# filed electronically in docket office on 01/26/16



Henry Walker Direct: 615.252.2363 Fax: 615.252.6363 hwalker@babc.com

January 26, 2016

Sharla Dillon Tennessee Regulatory Authority 502 Deaderick Street 4<sup>th</sup> Floor Nashville, TN 37243

Re:

Petition of B&W Pipeline, LLC for an Increase in Rates and Charges

Docket No. 15-00042

Dear Sharla:

Please accept for filing the attached tariffs of B&W Pipeline, LLC reflecting the oral decision announced in the above-captioned rate case on December 14, 2015. The tariff is intended to apply to services provided on and after January 1, 2016.

Sincerely,

BRADLEY ARANT BOULT CUMMINGS LLP

By:

Henry Walker

HW/dbi Enclosure

cc: Vance Broemel

Klint Alexander

<sup>&</sup>lt;sup>1</sup> Since the issuance of the utility's certificate in Docket 13-00151 (Order issued January 8, 2015), the utility has only provided service pursuant to a special contract. The attached tariff, which replaces that contract, is the utility's first tariff filing and therefore includes general terms and conditions as well as the rates approved in Docket 15-00042.

# **B&W PIPELINE**

10025 INVESTMENT DRIVE, SUITE 160 KNOXVILLE, TENNESSEE 37932

> TRA NO.1 GAS TARIFF



# B&W PIPELINE GAS TARIFF TRA NO. 1 TENNESSEE REGULATORY AUTHORITY TABLE OF CONTENTS

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ISSUED: JANUARY 25, 2016 ISSUED BY: RAFAEL RAMON

# RATE SCHEDULE T-1 Transportation Service

#### **AVAILABILITY**

Transportation Service shall be subject to the following terms:

- 1. Service under this tariff will be determined based upon capacity availability as assessed by B&W Pipeline (Company). This capacity assessment may result in the decision to not service additional customers when their potential capacity demand may, at the Company's judgment, adversely affect the Company's ability to provide service to its existing customers.
- 2. Customer must be on or adjacent to the Company's existing mains and the mains shall, in the Company's judgment, be adequate to service the Customer's requirements without impairing service to other customers.
- 3. The gas shall be delivered through a single point of delivery. The Company is not authorized to give its approval if the purpose is to have two plants under common ownership, or separate ownership transport gas through one meter.
- 4. Service taken under this rate shall be by contract for a term of five years. Once a qualified Customer elects service under this Rate Schedule, all service will be provided under the terms and conditions of this Rate Schedule for a term extending through December 31<sup>st</sup>. A Customer may elect to discontinue service under this Rate Schedule by giving written notice to the Company prior to December 31 of any year. Proper notice having been provided, the Customer shall discontinue service under this Rate Schedule effective December 31<sup>st</sup>.

# MONTHLY BASE RATE

Customer Base Use Charge

A fixed charge totaling \$210,624 per year, billed in 12 equal monthly installments of \$17,552 each, allocated proportionately to all customers based upon their volumetric usage for the previous calendar year as shown on Rate Schedule T-2, beginning January 1<sup>st</sup> of the current calendar year.

Volumetric Charge

A volumetric charge totaling \$70,211 per year, billed at \$0.3081 per Mcf \* Current Monthly Transportation Volumes, based upon the volumetric usage for the previous calendar year as shown on Rate Schedule T-3, beginning January 1<sup>st</sup> of the current calendar year.

The proportional allocation based on the prior year's volumetric usage will entitle each customer to the same proportion of the Pipeline's total available capacity for each calendar year and will be considered each customer's contract entitlement. In no event will the Company be obligated to deliver on a daily basis to any customer a volume greater than its contract entitlement. Each calendar year, on or before January 15<sup>th</sup>, the Company will formally notify all of its customers of their prior year's volumetric usage percentage and the updated charges for the new year's bills.

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# RATE SCHEDULE T-1 (Continued) Transportation Service

Other adjustments, charges and/or credits as determined in accordance with the Tennessee Regulatory Authority's Rules and Regulations and applicable taxes shall be added to the above rates.

#### MINIMUM BILL

The Minimum Monthly Bill shall be the Fixed Charge as shown in the Monthly Base Rate as stated above and shall be due and payable in addition to any and all other applicable charges due under this Rate Schedule.

#### PAYMENT TERMS

All bills for service are due upon presentation. The stated amount shown on the bill shall apply if payment is received on or before the date as specified on the bill. Payments received after that date shall include a late payment penalty of five percent (5%) per month.

# OTHER TERMS AND CONDITIONS

It is the intent that the Customer at all times receives the contract entitlement of gas supply from transportation service. The total maximum capacity of the Pipeline is 1,200 MCF/day. Service hereunder, however, shall be subject to the Company's Schedule for Limiting and Curtailing Gas Service as filed with the Tennessee Regulatory Authority.

In the event a Customer takes daily gas deliveries in excess of the Customer's Daily Contract Entitlement where such volume is measured and recorded on a daily basis or in the event a Customer does not comply with a curtailment order as directed by the Company and takes gas in excess of the daily volume allowed by the Company, the transportation of such gas taken in excess of the Customer's Daily Gas Contracted Entitlement or curtailment volumes shall be paid for by the Customer at the greater of the current Volumetric Charge plus \$5.00 per Mcf and all applicable pipeline and/or gas supplier penalties and/or charges because of the Customer's failure to comply with a curtailment order as directed by the Company. These additional charges shall be in addition to all other charges payable under this Rate Schedule.

The payment of a charge for unauthorized over-run shall not under any circumstances be considered as giving any such Customer the right to take unauthorized over-run volumes, nor shall such payment be considered as a substitute for any other remedies available to Company against Customer for failure to respect its obligations to adhere to the provisions of its contract with the Company. The curtailment of gas deliveries in whole or in part under this schedule shall not be the basis for claims against the Company for any damages sustained by the Customers.

### DATA COLLECTION EQUIPMENT

Customers provided service under this Rate Schedule shall be required to pay for the cost and installation of the Data Collection equipment (includes applicable income taxes) for the benefit of the Company. The Customer may elect to have the Data Collection equipment, other than the meter, installed by a qualified third party in accordance with the Company's specification. The meter and the connection of the data

ISSUED: JANUARY 25, 2016 EFFECTIVE: JANUARY 1, 2016

# RATE SCHEDULE T-1 (Continued) Transportation Service

collection equipment to the meter shall be performed by the Company. All Customers shall also be required to pay the cost of any power, telephone lines, or wireless facilities necessary for the operation of such equipment.

#### **SHRINKAGE**

B&W Pipeline will retain up to ten percent (10.0%) of all volumes delivered to the Company for shrinkage, which shall be allocated based on volumes delivered to each Delivery Point during the same month in which the transportation services were rendered.

#### BALANCING

It shall be the Customer's responsibility to maintain a daily and monthly balance with the Company to insure system integrity and avoid any assessment of penalties against the Company by the Interstate Pipelines. To insure such, Customers are required to nominate on a daily basis. If the Company is assessed a penalty by a Customer's transporting pipeline, the Company shall have the right to pass-through all such penalties to the Customer to the extent the Customer or Customer's agent is responsible for causing the Company to be assessed such penalties.

### CASH OUT OF MONTHLY IMBALANCES

Any difference between the quantities delivered to the Company for the account of the Customer for the month, and the quantities consumed by the Customer as metered for the month after adjustment for shrinkage as described above, shall be the monthly imbalance. This imbalance shall be resolved monthly by "cashing out" the imbalance as it is known at that time. In lieu of payment, either Party may correct the imbalance with equivalent volumes of gas.

# LIMITING AND CURTAILING GAS SERVICE

Transportation Service hereunder shall be subject to the Company's Schedule for Limiting and Curtailing Gas Service as filed with the Tennessee Regulatory Authority.

#### POSSESSION OF GAS

After Customers deliver gas or cause gas to be delivered to B&W Pipeline, B&W Pipeline shall be deemed to be in control and possession of the gas until it is redelivered to the Customer. The Customer shall have no responsibility with respect to any gas deliverable to B&W Pipeline or on account of anything which may be done, happen or arise, with respect to such gas until B&W Pipeline delivers such gas to the Customer. B&W Pipeline shall have no responsibility with respect to such gas before the Customer delivers such gas to B&W Pipeline or after B&W Pipeline redelivers such gas to the Customer or on account of anything which may be done, happen or arise with respect to such gas before such delivery or after such redelivery. B&W Pipeline may commingle gas for delivery to the Customer with other volumes in its possession.

### WARRANTY OF TITLE TO GAS

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Customer warrants that it will have title to the gas at all times during transport on the Pipeline. Customer will indemnify B&W Pipeline and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of adverse claims of any or all persons to said gas,

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# RATE SCHEDULE T-1 (Continued) Transportation Service

including claims for any royalties, taxes, license fees or charges applicable to such gas or to the delivery thereof to B&W Pipeline for transportation.

### SPECIAL TERMS AND CONDITIONS

This schedule is subject to interruption on one-half-hours' notice given by the Company by telephone or otherwise. The Company will curtail transportation gas service to the Customers under this schedule in order to prevent a shortage of gas for the use of Customers under the Company's other rate schedules.

Customer shall immediately discontinue the use of transportation gas service, to the extent of curtailment ordered, when and as directed by the Company; and authorized representative s of the Company shall have at all times the right of ingress and egress to the Customer's premises. Upon determination by the Company that the necessity for curtailment has ceased, the Company shall so notify the Customer by telephone or otherwise and the Customer shall not resume service until so notified.

# GENERAL TERMS AND CONDITIONS

Transportation service hereunder shall be subject to the Company's rules and regulations as filed with the Tennessee Regulatory Authority. The effectiveness of this tariff sheet will terminate should it be determined by the Tennessee Regulatory Authority that the limiting provisions contained in Paragraph 1 of the availability section of this rate schedule are required to be implemented.

ISSUED: JANUARY 25, 2016 EFFECTIVE: JANUARY 1, 2016

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# RATE SCHEDULE T-2 Annual Adjustment to Customer Base Use Charge

### **DESCRIPTION**

The Company's Customer Base Use Charge is designed to annually recover \$210,624 from all customers in order to partially cover the cost of providing utility service. The Customer Base Use Charge rate is based upon the volumetric usage for each customer for the preceding calendar year in proportion to the volumetric usage for all customers for the preceding calendar year. A new annual adjustment to the Customer Base Use Charge shall be effective January 1<sup>st</sup> of each year.

### RATE CALCULATION

The monthly rate for the Customer Base Use Charge is listed below. The initial rate for 2016 was determined by the TRA in Docket 15-00042. Subsequent monthly rates are based upon the actual customer usage for the previous calendar year.

Year	Total Fixed Charge	Navitas Mcf Volumes/%	Rugby Mcf Volumes/%	Total Mcf Volumes/%	Navitas Charge Yr/Mo	Rugby Charge Yr/Mo
		180,411 Mcf	47,450 Mcf	227,861 Mcf	\$166,772	\$43,852
2016	\$210,624	79.18%	20.82%	100.00%	\$13,897	\$3,655

ISSUED: JANUARY 25, 2016 EFFECTIVE: JANUARY 1, 2016 ISSUED BY: RAFAEL RAMON

# RATE SCHEDULE T-3 Annual Adjustment to Volumetric Charge

#### DESCRIPTION

The Company's Volumetric Charge is designed to annually recover \$70,211 from all customers in order to partially cover the cost of providing utility service. The Volumetric Charge rate is based upon the volumetric usage for all customers for the preceding calendar year. A new annual adjustment to the Volumetric Charge shall be effective January 1<sup>st</sup> of each year.

### RATE CALCULATION

The rate for the Volumetric Charge is listed below. The initial rate for 2016 was determined by the TRA in Docket 15-00042. Subsequent volumetric rates are based upon the actual customer usage for the previous calendar year.

Total Volumetric Year Charge		Total Mcf Volumes	Volumetric Rate per Mcf
2016	\$70,211	227,861 Mcf	\$0.3081 per Mcf

ISSUED: JANUARY 25, 2016 ISSUED BY: RAFAEL RAMON

# RATE SCHEDULE T-4 Schedule for Limiting and Curtailing Transportation Service

# SUPPLY OR CAPACITY RELATED CURTAILMENTS

In situations when supply and capacity services contracted by the Company are not sufficient to meet the full requirements of Customers desiring sales services from the Company, the Company will curtail service to transportation Customers. Customers receiving discounted transportation service will also be curtailed according to the discounted rates. In the event that further interruption is required, the Company will proceed with curtailment considering end use, impact on the local economy, and The Rules, Regulations, and Orders of the TRA and Laws of the State of Tennessee.

The Company will curtail transportation service to Customers under this schedule in order to prevent a shortage of gas for the use of Customers under the Company's other rate schedules and to prevent Customers being served under other rate schedules being adversely affected as the result of gas being delivered under this rate schedule a price that is below current costs.

Under no circumstances will the Company be held liable by its Customers for any disturbances arising from any temporary interruption of Gas Transportation Service, whether total or partial, during times when a curtailment order from the Company is in effect.

ISSUED: JANUARY 25, 2016 ISSUED BY: RAFAEL RAMON

# **B&W PIPELINE**

10025 INVESTMENT DRIVE, SUITE 160 KNOXVILLE, TENNESSEE 37932

TRA NO. 2
RULES AND REGULATIONS



**APPLICABILITY** 

These rules and regulations are applicable to the Customers serviced by B&W Pipeline (Company) within its certificated service territory in Tennessee.

**DEFINITIONS** 

Applicant

means any person who has made application to the Company for

transportation service.

Authority

means the Tennessee Regulatory Authority.

**Business Day** 

means any day from Monday through Friday inclusive, excluding any

holiday observed by the Company.

Citygate

means a point at which the facilities of an interstate pipeline company

interconnect with the facilities of the Company.

Company

means B&W Pipeline.

Consumer or Customer

means an individual, firm, or organization that purchases transportation

service at one location.

Customer Base Use Charge

means the non-variable portion of the Company's rates that are charged to the Company's Customers. Currently, the TRA has set the total annual Fixed Charge revenues at \$210,624 or \$17,552 per month. The total Fixed Charge is allocated to each of the Company's Customers on the basis of the proportion of their individual annual usage to the total annual usage of all Customers for the previous calendar year, beginning

January 1 of the current calendar year.

Daily Contract Entitlement

means the proportional capacity allocation to each customer based on

their volumetric usage for the prior year to the volumetric usage by all

customers.

Delivery Point

means the point(s) at which gas leaves a transporter's system completing

the transportation service transaction between the Company and the

transportation service Customer.

**Delivery Point Operator** 

the entity that manages and controls the facilities and the gas moving

through those facilities at the Delivery Point.

Gas or Natural Gas

means any mixture of hydrocarbons or of hydrocarbons and

noncombustible gases in a gaseous state, consisting predominantly of

methane.

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### **DEFINITIONS** (Continued)

Gas Day

means the period of 24 consecutive hours beginning at 9:00 a.m.,

Standard time.

Gas Service

means any service offered in connection with the transportation and

delivery of Gas.

Imbalance

means the difference at any time, whether positive or negative, between the volumes of Gas received into a Pool by or on behalf of a Customer and the volumes of Gas delivered by the Company on behalf of such

Customer after adjustment for shrinkage.

Main

means the B&W Pipeline, owned by the Company.

Maximum Total Capacity

means the maximum daily throughput for B&W Pipeline of 1,200

MCF/day.

Month

means the period beginning on the first Day of a calendar month and

ending on the beginning of the first Day of the next succeeding calendar

month.

Person

means any corporation, whether public or private; company; individual;

firm; partnership; or association.

**PSIA** 

means pounds per square inch absolute.

Tariff

means all Rate Schedules, Terms of Service, and Rules and Regulations approved by the Authority relative to Gas Service provided by the

Company.

Point of Delivery

means the outgoing side of the meter(s) or regulator(s) installed and maintained by the Company for the purpose of measuring gas delivered

to Customer.

Proportional Allocations

means proportional capacity allocation to each customer based on their

volumetric usage for the prior year to the volumetric usage by all

customers.

Service

means gas transportation service.

Special Contract

means a contract for Service on forms furnished by the Company.

Transportation Service

means any service offered in connection with the transportation and

delivery of Gas.

ISSUED: JANUARY 25, 2016 ISSUED BY: RAFAEL RAMON

### **DEFINITIONS** (Continued)

Volumetric Charge

means the variable throughput portion of the Company's rates that are charged to the Company's Customers.

### APPLICATION FOR SERVICE

Service will be rendered to qualified customers by the Company upon application for service and the acceptance thereof by the Company. Each delivery point proposed by the Customer must be accepted by the Company before service can begin. No Gas Provider may deliver gas to the Company's mains without having previously been authorized by the Company to do so.

# APPARATUS-EASEMENTS

Customer's Lines: All lines and equipment except the Company's meters and accessories on the Customer's side of the point of delivery, necessary to utilize service furnished by the Company, must be installed and maintained by and at the expense of the Customer. The Customer's lines shall terminate at the point of delivery, in a manner satisfactory to the Company, for connection with the Company's lines or apparatus.

Company Property: All apparatus, instruments, meters and materials supplied at the expense of the Company shall remain its property, and any other property installed at the expense of the Company, shall belong to the Company.

Inspection by Company: The Company is willing to assist the Customer by advice as to the installation of the Customer's apparatus and to examine the Customer's installation, and may refuse to make connection or to commence or continue service whenever such installation is not in proper condition; but no inspection by the Company, nor any failure by it to object to the Customers installation, shall render the Company in any way liable for any damage or injury resulting from any defective installation made by the Customer.

Right of Way: The Customer shall make or procure satisfactory conveyance to the Company of right of way for the Company's lines and apparatus across and upon the property owned and controlled by the Customer, necessary or incidental to the furnishing of service.

Notice to Discontinue: Notice by Customer to discontinue the transportation of gas must be given to the Company at least 60 days in advance. The Customer will be held responsible for all gas transported until such notice is given, including a reasonable time for securing the final reading of the meter.

# TESTS AND ADJUSTMENTS

The Company, at any time upon the request of the Customers, will test the meter of such Customer within ten days after receipt of such request, provided the Customer will accept the result of such test as a basis for the settlement of the Customer's account. The Customer shall pay the expense of the test; except that where the meter has not been tested at the request of the Customer within five (5) year period

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# TESTS AND ADJUSTMENTS (Continued)

immediately preceding such request, the test will be made without charge to the Customer. The Company may at any time at its own expense test any of its meters. If on test of a Customer's meter, either by the Company or by the Authority, the following provisions for the adjustment of bill shall be observed.

Fast Meters: When a meter is found to be fast, the Company shall refund to the Customer an amount equal to the excess charged for the gas incorrectly metered. The period over which the correction is to be made shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months. No part of the Customer Base Use Charge shall be refunded.

Slow Meters: When a meter is found to be slow, the Company may make a charge to the Customer for the gas incorrectly metered. The period over which the correction is to be computed shall be the time elapsed since the last previous test, provided, however, the period shall not exceed six (6) months.

Failure to Register: If a meter is found not to register for any period, the Company will estimate and charge for the gas used by averaging the amounts registered over similar periods and under similar conditions preceding or subsequent thereto, or over corresponding periods in previous years.

Company's Rights: The properly authorized employees of the Company shall at all times have the right of access to the premises into which gas has been introduced, for the purpose of examining the general service or to read, inspect, test, repair, replace or remove its meter or other equipment, or for such other purposes as may be necessary for the protection of the Company. In case of any willful, intentional, or unnecessary injury to or interference with the meter or any connection made to the house lines or services, the meter at the option of the Company may be removed, the service line cut off, and service discontinued.

### BILLS, PAYMENTS, NON-PAYMENTS

Payment of bills for service rendered must be received by the due date as stated on the Customer's bill which shall be the later of thirty (30) days from the date billed or fifteen (15) days from the date the invoice was remitted. The current month's bill for gas service shall be subject to a 5% per month late payment charge if payment is not received timely.

If the Customer shall fail to pay a bill after it has become delinquent, the Company may, seven (7) days after notice to the Customer, discontinue service and apply any deposit made by the Customer in liquidation of such bill. Whenever the Company has issued a service suspension notice to a Customer for non-payment of a gas transportation service bill, the Company may make a charge up to \$6,500.00 for the re-connection of service and will require a deposit equivalent to the Customer's average monthly bill.

Gas Service may be terminated:

(1) By the Customer:

Unless otherwise provided, gas transportation service may be terminated at any time by giving notice to Company at least sixty (60) days in advance. The Customer remains obliged to pay the applicable rates for gas transportation service throughout the 60 day notice period.

ISSUED: JANUARY 25, 2016 EFFECTIVE: JANUARY 1, 2016 ISSUED BY: RAFAEL RAMON

# BILLS, PAYMENTS, NON-PAYMENTS (Continued)

(2) By the Company:

Service may be refused or discontinued for any of the reasons listed below:

- Without notice in the event of a condition determined by the Company to be hazardous.
- b. Without notice in the event of Customer use of equipment in such a manner as to adversely affect the Company's equipment or the Company's service to others.
- c. Without notice if there is evidence of tampering with the equipment furnished and owned by the Company
- d. Without notice if there is evidence of unauthorized use.
- e. For violation of and/or non-compliance with the Company's rules on file with and approved by the Authority.
- f. For failure of the Customer to fulfill his contractual obligations for service and/or facilities subject to regulations by the Authority.
- g. For failure of the Customer to permit the Company reasonable access to its equipment.
- h. For non-payment of delinquent account.
- i. For failure of the Customer to provide the Company with deposit as authorized by Rule 1200-4-5.14.

Gas service to any gas Customer may not be terminated by the Company without at least five (5) days' notice.

It shall be unlawful for any person to obtain or attempt to obtain by use of any fraudulent scheme, device, means or method gas service, with intent to avoid payment of the lawful price, charge or toll therefor, or for any person to cause another to avoid such payment for such service, or for any person to assist another in avoiding payment for gas service, either through the making of multiple applications for service at one address, or otherwise.

Termination of gas service by either Customer or Company shall not relieve Customer from the obligation to pay Company for services rendered prior to the effective date of such termination.

ISSUED: JANUARY 25, 2016 ISSUED BY: RAFAEL RAMON

### MISCELLANEOUS REGULATIONS

The Customer Agrees:

- (1) To be responsible for all damages to, or loss of, the Company's property located upon his premises, unless occasioned by fire or by the Company's negligence.
- (2) To use gas supplied through Company's meter only; and if such meter is found defective by the Company, the Company may repair or replace same.
- (3) It is understood that the Company shall be under no duty to inspect, repair or maintain the service of other lines, connections, equipment or appliances located on the premises of the Customer.
- (4) Company shall have the right to make other or additional rules and regulations at any time, and the furnishing of gas hereunder shall not constitute a waiver of any prior or present claim or right held by Company against Customer.

ISSUED: JANUARY 25, 2016 EFFECTIVE: JANUARY 1, 2016 ISSUED BY: RAFAEL RAMON