



February 28, 2022

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

Attention: Ms. Kimberly D. Bose, Secretary

Re: Negotiated Rate Agreement Update;
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 tariff record listed below for inclusion in its Third Revised Volume No. 1A FERC Gas Tariff ("Tariff"):

Part II Section 5.27 Devon Gas Services #615734-FT1EPNG Version 1.0.0

Proposed with an effective date of March 1, 2022, these tariff records update EPNG's Statement of Negotiated Rates in its Tariff to reflect a recent amendment to an existing negotiated rate transportation service agreement ("TSA") executed by EPNG and Devon Gas Services, L.P. ("Devon"). EPNG respectfully requests a waiver of the 30-day notice requirement to effectuate the March 1, 2022 effective date, as discussed below.

Reason for Filing

On December 27, 2021, EPNG submitted a filing that included Agreement No. 615734-FT1EPNG executed with Devon ("December Filing"). This TSA contained negotiated reservation rates,¹ a transportation contract demand ("TCD") of 25,000 dekatherms per day, and several alternate receipt and delivery point combinations that would be subject to the applicable negotiated reservation

¹ The Devon TSA specified two negotiated reservation rates. For primary-to-primary transactions, a monthly negotiated reservation rate of \$1.9771 per Dth applies. The use of certain alternate point combinations is 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 - 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.

rate. The Commission issued an order accepting the December Filing on January 18, 2022.²

Recently, EPNG and Devon entered into negotiations regarding Agreement No. 615734-FT1EPNG. Those negotiations resulted in the execution of an amendment to the TSA to reflect an increase in the TCD to 45,000 dekatherms per day, an extension of more than one year, and the inclusion of a contractual right-of-first-refusal (“Amendment”). The underlying negotiated reservation rates as well as the primary locations reflected in the December Filing remain unchanged.³ Additionally, the Amendment remains consistent with the December Filing by continuing to include the same alternate receipt and delivery point combinations subject to the same negotiated reservation rate.

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.⁴ In accordance with this policy, EPNG is submitting a tariff record to reflect the updated terms of the Amendment.

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.⁵

Part II, Section 5.27 reflects the negotiated rates and updated terms applicable to the Amendment. Specifically, the proposed tariff record continues to include the legal name of the shipper, the negotiated rate(s), 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 record to note that the underlying agreement conforms in all material respects with EPNG’s Rate Schedule FT-1 pro forma service agreement.

² *El Paso Natural Gas Co.*, Docket No. RP22-436-000 (Jan. 18, 2022) (unpublished letter order).

³ As shown on the attached tariff record, the note identifying the negotiated reservation rate of \$1.9771 per Dth per month includes clarifying language that the negotiated rate will not be subject to the applicable maximum or minimum reservation rate shown in EPNG’s Tariff. This clarification is consistent with the intent of the parties as well as the applicable form of service agreement for Rate Schedule FT-1.

⁴ 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).

⁵ 18 C.F.R. §§ 154.201 – 154.210 (2021) (Subpart C).

Procedural Matters

In accordance with the applicable provisions of Part 154 of the Commission's regulations,⁶ 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 record for filing and permit it to become effective on March 1, 2022, consistent with the effective date of the Amendment. As such, EPNG requests the Commission grant a waiver of the notice requirements as permitted by 18 C.F.R. § 154.207 (2021) of the Commission's regulations.⁷ 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 Affairs
El Paso Natural Gas Company, L.L.C.
Post Office Box 1087
Colorado Springs, CO 80944-1087
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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)).

⁶ 18 C.F.R. §§ 154.101 – 154.603 (2021).

⁷ See, e.g., *Gulfstream Natural Gas System, L.L.C.*, 105 FERC ¶ 61,164, at P 11 (2003).

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 28th day of February, 2022.

/s/

Francisco Tarin

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

Clean Tariff Section

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)
Devon Gas Services, L.P. #615734-FT1EPNG	3/1/22 – 2/29/24	45,000	1a/	1/	48151 IFOXHILL	302250 PLNSTRAN
					Alternate Receipt Point(s)	Alternate Delivery Point(s)
			1/	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 Point as specified in Exhibit A.	
			1b/	1/	Any Receipt and Delivery Point combinations in which the Receipt Point, the Delivery Point, or both are not Permian Basin locations.	

- 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 \$1.9771 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 – 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.

Marked Tariff Section

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)
Devon Gas Services, L.P. #615734-FT1EPNG	32/1/22 – 2/29/24 302250 PLNSTRAN		425,000	1a/	1/	48151 IFOXHILL

Alternate Receipt
Point(s)

Alternate Delivery
Point(s)

1/ 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 Point as specified in Exhibit A.

1b/ 1/ Any Receipt and Delivery Point combinations in which the Receipt Point, the Delivery Point, or both are not Permian Basin locations.

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 \$1.9771 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 – 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.