



El Paso Natural Gas
Company, L.L.C.
a Kinder Morgan company

November 24, 2020

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

Attention: Ms. Kimberly D. Bose, Secretary

Re: Article 11.2(a) Inflation Adjustment Filing;
El Paso Natural Gas Company, L.L.C.
Docket No. RP21-

Commissioners:

El Paso Natural Gas Company, L.L.C. ("EPNG") tenders for filing and acceptance by the Federal Energy Regulatory Commission ("Commission") Version 17.0.0 of Part IV: General Terms and Conditions, Section 37 "Article 11.2 Provisions" for its Third Revised Volume No. 1A Tariff ("Tariff").

Proposed with an effective date of January 1, 2021, this tariff record adjusts EPNG's Article 11.2(a) rates for inflation, in accordance with EPNG's Tariff and the rate case settlement in Docket No. RP95-363 ("1996 Settlement").¹

Background

Section 37.3 of the General Terms and Conditions ("GT&C") of EPNG's Tariff sets forth provisions requiring EPNG to adjust the Article 11.2(a) rates annually for inflation.² Pursuant to these provisions, EPNG increases, on an annual basis, the Operations and Maintenance ("O&M") and Other Taxes portion of the reservation rate and usage charges for the Article 11.2(a) Rate Schedule FT-1 service and a portion of the base rates for the Article 11.2(a) Rate Schedule FT-2 service that were in effect for the preceding year. The annual adjustment is limited to 93% of the increase in the Implicit Price Deflator to the Gross Domestic Product ("GDP-IPD") as published by the Department of Commerce's Bureau of Economic Analysis ("BEA"). The annual increase in rates may not be more than 4.5% or less than 1% of the prior year's total base rates.

¹ See *El Paso Natural Gas Co.*, 79 FERC ¶ 61,028 (1997) (Order Approving Contested Settlement).

² These provisions were added as part of the implementation of the 1996 Settlement.

Description of Filing

This filing is submitted pursuant to Subpart C of Part 154 of the Commission's regulations³ and Section 37.3 of the GT&C of EPNG's Tariff. Section 37 of the GT&C is submitted to revise the Article 11.2(a) rates to reflect the inflation adjustment, as described below. Pursuant to EPNG's Tariff, for the annual inflation adjustment to be effective January 1, 2021, the GDP-IPD increase is determined by comparing the most recently published final GDP-IPD index to the one used in the previous year's filing or, if the BEA has modified the benchmark index for the GDP-IPD, the restated GDP-IPD for the previous year.⁴

To calculate the GDP-IPD increase in this filing, the final GDP-IPD index for the second quarter of 2020 and the GDP-IPD for the same period of 2019 are compared. The resulting annual change in the GDP-IPD is 0.6028%.⁵ However, as stated earlier, the adjustment is limited to 93% of the annual change in GDP-IPD. Therefore, the adjusted annual change is 0.5606%. This change in GDP-IPD, as adjusted for the O&M and Other Taxes portion of the base rates according to the formula specified in the Tariff, produces an overall increase to the base rates of less than the minimum inflation adjustment of 1%.⁶ Accordingly, EPNG is proposing to increase the Article 11.2(a) base reservation and usage rates by 1.00%. The revised rate calculations are presented in Appendix B.

Pursuant to Section 37.3(c) of the GT&C, EPNG has separately identified system-wide usage rates. The system-wide usage rates are applied to receipts that are not defined by receipt basin, such as imbalance paybacks. Accordingly, EPNG updates those system-wide usage rates in this filing and shows the calculations of those rates in Appendix C.

Section 154.204 Discussion

Pursuant to 18 C.F.R. § 154.204 (2020), EPNG states the following:

- (a) EPNG does not anticipate any significant increase in revenues as a result of these tariff changes. These changes are required by existing tariff provisions.

³ 18 C.F.R. §§ 154.201 - 154.210 (2020) (Subpart C).

⁴ At the time of preparation of this filing, the final third quarter 2020 index is not yet published; therefore, consistent with EPNG's tariff, the second quarter index was used.

⁵ See Appendix D for the calculation of the change in the GDP-IPD.

⁶ See Appendix B.

- (b) EPNG is unaware of any filings pending before the Commission that will significantly affect this filing.⁷

Procedural Matters

In accordance with the applicable provisions of Part 154 of the Commission's regulations,⁸ EPNG is submitting an eTariff XML package that includes the following:

- a) a transmittal letter;
- b) clean and marked versions of the tariff record in PDF format;
- c) Appendix A – a summary of the revised Docket No. RP95-363 Article 11.2(a) rates, as adjusted for inflation;
- d) Appendix B – a schedule detailing calculation of the rates;
- e) Appendix C – computation of system-wide average usage rates; and
- f) Appendix D – derivation of the annual escalation factor as computed based on the annual change in the GDP-IPD, along with the pertinent page from the Bureau of Economic Affairs second quarter (final) news release.

EPNG respectfully requests the Commission accept the tendered tariff record for filing and permit it to become effective on January 1, 2021, which is not less than 30 days following the date of the filing. With respect to any tariff provision the Commission allows to go into effect without change, EPNG hereby moves to place the tendered tariff provision into effect at the end of any minimal suspension period, if any, specified by the Commission.

Additionally, pursuant to 18 C.F.R. § 154.7(a)(7) (2020) of the Commission's regulations, EPNG respectfully requests that the Commission grant all necessary waivers in order to effectuate this filing.

⁷ See *El Paso Natural Gas Co.*, 133 FERC ¶ 61,259 (2010) where the Commission accepted the 2012 Article 11.2 Inflation Filing in Docket No. RP11-1562-000 subject to the outcome of the proceeding in Docket No. RP10-1398-000. However, no issues related to Docket No. RP11-1562-000 were listed in the litigated statement of issues or addressed by the decisional orders issued in Docket No. RP10-1398-000 including the Initial Decision (139 FERC ¶ 63,020 (2012)), Opinion No. 528 (145 FERC ¶ 61,040 (2013)), Opinion No. 528-A (154 FERC ¶ 61,120 (2016)), and Opinion 528-B (163 FERC ¶ 61,079 (2018)). The rates in Docket No. RP10-1398-000 are now final and non-appealable. Therefore, EPNG believes that while Docket No. RP11-1562-000 is still pending before the Commission, the final outcome in Docket No. RP11-1562-000 cannot impact the rates proposed by this filing.

⁸ 18 C.F.R. §§ 154.101 – 154.603 (2020) (Part 154).

Clean Tariff Section

37. ARTICLE 11.2 PROVISIONS

Pursuant to the Commission's Order issued on March 20, 2006 in Docket No. RP05-422-000, this Section 37 is applicable to firm Rate Schedule FT-1 and FT-2 transportation service provided under applicable TSAs ("Section 37 TSAs") to the contracted Shippers that are parties to the Stipulation and Agreement in Docket No. RP95-363-000, et al. ("1996 Settlement").

37.1 Article 11.2(a) Rates - Article 11.2(a) Rates shall be used for purposes of invoicing transportation charges and reservation charge crediting. The System Average Usage Rate shall be used for purposes of invoicing usage, such as imbalance payback, that cannot be identified by receipt basin and is identified by Transporter as a system receipt. These rates shall be adjusted annually pursuant to Section 37.3 for Section 37 TSAs.

Rate Schedule FT-1

RESERVATION	MONTHLY	DAILY
	-----	-----
Production Area	\$ 4.2031	\$ 0.1382
Texas	\$ 6.1526	\$ 0.2023
New Mexico	\$ 7.0974	\$ 0.2333
Arizona	\$ 9.6290	\$ 0.3166
Nevada	\$ 9.7563	\$ 0.3208
California	\$ 11.4406	\$ 0.3761

DAILY USAGE	From	From	From	From	System
Maximum	San Juan	Permian	Anadarko	California	Average
	-----	-----	-----	-----	-----
Production Area	\$ 0.0030	\$ 0.0030	\$ 0.0030	\$ 0.0169	\$ 0.0031
Texas	\$ 0.0032	\$ 0.0079	\$ 0.0088	\$ 0.0169	\$ 0.0070
New Mexico	\$ 0.0189	\$ 0.0194	\$ 0.0302	\$ 0.0169	\$ 0.0196
Arizona	\$ 0.0243	\$ 0.0284	\$ 0.0380	\$ 0.0169	\$ 0.0277
Nevada	\$ 0.0231	\$ 0.0455	\$ 0.0501	\$ 0.0169	\$ 0.0407
California	\$ 0.0212	\$ 0.0433	\$ 0.0487	\$ 0.0169	\$ 0.0386

DAILY USAGE	From	From	From	From	System
Minimum	San Juan	Permian	Anadarko	California	Average
	-----	-----	-----	-----	-----
Production Area	\$ 0.0030	\$ 0.0030	\$ 0.0030	\$ 0.0169	\$ 0.0031
Texas	\$ 0.0032	\$ 0.0079	\$ 0.0088	\$ 0.0169	\$ 0.0070
New Mexico	\$ 0.0189	\$ 0.0194	\$ 0.0302	\$ 0.0169	\$ 0.0196
Arizona	\$ 0.0243	\$ 0.0284	\$ 0.0380	\$ 0.0169	\$ 0.0277
Nevada	\$ 0.0231	\$ 0.0455	\$ 0.0501	\$ 0.0169	\$ 0.0407
California	\$ 0.0212	\$ 0.0433	\$ 0.0487	\$ 0.0169	\$ 0.0386

37.1 Article 11.2(a) Rates (continued)

Rate Schedule FT-2

DAILY USAGE	From	From	From	From	System
Maximum	San Juan	Permian	Anadarko	California	Average
	-----	-----	-----	-----	-----
Anadarko	\$ 0.3401	\$ 0.3482	\$ 0.3397	\$ 0.3908	\$ 0.3466
Permian	\$ 0.3401	\$ 0.3397	\$ 0.3501	\$ 0.3908	\$ 0.3403
San Juan	\$ 0.3397	\$ 0.3710	\$ 0.3928	\$ 0.3908	\$ 0.3650
Texas	\$ 0.3419	\$ 0.3482	\$ 0.3501	\$ 0.3908	\$ 0.3471
New Mexico	\$ 0.3722	\$ 0.3710	\$ 0.3928	\$ 0.3908	\$ 0.3718
Arizona	\$ 0.5472	\$ 0.5516	\$ 0.5704	\$ 0.3908	\$ 0.5501
DAILY USAGE	From	From	From	From	System
Minimum	San Juan	Permian	Anadarko	California	Average
	-----	-----	-----	-----	-----
Anadarko	\$ 0.0032	\$ 0.0079	\$ 0.0030	\$ 0.0169	\$ 0.0069
Permian	\$ 0.0032	\$ 0.0030	\$ 0.0088	\$ 0.0169	\$ 0.0033
San Juan	\$ 0.0030	\$ 0.0194	\$ 0.0302	\$ 0.0169	\$ 0.0162
Texas	\$ 0.0032	\$ 0.0079	\$ 0.0088	\$ 0.0169	\$ 0.0070
New Mexico	\$ 0.0189	\$ 0.0194	\$ 0.0302	\$ 0.0169	\$ 0.0196
Arizona	\$ 0.0243	\$ 0.0284	\$ 0.0380	\$ 0.0169	\$ 0.0277

37.2 Rights and Conditions

- (a) When Section 37 TSAs expire or are terminated by the shipper, the rights listed in this Section 37 shall no longer apply to such TSAs.
- (b) In the event a Section 37 TSA uses service or re-designates service to an alternate receipt or delivery point in the same zone as the primary receipt or delivery point(s) under that TSA, the service shall be invoiced at the Article 11.2(a) Rate. Should service be provided to or re-designated to an alternate receipt or delivery point other than the primary receipt or delivery point(s) under that TSA, the service shall be invoiced under the Out-of-Zone-Charge provisions contained in Sections 8.1(e), 8.1(f) and 8.1(g). However, the Article 11.2(a) reservation rates for the applicable zone shall be used in lieu of the maximum non-Article 11.2 tariff rates.
- (c) Capacity released from a Section 37 TSA may be released at a reservation rate no higher than the applicable Article 11.2(a) rate. Such released capacity will be billed at the applicable Article 11.2(a) usage rate.
- (d) If the Shippers applicable to this Section 37 acquire any permanent or temporary capacity releases, they will pay the reservation rate specified in the posted award of the capacity release for that capacity, rather than the Article 11.2(a) rate.

37.2 Rights and Conditions (continued)

- (e) For purposes of determining scheduling priority, pursuant to Section 6.2(a)(iii) of the GT&C, the Article 11.2(a) reservation rates will be considered equivalent to the maximum tariff rate.
- (f) Article 11.2(a) rates shall not apply to any other firm transportation service under any rate schedule.
- (g) Should a Section 37 TSA be subject to an Article 11.2(a) rate that exceeds the maximum non-Article 11.2 tariff rate for such service, this service shall be billed at the applicable maximum non-Article 11.2 tariff rate.

37.3 The applicable Article 11.2(a) rates shall be subject to inflation escalation and will be adjusted according to the following provisions.

- (a) Annual Inflation Adjustment - Effective January 1, 1998, and on each anniversary date thereafter, Transporter shall increase the Operations and Maintenance (O&M) and Other Taxes portion of the reservation and usage charges for Rate Schedule FT-1 and the rates for Rate Schedule FT-2 in effect for the preceding Year by 93% of the increase in the Implicit Price Deflator ("IPD") to the Gross Domestic Product ("GDP") as published by the Department of Commerce's Bureau of Economic Analysis ("BEA"), or a mutually agreed similar indicator should the GDP no longer be available on a continuing basis, or, failing such agreement, a similar indicator as approved by the Commission. Notwithstanding the above calculation, the annual increase in total rates will not be less than 1% or more than 4-1/2% of the prior Year's total rates. The resulting rates shall become the rates for purposes of applying the annual inflation adjustment for the succeeding Year.
- (b) For the annual inflation adjustment to be effective January 1, 1998, the most recently published final IPD prior to the inflation adjustment filing will be compared to the IPD reported by the BEA for the same period of the prior Year to determine the annual change. For each rate change subject to this provision, the most recently published final IPD prior to the inflation adjustment filing will be compared to the prior Year's IPD to determine the annual change. If the BEA modifies the benchmark index for the IPD, then Transporter will use the restated IPD reported by the BEA instead of the IPD used by Transporter in its last inflation adjustment filing.
- (c) The Article 11.2(a) System Average Usage Rate shall be applied to those receipts that are not defined by receipt basin, but rather as a system receipt. Such usage rates are weighted average rates, as shown in Section 37.1 of the GT&C, derived through the following process.

37.3 (c) (continued)

- (i) Transporter's actual system throughput data (by basin) for the 12-Month period ending September 30th of each Year is collected and the relative percentage contribution of each basin in comparison to the total system is determined.
- (ii) Pursuant to Section 37.3(c)(i), the basin percentages, or factors, are multiplied by the specific receipt basin rates within each delivery zone to derive an Article 11.2(a) weighted rate.
- (iii) The weighted Article 11.2(a) rates, as calculated by Section 37.3(c)(ii), shall be summed together to arrive at the Article 11.2(a) System Average Usage Rate for each delivery zone.

Marked Tariff Section

37. ARTICLE 11.2 PROVISIONS

Pursuant to the Commission's Order issued on March 20, 2006 in Docket No. RP05-422-000, this Section 37 is applicable to firm Rate Schedule FT-1 and FT-2 transportation service provided under applicable TSAs ("Section 37 TSAs") to the contracted Shippers that are parties to the Stipulation and Agreement in Docket No. RP95-363-000, et al. ("1996 Settlement").

37.1 Article 11.2(a) Rates - Article 11.2(a) Rates shall be used for purposes of invoicing transportation charges and reservation charge crediting. The System Average Usage Rate shall be used for purposes of invoicing usage, such as imbalance payback, that cannot be identified by receipt basin and is identified by Transporter as a system receipt. These rates shall be adjusted annually pursuant to Section 37.3 for Section 37 TSAs.

Rate Schedule FT-1

RESERVATION	MONTHLY	DAILY
	-----	-----
Production Area	\$ 4. 20314615	\$ 0.13 8268
Texas	\$ 6. 15260917	\$ 0.20 293
New Mexico	\$ 7. 0974271	\$ 0.23 3310
Arizona	\$ 9. 62905337	\$ 0.31 6634
Nevada	\$ 9. 75636597	\$ 0.3 208176
California	\$ 11. 44063273	\$ 0.37 6124

DAILY USAGE	From	From	From	From	System
Maximum	San Juan	Permian	Anadarko	California	Average
	-----	-----	-----	-----	-----
Production Area	\$ 0.0030	\$ 0.0030	\$ 0.0030	\$ 0.016 97	\$ 0.0031
Texas	\$ 0.0032	\$ 0.007 98	\$ 0.008 87	\$ 0.016 97	\$
					0.00660070
New Mexico	\$ 0.018 97	\$ 0.019 42	\$ 0.03 302299	\$ 0.016 97	\$ 0.019 62
Arizona	\$ 0.024 31	\$ 0.028 44	\$ 0.03 8076	\$ 0.016 97	\$ 0.027 72
Nevada	\$ 0.02 3129	\$ 0.045 50	\$ 0.04 96501	\$ 0.016 97	\$ 0.04 07394
California	\$ 0.021 29	\$ 0.04 3329	\$ 0.048 72	\$ 0.016 97	\$ 0.03 8674

DAILY USAGE	From	From	From	From	System
Minimum	San Juan	Permian	Anadarko	California	Average
	-----	-----	-----	-----	-----
Production Area	\$ 0.0030	\$ 0.0030	\$ 0.0030	\$ 0.016 97	\$ 0.0031
Texas	\$ 0.0032	\$ 0.007 98	\$ 0.008 87	\$ 0.016 97	\$ 0.007 066
New Mexico	\$ 0.018 97	\$ 0.019 42	\$ 0.03 302299	\$ 0.016 97	\$ 0.019 62
Arizona	\$ 0.024 31	\$ 0.028 44	\$ 0.03 8076	\$ 0.016 97	\$ 0.027 72
Nevada	\$ 0.02 3129	\$ 0.045 50	\$ 0.05 01496	\$ 0.016 97	\$ 0.04 07394
California	\$ 0.021 29	\$ 0.04 3329	\$ 0.048 72	\$ 0.016 97	\$ 0.03 8674

37.1 Article 11.2(a) Rates (continued)

Rate Schedule FT-2

DAILY USAGE Maximum	From San Juan	From Permian	From Anadarko	From California	System Average
Anadarko 0.34253466	\$ 0.33683401	\$ 0.34473482	\$ 0.33643397	\$ 0.38693908	\$
Permian 0.33683403	\$ 0.33683401	\$ 0.33643397	\$ 0.34663501	\$ 0.39083869	\$
San Juan 0.36003650	\$ 0.33643397	\$ 0.36733710	\$ 0.38893928	\$ 0.39083869	\$
Texas 0.34323471	\$ 0.33853419	\$ 0.34473482	\$ 0.34663501	\$ 0.39083869	\$
New Mexico 0.36823718	\$ 0.36853722	\$ 0.36733710	\$ 0.38893928	\$ 0.39083869	\$
Arizona 0.54515501	\$ 0.54185472	\$ 0.54615516	\$ 0.56475704	\$ 0.39083869	\$

DAILY USAGE Minimum	From San Juan	From Permian	From Anadarko	From California	System Average
Anadarko	\$ 0.0032	\$ 0.00798	\$ 0.0030	\$ 0.01697	\$ 0.00695
Permian	\$ 0.0032	\$ 0.0030	\$ 0.00887	\$ 0.01697	\$ 0.00332
San Juan	\$ 0.0030	\$ 0.01942	\$ 0.0302299	\$ 0.01697	\$ 0.016253
Texas	\$ 0.0032	\$ 0.00798	\$ 0.00887	\$ 0.01697	\$ 0.007066
New Mexico	\$ 0.01897	\$ 0.01942	\$ 0.0302299	\$ 0.01697	\$ 0.01962
Arizona	\$ 0.02434	\$ 0.02844	\$ 0.038076	\$ 0.01697	\$ 0.02772

37.2 Rights and Conditions

- (a) When Section 37 TSAs expire or are terminated by the shipper, the rights listed in this Section 37 shall no longer apply to such TSAs.
- (b) In the event a Section 37 TSA uses service or re-designates service to an alternate receipt or delivery point in the same zone as the primary receipt or delivery point(s) under that TSA, the service shall be invoiced at the Article 11.2(a) Rate. Should service be provided to or re-designated to an alternate receipt or delivery point other than the primary receipt or delivery point(s) under that TSA, the service shall be invoiced under the Out-of-Zone-Charge provisions contained in Sections 8.1(e), 8.1(f) and 8.1(g). However, the Article 11.2(a) reservation rates for the applicable zone shall be used in lieu of the maximum non-Article 11.2 tariff rates.

- (c) Capacity released from a Section 37 TSA may be released at a reservation rate no higher than the applicable Article 11.2(a) rate. Such released capacity will be billed at the applicable Article 11.2(a) usage rate.
- (d) If the Shippers applicable to this Section 37 acquire any permanent or temporary capacity releases, they will pay the reservation rate specified in the posted award of the capacity release for that capacity, rather than the Article 11.2(a) rate.

37.2 Rights and Conditions (continued)

- (e) For purposes of determining scheduling priority, pursuant to Section 6.2(a)(iii) of the GT&C, the Article 11.2(a) reservation rates will be considered equivalent to the maximum tariff rate.
- (f) Article 11.2(a) rates shall not apply to any other firm transportation service under any rate schedule.
- (g) Should a Section 37 TSA be subject to an Article 11.2(a) rate that exceeds the maximum non-Article 11.2 tariff rate for such service, this service shall be billed at the applicable maximum non-Article 11.2 tariff rate.

37.3 The applicable Article 11.2(a) rates shall be subject to inflation escalation and will be adjusted according to the following provisions.

- (a) Annual Inflation Adjustment - Effective January 1, 1998, and on each anniversary date thereafter, Transporter shall increase the Operations and Maintenance (O&M) and Other Taxes portion of the reservation and usage charges for Rate Schedule FT-1 and the rates for Rate Schedule FT-2 in effect for the preceding Year by 93% of the increase in the Implicit Price Deflator ("IPD") to the Gross Domestic Product ("GDP") as published by the Department of Commerce's Bureau of Economic Analysis ("BEA"), or a mutually agreed similar indicator should the GDP no longer be available on a continuing basis, or, failing such agreement, a similar indicator as approved by the Commission. Notwithstanding the above calculation, the annual increase in total rates will not be less than 1% or more than 4-1/2% of the prior Year's total rates. The resulting rates shall become the rates for purposes of applying the annual inflation adjustment for the succeeding Year.
- (b) For the annual inflation adjustment to be effective January 1, 1998, the most recently published final IPD prior to the inflation adjustment filing will be compared to the IPD reported by the BEA for the same period of the prior Year to determine the annual change. For each rate change subject to this provision, the most recently published final IPD prior to the inflation adjustment filing will be compared to the prior Year's IPD to determine the annual change. If the BEA modifies the benchmark index for the IPD, then Transporter will use the restated IPD reported by the BEA instead of the IPD used by Transporter in its last inflation adjustment filing.

- (c) The Article 11.2(a) System Average Usage Rate shall be applied to those receipts that are not defined by receipt basin, but rather as a system receipt. Such usage rates are weighted average rates, as shown in Section 37.1 of the GT&C, derived through the following process.

37.3 (c) (continued)

- (i) Transporter's actual system throughput data (by basin) for the 12-Month period ending September 30th of each Year is collected and the relative percentage contribution of each basin in comparison to the total system is determined.
- (ii) Pursuant to Section 37.3(c)(i), the basin percentages, or factors, are multiplied by the specific receipt basin rates within each delivery zone to derive an Article 11.2(a) weighted rate.
- (iii) The weighted Article 11.2(a) rates, as calculated by Section 37.3(c)(ii), shall be summed together to arrive at the Article 11.2(a) System Average Usage Rate for each delivery zone.

El Paso Natural Gas Company, L.L.C.

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El Paso Natural Gas Company, L.L.C.

Docket No. RP21-___

Appendix A

Article 11.2(a) Rates Escalated

El Paso Natural Gas Company, L.L.C.
FT-1 Firm Transportation Rates
2021 Article 11.2(a) Rates Escalated Per Tariff
(Excludes Surcharges)

Line No.	Description	FT-1	
		Maximum Rate	Minimum Rate
	(a)	(b)	(c)
<u>Mainline Transmission Base Reservation Rates</u>			
1	Production Area	\$ 4.2031	\$ 0.0000
2	Texas	\$ 6.1526	\$ 0.0000
3	New Mexico	\$ 7.0974	\$ 0.0000
4	Arizona	\$ 9.6290	\$ 0.0000
5	Nevada	\$ 9.7563	\$ 0.0000
6	California	\$ 11.4406	\$ 0.0000
<u>Mainline Transmission Usage Rates</u>			
From San Juan Basin to:			
7	Production Area	\$ 0.0030	\$ 0.0030
8	Texas	\$ 0.0032	\$ 0.0032
9	New Mexico	\$ 0.0189	\$ 0.0189
10	Arizona	\$ 0.0243	\$ 0.0243
11	Nevada	\$ 0.0231	\$ 0.0231
12	California	\$ 0.0212	\$ 0.0212
From Permian Basin to:			
13	Production Area	\$ 0.0030	\$ 0.0030
14	Texas	\$ 0.0079	\$ 0.0079
15	New Mexico	\$ 0.0194	\$ 0.0194
16	Arizona	\$ 0.0284	\$ 0.0284
17	Nevada	\$ 0.0455	\$ 0.0455
18	California	\$ 0.0433	\$ 0.0433
From Anadarko Basin to:			
19	Production Area	\$ 0.0030	\$ 0.0030
20	Texas	\$ 0.0088	\$ 0.0088
21	New Mexico	\$ 0.0302	\$ 0.0302
22	Arizona	\$ 0.0380	\$ 0.0380
23	Nevada	\$ 0.0501	\$ 0.0501
24	California	\$ 0.0487	\$ 0.0487
From California to:			
25	Production Area	\$ 0.0169	\$ 0.0169
26	Texas	\$ 0.0169	\$ 0.0169
27	New Mexico	\$ 0.0169	\$ 0.0169
28	Arizona	\$ 0.0169	\$ 0.0169
29	Nevada	\$ 0.0169	\$ 0.0169
30	California	\$ 0.0169	\$ 0.0169

El Paso Natural Gas Company, L.L.C.
FT-2 Firm Transportation Rates
2021 Article 11.2(a) Rates Escalated Per Tariff
(Excludes Surcharges)

Line No.	Description	FT-2	
		Maximum Rate	Minimum Rate
	(a)	(b)	(c)
<u>Mainline Transmission Usage Rates:</u>			
From San Juan Basin to:			
1	Anadarko	\$ 0.3401	\$ 0.0032
2	Permian	\$ 0.3401	\$ 0.0032
3	San Juan	\$ 0.3397	\$ 0.0030
4	Texas	\$ 0.3419	\$ 0.0032
5	New Mexico	\$ 0.3722	\$ 0.0189
6	Arizona	\$ 0.5472	\$ 0.0243
From Permian Basin to:			
7	Anadarko	\$ 0.3482	\$ 0.0079
8	Permian	\$ 0.3397	\$ 0.0030
9	San Juan	\$ 0.3710	\$ 0.0194
10	Texas	\$ 0.3482	\$ 0.0079
11	New Mexico	\$ 0.3710	\$ 0.0194
12	Arizona	\$ 0.5516	\$ 0.0284
From Anadarko Basin to:			
13	Anadarko	\$ 0.3397	\$ 0.0030
14	Permian	\$ 0.3501	\$ 0.0088
15	San Juan	\$ 0.3928	\$ 0.0302
16	Texas	\$ 0.3501	\$ 0.0088
17	New Mexico	\$ 0.3928	\$ 0.0302
18	Arizona	\$ 0.5704	\$ 0.0380
From California to:			
19	Anadarko	\$ 0.3908	\$ 0.0169
20	Permian	\$ 0.3908	\$ 0.0169
21	San Juan	\$ 0.3908	\$ 0.0169
22	Texas	\$ 0.3908	\$ 0.0169
23	New Mexico	\$ 0.3908	\$ 0.0169
24	Arizona	\$ 0.3908	\$ 0.0169

El Paso Natural Gas Company, L.L.C.

Docket No. RP21-___

Appendix B

Escalation of Rates

El Paso Natural Gas Company, L.L.C.
Escalation of Rates Per Tariff
2021 FT-1 Reservation Base Rates

Ln. No.	Description (a)	California (b)	Nevada (c)	Arizona (d)	New Mexico (e)	Texas (f)	Producing Area (g)	Ln. No.
Reservation								
Minimum Escalation - Floor								
1	Rate for 2020	1/ \$ 11.3273	\$ 9.6597	\$ 9.5337	\$ 7.0271	\$ 6.0917	\$ 4.1615	1
2	Minimum Inflation Percent	1%	1%	1%	1%	1%	1%	2
3	Escalated Threshold Minimum	\$ 0.1133	\$ 0.0966	\$ 0.0953	\$ 0.0703	\$ 0.0609	\$ 0.0416	3
Maximum Escalation - Ceiling								
4	Rate for 2020	\$ 11.3273	\$ 9.6597	\$ 9.5337	\$ 7.0271	\$ 6.0917	\$ 4.1615	4
5	Maximum Inflation Percent	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	5
6	Escalated Threshold Maximum	\$ 0.5097	\$ 0.4347	\$ 0.4290	\$ 0.3162	\$ 0.2741	\$ 0.1873	6
GDP-IPD Calculation								
7	O&M,OT - Year 2020 Portion of the Rate	2/ \$ 7.1226	\$ 6.0741	\$ 5.9948	\$ 4.4186	\$ 3.8304	\$ 2.6168	7
8	Year 2020 Escalation	2/ \$ 0.1145	\$ 0.0977	\$ 0.0964	\$ 0.0711	\$ 0.0616	\$ 0.0421	8
9	Year 2021 O&M, and Other Taxes	\$ 7.2371	\$ 6.1718	\$ 6.0912	\$ 4.4897	\$ 3.8920	\$ 2.6589	9
10	GDP-IPD Escalation Factor	3/ 0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	10
11	Applicable Percent of GDP-IPD	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	11
12	Reduced Inflation Adjustment	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	12
13	Applied GDP-IPD Escalator (Ln 9 * Ln 12)	\$ 0.0406	\$ 0.0346	\$ 0.0341	\$ 0.0252	\$ 0.0218	\$ 0.0149	13
Selected Escalation Amount								
14	Rate for 2020	\$ 11.3273	\$ 9.6597	\$ 9.5337	\$ 7.0271	\$ 6.0917	\$ 4.1615	14
15	Selected Escalation	4/ \$ 0.1133	\$ 0.0966	\$ 0.0953	\$ 0.0703	\$ 0.0609	\$ 0.0416	15
16	Total Rate Year 2021	\$ 11.4406	\$ 9.7563	\$ 9.6290	\$ 7.0974	\$ 6.1526	\$ 4.2031	16
17	100% Load Factor Rate (excluding usage)	\$ 0.3761	\$ 0.3208	\$ 0.3166	\$ 0.2333	\$ 0.2023	\$ 0.1382	17

1/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 1, Line 16, Docket No. RP20-241-000 (Nov. 22, 2019.)

2/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 1, Lines 9 and 15, Docket No. RP20-241-000 (Nov. 22, 2019.)

3/ See Appendix D, Page 1 of 2.

4/ If the GDP-IPD escalation calculation is not within the minimum (floor) and the maximum (ceiling) calculation then the applicable minimum or maximum calculated escalation is selected.

El Paso Natural Gas Company, L.L.C.
Escalation of Rates Per Tariff
2021 FT1 Usage Base Rates

Line No.	Description (a)	California (b)	Nevada (c)	Arizona (d)	New Mexico (e)	Texas (f)	Producing Area (g)	Line No.
From San Juan:								
Minimum Escalation - Floor								
1	Rate for 2020	1/ \$ 0.0210	\$ 0.0229	\$ 0.0241	\$ 0.0187	\$ 0.0032	\$ 0.0030	1
2	Minimum Inflation Percent	1%	1%	1%	1%	1%	1%	2
3	Escalated Threshold Minimum	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ -	\$ -	3
Maximum Escalation - Ceiling								
4	Rate for 2020	\$ 0.0210	\$ 0.0229	\$ 0.0241	\$ 0.0187	\$ 0.0032	\$ 0.0030	4
5	Maximum Inflation Percent	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	5
6	Escalated Threshold Maximum	\$ 0.0009	\$ 0.0010	\$ 0.0011	\$ 0.0008	\$ 0.0001	\$ 0.0001	6
GDP-IPD Calculation								
7	O&M,OT - Year 2020 Portion of the Rate	2/ \$ 0.0133	\$ 0.0144	\$ 0.0151	\$ 0.0118	\$ 0.0018	\$ 0.0016	7
8	Year 2020 Escalation	2/ \$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ -	\$ -	8
9	Year 2021 O&M, and Other Taxes	\$ 0.0135	\$ 0.0146	\$ 0.0153	\$ 0.0120	\$ 0.0018	\$ 0.0016	9
10	GDP-IPD Escalation Factor	3/ 0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	10
11	Applicable Percent of GDP-IPD	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	11
12	Reduced Inflation Adjustment	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	12
13	Applied GDP-IPD Escalator (Ln 9 * Ln 12)	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ -	\$ -	13
Selected Escalation Amount								
14	Rate for 2020	\$ 0.0210	\$ 0.0229	\$ 0.0241	\$ 0.0187	\$ 0.0032	\$ 0.0030	14
15	Selected Escalation	4/ 0.0002	0.0002	0.0002	0.0002	0.0000	0.0000	15
16	Total Usage Rate Year 2021	\$ 0.0212	\$ 0.0231	\$ 0.0243	\$ 0.0189	\$ 0.0032	\$ 0.0030	16
Total Rate								
17	Reservation (Sheet 1, Line 16)	\$ 11.4406	\$ 9.7563	\$ 9.6290	\$ 7.0974	\$ 6.1526	\$ 4.2031	17
18	Total Usage Rate	\$ 0.0212	\$ 0.0231	\$ 0.0243	\$ 0.0189	\$ 0.0032	\$ 0.0030	18
19	100% Load Factor Rate	\$ 0.3973	\$ 0.3439	\$ 0.3409	\$ 0.2522	\$ 0.2055	\$ 0.1412	19

1/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 2, Line 16, Docket No. RP20-241-000 (Nov. 22, 2019.)

2/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 2, Lines 9 and 15, Docket No. RP20-241-000 (Nov. 22, 2019.)

3/ See Appendix D, Page 1 of 2.

4/ If the GDP-IPD escalation calculation is not within the minimum (floor) and the maximum (ceiling) calculation then the applicable minimum or maximum calculated escalation is selected.

El Paso Natural Gas Company, L.L.C.
Escalation of Rates Per Tariff
2021 FT1 Usage Base Rates

Line No.	Description (a)	California (b)	Nevada (c)	Arizona (d)	New Mexico (e)	Texas (f)	Producing Area (g)	Line No.
From Permian:								
Minimum Escalation - Floor								
1	Rate for 2020	1/ \$ 0.0429	\$ 0.0450	\$ 0.0281	\$ 0.0192	\$ 0.0078	\$ 0.0030	1
2	Minimum Inflation Percent	1%	1%	1%	1%	1%	1%	2
3	Escalated Threshold Minimum	\$ 0.0004	\$ 0.0005	\$ 0.0003	\$ 0.0002	\$ 0.0001	\$ -	3
Maximum Escalation - Ceiling								
4	Rate for 2020	\$ 0.0429	\$ 0.0450	\$ 0.0281	\$ 0.0192	\$ 0.0078	\$ 0.0030	4
5	Maximum Inflation Percent	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	5
6	Escalated Threshold Maximum	\$ 0.0019	\$ 0.0020	\$ 0.0013	\$ 0.0009	\$ 0.0004	\$ 0.0001	6
GDP-IPD Calculation								
7	O&M,OT - Year 2020 Portion of the Rate	2/ \$ 0.0270	\$ 0.0283	\$ 0.0177	\$ 0.0122	\$ 0.0052	\$ 0.0016	7
8	Year 2020 Escalation	2/ \$ 0.0004	\$ 0.0005	\$ 0.0003	\$ 0.0002	\$ 0.0001	\$ -	8
9	Year 2021 O&M, and Other Taxes	\$ 0.0274	\$ 0.0288	\$ 0.0180	\$ 0.0124	\$ 0.0053	\$ 0.0016	9
10	GDP-IPD Escalation Factor	3/ 0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	10
11	Applicable Percent of GDP-IPD	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	11
12	Reduced Inflation Adjustment	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	12
13	Applied GDP-IPD Escalator (Ln 9 * Ln 12)	\$ 0.0002	\$ 0.0002	\$ 0.0001	\$ 0.0001	\$ -	\$ -	13
Selected Escalation Amount								
14	Rate for 2020	\$ 0.0429	\$ 0.0450	\$ 0.0281	\$ 0.0192	\$ 0.0078	\$ 0.0030	14
15	Selected Escalation	4/ 0.0004	0.0005	0.0003	0.0002	0.0001	0.0000	15
16	Total Usage Rate Year 2021	\$ 0.0433	\$ 0.0455	\$ 0.0284	\$ 0.0194	\$ 0.0079	\$ 0.0030	16
Total Rate								
17	Reservation (Sheet 1, Line 16)	\$ 11.4406	\$ 9.7563	\$ 9.6290	\$ 7.0974	\$ 6.1526	\$ 4.2031	17
18	Total Usage Rate	\$ 0.0433	\$ 0.0455	\$ 0.0284	\$ 0.0194	\$ 0.0079	\$ 0.0030	18
19	100% Load Factor Rate	\$ 0.4194	\$ 0.3663	\$ 0.3450	\$ 0.2527	\$ 0.2102	\$ 0.1412	19

1/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 3, Line 16, Docket No. RP20-241-000 (Nov. 22, 2019.)

2/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 3, Lines 9 and 15, Docket No. RP20-241-000 (Nov. 22, 2019.)

3/ See Appendix D, Page 1 of 2.

4/ If the GDP-IPD escalation calculation is not within the minimum (floor) and the maximum (ceiling) calculation then the applicable minimum or maximum calculated escalation is selected.

El Paso Natural Gas Company, L.L.C.
Escalation of Rates Per Tariff
2021 FT1 Usage Base Rates

Line No.	Description (a)	California (b)	Nevada (c)	Arizona (d)	New Mexico (e)	Texas (f)	Producing Area (g)	Line No.
From Anadarko:								
Minimum Escalation - Floor								
1	Rate for 2020	1/ \$ 0.0482	\$ 0.0496	\$ 0.0376	\$ 0.0299	\$ 0.0087	\$ 0.0030	1
2	Minimum Inflation Percent	1%	1%	1%	1%	1%	1%	2
3	Escalated Threshold Minimum	\$ 0.0005	\$ 0.0005	\$ 0.0004	\$ 0.0003	\$ 0.0001	\$ -	3
Maximum Escalation - Ceiling								
4	Rate for 2020	\$ 0.0482	\$ 0.0496	\$ 0.0376	\$ 0.0299	\$ 0.0087	\$ 0.0030	4
5	Maximum Inflation Percent	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	5
6	Escalated Threshold Maximum	\$ 0.0022	\$ 0.0022	\$ 0.0017	\$ 0.0013	\$ 0.0004	\$ 0.0001	6
GDP-IPD Calculation								
7	O&M,OT - Year 2020 Portion of the Rate	2/ \$ 0.0303	\$ 0.0312	\$ 0.0236	\$ 0.0188	\$ 0.0056	\$ 0.0016	7
8	Year 2020 Escalation	2/ \$ 0.0005	\$ 0.0005	\$ 0.0004	\$ 0.0003	\$ 0.0001	\$ -	8
9	Year 2021 O&M, and Other Taxes	\$ 0.0308	\$ 0.0317	\$ 0.0240	\$ 0.0191	\$ 0.0057	\$ 0.0016	9
10	GDP-IPD Escalation Factor	3/ 0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	10
11	Applicable Percent of GDP-IPD	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	11
12	Reduced Inflation Adjustment	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	12
13	Applied GDP-IPD Escalator (Ln 9 * Ln 12)	\$ 0.0002	\$ 0.0002	\$ 0.0001	\$ 0.0001	\$ -	\$ -	13
Selected Escalation Amount								
14	Rate for 2020	\$ 0.0482	\$ 0.0496	\$ 0.0376	\$ 0.0299	\$ 0.0087	\$ 0.0030	14
15	Selected Escalation	4/ 0.0005	0.0005	0.0004	0.0003	0.0001	0.0000	15
16	Total Usage Rate Year 2021	\$ 0.0487	\$ 0.0501	\$ 0.0380	\$ 0.0302	\$ 0.0088	\$ 0.0030	16
Total Rate								
17	Reservation (Sheet 1, Line 16)	\$ 11.4406	\$ 9.7563	\$ 9.6290	\$ 7.0974	\$ 6.1526	\$ 4.2031	17
18	Total Usage Rate	\$ 0.0487	\$ 0.0501	\$ 0.0380	\$ 0.0302	\$ 0.0088	\$ 0.0030	18
19	100% Load Factor Rate	\$ 0.4248	\$ 0.3709	\$ 0.3546	\$ 0.2635	\$ 0.2111	\$ 0.1412	19

1/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 4, Line 16, Docket No. RP20-241-000 (Nov. 22, 2019.)

2/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 4, Lines 9 and 15, Docket No. RP20-241-000 (Nov. 22, 2019.)

3/ See Appendix D, Page 1 of 2.

4/ If the GDP-IPD escalation calculation is not within the minimum (floor) and the maximum (ceiling) calculation then the applicable minimum or maximum calculated escalation is selected.

El Paso Natural Gas Company, L.L.C.
Escalation of Rates Per Tariff
2021 FT1 Usage Base Rates

Line No.	Description (a)	California (b)	Nevada (c)	Arizona (d)	New Mexico (e)	Texas (f)	Producing Area (g)	Line No.
From California:								
Minimum Escalation - Floor								
1	Rate for 2020	1/ \$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	1
2	Minimum Inflation Percent	1%	1%	1%	1%	1%	1%	2
3	Escalated Threshold Minimum	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	3
Maximum Escalation - Ceiling								
4	Rate for 2020	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	4
5	Maximum Inflation Percent	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	5
6	Escalated Threshold Maximum	\$ 0.0008	\$ 0.0008	\$ 0.0008	\$ 0.0008	\$ 0.0008	\$ 0.0008	6
GDP-IPD Calculation								
7	O&M,OT - Year 2020 Portion of the Rate	2/ \$ 0.0105	\$ 0.0105	\$ 0.0105	\$ 0.0105	\$ 0.0105	\$ 0.0105	7
8	Year 2020 Escalation	2/ \$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	8
9	Year 2021 O&M, and Other Taxes	\$ 0.0107	\$ 0.0107	\$ 0.0107	\$ 0.0107	\$ 0.0107	\$ 0.0107	9
10	GDP-IPD Escalation Factor	3/ 0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	0.6028%	10
11	Applicable Percent of GDP-IPD	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	93.0000%	11
12	Reduced Inflation Adjustment	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	0.5606%	12
13	Applied GDP-IPD Escalator (Ln 9 * Ln 12)	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0001	\$ 0.0001	13
Selected Escalation Amount								
14	Rate for 2020	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	\$ 0.0167	14
15	Selected Escalation	4/ 0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	15
16	Total Usage Rate Year 2021	\$ 0.0169	\$ 0.0169	\$ 0.0169	\$ 0.0169	\$ 0.0169	\$ 0.0169	16
Total Rate								
17	Reservation (Sheet 1, Line 16)	\$ 11.4406	\$ 9.7563	\$ 9.6290	\$ 7.0974	\$ 6.1526	\$ 4.2031	17
18	Total Usage Rate	\$ 0.0169	\$ 0.0169	\$ 0.0169	\$ 0.0169	\$ 0.0169	\$ 0.0169	18
19	100% Load Factor Rate	\$ 0.3930	\$ 0.3377	\$ 0.3335	\$ 0.2502	\$ 0.2192	\$ 0.1551	19

1/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 5, Line 16, Docket No. RP20-241-000 (Nov. 22, 2019.)

2/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 5, Lines 9 and 15, Docket No. RP20-241-000 (Nov. 22, 2019.)

3/ See Appendix D, Page 1 of 2.

4/ If the GDP-IPD escalation calculation is not within the minimum (floor) and the maximum (ceiling) calculation then the applicable minimum or maximum calculated escalation is selected.

El Paso Natural Gas Company, L.L.C.
FT-2 Firm Transportation Rates
2021 11.2 Rates Escalated Per Tariff
(Excludes Surcharges)

Line No.	Description (a)	2020 FT-2 RATES			2021 FT-2 RATES			Line No.
		Rate Less Usage (b)	FT-1 Usage (c)	Total 1/ (d) [b + c]	Inflation Adjustment 2/ (e) [b * 1.01]	FT-1 Usage (f)	Total (g) [e + f]	
<u>Mainline Transmission Usage Rates:</u>								
From San Juan Basin to:								
1	Anadarko	\$ 0.3336	\$ 0.0032	\$ 0.3368	\$ 0.3369	\$ 0.0032	\$ 0.3401	1
2	Permian	\$ 0.3336	\$ 0.0032	\$ 0.3368	\$ 0.3369	\$ 0.0032	\$ 0.3401	2
3	San Juan	\$ 0.3334	\$ 0.0030	\$ 0.3364	\$ 0.3367	\$ 0.0030	\$ 0.3397	3
4	Texas	\$ 0.3353	\$ 0.0032	\$ 0.3385	\$ 0.3387	\$ 0.0032	\$ 0.3419	4
5	New Mexico	\$ 0.3498	\$ 0.0187	\$ 0.3685	\$ 0.3533	\$ 0.0189	\$ 0.3722	5
6	Arizona	\$ 0.5177	\$ 0.0241	\$ 0.5418	\$ 0.5229	\$ 0.0243	\$ 0.5472	6
From Permian Basin to:								
7	Anadarko	\$ 0.3369	\$ 0.0078	\$ 0.3447	\$ 0.3403	\$ 0.0079	\$ 0.3482	7
8	Permian	\$ 0.3334	\$ 0.0030	\$ 0.3364	\$ 0.3367	\$ 0.0030	\$ 0.3397	8
9	San Juan	\$ 0.3481	\$ 0.0192	\$ 0.3673	\$ 0.3516	\$ 0.0194	\$ 0.3710	9
10	Texas	\$ 0.3369	\$ 0.0078	\$ 0.3447	\$ 0.3403	\$ 0.0079	\$ 0.3482	10
11	New Mexico	\$ 0.3481	\$ 0.0192	\$ 0.3673	\$ 0.3516	\$ 0.0194	\$ 0.3710	11
12	Arizona	\$ 0.5180	\$ 0.0281	\$ 0.5461	\$ 0.5232	\$ 0.0284	\$ 0.5516	12
From Anadarko Basin to:								
13	Anadarko	\$ 0.3334	\$ 0.0030	\$ 0.3364	\$ 0.3367	\$ 0.0030	\$ 0.3397	13
14	Permian	\$ 0.3379	\$ 0.0087	\$ 0.3466	\$ 0.3413	\$ 0.0088	\$ 0.3501	14
15	San Juan	\$ 0.3590	\$ 0.0299	\$ 0.3889	\$ 0.3626	\$ 0.0302	\$ 0.3928	15
16	Texas	\$ 0.3379	\$ 0.0087	\$ 0.3466	\$ 0.3413	\$ 0.0088	\$ 0.3501	16
17	New Mexico	\$ 0.3590	\$ 0.0299	\$ 0.3889	\$ 0.3626	\$ 0.0302	\$ 0.3928	17
18	Arizona	\$ 0.5271	\$ 0.0376	\$ 0.5647	\$ 0.5324	\$ 0.0380	\$ 0.5704	18
From California to:								
19	Anadarko	\$ 0.3702	\$ 0.0167	\$ 0.3869	\$ 0.3739	\$ 0.0169	\$ 0.3908	19
20	Permian	\$ 0.3702	\$ 0.0167	\$ 0.3869	\$ 0.3739	\$ 0.0169	\$ 0.3908	20
21	San Juan	\$ 0.3702	\$ 0.0167	\$ 0.3869	\$ 0.3739	\$ 0.0169	\$ 0.3908	21
22	Texas	\$ 0.3702	\$ 0.0167	\$ 0.3869	\$ 0.3739	\$ 0.0169	\$ 0.3908	22
23	New Mexico	\$ 0.3702	\$ 0.0167	\$ 0.3869	\$ 0.3739	\$ 0.0169	\$ 0.3908	23
24	Arizona	\$ 0.3702	\$ 0.0167	\$ 0.3869	\$ 0.3739	\$ 0.0169	\$ 0.3908	24

1/ See Article 11.2(a) Inflation Adjustment Filing, Appendix B, Page 6, Column (g), Docket No. RP20-241-000 (Nov. 22, 2019.)

2/ FT-2 rates were escalated using the selected escalation for the FT-1 rates as shown in Appendix B, page 1 line 15. Because all of the zonal FT-1 rates are escalated at 1% (the minimum inflation percent), the FT-2 rates were also escalated by using the same 1% inflation factor.

El Paso Natural Gas Company, L.L.C.

Docket No. RP21-___

Appendix C

System Average Usage Rates

El Paso Natural Gas Company, L.L.C.
Calculation of
2021 System Average Usage Rates

Maximum Article 11.2(a) 2021 FT-1 Usage Rates			
	Rate	Factor	Total
SJ to PA	\$0.0030	20.980%	\$0.0006
P to PA	\$0.0030	76.293%	\$0.0023
A to PA	\$0.0030	2.181%	\$0.0001
CA to PA	\$0.0169	0.546%	\$0.0001
			<u>\$0.0031</u>
SJ to TX	\$0.0032	20.980%	\$0.0007
P to TX	\$0.0079	76.293%	\$0.0060
A to TX	\$0.0088	2.181%	\$0.0002
CA to TX	\$0.0169	0.546%	\$0.0001
			<u>\$0.0070</u>
SJ to NM	\$0.0189	20.980%	\$0.0040
P to NM	\$0.0194	76.293%	\$0.0148
A to NM	\$0.0302	2.181%	\$0.0007
CA to NM	\$0.0169	0.546%	\$0.0001
			<u>\$0.0196</u>
SJ to AZ	\$0.0243	20.980%	\$0.0051
P to AZ	\$0.0284	76.293%	\$0.0217
A to AZ	\$0.0380	2.181%	\$0.0008
CA to AZ	\$0.0169	0.546%	\$0.0001
			<u>\$0.0277</u>
SJ to NV	\$0.0231	20.980%	\$0.0048
P to NV	\$0.0455	76.293%	\$0.0347
A to NV	\$0.0501	2.181%	\$0.0011
CA to NV	\$0.0169	0.546%	\$0.0001
			<u>\$0.0407</u>
SJ to CA	\$0.0212	20.980%	\$0.0044
P to CA	\$0.0433	76.293%	\$0.0330
A to CA	\$0.0487	2.181%	\$0.0011
CA to CA	\$0.0169	0.546%	\$0.0001
			<u>\$0.0386</u>

Maximum Article 11.2(a) 2021 FT-2 Usage Rates			
	Rate	Factor	Total
SJ to A	\$0.3401	20.980%	\$0.0714
P to A	\$0.3482	76.293%	\$0.2657
A to A	\$0.3397	2.181%	\$0.0074
CA to A	\$0.3908	0.546%	\$0.0021
			<u>\$0.3466</u>
SJ to P	\$0.3401	20.980%	\$0.0714
P to P	\$0.3397	76.293%	\$0.2592
A to P	\$0.3501	2.181%	\$0.0076
CA to P	\$0.3908	0.546%	\$0.0021
			<u>\$0.3403</u>
SJ to SJ	\$0.3397	20.980%	\$0.0713
P to SJ	\$0.3710	76.293%	\$0.2830
A to SJ	\$0.3928	2.181%	\$0.0086
CA to SJ	\$0.3908	0.546%	\$0.0021
			<u>\$0.3650</u>
SJ to TX	\$0.3419	20.980%	\$0.0717
P to TX	\$0.3482	76.293%	\$0.2657
A to TX	\$0.3501	2.181%	\$0.0076
CA to TX	\$0.3908	0.546%	\$0.0021
			<u>\$0.3471</u>
SJ to NM	\$0.3722	20.980%	\$0.0781
P to NM	\$0.3710	76.293%	\$0.2830
A to NM	\$0.3928	2.181%	\$0.0086
CA to NM	\$0.3908	0.546%	\$0.0021
			<u>\$0.3718</u>
SJ to AZ	\$0.5472	20.980%	\$0.1148
P to AZ	\$0.5516	76.293%	\$0.4208
A to AZ	\$0.5704	2.181%	\$0.0124
CA to AZ	\$0.3908	0.546%	\$0.0021
			<u>\$0.5501</u>

Minimum Article 11.2(a) 2021 FT-2 Usage Rates			
	Rate	Factor	Total
SJ to A	\$0.0032	20.980%	\$0.0007
P to A	\$0.0079	76.293%	\$0.0060
A to A	\$0.0030	2.181%	\$0.0001
CA to A	\$0.0169	0.546%	\$0.0001
			<u>\$0.0069</u>
SJ to P	\$0.0032	20.980%	\$0.0007
P to P	\$0.0030	76.293%	\$0.0023
A to P	\$0.0088	2.181%	\$0.0002
CA to P	\$0.0169	0.546%	\$0.0001
			<u>\$0.0033</u>
SJ to SJ	\$0.0030	20.980%	\$0.0006
P to SJ	\$0.0194	76.293%	\$0.0148
A to SJ	\$0.0302	2.181%	\$0.0007
CA to SJ	\$0.0169	0.546%	\$0.0001
			<u>\$0.0162</u>
SJ to TX	\$0.0032	20.980%	\$0.0007
P to TX	\$0.0079	76.293%	\$0.0060
A to TX	\$0.0088	2.181%	\$0.0002
CA to TX	\$0.0169	0.546%	\$0.0001
			<u>\$0.0070</u>
SJ to NM	\$0.0189	20.980%	\$0.0040
P to NM	\$0.0194	76.293%	\$0.0148
A to NM	\$0.0302	2.181%	\$0.0007
CA to NM	\$0.0169	0.546%	\$0.0001
			<u>\$0.0196</u>
SJ to AZ	\$0.0243	20.980%	\$0.0051
P to AZ	\$0.0284	76.293%	\$0.0217
A to AZ	\$0.0380	2.181%	\$0.0008
CA to AZ	\$0.0169	0.546%	\$0.0001
			<u>\$0.0277</u>

El Paso Natural Gas Company, L.L.C.
Calculation of Percentage Weighting for
2021 System Average Usage Rates

Percents from Each Receipt Area			
Receipt Area	Oct-19	to	Sep-20
Receipt Area	Volume (Mmbtu)		Percent
San Juan	S	477,001,308	20.980%
Permian	P	1,734,632,991	76.293%
Anadarko	A	49,599,499	2.181%
California	CA	12,414,155	0.546%
Total from Basins		2,273,647,953	100.00%

See Section 37.3(c) of the GT&C of EPNG's tariff for a description of the calculation requirements.

El Paso Natural Gas Company, L.L.C.

Docket No. RP21-__

Appendix D

Derivation of Escalator

El Paso Natural Gas Company, L.L.C.
Derivation of Escalator
GDP-IPD

Line No.	Description (a)	2nd Qtr 2019 (b)	2nd Qtr 2020 (c)	Percentage Increase/(Decrease) (d) [(c - b) / b]
1	Implicit Price Deflator	112.141	112.817	0.6028%
2				
3				
4				
5				
6				
7	Minimum Inflation Percent			1.0%
8	Maximum Inflation Percent			4.5%
9				
10	2019-2020 GDP-IPD Escalation Factor			0.6028%
11	Applicable Percent of GDP-IPD			93.0%
12	Adjusted Inflation Percent			0.5606%

Table 1.1.9. Implicit Price Deflators for Gross Domestic Product

[Index numbers, 2012=100] Seasonally adjusted

Bureau of Economic Analysis

Last Revised on: October 29, 2020 - Next Release Date November 25, 2020

Line		2018				2019				2020		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1	Gross domestic product	109.237	110.176	110.614	111.14	111.424	112.141	112.531	112.95	113.415	112.817	113.849
2	Personal consumption expenditures	107.481	108.077	108.498	108.885	109.039	109.722	110.104	110.525	110.878	110.431	111.438
3	Goods	95.232	95.42	95.318	95.009	94.571	94.984	94.765	94.816	94.598	93.246	94.512
4	Durable goods	87.958	87.694	87.375	87.102	86.971	86.756	86.372	85.784	85.415	84.736	86.483
5	Nondurable goods	99.048	99.494	99.519	99.191	98.577	99.356	99.236	99.669	99.54	97.805	98.765
6	Services	113.828	114.645	115.35	116.12	116.6	117.431	118.15	118.777	119.452	119.556	120.379
7	Gross private domestic investment	106.359	107.43	107.505	107.991	108.373	109.03	109.115	109.355	110.255	109.784	110.716
8	Fixed investment	107.183	107.843	108.33	108.622	109.277	109.766	110.048	110.098	110.446	110.678	111.317
9	Nonresidential	102.438	102.75	103.069	103.254	103.884	104.341	104.457	104.343	104.59	104.801	104.849
10	Structures	113.406	114.071	114.644	116.194	117.328	118.609	119.232	119.662	120.118	119.797	120.024
11	Equipment	97.485	97.497	97.882	97.866	98.079	97.991	97.757	97.721	97.887	97.878	97.744
12	Intellectual property products	102.055	102.55	102.615	102.26	103.147	103.846	104.126	103.603	103.836	104.583	104.767
13	Residential	128.045	130.224	131.455	132.228	132.984	133.609	134.65	135.452	136.24	136.567	139.73
14	Change in private inventories	---	---	---	---	---	---	---	---	---	---	---
15	Net exports of goods and services	---	---	---	---	---	---	---	---	---	---	---
16	Exports	98.199	99.417	99.721	99.398	98.557	99.337	98.764	98.351	97.74	92.775	95.624
17	Goods	92.29	93.646	93.86	93.203	92.002	92.547	91.565	91.177	90.113	84.259	87.339
18	Services	111.464	112.354	112.867	113.319	113.326	114.646	115.015	114.544	115.014	112.199	114.406
19	Imports	91.461	91.524	91.859	91.419	90.519	90.713	89.97	89.65	89.337	86.341	88.221
20	Goods	88.207	88.158	88.459	87.91	86.822	86.981	86.082	85.67	85.336	82.104	84.096
21	Services	108.519	109.202	109.73	109.892	110.029	110.402	110.499	110.666	110.469	108.996	110.013
22	Government consumption expenditures and gross investment	109.897	110.929	111.817	112.588	112.927	113.253	113.544	114.019	114.524	113.969	114.834
23	Federal	107.954	108.754	109.405	110.212	111.478	110.762	110.924	111.285	111.209	110.905	111.338
24	National defense	106.409	107.21	107.862	108.383	108.814	109.112	109.341	109.738	109.697	109.011	109.533
25	Nondefense	110.383	111.182	111.832	113.079	115.655	113.349	113.409	113.712	113.582	113.855	114.155
26	State and local	111.188	112.363	113.397	114.146	113.911	114.887	115.259	115.808	116.685	115.965	117.119
27	Addendum: Gross national product	109.206	110.141	110.58	111.104	111.388	112.102	112.492	112.911	113.375	112.779	---