



ETC Tiger Pipeline, LLC
711 Louisiana Street, Houston TX 77002-2716
Houston Offices 832-668-1000

December 18, 2009

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

Re: ETC Tiger Pipeline, LLC
ETC Tiger Pipeline
FERC Docket No. CP09-460-000
Response to FERC Data Request dated December 11, 2009

Dear Ms. Bose:

On August 31, 2009 ETC Tiger Pipeline, LLC ("ETC Tiger"), filed an application under Section 7(c) of the Natural Gas Act, and Parts 157 and 284 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations, seeking authority to construct, own, and operate approximately 175 miles of 42-inch natural gas pipeline, and associated compression facilities and other appurtenant facilities.

ETC Tiger is submitting for filing its Response to the Data Request issued by Commission staff on December 11, 2009. This Response is being submitted electronically to the Commission's eFiling website pursuant to the Commission's Order No. 703, Filing via the Internet Guidelines issued on November 15, 2007 in FERC Docket No. RM07-16-000. A complete paper copy of this filing which includes a CD containing all electronic files is being provided directly to Mr. Todd Ruhkamp with the Office of Energy Projects. Any questions or comments regarding this filing should be directed to the undersigned at (281) 714-2056.

Respectfully submitted,

/s/ Kelly Allen

Kelly Allen, Manager
Certificates and Reporting

cc: Mr. Joey Mahmoud, Energy Transfer Partners
Mr. Emery Biro, Energy Transfer Partners
Mr. Damon Daniels, Energy Transfer Partners
Ms. Lisa Tonery, Fulbright & Jaworski, L.P.

Certificate of Service

I hereby certify that I have this day caused a copy of the foregoing electronic document to be served upon each person designated on the official service list compiled by the Commission's Secretary in this proceeding in accordance with the requirements of Section 385.2010 of the Federal Energy Regulatory Commission's Rules of Practice and Procedures.

/s/ Kelly Allen

Kelly Allen, Manager
Certificates and Reporting
ETC Tiger Pipeline, LLC
(281) 714-2056

OATH STATEMENT

Consistent with Section 385.2005 of the Commission's Regulations, the undersigned Kelly Allen, Manager for ETC Tiger Pipeline, LLC being duly sworn on his oath, deposes and says that he has read the foregoing information submitted in the attached Response to FERC Data Request dated December 11, 2009, and that the facts and statements contained therein are true and correct to the best of his knowledge, information, and belief.

/s/ Kelly Allen

Kelly Allen, Manager
Certificates and Reporting
ETC Tiger Pipeline, LLC
(281)-714-2056

Subscribed and sworn to before me this 18th day of December 2009.

Name: _____

Title: Notary Public in the State of Texas

My Commission Expires: _____

ETC Tiger Pipeline, LLC
 ETC Tiger Pipeline
 FERC Docket No. CP09-460-000
 Response to FERC Data Request dated December 11, 2009
 Filed December 18, 2009

Accounting:

- 1) In Exhibit K, ETC Tiger estimates the capitalized AFUDC as \$62.1 million. Please provide the following in Microsoft Excel. Also, the worksheets and/or files should retain all notes, plus any formulas supporting the calculation:
 - a. The worksheet computations on a monthly basis to support the \$62.1 million of AFUDC. Identify the debt/equity AFUDC amounts.
 - b. The computation and methodology to support the debt/equity cost rates used to derive the AFUDC rate.

ETC Tiger Response:

- 1(a). Please see the attached file containing an excel spreadsheet supporting the filed for Allowance for Funds Used During Construction (AFUDC) total of \$62,149,890. The monthly amounts are based on a 50% debt and 50% equity capital structure that is more fully discussed in Exhibit L submitted with ETC Tiger's certificate application on August 31, 2009 in FERC Docket No. CP09-460-000.
- 1(b). The AFUDC shown in Exhibit K of the Tiger Pipeline certificate application represents the financing of construction activity that ETC Tiger will undergo based upon the assumptions that 50.0% of those funds will be equity and 50.0% will be debt. The cost of the equity portion of the AFUDC is 15% and the cost of debt portion of the AFUDC is 8.75%, which represent the return of equity and cost of debt rates supported by ETC Tiger in the certificate application. Accordingly, the overall AFUDC rate is 11.875%, which is the rate utilized in the derivation of the AFUDC dollars in Exhibit K, consistent with Commission precedent of utilizing the overall rate of return for the pipeline project in calculating AFUDC. *See, e.g., Cheniere Creole Trail Pipeline, L.P.*, 115 FERC ¶ 61,331 at P 43 (2006) ("[T]o ensure that appropriate amounts of AFUDC are capitalized in this project, we will require Cheniere Creole Trail to capitalize the actual cost of borrowed and other funds and for construction purposes not to exceed the amount of debt and equity AFUDC that would be capitalized based on the overall rate of return approved herein. This is consistent with what we have required in other similar cases."); *Port Arthur Pipeline, L.P.*, 115 FERC ¶ 61,344 at P 57 (2006) (same).

<u>Capital Structure</u>		<u>Return</u>	
Debt	50%	8.75%	4.375%
Equity	50%	15.00%	<u>7.500%</u>
Total			11.875%

