

January 4, 2019

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

Attention: Ms. Kimberly D. Bose, Secretary

Re: Negotiated Rate Agreement Filing;  
Colorado Interstate Gas Company, L.L.C.;  
Docket No. RP19-

Commissioners:

Colorado Interstate Gas Company, L.L.C. ("CIG") hereby tenders for filing and acceptance by the Federal Energy Regulatory Commission ("Commission" or "FERC") the following record for inclusion in CIG's FERC Gas Tariff, Second Revised Volume No. 1 ("Tariff").

Part II: Section 4.7 – The Western Sugar Cooperative #214936-FT1CIG  
Version 0.0.0

Proposed with an effective date of August 1, 2019, the tariff record updates CIG's Tariff to add a new conforming, negotiated rate transportation service agreement ("TSA"). CIG respectfully requests the Commission issue an order in this proceeding by February 4, 2019, in order to provide regulatory certainty to the parties prior to CIG undertaking certain required facility modifications.

### **Reason for Filing**

Recently, CIG and The Western Sugar Cooperative ("Western Sugar") executed TSA No. 214936-TF1CIG for firm transportation service under Rate Schedule TF-1 that includes negotiated rates. Section 4.17 of the General Terms and Conditions of CIG's Tariff allows CIG and a shipper to agree to a transportation rate that varies from the minimum to maximum range provided on Transporter's Statement of Rates. Moreover, Commission policy requires pipelines, when implementing a negotiated rate TSA, to either include the TSA in its Tariff or submit a Statement of Rates tariff record identifying the transaction.<sup>1</sup> Accordingly, CIG is submitting herein for the Commission's review and acceptance, the negotiated rate TSA described below.

<sup>1</sup> See *Natural Gas Pipeline Negotiated Rate Policies and Practices*, 104 FERC ¶ 61,134 at PP 25-27, 31-32 (2003).

### **Description of the TSA**

TSA No. 214936-TF1CIG provides for 6,000 dekatherms (“Dth”) per day of firm transportation service on CIG’s system. CIG is planning to make certain minor facility modifications in order to render firm transportation service to Western Sugar. The TSA term starts on the in-service date of such modifications and ends 180 months thereafter.<sup>2</sup> The TSA also includes negotiated reservation rates. During the term of the TSA, a negotiated rate of \$2.1292 per Dth per month applies to the period from May through August, and a negotiated rate of \$9.0095 per Dth per month applies to the period from September through April. The applicable negotiated rate applies only to transportation from the primary points of receipt to the primary points of delivery.

For each year the TSA is in effect, for the months of May through August, the primary receipt point is Cheyenne Hub and the primary delivery point is Arrowhead, and for the months of September through April, the primary receipt point is Watkins and the primary delivery point is Western Sugar.<sup>3</sup> The TSA further provides for transportation service at all secondary receipt and delivery points on CIG’s system at maximum recourse rates.

### **Tariff Provisions**

CIG is submitting the following tariff records pursuant to 18 C.F.R. § 154.112(b) (2018) and Part 154, Subpart C of the Commission’s regulations to update the Statement of Negotiated Rates in its Tariff:

Part II, Stmt of Rates, Section 4.7 adds the Western Sugar TSA to the Statement of Negotiated Rates.

### **Procedural Matters**

Inasmuch as this filing is fully described in this transmittal letter, the statement of the nature, the reasons and the basis for the instant tariff filing required by Section 154.7(a)(6) (2018) of the Commission’s regulations is omitted. In accordance with the applicable provisions of the Commission’s regulations, CIG is submitting an eTariff XML filing package, which includes the following:

- a) a transmittal letter; and
- b) clean and marked versions of the tariff record in PDF format.

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<sup>2</sup> CIG anticipates the in-service date will be on or about August 1, 2019.

<sup>3</sup> For simplicity purposes, CIG has described the receipt and delivery point information in a footnote on the tariff record.

<sup>4</sup> See, e.g. *Gulfstream Natural Gas System, L.L.C.*, 105 FERC ¶61,164, at P 11 (2003).

Certificate of Service

I hereby certify that I have this day caused a copy of the foregoing document to be served upon all shippers on CIG's system and interested state regulatory commissions, in accordance with the requirements of Sections 154.208 and 385.2010 of the Commission's Rules of Practice and Procedures.

Dated at Colorado Springs, Colorado as of this 4<sup>th</sup> day of January, 2019.

/s/

Francisco Tarin

Post Office Box 1087  
Colorado Springs, CO 80944  
(719) 667-7517

Statement of Negotiated Rates  
 (Rates per Dth)

<u>R/S TF-1</u> <u>Shipper Identification</u>	<u>Term of</u> <u>Negotiated Rate</u>	<u>Reservation</u> <u>Rate</u>	<u>Commodity</u> <u>Rate</u>	<u>Dth/d</u>	<u>Primary Point(s)</u> <u>of Receipt 4/</u>	<u>Primary Point(s)</u> <u>of Delivery 4/</u>
The Western Sugar Cooperative (#214936-TF1CIG)	Commencing on the date that (i) the additional facilities required to provide transportation service to Shipper ("Additional Facilities") are completed and ready for service and (ii) Transporter is authorized to place the Additional Facilities into service ("In-Service Date"), which is anticipated to be August 1, 2019, and ending one hundred and eighty (180) months from the In-Service Date.	2/	3/	6,000	Cheyenne Hub Watkins	Arrowhead Western Sugar
					<u>Secondary Point(s)</u> <u>of Receipt</u>	<u>Secondary Point(s)</u> <u>of Delivery</u>
		2/	3/		All	All
1/	This contract does not deviate in any material aspect from the form of service agreement or the tariff.					
2/	As provided in Section 4.17 of the General Terms and Conditions of Transporter's Tariff, the parties agree to the following negotiated rates(s) \$2.1292 per Dth per month for the period May through August and \$9.0095 per Dth per month for the period of September through April, which are applicable to primary points of receipt and delivery. The reservation rate for all secondary points of receipt and delivery shall be Transporter's maximum rate for service under Rate Schedule TF-1 or other superseding Rate Schedules, as such rates may be changed from time to time. All entitlements or quantities scheduled by Transporter on the High Plains or North Rate Lateral facilities shall be subject, as applicable, to the appropriate High Plains or North Raton Lateral incremental reservation and commodity rates. Reservation rates shall be payable regardless of quantities transported.					

- 3/ The Commodity Rate for shall be Transporter's maximum rate for service under Rate Schedule TF-1 or other superseding Rate Schedules, as such rates may be changed from time to time. All entitlements or quantities scheduled by Transporter on the High Plains or North Rate Lateral facilities shall be subject, as applicable, to the appropriate High Plains or North Raton Lateral incremental reservation and commodity rates. Reservation rates shall be payable regardless of quantities transported.
- 4/ Commencing on the In-Service Date and during each month the agreement is in effect, for the months of May through August, the primary receipt is Cheyenne Hub and the primary delivery point is Arrowhead, and for the months of September through April, the primary receipt point is Watkins and the primary delivery point is Western Sugar.
- 5/ Fuel Reimbursement shall be as stated on Part II: Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.
- 6/ All applicable surcharges, unless otherwise specified, shall be the maximum charge rate as stated in Part II: Statement of Rates in the Tariff, as such surcharges may be changed from time to time.

Gas Quality Control Surcharge:

The Gas Quality Control reservation rate and commodity rate shall be assessed pursuant to Section 33.1 of the General Terms and Conditions of the Tariff. Reservation rate(s) shall be payable regardless of quantities transported.

ACA:

The ACA surcharge shall be assessed pursuant to Section 17.2 of the General Terms and Conditions of the Tariff.

- 7/ Quantities scheduled by Transporter from/to Primary, Secondary, and/or Segmented Point(s) on any off-system capacity held by Transporter shall be subject to Transporter's Third Party Charges as described on Transporter's EBB and/or pursuant to Section 4.3 of the General Terms and Conditions of the Tariff.

Statement of Negotiated Rates  
(Rates per Dth)

<u>R/S TF-1</u>	<u>Term of</u>	<u>Reservation</u>	<u>Commodity</u>		<u>Primary Point(s)</u>	<u>Primary Point(s)</u>
<u>Shipper Identification</u>	<u>Negotiated Rate</u>	<u>Rate</u>	<u>Rate</u>	<u>Dth/d</u>	<u>of Receipt 4/</u>	<u>of Delivery 4/</u>
<u>The Western Sugar</u>	<u>Commencing on</u>	<u>2/</u>	<u>3/</u>	<u>6,000</u>	<u>Cheyenne Hub</u>	<u>Arrowhead</u>
<u>Cooperative</u>	<u>the date that (i) the</u>				<u>Watkins</u>	<u>Western Sugar</u>
<u>(#214936-TF1CIG)</u>	<u>additional facilities</u>					
	<u>required to provide</u>					
	<u>transportation service</u>					
	<u>to Shipper ("Additional Facilities")</u>					
	<u>are completed and ready for</u>					
	<u>service and (ii) Transporter is</u>					
	<u>authorized to place the Additional</u>					
	<u>Facilities into service ("In-Service Date"),</u>					
	<u>which is anticipated to be August 1, 2019,</u>					
	<u>and ending one hundred and eighty (180)</u>					
	<u>months from the In-Service Date.</u>					
					<u>Secondary Point(s)</u>	<u>Secondary Point(s)</u>
					<u>of Receipt</u>	<u>of Delivery</u>
		<u>2/</u>	<u>3/</u>		<u>All</u>	<u>All</u>

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