

April 30, 2024

Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Attention: Ms. Debbie-Anne A. Reese, Acting Secretary

Re: Colorado Interstate Gas Company, L.L.C.;

Docket No. CP24-124-000

Responses to Data Request – OEP/DPC/CB-1

Dear Ms. Reese:

On April 23, 2024, Colorado Interstate Gas Company, L.L.C. ("CIG"), received a data request ("Data Request") in Docket No. CP24-124-000 from the Office of Energy Projects ("OEP") seeking information related to CIG's Totem Enhanced Deliverability Project. CIG is herein filing with the Federal Energy Regulatory Commission ("Commission") its responses to the Data Request.

## **Description of Proceeding**

On April 8, 2024, CIG filed an application, pursuant to Section 7(c) and (b) of the Natural Gas Act, and Part 157.5, et seq., of the Commission's Regulations for a certificate of public convenience and necessity and abandonment authorization to modify and enhance its existing Totem storage field located in Adams County, Colorado in order to increase the maximum withdrawal rate by approximately 50 million cubic feet per day. Specifically, CIG proposes to: (1) install six new injection and withdrawal wells; (2) replace and install various sections of storage pipeline; (3) reclassify one existing injection/withdrawal well to an observation well; (4) install various appurtenant and auxiliary facilities; and (5) inject approximately one billion cubic feet of additional base gas into the Totem storage field. The proposed project, is referred to as the "Totem Enhanced Deliverability Project".

#### **Description of Information Being Filed**

CIG is herein submitting its responses to the April 23, 2024 OEP Data Request.

### **Filing Information**

CIG is e-Filing this letter and attachments with the Commission's Secretary in accordance with the Commission's Order No. 703, *Filing Via the Internet*, guidelines issued on November 15, 2007 in Docket No. RM07-16-000.

Please direct any questions regarding this matter to Francisco Tarin at 719-667-7517 or via email at Francisco Tarin@kindermorgan.com.

Respectfully submitted, COLORADO INTERSTATE GAS COMPANY, L.L.C.

By /s/ Francisco Tarin

Francisco Tarin Director, Regulatory

Enclosures

Cc. Ms. Nicole Huang, OEP

## COLORADO INTERSTATE GAS COMPANY, L.L.C.

Responses to Data Request – OEP/DPC/CB-1 Dated April 23, 2024 in Docket No. CP24-124-000

Totem Enhanced Deliverability Project

- 1. In Exhibit K, CIG estimates the total capitalized Allowance for Funds Used During Construction (AFUDC) to be \$1,208,256. Please provide the following in Microsoft Excel.
  - a. The worksheet computations on a monthly basis to support the \$1,208,256 of AFUDC. Separately identify the debt/equity components.
  - b. The computation and methodology to support the debt/equity cost rates used to derive the AFUDC rate.

#### **Response:**

- 1a. Please see Attachment 1. As described in its application and shown on the attachment, CIG is proposing to have a staggered in-service date for different components of its project.
- 1b. Please see Attachment 2. To derive the AFUDC cost rates, CIG uses cost of debt based on actual costs incurred and balances outstanding from the prior year end. The cost rate percentage of common equity is based on the settlement in Docket No. RP11-2107-000 of 12.72%.

Response prepared by or under the supervision of:

Francisco Tarin Director, Regulatory 719-667-7517

# COLORADO INTERSTATE GAS COMPANY, L.L.C. DOCKET NO. CP24-124-000 FERC DATA REQUEST DATED 4/23/24 QUESTION 1A - ATTACHMENT 1

						INDIRE	CT COSTS												
Construction Days:	0		DIRECT			alated)	ilated)	:alated)	ty	dn:		scalated	ntal	iv.	ost*	Capital	for AFUDC alculation	dded	al Cost ervice?
AFUDC Start Date (PreFiling of Approval)	or Board Aug-23		TOTAL DIR	Escalation Materials	Escalation Labor/Other	ency (Esc	ads (Esca	Debit (Esc	AFUDC Equity (Escalated)	Tax Gross	Risk	Project, Es	Yearly To	Cumulat	Total Monthly Capital Cost*	nulative Cost	sis for Al Calculat	Monthly Added Capital Cost	Less Capital Cost Placed In-Service?
Begin Construction:	May-25		-	_		Conting	Overhe	FUDC	AF ()			Total			L O	O	Ba	≥ 3	Les
In Service Date:	Mar-26	H				O		A											
			58,456,900	1,028,311	2,950,839	5,645,690	7,060,356	234,813	975,104	0	0	76,352,012							
		1	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0
	2 Oct-23 3 Nov-23	3	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0
	4 Dec-23	4	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0
AFE Approval	5 Jan-24	5	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0
	6 Feb-24	6	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0
	7 Mar-24	7	137,916	0	704	0	14,403	121	503	0	0	153,646		153,646	153,022	153,022	76,511	153,022	0
FERC Submission	8 Apr-24	8	158,832	0	1,217	0	16,629	382	1,587	0	0	178,647		332,293	176,678	329,700	241,361	176,678	0
	9 May-24	9	68,243	0	698	0	7,163	582	2,418	0	0	79,103		411,396	76,103	405,803	367,752	76,103	0
		10	408,913 228,448	0	5,803 3,860	0	43,089 24,137	1,005 1,570	4,173 6,521	0	0	462,983 264,535		874,379 1,138,914	457,805 256,444	863,608 1,120,052	634,706 991,830	457,805 256,444	0
		12	238,328	0	4,629	0	25,243	1,986	8,246	0	0	278,432		1,417,346	268,200	1,388,252	1,254,152	268,200	0
	13 Sep-24	1	168,314	0	3,696	0	17,872	2,348	9,752	0	0	201,981		1,619,327	189,881	1,578,133	1,483,193	189,881	0
		2	153,419	0	3,792	0	16,334	2,636	10,947	0	0	187,128		1,806,455	173,545	1,751,678	1,664,906	173,545	0
	15 Nov-24	3	208,931	4,834	2,810	0	22,502	2,963	12,303	0	0	254,343		2,060,798	239,077	1,990,755	1,871,217	239,077	0
	16 Dec-24	4	53,559	0	1,567	0	5,728	3,200	13,289	0	0	77,342		2,138,140	60,853	2,051,608	2,021,182	60,853	0
	17 Jan-25	5	45,471	0	1,463	0	4,876	3,289	13,660	0	0	68,759		2,206,899	51,810	2,103,418	2,077,513	51,810	0
	18 Feb-25	6	42,951	174	1,401	0	4,626	3,369	13,992	0	0	66,513		2,273,412	49,152	2,152,570	2,127,994	49,152	0
	19 Mar-25 20 Apr-25	7	378,397 1,742,475	21,403 25,230	1,203 52,895	0	41,664 189,160	3,759 5,700	15,608 23,671	0	0	462,034 2,039,131		2,735,446 4,774,577	442,667 2,009,760	2,595,237 4,604,997	2,373,904 3,600,117	442,667 2,009,760	0
Certificate Order	21 May-25	9	499,869	34,545	236	0	55,550	7,758	32,218	0	0	630,176		5,404,753	590,200	5,195,197	4,900,097	590,200	0
Continuate Oraci		10	1,556,065	71,985	29,151	78,877	180,379	9,743	40,459	0	0	1,966,659		7,371,412	1,916,457	7,111,654	6,153,426	1,916,457	0
Notice to Proceed	23 Jul-25	11	1,572,822	83,297	30,882	152,754	191,151	12,868	53,436	0	0	2,097,210		9,468,622	2,030,906	9,142,560	8,127,107	2,030,906	0
	24 Aug-25	12	2,343,468	160,519	32,763	305,508	295,281	16,960	70,427	0	0	3,224,926		12,693,548	3,137,539	12,280,099	10,711,330	3,137,539	0
	25 Sep-25	1	2,095,121	99,432	76,211	524,569	290,270	21,886	90,886	0	0	3,198,375		15,891,923	3,085,603	15,365,702	13,822,901	3,085,603	0
		2	4,449,981	94,248	223,593	672,323	565,100	29,083	120,772	0	0	6,155,100		22,047,023	6,005,245	21,370,947	18,368,325	6,005,245	0 (40,000,404)
	27 Nov-25 28 Dec-25	4	5,338,886 6,841,091	86,049 78,456	301,947 414,512	817,507 793,844	679,698 841,350	26,660 25,165	110,709 104,501	0	0	7,361,456 9,098,919		29,408,479 38,507,398	(9,066,104) 7,177,682	12,304,843 19,482,525	16,837,895 15,893,684	7,224,087 8,969,253	(16,290,191) (1,791,571)
	29 Jan-26	5	8,272,579	77,016	527,001	745,130	991,259	25,509	105,931	0	0	10,744,425		49,251,823	(6,742,734)	12,739,791	16,111,158	10,612,985	(17,355,719)
	30 Feb-26	6	6,547,904	56,446	431,474	524,569	783,897	11,777	48,906	0	0	8,404,973		57,656,796	(10,603,372)	2,136,419	7,438,105	8,344,290	(18,947,662)
	31 Mar-26	7	7,721,843	39,856	569,004	355,423	902,986	10,569	43,889	0	0	9,643,571		67,300,367	9,077,478	11,213,897	6,675,158	9,589,113	(511,635)
In-Service	32 Apr-26	8	2,424,882	20,303	172,380	174,146	290,019	0	0	0	0	3,081,731		70,382,098	0	0	0	0	0
	33 May-26	9	754,569	9,330	55,669	77,377	93,193	0	0	0	0	990,138		71,372,236	0	0	0	0	0
		10	2,002,416	28,907	185	223,663	234,312	1,971	8,184	0	0	2,499,638		73,871,874	2,489,483	2,489,483	1,244,742	2,489,483	0
		12	1,208 0	0	96 0	0	135 0	0	0	0	0	1,439 0		73,873,313 73,873,313	0	0	0	0	0
	36 Aug-26 37 Sep-26	1	0	0	0	0	0	0	0	0	0	0		73,873,313	0	0	0	0	0
		2	0	0	0	0	0	0	0	0	0	0		73,873,313	0	0	0	0	0
	39 Nov-26	3	0	0	0	0	0	0	0	0	0	0		73,873,313	0	0	0	0	0
	40 Dec-26	4	0	0	0	0	0	0	0	0	0	0		73,873,313	0	0	0	0	0
		5	0	0	0	0	0	0	0	0	0	0		73,873,313	0	0	0	0	0
	42 Feb-27	6	0	0	0	0	0	0	0	0	0	0		73,873,313	0	0	0	0	0
	43 Mar-27 44 Apr-27	8	0	0	0	0	0	0	0	0	0	0		73,873,313 73,873,313	0	0	0	0	0
	44 Apr-27 45 May-27	9	2,000,000	36,280	0	200,000	232,349	1,954	u 8,116	0	0	2,478,699		76,352,012	2,468,629	2,468,629	1,234,315	2,468,629	0
	is ividy 27		58,456,900	1,028,311	2,950,839	5,645,690	7,060,356	234,813	975,104	0	0	76,352,012		. 0,002,012	16,172,009	156,390,579	148,304,581	71,068,787	(54,896,778)
Pre-In-Service/Comn accruing AFUDC	nissioning Capital n	ot	, ,									3,176,402						the monthly total cos	
Total Project Cost												79,528,414		=	through L) less a	ny credit for work/onths, this results i	capital costs that h	as been placed into so I cost for the month (0	ervice (Column
										_				_					

Escalation Mat Escalation Labor Contingency Overhead rate AFUDC Debt\*\* (monthly rate %)

5.0% 3.1% 15.0% 10.40% 0.16% 0.66% 0.0%

<sup>1,209,917</sup> Sum of AFUDC Debt and Equity Components.

<sup>-1661</sup> Rate rounding associated with the various project components and monthly cost assumptions.

		Actuals 12/31/2023	
Average Short Term Debt	S =	0	
Long Term Debt	D =	474,719,669	
Preferred Stock	P =	0	
Common Equity	C =	734,422,022	
Average CWIP Balance	W =	0	
Short Term Interest Rate	s =	0.0000	
Long Term Interest Rate	d =	4.8200	
Preferred Stock Interest Rate	p =	0.0000	
Common Equity Rate	c =	12.7200	
AFUDC Calculation			
Rate for Borrowed Funds		$(\text{short}^*(S/W)) + \text{debt}^*((D/(D+P+C))^*(1-(S/W))) = 1.8$	89
Rate for Other Funds		$(1-(S/W))^*((pref(P/(D+P+C))+(comm(C/(D+P+C))))) = 7.7$	73

FERC Acc	t	2023	FERC Form 2
221	LT Debt	\$	475,000,000
224	Curr - Long Term Debt	\$	-
224	LT Debt-Principal	\$	-
221	LT Debt - Revolver	\$	-
225	Unamortized premium on long-term debt	\$	-
226	LT Debt Discount/Premiums	\$	(280,331)
223	LT N/P Assoc. Coco0010	\$	-
		\$	474,719,669

#### COLORADO INTERSTATE GAS COMPANY L.L.C. CAPITALIZATION TO DEBT COST AFUDC RATE CALCULATION FOR YEAR 2023

Docket No. CP24-124-000 FERC Data Request dated 4/23/24 Question 1(b) Attachment 2

LINE NO.	PARTICULARS (a)	BALANCE 12/31/2023 (b)	UNAMORTIZED PREMIUM & DISCOUNT (c)	BALANCE FOR AFUDC (d)	COST OF CAPITAL (e)	ESTIMATED INTEREST EXPENSE (f)
	BONDS & DEBENTURES					
1	Debentures - 6.85% Series Due 2037	\$100,000,000	\$0	\$100,000,000	6.90%	\$6,901,702
2	Senior Notes - \$375M 4.15% Due 2026	\$375,000,000	(\$280,331)	\$374,719,669	4.26%	\$15,969,190
3		\$475,000,000	(\$280,331)	\$474,719,669	4.82%	\$22,870,892

#### CIG INTEREST RATES FOR YEAR 2023

Line	~	
No.	Particulars (a)	Total (b)
4	Debentures - 6.85% Series Due 2037	
5	Principal Outstanding on Bond	\$99,639,259
6	Days Loan Outstanding	360
7	Interest Expense	\$6,850,000
8	Amort. Debt Issuance Costs/Loss on Reacquired Debt	\$26,804
9	Amort. Discount or Premium	\$0
10	Interest Rate for the Year	6.90%
11	Senior Notes - \$375M 4.15% Due 2026	
12	Principal Outstanding on Bond	\$374,205,770
13	Days Loan Outstanding	360
14	Interest Expense	\$15,562,500
15	Amort. Debt Issuance Costs/Loss on Reacquired Debt	\$372,843
16	Amort. Discount or Premium	(\$280,331)
17	Interest Rate for the Year	4.26%

STATE OF COLORADO	)
	)
COUNTY OF EL PASO	)

FRANCISCO TARIN, being first duly sworn, on oath, says that he is the Director of the Regulatory Department of Colorado Interstate Gas Company, L.L.C.; that he has read the foregoing Response to the Office of Energy Projects' Data Request dated April 23, 2024 in Docket No. CP24-124-000, that as such he is authorized to verify the Response, that he is familiar with the contents thereof; and that the matters and facts set forth therein are true to the best of his information, knowledge and belief.

Francisco Tarin

SUBSCRIBED AND SWORN TO before me, the undersigned authority, on this 30<sup>th</sup> day of April 2024.

KAREN LYNN HARTLEY
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 19944008440
MY COMMISSION EXPIRES JUL 23, 2026

Karen Hartley

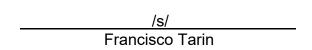
Notary Public, State of Colorado

My Commission Expires: July 23, 2026

# **Certificate of Service**

I hereby certify that I have this day caused a copy of the foregoing documents 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 Procedure.

Dated at Colorado Springs, Colorado as of this 30th day of April 2024.



Two North Nevada Avenue Colorado Springs, Colorado 80903 (719) 667-7517