



June 30, 2022

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. RP22-

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 5.0	Statement of Negotiated Rates	Version 39.0.0
Part II	Section 5.37	PDC Permian, Inc. #617645-FT1EPNG	Version 0.0.0
Part II	Section 5.38	Targa Gas Marketing #617744-FT1EPNG	Version 0.0.0

Proposed with an effective date of July 1, 2022, these tariff records update EPNG's Statement of Negotiated Rates in its Tariff to reflect two new negotiated rate transportation service agreements ("TSA") executed with PDC Permian, Inc. ("PDC Permian") and Targa Gas Marketing LLC ("Targa") separately. EPNG respectfully requests a waiver of the 30-day notice requirement to permit the tariff records to become effective on the proposed date of July 1, 2022, 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 as to the form of the rate and/or from the minimum-to-maximum range provided on the Statement of Rates. Recently, Targa was awarded firm transportation capacity from an open season for capacity available beginning July 1, 2022. Consistent with the terms of the open season and Targa's bid, the capacity was awarded at a fixed negotiated reservation rate of \$2.4333 per dekatherms ("Dth") per month for service under Rate Schedule FT-1. Targa's Agreement No. 617744-FT1EPNG reflects a term of July 1, 2022 through March 31, 2025 and a varying transportation contract demand ("TCD") of up to 28,615 dekatherms ("Dth") per day.

Separately, EPNG and PDC Permian entered into negotiations regarding a new TSA for firm capacity to begin July 1, 2022 and continue through June 30, 2025.<sup>1</sup> Those negotiations resulted in the execution of a TSA that includes negotiated reservation rates for a TCD of 65,898 Dth per day. The PDC Permian TSA reflects three negotiated reservation rates applicable to certain receipt and delivery point combinations.

- For primary-to-primary transactions, a fixed monthly negotiated reservation rate of \$2.4333 per Dth will apply. Similarly, any other receipt and delivery point combinations in which both the receipt and delivery points are Permian Basin locations also will be assessed the same monthly negotiated reservation rate.
- The use of any receipt point (except those requiring incremental rates or third party charges) delivering to the DPG&ETOP location will be subject to a formulaic negotiated reservation rate of the greater of: 1) 90% of the difference between the daily Natural Gas Intelligence (“NGI”) SoCal Border – DPG&ETOP Index and the daily NGI El Paso – Waha Pool Index as calculated on the gas day that charges are incurred; or 2) the otherwise applicable maximum daily reservation rate plus an incremental \$0.1000 per Dth per day.
- The use of any receipt and delivery point combinations not already addressed in the TSA will be subject to a formulaic negotiated reservation rate of the greater of: 1) 90% of the difference between the daily NGI SoCal Border - Ehrenberg Index and the daily NGI El Paso – Waha Pool Index as calculated on the gas day that charges are incurred; or 2) the otherwise applicable maximum daily recourse rate plus an incremental \$0.1000 per Dth per day.

When implementing a negotiated rate TSA, the Commission’s policy requires pipelines to file either the TSA or a Statement of Rates tariff record identifying the transaction.<sup>2</sup> In accordance with this policy, EPNG is submitting tariff records to reflect the negotiated rates and certain contractual terms.

### **Description of Filing**

EPNG is submitting the following tariff records pursuant to 18 C.F.R. § 154.112(b) (2021) and Subpart C of Part 154 of the Commission’s regulations.<sup>3</sup>

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<sup>1</sup> This agreement was transacted pursuant to EPNG’s capacity sales timeline as outlined in Section 4.2(a) of the General Terms and Conditions of EPNG’s Tariff.

<sup>2</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>3</sup> 18 C.F.R. §§ 154.201 – 154.210 (2021) (Subpart C).

The index page for Negotiated Rate Agreements found on Part II, Section 5.0 is updated to list the new PDC Permian and Targa TSAs.

Part II, Sections 5.37 and 5.38 reflect the negotiated rates and terms applicable to the PDC Permian TSA and Targa TSA, respectively. Specifically, the proposed tariff records each includes the legal name of the shipper, the negotiated rates, the receipt and delivery points, the transportation contract demand, the applicable Rate Schedule for the service, and the contract term. Additionally, consistent with the Commission's policy, EPNG has included a statement on the proposed tariff records to note that the underlying agreement conforms in all material respects with EPNG's Rate Schedule FT-1 pro forma service agreement.

### **Procedural Matters**

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 the tariff records in PDF format.

EPNG respectfully requests the Commission accept the tendered tariff records for filing and permit them to become effective on July 1, 2022, 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 (2021) of the Commission's regulations.<sup>5</sup> With respect to any tariff record the Commission allows to go into effect without change, EPNG hereby moves to place the tendered tariff record in to effect at the end of a minimal suspension period, if any, established by the Commission.

Correspondence and communications concerning this filing should be directed to:

Mr. Francisco Tarin  
Director, Regulatory  
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 R. Cain  
Assistant General Counsel  
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Colorado Springs, CO 80944-1087  
Telephone: (719) 520-4534  
David\_Cain@kindermorgan.com

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<sup>4</sup> 18 C.F.R. §§ 154.101 – 154.603 (2021).

<sup>5</sup> See, e.g., *Gulfstream Natural Gas System, L.L.C.*, 105 FERC ¶ 61,164, at P 11 (2003).

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 (2021)).

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

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 30<sup>th</sup> day of June, 2022.

/s/

Francisco Tarin

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

## **Clean Tariff Sections**

**Statement of Negotiated Rates**

Section 5.1	Pacific Gas & Electric Co. (Core Gas Supply) #614437-FT1EPNG
Section 5.2	Devon Gas Services, L.P. #FT3HF000
Section 5.3	Mexicana de Cobre, S.A. de C.V. #FT3HK000
Section 5.4	Salt Creek Midstream, LLC #FT3JN000-FT1EPNG
Section 5.5	Southwestern Public Service Company #610337-FH8EPNG
Section 5.6	Arizona Public Service Company #610506-FH8EPNG
Section 5.7	EOG Resources, Inc. #FT3HT000-FT1EPNG
Section 5.8	GIGO Transport, Inc. #612658-FT1EPNG
Section 5.9	EOG Resources, Inc. #FT3JZ000-FT1EPNG
Section 5.10	Southwestern Public Service Company #611653-FH8EPNG
Section 5.11	CFE International LLC #615955-FT1EPNG
Section 5.12	ConocoPhillips Company #615904-FT1EPNG
Section 5.13	EOG Resources, Inc. #610720-FT1EPNG
Section 5.14	Marathon Petroleum Company LP #610724-FT1EPNG
Section 5.15	Luminant Energy Company LLC #612237-FT1EPNG
Section 5.16	Sempra Gas & Power Marketing, LLC #615003-FT1EPNG
Section 5.17	United Dairymen of Arizona #612441-FT1EPNG
Section 5.18	Sempra Gas & Power Marketing, LLC #615905-FT1EPNG
Section 5.19	Upstream Energy Services LLC #615017-FT1EPNG
Section 5.20	Sempra Gas & Power Marketing, LLC #615006-FT1EPNG
Section 5.21	Ameredev Operating, LLC #616464-FT1EPNG
Section 5.22	EOG Resources, Inc. #616670-FT1EPNG
Section 5.23	CIMA ENERGY, LP #616379-FT1EPNG
Section 5.24	Eco Energy Natural Gas, LLC #615797-FT1EPNG
Section 5.25	Red Willow Production Company #FT3HM000-FT1EPNG
Section 5.26	Shell Energy North America (US), L.P. #615861-FT1EPNG
Section 5.27	Devon Gas Services, L.P. #615734-FT1EPNG
Section 5.28	Direct Energy Business Marketing, LLC #615903-FT1EPNG
Section 5.29	Hartree Partners, LP #615843-FT1EPNG
Section 5.30	ETC Marketing, LTD. #617007-FT1EPNG
Section 5.31	Calpine Energy Services #617113-FT1EPNG
Section 5.32	EDF Trading North America, LLC #612616-FT1EPNG
Section 5.33	Hartree Partners, LP #610670-FT1EPNG
Section 5.34	Targa Gas Marketing LLC #617369-FT1EPNG
Section 5.35	JM & RAL Energy Inc. #617476-FT1EPNG
Section 5.36	Eco-Energy Natural Gas, LLC #617531-FT1EPNG
Section 5.37	PDC Permian, Inc. #617645-FT1EPNG
Section 5.38	Targa Gas Marketing LLC #617744-FT1EPNG

Statement of Negotiated Rates  
 (Rates per Dth/day)

Rate Schedule FT-1 Shipper Identification	Term of Service	TCD (Dth/d)	Reservation Rate 1/	Usage Rate	Primary Receipt Point(s)	Primary Delivery Point(s)
PDC Permian, Inc. #617645-FT1EPNG 4/	7/1/2022 – 6/30/2025	50,000	1a/	1/	800907 ICELERO	54316 DPHPWAHA
		15,898	1a/	1/	800907 ICELERO	302407 WAHATRAN
					Primary and Alternate Receipt Point(s)	Primary and Alternate Delivery Point(s)
			1a/	1/	Any Receipt and Delivery Point combinations in which the Receipt Point and Delivery Point are both Permian Basin locations, except for the combination of the Primary Receipt Point and Primary Delivery Points for which the rate is specified above in this Exhibit B.	
			1b/	1/	All Receipt Points except those requiring incremental rates (e.g., Willcox Lateral Receipt Points) or Third Party Charges pursuant to GT&C Section 4.9 of Transporter's Tariff	314604 DPG&ETOP
			1c/	1/	Any Receipt and Delivery Point combinations not listed either in Exhibit A or above in this Exhibit B.	

- 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 \$2.4333 per Dekatherm per Month which shall not be subject to the applicable maximum or minimum reservation rate as set forth in Transporter's Tariff and which shall be payable regardless of quantities transported.
- 1b/ As provided in Section 4.18 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) of the greater of: 1) 90% of the difference between the daily NGI SoCal Border – DPG&ETOP Index and the daily NGI El Paso – Waha Pool Index as calculated on the Gas Day that charges are incurred; or 2) the otherwise applicable maximum daily reservation rate plus an incremental \$0.1000 per Dekatherm per Day.
- 1c/ As provided in Section 4.18 of the GT&C of Transporter's Tariff, the parties agree to the following negotiated rate(s) of the greater of: 1) 90% of the difference between the daily NGI SoCal Border - Ehrenberg Index and the daily NGI El Paso – Waha Pool Index as calculated on the Gas Day that charges are incurred; or 2) the otherwise applicable maximum daily reservation rate plus an incremental \$0.1000 per Dekatherm per Day.
- 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 Service	TCD (Dth/d)	Reservation Rate 1/	Usage Rate	Primary Receipt Point(s)	Primary Delivery Point(s)	
Targa Gas Marketing LLC #617744-FT1EPNG 4/	7/1/2022 – 12/31/2022	July	6,091	1a/	1/	377004 IWARWADD	302136 KEYTRAN
		August	2,437				
		September	3,114				
		October	20,796				
		November	28,615				
		December	11,841				
	1/1/2023 – 3/31/2025	January	8,777	1a/	1/	47817 IEDWRDPL 377004IWARWADD	302136 KEYTRAN
		February	27,469				
		March	26,144				
		April	20,796				
		May	3,114				
		June	6,073				
		July	6,091				
		August	2,437				
		September	3,114				
		October	20,796				
		November	28,615				
		December	11,841				

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## **Marked Tariff Sections**

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Section 5.6	Arizona Public Service Company #610506-FH8EPNG
Section 5.7	EOG Resources, Inc. #FT3HT000-FT1EPNG
Section 5.8	GIGO Transport, Inc. #612658-FT1EPNG
Section 5.9	EOG Resources, Inc. #FT3JZ000-FT1EPNG
Section 5.10	Southwestern Public Service Company #611653-FH8EPNG
Section 5.11	CFE International LLC #615955-FT1EPNG
Section 5.12	ConocoPhillips Company #615904-FT1EPNG
Section 5.13	EOG Resources, Inc. #610720-FT1EPNG
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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>Service</u>	<u>(Dth/d)</u>	<u>Rate 1/</u>	<u>Rate</u>	<u>Point(s)</u>	<u>Point(s)</u>
PDC Permian, Inc.	7/1/2022 – 6/30/2025	50,000	1a/	1/	800907 ICELERO	54316 DPHPWAHA
#617645-FT1EPNG 4/		15,898	1a/	1/	800907 ICELERO	302407 WAHATRAN
					<u>Primary and Alternate</u>	<u>Primary and Alternate</u>
					<u>Receipt Point(s)</u>	<u>Delivery Point(s)</u>
			1a/	1/	<u>Any Receipt and Delivery Point combinations in which the Receipt Point and Delivery Point are both Permian Basin locations, except for the combination of the Primary Receipt Point and Primary Delivery Points for which the rate is specified above in this Exhibit B.</u>	
			1b/	1/	<u>All Receipt Points except those requiring incremental rates (e.g., Willcox Lateral Receipt Points) or Third Party Charges pursuant to GT&amp;C Section 4.9 of Transporter’s Tariff</u> 314604 DPG&ETOP	
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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 \$2.4333 per Dekatherm per Month which shall not be subject to the applicable maximum or minimum reservation rate as set forth in Transporter’s Tariff and which shall be payable regardless of quantities transported.

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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.

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