



May 31, 2018

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

Re: Tennessee Gas Pipeline Company, L.L.C.
 Tariff Filing – KM Lease Charges
 Docket Nos. RP18-____-000 and CP18-48-000

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”), Part 154 of the regulations of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. Part 154, and in compliance with the Order Issuing Certificates (“Order”) issued in Docket No. CP18-48-000 on May 17, 2018,¹ Tennessee Gas Pipeline Company, L.L.C. (“Tennessee”) hereby tenders for filing and acceptance the following revised tariff record to its FERC Gas Tariff, Sixth Revised Volume No. 1 (“Tariff”). Tennessee respectfully requests that this Tariff record be placed into effect on July 1, 2018.

| <u>Narrative Name</u> | <u>Record Contents Description</u> | <u>Tariff Record Title</u> | <u>Version</u> |
|----------------------------|------------------------------------|----------------------------|----------------|
| Tenth Revised Sheet No. 29 | Sheet No. 29 | KM Lease Charges | 10.0.0 |

Statement of Nature, Reasons, and Basis for the Filing

Background

On January 15, 2018, Tennessee, Kinder Morgan Border Pipeline LLC (“KM Border”), and Kinder Morgan Tejas Pipeline LLC (“KM Tejas”) (KM Border and KM Tejas collectively referred to as “KM”), filed a joint application (“Application”) pursuant to section 7(c) of the NGA and Part 157 of the Commission’s regulations seeking a certificate of public convenience and necessity authorizing Tennessee to acquire 100,000 dekatherms per day of capacity in southern Texas by lease from KM (“KM Leased Capacity”) for use by Tennessee to provide service to its shippers under the terms of its Tariff. In addition, KM Border and KM Tejas requested limited jurisdiction certificates to enable Tennessee to use capacity on their systems under a capacity lease to provide firm transportation service in interstate commerce. As explained in the Application, Tennessee and KM have entered into a capacity lease agreement under which Tennessee will lease 100,000 dekatherms per day of capacity from KM from an

¹ *Tennessee Gas Pipeline Company, L.L.C., et al.* 163 FERC ¶ 61,123 (2018).

interconnect between Tennessee and KM Tejas located at Ganado Plant Jackson, Meter No. 49821 and extending through a primary delivery point located at the United States-Mexico border at Arguelles, Texas, Meter No. 40206. Tennessee will use the KM Leased Capacity to provide transportation service to one of its shippers, GDF Suez Mexico Comercializadora, S. de R. L. de C.V. (“GDF Suez”), which has subscribed through a pre-arranged agreement and subsequent open season, to all of the KM Leased Capacity as well as to other certain existing capacity on the Tennessee system in Zone 0. Pursuant to the capacity lease agreement, the commencement date of the lease is the later of July 1, 2018 or the first day in which all conditions precedent set forth in the capacity lease agreement have been satisfied.² On May 17, 2018, the Commission issued the Order granting Tennessee the requested certificate of public convenience and necessity to acquire the KM Leased Capacity.

Instant Filing

The purpose of this filing is to place into effect on July 1, 2018,³ the KM lease charges applicable to shippers utilizing the KM Leased Capacity.

This filing is in compliance with Paragraph 15 and Ordering Paragraph (B) of the Order, which requires Tennessee to file Tariff records to include in its Tariff the rates and charges applicable to the KM Leased Capacity, no later than 30 days prior to the commencement of service under the lease, which as discussed above, is anticipated to be July 1, 2018.⁴

Materials Enclosed

In accordance with the applicable provisions of Part 154 of the Commission’s regulations, Tennessee provides an eTariff .xml filing package containing:

- (1) A transmittal letter in PDF format;
- (2) Tariff record in RTF format with metadata attached;
- (3) A clean and marked version of the Tariff record in PDF format for posting on eLibrary; and
- (4) A copy of the entire filing in PDF format for posting on eLibrary.

Service and Correspondence

The undersigned certifies that a copy of this filing has been served electronically pursuant to 18 C.F.R. § 154.208 on Tennessee’s customers and affected state regulatory commissions, as well as to all parties on the official service list for Docket No. CP18-48-000. A paper copy of this filing may only be served if a customer has been granted waiver of electronic service

² The capacity lease agreement includes customary conditions precedent, including satisfactory Commission authorizations.

³ Tennessee expects that all conditions precedent set forth in the capacity lease agreement will be satisfied prior to July 1, 2018. As such the commencement date of the lease will be on July 1, 2018.

⁴ Tennessee notes that it intends to seek rehearing, or in the alternative clarification, of the requirement in the Order to include in its Tariff the rates and charges applicable to the KM Leased Capacity.

pursuant to 18 C.F.R. Part 390 of the Commission's regulations. In addition, an electronic copy of this filing is available for public inspection during regular business hours in Tennessee's office at 1001 Louisiana Street, Suite 1000, Houston, Texas 77002.

Pursuant to 18 C.F.R. § 385.2005 and § 385.2011(c)(5) of the Commission's regulations, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best knowledge and belief of the undersigned.

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

* C. Todd Piczak
Assistant General Counsel
Tennessee Gas Pipeline Company, L.L.C.
1001 Louisiana Street, Suite 1000
Houston, TX 77002
Telephone: (713) 420-3822
todd_piczak@kindermorgan.com

* Carlos Oblitas
Director, Rates and Regulatory Affairs
Tennessee Gas Pipeline Company, L.L.C.
1001 Louisiana Street, Suite 1000
Houston, TX 77002
Telephone: (713) 420-5771
carlos_oblitas@kindermorgan.com

* Persons designated for service in accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010. Additionally, service via email is requested in lieu of paper copies.

Effective Date and Waiver

Tennessee respectfully requests all waivers that may be necessary for the Commission to accept the Tariff record filed herein to become effective on July 1, 2018.

Pursuant to Section 154.7(a)(9) of the Commission's regulations, Tennessee hereby moves to place the revised Tariff record into effect on the requested effective date.

Any questions regarding this filing may be directed to the undersigned at (713) 420-5771

Respectfully submitted,

TENNESSEE GAS PIPELINE COMPANY, L.L.C.

By: /s/ Carlos Oblitas
Carlos J. Oblitas
Director, Rates and Regulatory Affairs

Enclosures

CLEAN TARIFF SHEETS / RECORDS
Effective July 1, 2018

 Additional Charges Applicable to Shippers Utilizing the KM Leased Capacity 1/

Firm Transportation Under Rate Schedule FT-A

| | |
|----------------------------|-------------|
| Reservation Charge: | |
| Maximum | \$6.0833 |
| Minimum | \$0.0000 |
| Commodity Charge: | |
| Maximum | \$0.0000 2/ |
| Minimum | \$0.0000 2/ |
| Authorized Overrun Charge: | |
| Maximum | \$0.1999 2/ |
| Minimum | \$0.0000 2/ |

Notes:

- 1/ The "KM Leased Capacity" shall mean the 100,000 dekatherms per day of firm capacity leased by Transporter from Kinder Morgan Tejas Pipeline LLC and Kinder Morgan Border Pipeline LLC (together, "KM") from a primary receipt point located at ETC TX/TGP UDP Ganado Plant Jackson, Meter No. 49821 to a primary delivery point located at the United States-Mexico border at Arguelles, Texas, Meter No. 40206, as approved by the Commission on May 17, 2018 in Docket No. CP18-48-000. In addition to all applicable charges for Zone 0-0 transportation service as set forth in Transporter's Tariff, any Shipper using the KM Leased Capacity shall also pay the charges set forth in this Sheet. Furthermore, service to Shippers using the KM Leased Capacity shall be subject to any restrictions pursuant the KM lease.
- 2/ Applicable fuel and lost and unaccounted for charges pursuant to the KM lease equal to an amount in United States dollars (U.S. \$) equal in value to the product of (i) 1% times (ii) the final volume scheduled by Shipper at the primary point of receipt under the KM lease times (iii) the price published by S&P Global or its successor in interest, in the first of the month issue of Platts Inside FERC's Gas Market Report® for the Month during which gas is received by Shipper under the table titled "Monthly Bidweek Spot Gas Prices (\$/MMBtu)," under the column "Index," under the table "East Texas," on the row labeled "Houston Ship Channel".

MARKED TARIFF SHEETS / RECORDS

Sheet No. 29 is Reserved for Future Use.

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