



December 1, 2011

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Gas Transmission Northwest LLC
717 Texas Street, Suite 2400
Houston, TX 77002-2761

John A. Roscher
Director, Rates & Tariffs

tel 832.320.5675
fax 832.320.6675
email John_Roscher@TransCanada.com
web www.gastransmissionnw.com

Re: Gas Transmission Northwest LLC
Annual Fuel Charge Adjustment
Docket No. RP12- ____ - ____

Dear Ms. Bose:

Gas Transmission Northwest LLC (“GTN”) hereby submits its annual fuel charge adjustment in compliance with Section 6.38 of the General Terms and Conditions (“GT&C”) of its FERC Gas Tariff, Fourth Revised Volume No. 1-A (“Tariff”).¹ GTN notes that the workpapers included herein support the restatement of GTN’s current fuel and line loss surcharge of 0.0000% per Dth per pipeline mile.

Correspondence

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

Eva N. Neufeld *
Associate General Counsel
Gas Transmission Northwest LLC
717 Texas Street, Suite 2400
Houston, Texas 77002-2761
Tel. (832) 320-5623
Fax (832) 320-6623
eva_neufeld@transcanada.com

John A. Roscher
Director, Rates and Tariffs
Joan F. Collins *
Manager, Tariffs and Compliance
Gas Transmission Northwest LLC
717 Texas Street, Suite 2400
Houston, Texas 77002-2761
Tel. (832) 320-5651
Fax (832) 320-6651
joan_collins@transcanada.com

* Persons designated for official service pursuant to Rule 2010.

¹ 6.38 – GT&C, Fuel Adjustment Mechanism, v.1.0.0 (“Section 6.38”).

Statement of the Nature, Reasons, and Basis for Filing

Section 6.38 of GTN's GT&C provides a mechanism for GTN to track its fuel and line loss recoveries and establish a new fuel and line loss surcharge for each twelve-month period beginning January 1. GTN proposes that effective January 1, 2012, the effective fuel and line loss surcharge remain at 0.0000% per Dth per pipeline mile.²

In accordance with the requirement of Section 6.38, GTN is filing workpapers detailing the calculation of its fuel and line loss surcharge percentage. As required by GTN's Tariff, and as more fully detailed in the attached workpapers (Appendix A, Schedule 1), the proposed surcharge percentage is based upon the difference between GTN's actual line loss and compressor fuel usage and the quantities retained from shippers for the twelve-month period ending October 31, 2011.

Included herewith, as required by Section 6.38 paragraph 2(d), are workpapers (Appendix A, Schedule 2) showing the derivation of the fuel and line loss percentages in effect for each month of the twelve-month period from November 2010 through October 2011.

Effect on Exiting Rate Schedules

The proposed fuel and line loss surcharge will not change or affect the characteristics of any of GTN's transportation services other than as specifically stated herein.

Other Filings Which May Affect This Proceeding

There are no other filings before the Commission that may significantly affect the changes proposed herein.

Effect on Cost and Revenues

GTN will be kept revenue neutral as a result of this filing.

² Pursuant to Section 38.3(c) of GTN's GT&C, if the percentage so determined in the calculation of its fuel and line loss surcharge percentage is +/- .0001%, the fuel and line loss surcharge percentage shall be deemed to be zero.

Effective Date

GTN proposes that effective January 1, 2012, the effective fuel and line loss surcharge remain at 0.0000% per Dth per pipeline mile.

Contents of Filing

In accordance with Section 154.7 of the Commission's Regulations, GTN is submitting the following via its electronic tariff filing:

- 1) This transmittal letter; and
- 2) Workpapers (Appendix A).

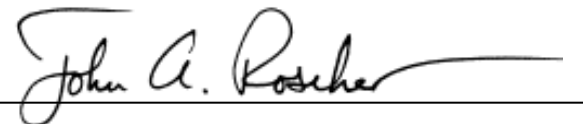
Certificate of Service

As required by Sections 154.7(b) and 154.208 of the Commission's regulations, copies of this filing are being served upon all of GTN's existing customers and interested state regulatory agencies. A copy of this letter, together with the enclosed attachments, is available during regular business hours for public inspection at GTN's principal place of business.

Pursuant to Section 385.2005 and Section 385.2011, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of his knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Joan Collins at (832) 320-5651.

Respectfully submitted,

A handwritten signature in black ink, reading "John A. Roscher", is written over a horizontal line.

John A. Roscher
Director, Rates and Tariffs

Enclosures

Appendix A

Workpapers

**Fuel and Line Loss Surcharge Calculation
(Volumes in Dth)**

Line No.										
1	Fuel Tracker Position for Twelve Months Ending October 31, 2010 1/									(136,907)
	Actual Compressor Fuel Used	Line Loss & Unaccounted For Gas Gain / (Loss)	Net Fuel Use and Lost & Unaccounted For Gas (a - b)	Retained Compressor Fuel	Surcharge As % of Fuel Rate 2/	Fuel Retained for Prior Period 3/ (d x e)	Retained Incremental Fuel	Total Quantity Retained (d + g)	Monthly (Over)/Under Position (c - h)	Cumulative (Over)/Under Position (j)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
2	Beginning Balance (Line 1)									(136,907)
3	Nov-10	792,769	68,653	724,116	590,769	0.00%	0	590,769	133,347	(3,560)
4	Dec-10	851,179	257,506	593,673	597,876	0.00%	0	597,876	(4,203)	(7,763)
5	Jan-11	800,226	97,515	702,711	882,678	0.00%	0	882,678	(179,967)	(187,730)
6	Feb-11	748,395	68,914	679,481	449,487	0.00%	0	449,487	229,994	42,264
7	Mar-11	666,565	(50,071)	716,636	670,911	0.00%	0	670,911	45,725	87,989
8	Apr-11	862,727	121,686	741,041	656,890	0.00%	0	656,890	84,151	172,140
9	May-11	659,543	311,171	348,372	885,932	0.00%	0	885,932	(537,560)	(365,420)
10	Jun-11	917,362	(196,877)	1,114,239	654,894	0.00%	0	654,894	459,345	93,925
11	Jul-11	1,369,187	162,799	1,206,388	879,658	0.00%	0	879,658	326,730	420,655
12	Aug-11	635,533	15,677	619,856	818,368	0.00%	0	818,368	(198,512)	222,143
13	Sep-11	585,732	48,062	537,670	513,808	0.00%	0	513,808	23,862	246,005
14	Oct-11	604,834	84,486	520,348	600,894	0.00%	0	600,894	(80,546)	165,459
15	Cumulative Balance Using Monthly Tracking Approach For Twelve Months Ending October 31, 2011									165,459
16	Total Annual Dth-mile Throughput									342,742,649,251
17	Fuel Surcharge (Line 15/ Line 16)									0.0000%

1/ Docket No. RP11-1572-000, Appendix A, Schedule 1, Page 1, Line 15.

2/ See Appendix A, Schedule 1, Page 2.

3/ Negative surcharges are not reflected in "Fuel Retained for Prior Period" since GTN does not "retain" negative volumes.

Fuel and Line Loss Surcharges in Effect During Review Period

Line No.	Month	Fuel Rate Per Dth-Mile	Applied Surcharge	Surcharge As % of Rate (b/a)
		(a)	(b)	(c)
1	Nov-10	0.000020	0.000000	0.00%
2	Dec-10	0.000020	0.000000	0.00%
3	Jan-11	0.000030	0.000000	0.00%
4	Feb-11	0.000017	0.000000	0.00%
5	Mar-11	0.000024	0.000000	0.00%
6	Apr-11	0.000022	0.000000	0.00%
7	May-11	0.000032	0.000000	0.00%
8	Jun-11	0.000022	0.000000	0.00%
9	Jul-11	0.000025	0.000000	0.00%
10	Aug-11	0.000030	0.000000	0.00%
11	Sep-11	0.000022	0.000000	0.00%
12	Oct-11	0.000024	0.000000	0.00%

November 2010 Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	64,686,120 Dth
2 November projected quantities of compressor fuel:	900,000 Dth
3 Less September unaccounted for gain or (loss):	263,292 Dth
4 November projected quantities of fuel and L&U:	636,708 Dth
5 Add November projected fuel retention or (return):	- Dth
6 Total fuel to be retained:	636,708 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.009843
8 Estimated Average Pipeline Miles	485
9 Fuel rate per Dth-mile	0.000020

Preceding month (September) results:

10 Actual fuel usage	1,115,370 Dth
11 L&U gain / (loss)	<u>263,292 Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	852,078 Dth
13 Retained quantities	<u>1,500,585 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>(648,507) Dth</u></u>

December 2010 Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	63,036,000 Dth
2 Projected quantities of compressor fuel:	783,000 Dth
3 Less October unaccounted for gain or (loss):	149,791 Dth
4 Projected quantities of fuel and L&U:	633,209 Dth
5 Add projected fuel retention or (return):	- Dth
6 Total fuel to be retained:	633,209 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.010045
8 Estimated Average Pipeline Miles	499.46
9 Fuel rate per Dth-mile	0.000020

Preceding month (October) results:

10 Actual fuel usage	1,092,943 Dth
11 L&U gain / (loss)	<u>149,791 Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	943,152 Dth
13 Retained quantities	<u>635,943 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>307,209 Dth</u></u>

January Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	62,070,060	Dth
2 Projected quantities of compressor fuel:	753,300	Dth
3 Less September unaccounted for gain or (loss):	68,653	Dth
4 Projected quantities of fuel and L&U:	684,647	Dth
5 Add projected fuel retention or (return):	133,347	Dth
6 Total fuel to be retained:	817,994	Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.013179	
8 Estimated Average Pipeline Miles	445	
9 Fuel rate per Dth-mile	0.000030	

Preceding month (November) results:

10 Actual fuel usage	792,769	Dth
11 L&U gain / (loss)	68,653	Dth
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	724,116	Dth
13 Retained quantities	590,769	Dth
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	133,347	Dth

February Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	55,508,992 Dth
2 February projected quantities of compressor fuel:	730,800 Dth
3 Less December unaccounted for gain or (loss):	257,506 Dth
4 February projected quantities of fuel and L&U:	473,294 Dth
5 Add February projected fuel retention or (return):	- Dth
6 Total fuel to be retained:	473,294 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.008526
8 Estimated Average Pipeline Miles	508.6
9 Fuel rate per Dth-mile	0.000017

Preceding month December 2010) results:

10 Actual fuel usage	851,179 Dth
11 L&U gain / (loss)	<u>257,506 Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	593,673 Dth
13 Retained quantities	<u>597,876 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>(4,203) Dth</u></u>

March Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	61,317,194 Dth
2 March projected quantities of compressor fuel:	852,500 Dth
3 Less January unaccounted for gain or (loss):	97,515 Dth
4 March projected quantities of fuel and L&U:	754,985 Dth
5 Add March projected fuel retention or (return):	- Dth
6 Total fuel to be retained:	754,985 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.012313
8 Estimated Average Pipeline Miles	517.7
9 Fuel rate per Dth-mile	0.000024

Preceding month (January) results:

10 Actual fuel usage	800,226 Dth
11 L&U gain / (loss)	<u>97,515 Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	702,711 Dth
13 Retained quantities	<u>882,678 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>(179,967) Dth</u></u>

April Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	58,655,100	Dth
2 April projected quantities of compressor fuel:	570,400	Dth
3 Less February unaccounted for gain or (loss):	68,914	Dth
4 April projected quantities of fuel and L&U:	501,486	Dth
5 Add April projected fuel retention or (return):	229,994	Dth
6 Total fuel to be retained:	731,480	Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.012471	
8 Estimated Average Pipeline Miles	555	
9 Fuel rate per Dth-mile	0.000022	

Preceding month (February) results:

10 Actual fuel usage	748,395	Dth
11 L&U gain / (loss)	68,914	Dth
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	679,481	Dth
13 Retained quantities	449,487	Dth
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	229,994	Dth

May Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	51,016,235 Dth
2 May projected quantities of compressor fuel:	837,000 Dth
3 Less March unaccounted for gain or (loss):	(50,071) Dth
4 May projected quantities of fuel and L&U:	887,071 Dth
5 Add May projected fuel retention or (return):	45,725 Dth
6 Total fuel to be retained:	932,796 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.018284
8 Estimated Average Pipeline Miles	580.0
9 Fuel rate per Dth-mile	0.000032

Preceding month (March) results:

10 Actual fuel usage	666,565 Dth
11 L&U gain / (loss)	<u>(50,071) Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	716,636 Dth
13 Retained quantities	<u>670,911 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>45,725 Dth</u></u>

June Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	44,051,370 Dth
2 June projected quantities of compressor fuel:	609,000 Dth
3 Less April unaccounted for gain or (loss):	121,686 Dth
4 June projected quantities of fuel and L&U:	487,314 Dth
5 Add June projected fuel retention or (return):	84,151 Dth
6 Total fuel to be retained:	571,465 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.012973
8 Estimated Average Pipeline Miles	585
9 Fuel rate per Dth-mile	0.000022

Preceding month (April) results:

10 Actual fuel usage	862,727 Dth
11 L&U gain / (loss)	<u>121,686 Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	741,041 Dth
13 Retained quantities	<u>656,890 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>84,151 Dth</u></u>

July Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	51,016,235 Dth
2 July projected quantities of compressor fuel:	1,581,000 Dth
3 Less May unaccounted for gain or (loss):	311,171 Dth
4 July projected quantities of fuel and L&U:	1,269,829 Dth
5 Add July projected fuel retention or (return):	(537,560) Dth
6 Total fuel to be retained:	732,269 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.014354
8 Estimated Average Pipeline Miles	565
9 Fuel rate per Dth-mile	0.000025

Preceding month (May) results:

10 Actual fuel usage	659,543 Dth
11 L&U gain / (loss)	<u>311,171 Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	348,372 Dth
13 Retained quantities	<u>885,932 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>(537,560) Dth</u></u>

August Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	56,954,967 Dth
2 August projected quantities of compressor fuel:	316,200 Dth
3 Less June unaccounted for gain or (loss):	(196,877) Dth
4 August projected quantities of fuel and L&U:	513,077 Dth
5 Add August projected fuel retention or (return):	459,345 Dth
6 Total fuel to be retained:	972,422 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.017074
8 Estimated Average Pipeline Miles	565.0
9 Fuel rate per Dth-mile	0.000030

Preceding month (June) results:

10 Actual fuel usage	917,362 Dth
11 L&U gain / (loss)	<u>(196,877) Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	1,114,239 Dth
13 Retained quantities	<u>654,894 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>459,345 Dth</u></u>

September Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	43,715,100 Dth
2 September projected quantities of compressor fuel:	357,000 Dth
3 Less July unaccounted for gain or (loss):	162,799 Dth
4 September projected quantities of fuel and L&U:	194,201 Dth
5 Add September projected fuel retention or (return):	326,730 Dth
6 Total fuel to be retained:	520,931 Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.011917
8 Estimated Average Pipeline Miles	547.0
9 Fuel rate per Dth-mile	<u>0.000022</u>

Preceding month (July) results:

10 Actual fuel usage	1,369,187 Dth
11 L&U gain / (loss)	<u>162,799 Dth</u>
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	1,206,388 Dth
13 Retained quantities	<u>879,658 Dth</u>
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	<u><u>326,730 Dth</u></u>

October Fuel and Line Loss Percentage Calculation

1 Monthly estimate of quantity of gas to be delivered:	38,953,670	Dth
2 October projected quantities of compressor fuel:	725,400	Dth
3 Less August unaccounted for gain or (loss):	15,677	Dth
4 October projected quantities of fuel and L&U:	709,723	Dth
5 Add October projected fuel retention or (return):	(198,512)	Dth
6 Total fuel to be retained:	511,211	Dth
7 Fuel rate per Dth (Ln 6 / Ln 1)	0.013124	
8 Estimated Average Pipeline Miles	539.1	
9 Fuel rate per Dth-mile	0.000024	

Preceding month (August) results:

10 Actual fuel usage	635,533	Dth
11 L&U gain / (loss)	15,677	Dth
12 Net Fuel Usage and L&U (Ln 10 - Ln 11)	619,856	Dth
13 Retained quantities	818,368	Dth
14 Preceding month (over)/under fuel retention (Ln 12 - Ln 13)	(198,512)	Dth