERN NATURAL GAS COMPANY

THIS AGREEMENT entered into this 15th day of June, 1978, by and between TRANSCONTINENTAL GAS PIPE LINE CORPORATION, a Delaware corporation, hereinafter referred to as "Transco" and NORTHERN NATURAL GAS COMPANY, a Delaware corporation, hereinafter referred to as "Northern".

### WITNESSETH:

- WHEREAS, Northern has available natural gas in Vermilion Area Block 34 Field, offshore Louisiana; and

WHEREAS, Transco has available natural gas in J. O. Wells #1 Well, Gem Hemphill Field, Hemphill County, Texas; Davidson Ranch Penn (7890) Field, Crockett County, Texas; Gomez (Wolfcamp) Field, Pecos County, Texas and Reeves "AU" Fee #2 Well, Hamon Field, Reeves County, Texas; and

WHEREAS, Northern has pipeline facilities in or near the respective fields in Hemphill, Crockett, Pecos and Reeves Counties, Texas and Transco has facilities in Vermilion Area Block 35 Field; and

— WHEREAS, Transco desires that Northern receive for exchange its natural gas in Hemphill, Crockett, Pecos and Reeves Counties, Texas, and Northern desires that Transco receive for exchange its natural gas from Vermilion Area Block 34 Field;

- NOW, THEREFORE, Transco and Northern agree as follows:

## ARTICLE I

## Definitions:

- 1. The term "day" shall mean a period of 24 consecutive hours, beginning and ending at 7:00 a.m. Central Time.
  - 2. The term "month" shall mean the period beginning at 7:00 a.m. on the first day of the calendar month and ending at 7:00 a.m. on the first day of the next succeeding calendar month.

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- 3. The term "Mcf" shall mean 1,000 cubic feet of gas.
- 4. The term "Btu" shall mean 1 British thermal unit.
- 5. The term "Dekatherm" shall be 1,000,000 Btu determined on a gross, dry basis.
- 6. The term "equivalent quantity" shall mean the quantities of gas measured in Mcf received and/or delivered by Transco and Northern hereunder, during any period of time, adjusted for any variations in Btu content, it being the intent of the parties that the volumes of gas exchanged hereunder be thermally equivalent, after reduction in volume and Btu due to processing, if any.
- 7. The term "Maximum Daily Quantity" shall mean the daily volume of gas which Transco and/or Northern is obligated to accept for exchange on any given day.
  - 8. The term "psia" shall mean pounds per square inch absolute.
  - 9. The term "psig" shall mean pounds per square inch gauge.
- 10. The term "liquefiables" or "liquefiable hydrocarbons" shall mean the hydrocarbons of ethanes or heavier contained in the gas stream in a gaseous state that are customarily extracted at gas processing plants.
- 11. The term "Vermilion Point of Receipt" shall mean the point of connection of Northern's pipeline facilities and Transco's facilities in Vermilion Area Block 35 Field.
- 12. The term "Texas Point(s) of Receipt" shall mean the points in Hemphill, Crockett, Pecos and Reeves Counties, Texas where the facilities of Northern interconnect or will interconnect with Transco's Producer Seller(s) facilities and where Northern will receive gas for the account of Transco. The term Texas Point of Receipt in Reeves County, Texas shall mean the tailgate of Texaco's treating facility located in Section 39, Block 50, T 7, T&P Railroad Company Survey in Reeves County, Texas for purposes of determining the quantity of gas exchanged pursuant to Article IV, Paragraph 1.
- 13. The term "Redelivery Point(s)" shall mean the outlet of the UTOS Johnson's Bayou Plant, Cameron Parish, Louisiana where Northern delivers any imbalances to Transco and at the Transco Northern interconnection near Starks, Calcasieu Parish, Louisiana where Transco can deliver any imbalances to Northern.

# ARTICLE II

# Term of Agreement:

This agreement shall become effective on the date of its execution and shall remain in force for a primary term of fifteen (15) years from the date of initial delivery of gas for transportation and/or exchange hereunder, and from year to year thereafter until terminated by either party by prior written notice to the other party of not less than twelve (12) months, which termination may be made effective at the end of the primary term or at the end of any year thereafter.

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# ARTICLE III

## Regulation:

- 1. The operation of the provisions of this agreement shall be subject to all applicable statutes and all applicable lawful orders, rules and regulations of regulatory bodies having jurisdiction.
- 2. Promptly following the execution of this agreement, Transco and Northern will file and prosecute applications with all necessary regulatory bodies for approval to exchange gas as provided herein.
- 3. In the event the parties hereto are unable to obtain all necessary regulatory approvals for the exchange service acceptable to the parties by October 1, 1978, then either party may terminate this agreement by giving the other party written notice thereof subsequent to such date, but prior to receipt of all such approvals.

#### ARTICLE IV

#### Exchange:

- 1. Subject to the provisions of this agreement, Transco shall receive from Northern at the Vermilion Point of Receipt on a best efforts basis, and Northern shall receive from Transco at the Texas Point(s) of Receipt on a best efforts basis, quantities of gas up to a Maximum Daily Quantity equal to the dekatherm equivalent of 3,000 Mcf at 14.73 psia.
- 2. Daily and monthly receipts for the account of Transco and/or Northern hereunder shall be approximately equal on an equivalent quantity basis. However, due to variations in operating conditions, daily and monthly receipts may not be in balance at any particular time. The parties shall use their best efforts to keep such variances to a minimum, and shall adjust or correct any excess or deficiency as soon as operating conditions permit. In the event quantities exchanged hereunder are not in balance at the end of any month, the imbalance shall be eliminated by Transco or Northern delivering or causing to be delivered quantities of exchange gas to the other at the appropriate Redelivery Point.

## ARTICLE V

#### Separation and Processing:

1. Both parties expressly reserve the right unto itself to extract and retain liquefiable hydrocarbons or to have such extracted. Such right shall become effective upon receipt by either party of written notice of the other exercising such right, and upon final execution of the various and necessary agreements relative to processing such gas.

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2. Any processing of the gas exchanged hereunder for extraction of liquefiable hydrocarbons shall occur prior to commingling with gas already processed.

#### ARTICLE VI

## Delivery Pressure:

Delivery of gas by Northern and Transco hereunder shall be at pressures necessary to effect the delivery of gas into the receiving facilities of the other but in no event in excess of the maximum allowable operating pressure at such point of delivery.

#### ARTICLE VII

# Quality:

- 1. The Texas Point of Receipt in Reeves County, Texas shall be at the interconnection of Transco's Producer Seller(s) facilities with Northern's facilities, however, it is understood that the gas will not meet the quality specifications provided in Exhibit A until the gas has passed through Texaco's treating facility.
- 2. All gas received and delivered under the terms of this agreement except as provided in Paragraph I above shall conform to the specifications in Exhibit A attached.

# ARTICLE VIII

#### Measurement:

- 1. Gas received by Transco shall be measured at the existing measuring and regulating equipment in Vermilion Block 35. Gas received by Northern shall be measured at the existing measuring and regulating equipment in Crockett, Hemphill and Pecos Counties, Texas. Gas received by Northern in Reeves County, Texas shall be measured first at the proposed measuring and regulating equipment which Transco will install or cause to be installed at the interconnection of Transco's Producer Seller(s) facilities with Northern's facilities and then at the existing measuring and regulating equipment at the tailgate of Texaco's treating facility in Reeves County, Texas. Gas delivered by Transco or Northern to correct a prior month's imbalance shall be measured at the existing measuring and regulating equipment at the appropriate Redelivery Point.
- 2. The gas shall be measured in accordance with the provisions in Exhibit B attached.

#### ARTICLE IX

#### **Statements:**

On or before the seventh (7th) working day of each month, Transco and Northern will render a statement to the other reflecting the volume and heating value of the exchange gas received during the preceding month. Transco and Northern will rely upon the allocation statement provided by the operator of the U TOS Johnson's Bayou Plant in determining the volume and heating value of gas delivered to correct prior month's imbalances.

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#### ARTICLE X

#### Possession of Gas:

The party in control and possession of the gas shall be responsible for and shall indemnify the other in respect of any losses, injuries, claims, liabilities or damages caused thereby and occurring while the gas is in its possession.

#### ARTICLE XI

## Title and Warranty:

Northern warrants that at the time of delivery to Transco the gas so delivered hereunder shall be free and clear of all liens, encumbrances and claims whatsoever and agrees to indemnify Transco against any loss or cost incurred by it on account of any such liens, encumbrances and claims whatsoever. Transco warrants that at the time of delivery to Northern, the gas so delivered hereunder shall be free and clear of all liens, encumbrances and claims whatsoever and agrees to indemnify Northern against any loss or cost incurred by it on account of any such liens, encumbrances, and claims whatsoever.

# ARTICLE XII

# Notices:

Any notice, request, demand, or statement provided for in this agreement, or any notice which a party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified or regular mail to the address of the parties hereto, as the case may be as follows:

| Transcontinental Gas Pipe Line Corporation  |
|---|
| - POSC OFFICE BOX 1396                      |
| Houston, Texas 77001                        |
| Attention: Vice President of Operations     |
|   |
| Northern Natural Gas Company                |
|   |
| <del>Omaha, Nebraska</del>                  |
| Attention: Transmission Operations Division |

Such addresses may from time to time be changed by mailing appropriate notice thereof to the other parties by certified or registered mail.

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# ARTICLE XIII

| Miggal | lancous |  |
|--------|---------|--|
|        |         |  |

| Miscellaneous:  |               |
|---|---------------|
| 1. No modifications of the terms and provisions of this agreement   |               |
| shall be or become effective except by the execution of a supplementary written agreement.  |               |
|   |               |
| 2. No waiver by either party of any one or more defaults by the of party in performance of any provisions of this agreement shall operate or defaults, whether of a like            | <del>se</del> |
| a different character.  |               |
| 3. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.   | <del>)£</del> |
| IN WITNESS WHEREOF, the parties hereto have caused this agreement to signed by their respective representatives thereunto duly authorized, on the day and year first above written. |               |
| TRANSCONTINENTAL GAS PIPE LINE  |               |
|   |               |
| By /s/ H. J. Miller, Jr<br>Vice President WNB   |               |
| NORTHERN NATURAL GAS COMPANY  |               |
| By /s/ D. E. Iburg Vice President   |               |
| Attest /s/ R. II. Wood<br>Assistant Secretary   |               |

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### EXHIBIT A

### Quality:

- All gas received and delivered under the terms of this agreement shall conform to the following specifications:
- a. Solids The gas shall be free from objectionable odors, solid matter, dust, gums and gum forming constituents which might interfere with its merchantability or cause injury to or interference with proper operation of the lines, meters, regulators or other appliances through which it flows.
- b. Oxygen The gas shall not at any time have an uncombined oxygen content in excess of 1% by volume, and the parties shall make every reasonable effort to keep the gas free from oxygen.
- c. Carbon Dioxide The gas shall not at any time have a carbon dioxide content in excess of 3% by volume.
- d. Hydrogen Sulphide The gas shall not contain more than .3 grain of hydrogen sulphide per 100 cubic feet.
- e. Total Sulphur The gas shall not contain more than 9 grains of total sulphur per 100 cubic feet.
- f. Heating Value The gas shall have a total or gross heating value of not less than 1000 Btu per cubic foot when burned with air and when saturated with water vapor at 60 degrees Fahrenheit and under a pressure of 14.73 psia. The total or gross heating value is obtained by cooling the products of combustion to 60 degrees Fahrenheit and condensing the moisture formed.
- g. Temperature The gas shall not be delivered or redelivered at a temperature of more than 120 degrees Fahrenheit.
- h. Water Vapor Content The gas at the Points of Receipt and the Redelivery Point shall contain not in excess of 7 pounds of water vapor per million cubic feet.
- i. Nitrogen The gas shall contain not more than 3% by volume of nitrogen.
- If any gas offered for delivery hereunder shall fail at any time to conform to the standards set forth above, then the party receiving such gas shall notify the party delivering such gas of the deficiency and thereupon may at the option of the receiving party, refuse to accept delivery pending correction by such other party.

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# EXHIBIT B

#### Measurement

1. The measurement unit of natural gas exchanged hereunder shall be 1,000 cubic feet of gas measured according to Boyle's Law for the measurement of gas under varying pressures with deviations therefrom as provided below, on the measurement basis hereinafter specified.

2. The unit of volume for purposes of measurement of gas exchanged hereunder and for the purposes of determination of equivalent volumes hereunder shall be one (1) cubic foot of natural gas at a temperature of 60 degrees Fahrenheit and at a pressure of 14.73 psia.

3. Orifice meters installed in measuring stations used in the measurement of the gas to be received or delivered shall be operated in accordance with the joint Bureau of Standards, AGA, ASME specifications published in 1955 and revised in 1969 as Gas Measurement Committee Report No. 3 of the American Gas Association and any modification and amendment thereof as agreed upon by the parties and shall include the use of straightening vanes and pulsation dampening equipment where necessary.

4. The volume and the total heating value of the gas received and delivered hereunder shall be determined as follows:

a. The unit of volume for all purposes under this agreement except where otherwise specifically provided shall be one (1) cubic foot of gas, as defined in Section 2 above.

b. The total heating value of the gas received at the Points of Receipt and at the Redelivery Point, per cubic foot, shall be determined from a continuous sampling device, by chromatographic analysis, by periodically running a spot sample on a recording calorimeter, or by such other equipment or method as may be mutually agreed upon. The total heating value of the gas shall be determined, or caused to be determined, at each such point at least monthly or at other intervals of time as deemed necessary by either party from a continuous sampling device or other methods mutually agreed upon. The total heating value of the gas so determined at each such point shall be deemed to remain constant until the next determination.

c. The temperature of the gas passing through the meters shall be determined for any day by the continuous use of a recording thermometer so installed that it may properly record the temperature of the gas flowing through the meters. The average reading of the temperature recorded each day shall be used in computing gas volumes.

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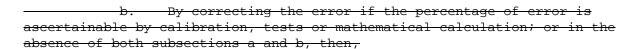
d. The specific gravity of the gas passing through each meter utilized hereunder shall be determined by the use of a recording gravitometer of approved type which shall be checked at least once each month by the use of Edward's Balance or any other approved method mutually agreed upon.

- e. The deviation from Ideal Gas Laws of the gas transported hereunder shall be calculated by methods recommended by AGA Report No. 3 including the AGA manual for the determination of supercompressibility factors for natural gas. A sample of gas shall be analyzed quarterly for CO2 and N2 from a continuous sampling device or more often as deemed necessary. These values along with chart pressure, temperature, and specific gravity will be used to calculate the supercompressible factors.
- 5. a. The accuracy of the measuring equipment shall be verified at reasonable intervals and, if so requested, in the presence of representatives of both parties, but neither party shall be required to verify the accuracy of such equipment more frequently than once in any 30 day period. In the event either party shall notify the other party that it desires a special test of any measuring equipment, the parties shall cooperate to secure a prompt verification of the accuracy of such equipment. The expense of any such special test, if requested, shall be borne by the party requesting the test if the measuring equipment tested is found to be in error by not more than 2%.
- b. If upon test, any measuring equipment, including recording calorimeters, is found to be in error in the aggregate by not more than 2%, previous recordings of such equipment shall be considered accurate in computing deliveries of gas, but such equipment shall be adjusted at once to record accurately.
- c. If upon test, any measuring equipment shall be found in the aggregate to be inaccurate by an amount exceeding 2% at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, such equipment shall be adjusted at once to record accurately, and any previous recordings of such equipment shall be corrected to zero error for any period which is known definitely, but in case the period is not known or agreed upon, such correction shall be for a period extending over one half of the time elapsed since the date of the last test, not exceeding a correction period of 16 days.
- 6. In the event a meter is out of service or registering inaccurately, the quantities of gas received or delivered during such period shall be determined as follows:
- a. By using the registration of any check meter or meters, if installed and accurately registering; or in the absence of subsection a,

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- c. By estimating the quantity delivered or redelivered by deliveries or redeliveries during periods under similar conditions when the meter was registering accurately.
- 7. Each party shall, upon request of the other, mail or deliver for checking and calculation, all volume and temperature meter charts in its possession and used in the measurement of gas received or delivered hereunder within 20 days after the last chart for each billing period is removed from the meter. Such charts shall be returned within 20 days after the receipt thereof.
- 8. Each party shall preserve or cause to be preserved for mutual use all test data, charts or other similar records in accordance with the applicable rules and regulations of the Federal Energy Regulatory Commission or other regulatory bodies having jurisdiction with respect to the retention of such records.

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