



July 1, 2024

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

Attention: Ms. Debbie-Anne A. Reese, Acting Secretary

Re: Negotiated Rate Agreement Filing;
El Paso Natural Gas Company, L.L.C.;
Docket No. RP24-

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 records listed below for inclusion in its FERC Gas Tariff, Third Revised Volume No. 1A ("Tariff"):

Part II	Section 5.0	Statement of Negotiated Rates (index)	Version 54.0.0
Part II	Section 5.37	Chevron U.S.A. Inc. #620689-FT1EPNG	Version 1.0.0

Proposed with an effective date of July 1, 2024, these tariff records update EPNG's FERC Gas Tariff, Third Revised Volume No. 1A ("Tariff") to reflect a permanent capacity release from a negotiated rate transportation service agreement ("TSA") with PDC Permian, Inc. ("PDC") to Chevron U.S.A. Inc. ("Chevron"). EPNG respectfully requests a waiver of the 30-day notice requirement to effectuate the July 1, 2024 effective date, as discussed below.

Background

On June 30, 2022, EPNG filed a tariff record representing a TSA executed with PDC (i.e., Agreement No. 617645-FT1EPNG) for the Commission's review and acceptance ("PDC Filing"). The PDC TSA included a term of July 1, 2022 through June 30, 2025 and a transportation contract demand of 65,898 dekatherms per day. Additionally, the TSA was subject to three negotiated reservation rates applicable to certain receipt and delivery point combinations. The Commission issued an order accepting the PDC Filing on July 20, 2022.¹

¹ *El Paso Natural Gas Co.*, Docket No. RP22-1007-000 (July 20, 2022) (unpublished letter order).

Reason for Filing

On May 1, 2024, PDC and Chevron filed a joint petition in Docket No. RP24-753-000 requesting the Commission grant a temporary and limited waiver of certain capacity release regulations and policies as well as the relevant capacity release tariff provisions found in EPNG's Tariff ("Joint Petition"). This Joint Petition was proposed to facilitate the assignment and permanent release of capacity under a firm TSA between PDC and EPNG to Chevron. The Commission issued an order granting the waivers requested by the Joint Petition on June 10, 2024.²

Following the Commission's order, PDC permanently released the capacity on its TSA to Chevron. Subsequently, EPNG and Chevron executed a new non-conforming TSA (i.e., Agreement No. 620689-FT1EPNG) for a term corresponding to the remainder of the term for the PDC TSA and that included the same underlying negotiated reservation rates applicable to the PDC TSA. Therefore, in accordance with Section 154.112(b) of the Commission's regulations³ and the Commission's policy statement regarding negotiated rates,⁴ EPNG is submitting the Chevron TSA for the Commission's review and acceptance.

Description of the Agreement

Negotiated Rate

Section 4.18 of the GT&C of EPNG's Tariff allows EPNG and a shipper to agree to a transportation rate that varies from the minimum-to-maximum range provided on the Tariff's Statement of Rates. The Chevron TSA includes negotiated reservation rates that are not subject to the maximum or minimum tariff rates, consistent with the Joint Petition. Consequently, the Chevron TSA reflects three negotiated reservation rates, as described below.

- 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

² *PDC Permian, Inc.*, 187 FERC ¶ 61,151 (2024).

³ 18 C.F.R. § 154.112(b) (2023).

⁴ *Statement of Policy on Alternatives to Traditional Cost-of-Service Ratemaking for Natural Gas Pipelines and Regulation of Negotiated Transportation Services of Natural Gas Pipelines*, 74 FERC ¶ 61,076 (1996); *Natural Gas Pipeline Negotiated Rate Policies and Practices*, 104 FERC ¶ 61,134 (2003) ("Policy Statement").

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.

Description of Filing

EPNG is submitting the following tariff records pursuant to 18 C.F.R. § 154.112(b) (2023) and Subpart C of Part 154 of the Commission's regulations.⁵

Part II, Section 5.0 is updated to include a reference to the new Chevron TSA, Agreement No. 620689-FT1EPNG, on the list of negotiated rate TSAs found in EPNG's Tariff. The reference to the PDC TSA is removed from the list.

Part II, Section 5.37 is updated to reflect the new Chevron TSA and to remove the PDC TSA from the Tariff.

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 each tariff record in PDF format.

EPNG respectfully requests the Commission accept the tendered tariff records for filing and permit them to become effective July 1, 2024, consistent with the effective date of Chevron TSA. As such, EPNG respectfully requests the Commission grant a waiver of the notice requirements as permitted by 18 C.F.R. § 154.207 (2023) of the Commission's regulations.⁷ With respect to any tariff records the Commission allows to go into effect without change, EPNG hereby moves to place the tendered tariff records into effect at the end of any minimal suspension period.

⁵ See 18 C.F.R. §§ 154.201 - 154.210 (2023) (Subpart C).

⁶ See 18 C.F.R. §§ 154.1 – 154.603 (2023).

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

Correspondence and communications concerning this filing should be directed to:

Ms. Shelly L. Busby
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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 (2023)).

The undersigned hereby certifies that she 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 her knowledge and belief; and (iii) that she possesses full power and authority to sign this filing.

Respectfully submitted,

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

By _____ /s/
Shelly L. Busby
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 1st day of July 2024.

/s/
Shelly L. Busby

Post Office Box 1087
Colorado Springs, CO 80944-1087
(719) 520-4657

Clean Tariff Section(s)

Statement of Negotiated Rates

Section 5.1	BP Energy Company #619601-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	Citadel Energy Marketing LLC #619629-FT1EPNG
Section 5.6	Tenaska Marketing Ventures #618375-FT1EPNG
Section 5.7	EOG Resources, Inc. #FT3HT000-FT1EPNG
Section 5.8	GIGO Transport, Inc. #612658-FT1EPNG
Section 5.9	Reserved
Section 5.10	Reserved
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	Reserved
Section 5.20	Sempra Gas & Power Marketing, LLC #615006-FT1EPNG
Section 5.21	Amerdev 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	Reserved
Section 5.28	NRG 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	Dezato Gas Inc. #617476-FT1EPNG
Section 5.36	Eco-Energy Natural Gas, LLC #617531-FT1EPNG
Section 5.37	Chevron U.S.A. Inc. #620689-FT1EPNG
Section 5.38	Targa Gas Marketing LLC #617744-FT1EPNG
Section 5.39	Devon Gas Services, L.P. #616483-FT1EPNG
Section 5.40	Hartree Partners, LP #614700-FT1EPNG
Section 5.41	Reserved

Section 5.42	Reserved
Section 5.43	Eco-Energy Natural Gas, LLC #617940-FT1EPNG
Section 5.44	Eco-Energy Natural Gas, LLC #612617-FT1EPNG
Section 5.45	Morgan Stanley Capital Group Inc. #612615-FT1EPNG
Section 5.46	ETC Marketing, Ltd. #617944-FT1EPNG
Section 5.47	Reserved
Section 5.48	Reserved
Section 5.49	Sempra Gas & Power Marketing, LLC #618975-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)
Chevron U.S.A. Inc. #620689-FT1EPNG 4/	7/1/2024 – 6/30/2025	50,000	1a/	1/	800907 ICELERO	54316 DPHPWAHA
		15,898	1a/	1/	800907 ICELERO	302407 WAHATRAN
					<u>Primary and Alternate Receipt Point(s)</u>	<u>Primary and Alternate Delivery Point(s)</u>
			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.

Marked Tariff Section(s)

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#620689617645 -FT1EPNG 4/		15,898	1a/	1/	800907 ICELERO	302407 WAHATRAN
					<u>Primary and Alternate Receipt Point(s)</u>	<u>Primary and Alternate Delivery Point(s)</u>
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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.