



March 26, 2019

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

Attention: Ms. Kimberly D. Bose, Secretary

Re: Negotiated Rate Agreements Filing;  
El Paso Natural Gas Company, L.L.C.;  
Docket No. RP19-

Commissioners:

El Paso Natural Gas Company, L.L.C. ("EPNG") hereby tenders for filing and acceptance by the Federal Energy Regulatory Commission ("Commission") the following tariff records for inclusion in EPNG's FERC Gas Tariff, Third Revised Volume No. 1A ("Tariff"):

Part II Section 5	Statement of Rates (Index)	Version 14.0.0
Part II Section 5.16	Targa Gas Marketing #611665-FT1EPNG	Version 0.0.0
Part II Section 5.17	United Dairymen #612441-FT1EPNG	Version 0.0.0

Proposed with an effective date of April 1, 2019, these tariff records update EPNG's Statement of Negotiated Rates in its Tariff to reflect the addition of two new negotiated rate transportation service agreements ("TSA") executed with Targa Gas Marketing LLC ("Targa") and United Dairymen of Arizona ("UDA"). EPNG respectfully requests a waiver of the 30-day notice requirement to permit the tariff records to become effective on the proposed date of April 1, 2019, consistent with the effective date of the TSAs.

### **Reason for Filing**

Section 4.18 of the General Terms and Conditions ("GT&C") of the Tariff allows EPNG and a shipper to agree to a service rate that varies from the minimum-to-maximum range provided on the Statement of Rates. Recently, EPNG and the parties entered into separate negotiated rate TSAs for Rate Schedule FT-1 service. The Targa TSA reflects a term beginning April 1, 2019 and extending through the earlier of 1) the in-service date of the proposed Gulf Coast Express Project, or 2) October 31, 2019. The Targa TSA also specifies a transportation contract demand ("TCD") of 99,900 dekatherms ("Dth") per day and a negotiated reservation rate of \$2.7375 per Dth per month. The UDA TSA reflects a term beginning April 1, 2019, and extending through

March 31, 2034 with a TCD of 2,500 Dth per day and a negotiated reservation rate of \$13.3590 per Dth per month.

In accordance with the Commission's policy on the filing of negotiated rate agreements,<sup>1</sup> EPNG is submitting tariff records to reflect the applicable negotiated rate and certain contractual terms for Agreement Nos. 611665-FT1EPNG and 612441-FT1EPNG. This policy requires pipelines, when implementing negotiated rate TSAs to file either the TSA or a Statement of Rates tariff record identifying the transaction.<sup>2</sup>

### **Description of Filing**

EPNG is submitting the following tariff records pursuant to 18 C.F.R. § 154.112(b) (2018) and Subpart C of Part 154 of the Commission's regulations.<sup>3</sup>

The index page for Part II lists Targa's Agreement No. 611665-FT1EPNG and UDA's Agreement No. #612441-FT1EPNG as negotiated rate agreements.

Part II, Sections 5.16 and 5.17 reflect the negotiated rate and certain terms of the new TSAs with Targa and UDA (separately). Specifically, the proposed tariff records state the exact legal name of the applicable shipper, the negotiated rate, the receipt and delivery points, the transportation contract demand, the applicable Rate Schedule for the service, and the contract term.

### **Procedural Matters**

Inasmuch as this filing is fully described herein, the statement of the nature, the reasons and the basis for the instant tariff filing required by 18 C.F.R. § 154.7(a)(6) (2018) of the Commission's regulations is omitted.

In accordance with the applicable provisions of Part 154 of the Commission's regulations,<sup>4</sup> EPNG is submitting an eTariff XML filing package, which includes the following:

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

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<sup>1</sup> See *Natural Gas Pipeline Negotiated Rate Policies and Practices; Modification of Negotiated Rate Policy*, 104 FERC ¶ 61,134, at PP 25-33 (2003), *order on reh'g and clarification*, 114 FERC ¶ 61,042 (2006), *reh'g dismissed and clarification denied*, 114 FERC ¶ 61,304 (2006).

<sup>2</sup> See *id.*

<sup>3</sup> 18 C.F.R. §§ 154.201 – 154.210 (2018) (Subpart C).

<sup>4</sup> 18 C.F.R. §§ 154.101 – 154.603 (2018).

EPNG respectfully requests the Commission accept the tendered tariff records for filing and permit them to become effective on April 1, 2019, consistent with the effective date of the TSAs. As such, EPNG requests the Commission grant a waiver of the notice requirements found in 18 C.F.R. § 154.207 (2018) of the Commission's regulations.<sup>5</sup> With respect to any tariff records the Commission allows to go into effect without change, EPNG hereby moves to place the tendered tariff records in to effect at the end of the suspension period.

Correspondence and communications concerning this filing should be directed to:

Mr. Francisco Tarin  
Director, Regulatory Affairs  
El Paso Natural Gas Company, L.L.C.  
Post Office Box 1087  
Colorado Springs, CO 80944-1087  
Telephone: (719) 667-7517  
EPNGRegulatoryAffairs@kindermorgan.com

Mr. David K. Dewey  
Assistant General Counsel  
El Paso Natural Gas Company, L.L.C.  
Post Office Box 1087  
Colorado Springs, CO 80944-1087  
Telephone: (719) 520-4227  
EPNGLegalFERC@kindermorgan.com

These persons have been designated for service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.203 (2018)).

The undersigned hereby certifies that he has read this filing and knows (i) the contents of such filing and the attachments; (ii) that the contents as stated in the filing and in the attachments are true to the best of his knowledge and belief; and (iii) that he possesses full power and authority to sign this filing.

Respectfully submitted,

EL PASO NATURAL GAS COMPANY, L.L.C.

By: \_\_\_\_\_/s/  
Francisco Tarin  
Director, Regulatory

Enclosures

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<sup>5</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 EPNG's pipeline 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 26<sup>th</sup> day of March 2019.

/s/

Francisco Tarin

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

## **Clean Tariff Sections**

**Statement of Negotiated Rates**

Section 5.1	El Paso Marketing Company, L.L.C. #FT2K2000
Section 5.2	WPX Energy Marketing, LLC #FT3HF000
Section 5.3	Mexicana de Cobre, S.A. de C.V. #FT3HK000
Section 5.4	ARM Energy Management, LLC #FT3HQ000
Section 5.5	Southwestern Public Service Company #610337-FH8EPNG
Section 5.6	Arizona Public Service Company #610506-FH8EPNG
Section 5.7	MRC Permian Company #610834-FT1EPNG
Section 5.8	GIGO Transport, Inc. #610868-FT1EPNG
Section 5.9	Centennial Resources Production, LLC #610782-FT1EPNG
Section 5.10	Southwestern Public Service Company #611653-FH8EPNG
Section 5.11	ETC Marketing, Ltd. #610678-FT1EPNG
Section 5.12	ETC Marketing, Ltd. #610679-FT1EPNG
Section 5.13	EOG Resources, Inc. #610720-FT1EPNG
Section 5.14	Tesoro Refining & Marketing Company LLC #610724-FT1EPNG
Section 5.15	Luminant Energy Company LLC #612237-FT1EPNG
Section 5.16	Targa Gas Marketing LLC #611665-FT1EPNG
Section 5.17	United Dairymen of Arizona #612441-FT1EPNG

Statement of Negotiated Rates  
 (Rates per Dth/Day)

Rate Schedule FT-1 Shipper Identification	Term of Agreement	TCD (Dth/d)	Reservation Rate 1/	Usage Rate	Primary Receipt Point(s)	Primary Delivery Point(s)
Targa Gas Marketing LLC	4/1/19 – Earlier of 1) the in-service date of the proposed interconnect between Transporter and the proposed Gulf Coast Express Project near Benedum (“Benedum GCX”), or 2) 10/31/19	99,900	1a/	1/	IBENDMNWY (334817)	KEYTRAN (302136) WAHATRAN (302407)
	The in-service date of Benedum GCX Project – Earlier of 1) the in-service date of the proposed Gulf Coast Express Project, previously announced by Kinder Morgan Texas Pipeline LLC, or 2) 10/31/19	99,900	1a/	1/	Benedum GCX (TBD)	KEYTRAN (302136) WAHATRAN (302407)

- 1/ Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter’s maximum rates, as may be changed from time to time, for service under Rate Schedule FT-1 or other superseding Rate Schedules. The reservation rate shall be payable regardless of quantities transported.
- 1a/ As provided in Section 4.18 of the GT&C of Transporter’s Tariff, the parties agree to the following negotiated rate(s) of \$2.7375 per Dekatherm per month which shall not be subject to the applicable maximum or minimum Rate Schedule FT-1 reservation rate for the corresponding rate zone as set forth in Transporter’s Tariff which shall be payable regardless of quantities transported.
- 2/ Fuel and L&U shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.
- 3/ Surcharges, if applicable: Unless otherwise specified, all applicable surcharges shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time.

ACA:  
 The ACA Surcharge shall be assessed pursuant to Section 17 of the GT&C of the Tariff.

- 4/ This contract does not deviate in any material aspect from the form of service agreement.

Statement of Negotiated Rates  
 (Rates per Dth/Day)

Rate Schedule FT-1 Shipper Identification	Term of Agreement	TCD (Dth/d)	Reservation Rate 1/	Usage Rate	Primary Receipt Point(s)	Primary Delivery Point(s)
United Dairymen of Arizona	4/1/19 – 3/31/34	2,500	1a/	1/	BLANCO (300714)	DSWG PHX (301122)

- 1/ Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter’s maximum rates, as may be changed from time to time, for service under Rate Schedule FT-1 or other superseding Rate Schedules. The reservation rate shall be payable regardless of quantities transported.
- 1a/ As provided in Section 4.18 of the GT&C of Transporter’s Tariff, the parties agree to the following negotiated rate(s) of \$13.3590 per Dekatherm per month which shall not be subject to the applicable maximum or minimum Rate Schedule FT-1 reservation rate for the corresponding rate zone as set forth in Transporter’s Tariff which shall be payable regardless of quantities transported.
- 2/ Fuel and L&U shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.
- 3/ Surcharges, if applicable: Unless otherwise specified, all applicable surcharges shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time.
- ACA:  
 The ACA Surcharge shall be assessed pursuant to Section 17 of the GT&C of the Tariff.
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## **Marked Tariff Sections**

**Statement of Negotiated Rates**

Section 5.1	El Paso Marketing Company, L.L.C. #FT2K2000
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<u>Section 5.16</u>	<u>Targa Gas Marketing LLC #611665-FT1EPNG</u>
<u>Section 5.17</u>	<u>United Dairymen of Arizona #612441-FT1EPNG</u>

Statement of Negotiated Rates  
(Rates per Dth/Day)

<u>Rate Schedule FT-1</u>	<u>Term of</u>	<u>TCD</u>	<u>Reservation</u>	<u>Usage</u>	<u>Primary Receipt</u>	<u>Primary Delivery</u>
<u>Shipper Identification</u>	<u>Agreement</u>	<u>(Dth/d)</u>	<u>Rate 1/</u>	<u>Rate</u>	<u>Point(s)</u>	<u>Point(s)</u>
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	The in-service date of Benedum GCX Project – Earlier of 1) the in-service date of the proposed Gulf Coast Express Project, previously announced by Kinder Morgan Texas Pipeline LLC, or 2) 10/31/19	99,900	1a/	1/	Benedum GCX (TBD)	KEYTRAN (302136) WAHATRAN (302407)

1/ Unless otherwise agreed by the Parties in writing, the rates for service shall be Transporter’s maximum rates, as may be changed from time to time, for service under Rate Schedule FT-1 or other superseding Rate Schedules. The reservation rate shall be payable regardless of quantities transported.

1a/ As provided in Section 4.18 of the GT&C of Transporter’s Tariff, the parties agree to the following negotiated rate(s) of \$2.7375 per Dekatherm per month which shall not be subject to the applicable maximum or minimum Rate Schedule FT-1 reservation rate for the corresponding rate zone as set forth in Transporter’s Tariff which shall be payable regardless of quantities transported.

2/ Fuel and L&U shall be as stated on Transporter's Statement of Rates in the Tariff, as they may be changed from time to time, unless otherwise agreed between the Parties.

3/ Surcharges, if applicable: Unless otherwise specified, all applicable surcharges shall be the maximum surcharge rate as stated on the Statement of Rates, as they may be changed from time to time.

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4/ This contract does not deviate in any material aspect from the form of service agreement.

Statement of Negotiated Rates  
(Rates per Dth/Day)

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United Dairymen of Arizona	4/1/19 – 3/31/34	2,500	1a/	1/	BLANCO (300714)	DSWG PHX (301122)

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