

170 FERC ¶ 61,177
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

March 3, 2020

In Reply Refer To:
Trailblazer Pipeline Company LLC
Docket No. RP18-922-004

Tallgrass Energy, LP
370 Van Gordon Street
Lakewood, CO 80228

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1050 Thomas Jefferson Street, NW
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Washington, DC 20007-3877

Attention: Shannon P. Coleman
Assistant General Counsel

Paul Korman
Attorney

Dear Ms. Coleman and Mr. Korman:

1. On December 20, 2019, Trailblazer Pipeline Company LLC (Trailblazer) filed an Uncontested Offer of Settlement and Stipulation and Agreement (Settlement) to resolve all issues set for hearing in Docket Nos. RP18-922-000 and RP18-922-002 involving Trailblazer's June 29, 2018 general rate and tariff change filing, pursuant to section 4 of the Natural Gas Act (NGA). On October 16, 2019, Trailblazer filed an Unopposed Motion to Place Settlement Rates into Effect on an Interim Basis and for Waiver of Answer Period, which the Chief Judge granted on October 21, 2019.¹ On January 10, 2020, Commission Trial Staff, East Cheyenne Gas Storage, LLC, and Indicated Shippers² filed comments in support of the Settlement. No adverse comments have been filed. On

¹ *Trailblazer Pipeline Co. LLC*, 169 FERC ¶ 63,008 (2019).

² Indicated Shippers include Anadarko Energy Services Company, Shell Energy North America (US), L.P., and XTO Energy Inc.

January 17, 2020, the Presiding Judge certified the Settlement to the Commission as uncontested.³ As discussed below, we approve the uncontested Settlement.

2. Article 4.1 of the Settlement provides that Trailblazer's applicable depreciation rates will be those set forth in Appendix A to the Settlement.

3. Article VIII of the Settlement discusses Section 39 of the General Terms and Conditions (GT&C) of Trailblazer's tariff, which sets forth a revenue crediting mechanism. Article 8.1 provides that Trailblazer shall reinstate GT&C Section 39 as it was previously effective with specified modifications. Article 8.2 states that Trailblazer shall implement the revised GT&C Section 39 retroactively to January 1, 2019.

4. Article IX of the Settlement establishes a rate filing moratorium. Article 9.1 states that prior to December 31, 2025, neither Trailblazer, pursuant to NGA section 4, nor any other Settling Party,⁴ pursuant to NGA section 5, will file to increase or decrease the Settlement Rates, to modify or eliminate the revenue crediting mechanism included in the revised GT&C Section 39, or to modify any of the terms specified in the Settlement. Article 9.2 provides that Trailblazer shall file an NGA section 4 general rate case conforming to the Commission's applicable regulations with rates to be effective no later than July 1, 2026.

5. Article 13.3 of the Settlement provides that:

Once approved by FERC, the standard of review for any modification to the Settlement by FERC acting *sua sponte*, the Settling Parties acting unanimously, or any third parties, shall be the ordinary just and reasonable standard (and not the "most stringent" or "public interest" standard). The standard of review for any modifications of the Settlement at the request of one or more, but less than all of the Settling Parties, shall be the most stringent standard permissible under law. Nothing in this Settlement is meant to limit FERC's authority to approve uncontested settlements under 18 C.F.R. § 385.602(g)(3).⁵

6. The Settlement appears to be fair, reasonable, and in the public interest and is therefore approved. Trailblazer is directed to file the revised GT&C Section 39 in eTariff

³ *Trailblazer Pipeline Co. LLC*, 170 FERC ¶ 63,006 (2020).

⁴ Under Article 10.2 of the Settlement, a Settling Party is defined as Trailblazer, all intervenors in this proceeding, and any successors, assignees, or replacement shippers of capacity of any of the foregoing. Settlement art. 10.2.

⁵ *Id.* art. 13.3.

format,⁶ within 30 days of this order, to reflect the Commission's action in this order. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue in these proceedings.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

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