

June 1, 2009

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

Re: ANR Pipeline Company
Negotiated Rate Agreement
Docket No. RP99-301-___

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act (“NGA”) and Part 154 of the Regulations of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. Part 154, ANR Pipeline Company (“ANR”) hereby tenders for filing and acceptance an original and five (5) copies of one (1) Rate Schedule FTS-3 negotiated rate service agreement (“Agreement”) between ANR and Wisconsin Power & Light Co. (“Contract No. 115877”). ANR requests that the Commission approve the Agreement to be effective on June 1, 2009.

Statement of Nature, Reasons and Basis For the Filing

On May 28, 1999, in Docket No. RP99-301-000, the Commission approved, subject to conditions, ANR’s proposed Section 30 of the General Terms and Conditions of ANR’s FERC Gas Tariff, which authorized ANR to enter into negotiated rate agreements with its customers. ANR Pipeline Company, 87 FERC ¶ 61,241 (1999). ANR made its negotiated rate filing pursuant to the Commission’s Policy Statement, which the Commission issued on January 31, 1996.¹ The Policy Statement requires pipelines, when implementing a negotiated rate contract, to file either the contract or tariff sheets identifying and describing the transaction. Northern Natural Gas Co., 77 FERC ¶ 61,035 at 61,138 (1996).

With regard to the requirements for negotiated rate filings, the Commission has also stated that, “in any pipeline filing of a negotiated rate agreement, any other agreement, understanding, negotiation or consideration linked to the agreement must be disclosed by the pipeline’s filing.” Columbia Gulf Transmission Company, 85 FERC ¶ 61,373, at 62,424 (1998). ANR advises that no undisclosed agreements, etc., are linked to the Agreement submitted herein.

¹ Statement of Policy on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines, 74 FERC ¶ 61,076 (1996) (“Policy Statement”).

Ms. Kimberly D. Bose
June 1, 2009
Page 2 of 3

ANR is filing this Agreement as a negotiated rate agreement because the parties have agreed to fixed rates in the Agreement. The specific contract fixed rates are as follows: for the period June 1, 2009 to September 30, 2009, the rate for the Primary Route MDQ as listed in the Primary Route Exhibit and secondary receipts/deliveries as listed in the Agreement shall be a Fixed Monthly Deliverability Reservation Rate of \$1.2000 per dth, a Fixed Monthly Capacity Reservation Rate of \$0.0330 per dth and a Fixed Commodity Rate of \$0.0750; for the period June 1, 2010 to September 30, 2010, the rate for the Primary Route MDQ as listed in the Primary Route Exhibit and secondary receipts/deliveries as listed in the Agreement shall be a Fixed Monthly Deliverability Reservation Rate of \$1.6500 per dth, a Fixed Monthly Capacity Reservation Rate of \$0.0450 per dth and a Fixed Commodity Rate of \$0.0750; and for the period June 1, 2011 to September 30, 2011, the rate for the Primary Route MDQ as listed in the Primary Route Exhibit and secondary receipts/deliveries as listed in the Agreement shall be a Fixed Monthly Deliverability Reservation Rate of \$1.6500 per dth, a Fixed Monthly Capacity Reservation Rate of \$0.0450 per dth and a Fixed Commodity Rate of \$0.0750. Other than the aforementioned fixed rates, the Agreement does not contain any provision that is either non-conforming or materially deviates from the Form of Agreement in ANR's FERC Gas Tariff. ANR has elected to implement the negotiated rate agreement by filing the Agreement in accordance with Section 30.2 of the General Terms and Conditions of its Tariff. The Agreement provides all of the information required by Section 30 of ANR's Tariff: (1) the exact legal name of the Shipper; (2) the negotiated rate; (3) the applicable rate schedule; (4) receipt and delivery points; and (5) the contract quantities.

For the reasons stated below, ANR requests that the Commission accept and approve the negotiated rates effective June 1, 2009.

Material Enclosed

In accordance with 18 C.F.R. §154.7(a)(1), ANR states that the following items are included in this filing:

- (1) The instant transmittal letter; and
- (2) A paper copy of the subject negotiated rate service agreement.

Pursuant to 18 C.F.R. Section 385.2011 of the Commission's regulations, the undersigned states that the contents of the paper copies attached are true to the best of their knowledge and belief.

Ms. Kimberly D. Bose
June 1, 2009
Page 3 of 3

Correspondence

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

M. Catharine Davis
Associate General Counsel
ANR Pipeline Company
717 Texas Street
Houston, Texas 77002-2761
Tel. (832) 320-5509
Fax (832) 320-5555
catharine_davis@transcanada.com

Robert D. Jackson
Director, Rates and Regulatory Affairs
ANR Pipeline Company
717 Texas Street
Houston, Texas 77002-2761
Tel. (832) 320-5487
Fax (832) 320-5555
robert_jackson@transcanada.com


Effective Date

ANR respectfully requests that the Commission grant all waivers of its regulations and ANR's FERC Gas Tariff necessary to accept this filing and approve the new agreement to be effective June 1, 2009.

Any questions regarding this filing may be directed to Rene Staeb at (832) 320-5215.

Respectfully submitted,

ANR PIPELINE COMPANY



Gary Charette
Vice President, Commercial Operations
(832) 320-5501

CERTIFICATE OF SERVICE

Pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010, I hereby certify that I have this day served the foregoing document upon the customers of ANR Pipeline Company and affected state regulatory commissions.

Dated at Houston, Texas this 1st day of June, 2009.

ANR PIPELINE COMPANY

A handwritten signature in black ink, appearing to read "Gary Charette", written over a horizontal line.

Gary Charette
Vice President, Commercial Operations
Ph: (832) 320-5501
Fax: (832) 320-6501

Date: May 22, 2009

Contract No.: 115877

FTS - 3 SERVICE AGREEMENT

This AGREEMENT is entered into by ANR PIPELINE COMPANY (Transporter) and WISCONSIN POWER & LIGHT CO. (Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. **AUTHORITY FOR TRANSPORTATION SERVICE:**
(284B = Section 311; 284G = Blanket)

284G

2. **RATE SCHEDULE:** Firm Transportation Service (FTS - 3)
3. **CONTRACT QUANTITIES:**

Primary Route- See Exhibit attached hereto

Such contract quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has released through Transporter's capacity release program for the period of any release.

4. **TERM OF AGREEMENT:**

Jun 01, 2009 to Sep 30, 2009
Jun 01, 2010 to Sep 30, 2010
Jun 01, 2011 to Sep 30, 2011

5. **RATES:**

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter and Shipper have agreed otherwise as referenced in the Further Agreement Section of this Agreement.

Date: May 22, 2009

Contract No.: 115877

It is further agreed that Transporter may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. **INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. **NOTICES:**

All notices can be given by telephone or other electronic means, however, such notices shall be confirmed in writing at the addresses below or through GEMS[™]. Shipper and Transporter may change the addresses below by written notice to the other without the necessity of amending this Agreement:

TRANSPORTER:

ANR PIPELINE COMPANY
717 TEXAS ST, SUITE 2500
HOUSTON, TX 77002
Attention: TRANSPORTATION SERVICES

SHIPPER:

WISCONSIN POWER & LIGHT CO.
4902 N. BILTMORE LANE
MADISON, WI 53718
Attention: JEFF HICKEN

Telephone: 608-458-3173
Fax: 608-458-3130

Date: May 22, 2009

Contract No.: 115877

INVOICES AND STATEMENTS:

WISCONSIN POWER & LIGHT CO.
4902 N. BILTMORE LANE
MADISON, WI 53718
Attention: NANCY CALDWELL

Telephone: 608-458-5780
Fax: 608-458-3130

8. FURTHER AGREEMENT:

A. For the period June 01, 2009 to September 30, 2009, the rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Fixed Monthly Deliverability Reservation Rate of \$1.2000 per dth, a Fixed Monthly Capacity Reservation Rate of \$0.0330 per dth and a Fixed Commodity Rate of \$0.0750. This rate shall be inclusive of any fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged ACA and Transporter's Use (Fuel) in accordance with Transporter's FERC Gas Tariff. Shipper shall not be charged for GRI surcharges, unless and to the extent that Transporter is required to collect and/or remit such charges to GRI.

Secondary Receipt(s): All Points in ANR's Joliet Hub
Secondary Delivery(ies): Tiffany East (384134) and Fond du Lac Central (139402)

For the period June 01, 2010 to September 30, 2010, the rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Fixed Monthly Deliverability Reservation Rate of \$1.6500 per dth, a Fixed Monthly Capacity Reservation Rate of \$0.0450 per dth and a Fixed Commodity Rate of \$0.0750. This rate shall be inclusive of any fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged ACA and Transporter's Use (Fuel) in accordance with Transporter's FERC Gas Tariff. Shipper shall not be charged for GRI surcharges, unless and to the extent that Transporter is required to collect and/or remit such charges to GRI.

Secondary Receipt(s): All Points in ANR's Joliet Hub
Secondary Delivery(ies): Tiffany East (384134) and Fond du Lac Central (139402)

Date: May 22, 2009

Contract No.: 115877

For the period June 01, 2011 to September 30, 2011, the rate for the Primary Route MDQ as listed in the attached Primary Route Exhibit and secondary receipts/deliveries as listed below shall be a Fixed Monthly Deliverability Reservation Rate of \$1.6500 per dth, a Fixed Monthly Capacity Reservation Rate of \$0.0450 per dth and a Fixed Commodity Rate of \$0.0750. This rate shall be inclusive of any fees or surcharges under Transporter's FERC Gas Tariff, not to exceed the total of Transporter's Maximum Reservation, Commodity and applicable surcharge rates. In addition, Shipper shall be charged ACA and Transporter's Use (Fuel) in accordance with Transporter's FERC Gas Tariff. Shipper shall not be charged for GRI surcharges, unless and to the extent that Transporter is required to collect and/or remit such charges to GRI.

Secondary Receipt(s): All Points in ANR's Joliet Hub

Secondary Delivery(ies): Tiffany East (384134) and Fond du Lac Central (139402)

- B. The mutually agreed upon rate for the use of any point not listed in Paragraph A above shall be ANR's Maximum Applicable Reservation and Maximum Applicable Commodity Rates under FTS-3 service. In addition, Shipper shall be charged ACA, Transporter's Use and any other fees or surcharges under Transporter's FERC Gas Tariff.
- C. In addition, if one rate component which was at or below the applicable Maximum Rate at the time this discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Transporter's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, as long as none of the resulting rate components exceeds the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission Order accepts revised tariff sheet rates. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates that had been charged under a discount agreement exceeded rates, which ultimately are found to be just and reasonable.
- D. Shipper agrees to forgo all the rights under Section 4 "Short Notice Start-Up and Shut-Down" and Section 5 "Variation of Deliveries" of Rate Schedule FTS-3 as described in Transporter's FERC Gas Tariff.

May, 26, 2009 2:06PM

No. 2578 P. 9

Date: May 22, 2009

Contract No.: 115877

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers or Representatives there unto duly authorized to be effective as of the date stated above.

SHIPPER: WISCONSIN POWER & LIGHT CO.

SM By: Bill Zorr

Title: BILL ZORR - CHIEF ENERGY RISK
MANAGEMENT & TRADING OFFICER

Date: 5/28/09

TRANSPORTER: ANR PIPELINE COMPANY

By: Joseph E. Pollard

Title: Agent and Attorney-in-Fact

Date: 5/29/09

*LD 5/29/09
ES 5/29/09*

PRIMARY ROUTE EXHIBIT
To Agreement Between
ANR PIPELINE COMPANY (Transporter)
AND WISCONSIN POWER & LIGHT CO. (Shipper)

Contract No: 115877
Rate Schedule: FTS-3
Contract Date: May 22, 2009
Amendment Date:

Receipt Location	Delivery Location	Annual MDQ/ MHQ (DTH)	Winter MDQ/ MHQ (DTH)	Summer MDQ/ MHQ (DTH)
243097	439345	0	0	52800
		0	0	3300
ANR JOLIET HUB FROM: June 01, 2011	SHEBOYGAN FALLS TO: September 30, 2011			
No Service FROM: October 01, 2010	TO: May 31, 2011			
243097	439345	0	0	52800
		0	0	3300
ANR JOLIET HUB FROM: June 01, 2010	SHEBOYGAN FALLS TO: September 30, 2010			
No Service FROM: October 01, 2009	TO: May 31, 2010			
243097	439345	0	0	52800
		0	0	3300
ANR JOLIET HUB FROM: June 01, 2009	SHEBOYGAN FALLS TO: September 30, 2009			