

July 29, 2021

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

Attention: Ms. Kimberly Bose, Secretary

Re: Quarterly FL&U Filing,
Sierrita Gas Pipeline LLC;
Docket No. RP21-

Commissioners:

Sierrita Gas Pipeline LLC ("Sierrita") tenders for filing and acceptance by the Federal Energy Regulatory Commission ("Commission") the revised tariff record for Part II – Section 2 – Version 8.0.0 of its FERC Gas Tariff, Original Volume No. 1 ("Tariff").

Pursuant to the procedures set forth in Section 13 of the General Terms and Conditions ("GT&C") of Sierrita's Tariff, the tariff record is submitted to reflect updated fuel and lost and unaccounted-for gas ("FL&U") reimbursement percentages to become effective September 1, 2021.

Reason For Filing

Section 13 of the GT&C of Sierrita's Tariff states that the FL&U reimbursement percentages shall be updated at least every three months. Sierrita previously filed its quarterly FL&U report on April 29, 2021 and those FL&U reimbursement percentages were made effective on June 1, 2021 by the Commission.¹ Thus, as just noted, the subject filing updates the FL&U reimbursement percentages proposed to be effective September 1, 2021.

Section 13.5 (a) of the GT&C explains that the data collection period shall be the three-month period ending two calendar months before the filing date of the FL&U filing ("Data Collection Period"). The Data Collection Period in this filing is the three-month period from March 1, 2021 through May 31, 2021.

¹ *Sierrita Gas Pipeline LLC*, Docket No. RP21-759-000 (May 18, 2021) (unpublished letter order).

Under Sections 13.6(a)(i) and (ii) of the GT&C, the Fuel Gas and L&U Reimbursement Percentages are comprised of two components: 1) the current period percentages (Projected Fuel Gas or L&U Reimbursement Percentages) based on the Fuel Gas or L&U projected by Sierrita that is required to support transportation service and throughput anticipated during the period of September 1, 2021 through November 30, 2021, and 2) the Fuel Gas or L&U True-up Reimbursement Percentages attributable to the over- or under-recovery of quantities during the Data Collection Period. The calculations of the Total FL&U Reimbursement Percentages are detailed in Appendix A, Schedules 1 and 2.

Description of Filing

Pursuant to Subpart C of Part 154 of the Commission's regulations² and Sierrita's Tariff, this filing proposes to increase its Total Fuel Gas Reimbursement Percentage from 0.00% to 1.15% and to maintain its Total L&U Reimbursement Percentage of 0.00%.³

Part II: Stmt. Of Rates, Section 2 has been revised to reflect the new Current Period and True-up components along with the resulting new Total Fuel Gas Percentage and Total L&U Percentage with a proposed effective date of September 1, 2021.

Current Period and True-up FL&U Reimbursement Percentages

Current Period Fuel Gas Reimbursement Percentage

During the months the Projected ("Current Period") Fuel Gas Reimbursement Percentage will be in effect, September 2021 through November 2021, Sierrita anticipates throughput to average 70,000 Dth per day which is a significant decrease from previous filings.⁴ To meet its contractual pressure commitments, Sierrita is forecasting average fuel burn of 1,963 Dth per day which is a slight decrease from the prior filing. Based on the anticipated throughput and forecasted fuel burn, the Current Period Fuel Reimbursement Percentage will increase from 1.19% to 2.80%.⁵

² 18 C.F.R. §§ 154.201 – 154.210 (2020).

³ See Appendix A, Schedules 1 and 2.

⁴ This decrease in forecasted average daily throughput is due to the anticipated use of an alternative pipeline instead of Sierrita to flow significant quantities of gas to ultimate end users of gas in Mexico.

⁵ See Appendix A, Schedule 1, line 13, column (b).

Fuel Gas True-up Reimbursement Percentage

The Fuel Gas True-up Reimbursement Percentage is computed in Appendix A, Schedule 1 using the Data Collection Period of March 1, 2021 through May 31, 2021 as described earlier.⁶

During the Data Collection Period, Sierrita over-collected Fuel Gas quantities of 7,040 Dth⁷ and also under-collected Fuel Gas quantities of 1,809 Dth that were expected to be trued-up from previous filings.⁸ The total over-collected Fuel equals 5,231 Dth⁹. In addition, and, as discussed below, Sierrita over-collected L&U quantities of 7,667 Dth. As required by Section 13.4 of the GT&C in Sierrita's Tariff, neither the Fuel nor L&U Reimbursement Percentage shall be less than zero. Therefore, Sierrita is netting the over-collection of 7,667 Dth of L&U against Fuel. Further, in Docket No. RP21-759-000, Sierrita deferred 91,981 Dth of over-collected fuel to this filing.¹⁰ Based on the anticipated throughput discussed earlier, Sierrita proposes to return the trued-up amount, the deferred amount and the over-collected L&U (a total of 104,880 Dth) to its shippers through a Fuel Gas True-up Reimbursement Percentage of negative 1.65%.¹¹ The sum of the Current and True-up Fuel Gas Reimbursement Percentages results in a Total Fuel Gas Reimbursement Percentage of 1.15% for the period these percentages are to be in effect.

Current Period L&U Reimbursement Percentage

Sierrita has experienced gains of L&U quantities for many of the past twelve months. Considering the recent experience over the past year and Sierrita's tariff that prohibits an L&U Reimbursement Percentage less than zero percent,¹² Sierrita is forecasting its Current Period L&U Reimbursement Percentage during the period of September 2021 through November 2021 to be 0.00%.

L&U True-up Reimbursement Percentage

The L&U True-up Reimbursement Percentage is computed in Appendix A, Schedule 2 using the Data Collection Period from March 1, 2021 through May 31, 2021. As demonstrated on Schedule 2, Sierrita over-collected L&U quantities of

⁶ See Section 13.5 (a) of the GT&C.

⁷ See Appendix A, Schedule 1, line 3.

⁸ See Appendix A, Schedule 1, line 6.

⁹ See Appendix A, Schedule 1, line 7.

¹⁰ See Docket No. RP21-759-000, Appendix A, Schedule 1, line 8.

¹¹ See Appendix A, Schedule 1, line 14.

¹² GT&C Section 13.4 – Neither the Fuel Gas Reimbursement Percentage nor the L&U Reimbursement Percentage shall be less than zero. See Appendix A, Schedule 2, line 11, column (b).

6,138 Dth¹³ during the Data Collection Period. Furthermore, Sierrita deferred over-collected L&U quantities of 1,529 Dth in its previous filing in Docket No. RP21-759-000.¹⁴ After adding these deferred quantities with the over-collection of L&U quantities during the Data Collection Period in the instant filing, Sierrita has a total over-collection of 7,667 Dth in L&U quantities. As required by Section 13.4 of the GT&C in Sierrita's Tariff, neither the Fuel nor L&U Reimbursement Percentage shall be less than zero. Therefore, Sierrita is netting the total over-collected L&U of 7,667 Dth against under-collected Fuel quantities as described earlier. After netting these quantities, the resulting L&U True-up Reimbursement Percentage is 0.00%.¹⁵

Adding the Current and True-up L&U Reimbursement Percentages sums to a Total L&U Reimbursement Percentage of 0.00% for the period these percentages are in effect.

18 C.F.R. § 154.204 Discussion

Pursuant to 18 C.F.R. § 154.204 (2020) of the Commission's regulations, Sierrita states the following:

- a) Sierrita does not anticipate any increase in revenues as a result of this filing.
- b) Sierrita is not aware of any other filings pending before the Commission that may significantly affect this filing.

Procedural Matters

In accordance with the applicable provisions of Part 154 of the Commission's regulations¹⁶ Sierrita is submitting an eTariff filing XML package, which includes the following:

- a) a transmittal letter;
- b) workpapers under Appendices A-C in PDF format; describing the FL&U reimbursement percentages; and
- c) the clean and marked versions of each tariff record in PDF format.

Sierrita respectfully requests the Commission accept the tendered tariff records for filing and permit them to become effective on September 1, 2021. With respect to any tariff provisions the Commission allows to go into effect without

¹³ See Appendix A, Schedule 2, line 3.

¹⁴ See Docket No. RP21-759-000, Appendix A, Schedule 2, line 7.

¹⁵ See Appendix A, Schedule 2, lines 7, 9 & 12.

¹⁶ 18 C.F.R. §§ 154.101 – 154.603 (2020).

change, Sierrita hereby moves to place the tendered tariff provisions into effect at the end of any minimal suspension period specified by the Commission.

Correspondence and communications concerning this filing should be directed to:

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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.¹⁷

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,

Sierrita Gas Pipeline LLC

By: _____
/s/
M. Catherine Rezendes
Director, Rates

Enclosures

¹⁷ 18 C.F.R. § 385.203 (2020).

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 Sierrita's system, and interested state regulatory commissions, in accordance with the requirements of Section 154.208 and 385.2010 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure.

Dated at Colorado Springs, Colorado as of this 29th day of July 2021.

/s/

M. Catherine Rezendes

Post Office Box 1087
Colorado Springs, CO 80944
(719) 520-4743

**Sierrita Gas Pipeline, LLC
FL&U Filing
RP21- ____**

Appendix Table of Contents

Appendix A	FL&U Reimbursement Percentages
Appendix B	Physical Gas Balance
Appendix C	Fuel Use and Retained Quantities

**Sierrita Gas Pipeline, LLC
FL&U Filing
RP21-____**

**Appendix A
FL&U Reimbursement Percentages**

Sierrita Gas Pipeline, LLC
Fuel Percentage Calculation
(Quantities in Dth unless otherwise noted)

Line No.	Description (a)	(b)
Fuel		
1	Fuel Burned (March 2021 - May 2021) 1/	175,485
2	Current Period Fuel Retained (March 2021 - May 2021) 2/	182,525
3	Current Period Fuel Deficiency/(Gain) [line 1 - line 2]	(7,040)
4	Quantity expected to be trued-up from previous filings	(45,887)
5	True-up fuel retained (March 2021 - May 2021)	(47,696)
6	True-up Deficiency/(Gain) [line 4 - line 5]	1,809
7	Total to be trued-up [line 3 + line 6]	(5,231)
8	Amount deferred from last filing 3/	(91,981)
9	L&U gain to be netted against fuel 4/	(7,667)
10	Amount to be trued up this filing (line 7 + line 8 + line 9)	(104,880)
11	Projected Fuel Requirement (September 2021 - November 2021) 5/	178,642
12	Projected System Receipts (September 2021 - November 2021) 6/	6,370,000
13	Current Period Fuel Reimbursement Percentage [line 11 / line 12]	2.80%
14	Fuel True-Up Reimbursement Percentage [line 10 / line 12]	-1.65%
15	Total Fuel Reimbursement Percentage [line 13 + line 14]	1.15%

Notes:

1/ See Appendix C, Schedule 1, Page 1, Column (b), Line 3.

2/ See Appendix C, Schedule 1, Page 1, Column (b), Line 6.

3/ See Appendix A, Schedule 1, Page 1, Line 8, Column (b) in Docket No. RP21-759-000

4/ As required by Section 13.4 of the GT&C in Sierrita's Tariff, neither the Fuel nor L&U Reimbursement Percentage shall be less than zero. Therefore, Sierrita is netting the over-collection of 7,667 Dth of L&U against Fuel.

5/ The projected fuel usage based on projected throughput and pressure requirements.

Sierrita Gas Pipeline, LLC
L&U Percentage Calculation
(Quantities in Dth unless otherwise noted)

Line No.	Description	(a)	(b)
	L&U		
1	L&U Experienced (March 2021 - May 2021) 1/		(6,138)
2	Current Period L&U Retained (March 2021 - May 2021) 2/		-
3	Current Period L&U Deficiency/(Gain) [line 1 - line 2]		(6,138)
4	Quantity deferred from previous filing		(1,529)
5	True-up L&U retained (March 2021 - May 2021)		-
6	True-up Deficiency/(Gain) [line 4 - line 5]		(1,529)
7	Over-collection of L&U deferred from last filing in Docket No. RP21-759-000 3/		(1,529)
8	Total to be trued-up [line 3 + line 6 + line 7]		(7,667)
9	Total to be netted against Fuel 4/		7,667
10	Total to be trued up		(0)
11	Projected L&U (September 2021 - November 2021) 5/		-
12	Projected System Receipts (September 2021 - November 2021) 6/		6,370,000
13	Current Period L&U Reimbursement Percentage [line 11 / line 12]		0.00%
14	L&U True-up Reimbursement Percentage [line 10 / line 12]		0.00%
15	Total L&U Reimbursement Percentage [line 13 + line 14]		0.00%

Notes:

- 1/ See Appendix C, Schedule 2, Page 1, Column (b), Line 4.
- 2/ See Appendix C, Schedule 2, Page 1, Column (b), Line 7.
- 3/ See Appendix A, Schedule 2, Page 1, Line 7, Column (b) in Docket No. RP21-759-000
- 4/ As required by Section 13.4 of the GT&C in Sierrita's Tariff, neither the Fuel nor L&U Reimbursement Percentage shall be less than zero. Therefore, Sierrita is netting the over-collection of 7,667 Dth against Fuel.
- 5/ The projected L&U requirement is set at 0.00% based on recent operating experience. Sierrita has experienced L&U gains over many of the past twelve months. As required by Section 13.4 of the GT&C in Sierrita's Tariff, neither the Fuel nor L&U Reimbursement Percentages shall be less than zero.
- 6/ Throughput projected for September 2021 to November of 2021 averages 70,000 Dth/day.

**Sierrita Gas Pipeline, LLC
FL&U Filing
RP21- ____**

**Appendix B
Physical Gas Balance**

**Sierrita Gas Pipeline, LLC
Physical Gas Balance**

Receipts (Dth's)													Data collection Period Mar 2020 through May 2021	
Line No.	Item	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	(n) (k)+(l)+(m)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
1	EPNG/SIERRITA (DSNJQUIN) SAN JOAQUIN	4,661,062	5,386,109	5,643,890	3,820,957	6,583,799	4,373,496	3,395,775	3,610,036	3,068,445	3,329,348	3,884,507	3,191,263	10,405,118
2	SIERRITA/SIERRITA NET LINE PACK LOSS	3,386	1,536		3,273	4,855	323			993	2,851			2,851
3	Total System Receipts	4,664,449	5,387,645	5,643,890	3,824,231	6,588,654	4,373,818	3,395,775	3,610,036	3,069,438	3,332,199	3,884,507	3,191,263	10,407,969
Deliveries (Dth's)														
4	GASDEAGU/SIERRITA SASABE PIMA	4,617,584	5,334,631	5,594,609	3,774,152	6,536,337	4,319,007	3,324,582	3,544,402	3,008,943	3,276,793	3,819,596	3,127,976	10,224,364
5	SIERRITA/SIERRITA NET LINE PACK GAIN			2,087				5,315	3,551			214	14,044	14,258
6	Total Deliveries	4,617,584	5,334,631	5,596,696	3,774,152	6,536,337	4,319,007	3,329,897	3,547,953	3,008,943	3,276,793	3,819,810	3,142,020	10,238,622
System Fuel:														
7	FERC Account 810 - Compressor Station Fuel	56,275	57,001	57,405	56,468	58,676	61,804	64,486	66,403	58,522	64,974	58,411	51,525	174,910
8	FERC Account 812 - Other Utility Operations 1/ Capitalized Fuel	192	189	190	191	189	188	188	193	193	193	192	190	575
9	Total System Fuel	56,467	57,190	57,595	56,659	58,865	61,992	64,674	66,596	58,715	65,167	58,602	51,715	175,485
10														0
11	Total System Deliveries	4,674,051	5,391,821	5,654,290	3,830,811	6,595,202	4,380,999	3,394,571	3,614,549	3,067,658	3,341,960	3,878,413	3,193,735	10,414,107
12	L&U Loss (Gain)[Line 3 - Line 11]	(9,603)	(4,176)	(10,400)	(6,580)	(6,548)	(7,181)	1,204	(4,513)	1,780	(9,761)	6,094	(2,471)	(6,138)

**Sierrita Gas Pipeline, LLC
FL&U Filing
RP21-____**

**Appendix C
Fuel Use and Retained Quantities**

Sierrita Gas Pipeline, LLC
Transportation Fuel Gas
(Quantities in Dth)

Fuel Gas

Line No.	Month (a)	Sierrita Compressor Station (b)
1	March-21	65,167
2	April-21	58,602
3	May-21	51,715
4	Total Mar 2021 - May 2021	175,485

Current Period Fuel Retained

Line No.	Month (a)	Fuel Retention (b)
5	March-21	58,508
6	April-21	69,137
7	May-21	54,880
8	Total Mar 2021 - May 2021	182,525

Volumetric True-up Fuel Retained

Line No.	Month (a)	Fuel Retention (b)
9	March-21	(15,291)
10	April-21	(18,061)
11	May-21	(14,344)
12	Total Mar 2021 - May 2021	(47,696)
13	True-up quantity sought in Docket No. RP21-408-000 1/	(45,887)
14	True-up Remaining [line 13 - line 12]	1,809

1/ See Appendix A, Schedule 1, Page 1, Column (b) Line 8 of Docket No. RP21-408-C

Sierrita Gas Pipeline, LLC
L&U
(Quantities in Dth)

Line No.	L&U Experienced	
	Month (a)	L&U (b)
1	March-21	(9,761)
2	April-21	6,094
3	May-21	(2,471)
4	Total March 2021 - May 2021	(6,138)

	Current Period L&U Retained	
	Month (a)	L&U Retention (b)
5	March-21	-
6	April-21	-
7	May-21	-
8	Total March 2021 - May 2021	-

	Volumetric True-up L&U Retained	
	Month (a)	L&U Retention (b)
9	March-21	-
11	April-21	-
12	May-21	-
13	Total March 2021 - May 2021	-

STATEMENT OF RATES

FUEL GAS AND L&U REIMBURSEMENT PERCENTAGES

	<u>Current Period</u>	<u>True-up</u>	<u>Total</u>
Fuel Gas Percentage	2.80%	-1.65%	1.15%
L&U Percentage	0.00%	0.00%	0.00%

STATEMENT OF RATES

FUEL GAS AND L&U REIMBURSEMENT PERCENTAGES

	<u>Current Period</u>	<u>True-up</u>	<u>Total</u>
Fuel Gas Percentage	21.8019 %	-1. 6519 %	10.1500 %
L&U Percentage	0.00%	0.00%	0.00%