



November 29, 2018

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

Attention: Ms. Kimberly Bose, Secretary

Re: Operational Purchases and Sales Report,
Sierrita Gas Pipeline LLC;
Docket No. RP19-

Commissioners:

Sierrita Gas Pipeline Company LLC ("Sierrita") tenders for filing and acceptance by the Federal Energy Regulatory Commission ("Commission") the enclosed informational filing detailing Sierrita's operational purchases and sales of natural gas for the 12-month period ending September 30, 2018.

Reason for Filing

Section 27.4 of the General Terms and Conditions ("GT&C") of Sierrita's Original Volume No. 1 FERC Gas Tariff ("Tariff"), requires Sierrita to report by November 30th of each year its operational purchases and sales activities covering the 12-month period ending on September 30.

Description of Filing

Section 27.1 of the GT&C of Sierrita's Tariff states that Sierrita may purchase or sell operational gas to the extent necessary to maintain reliable system operations, including but not limited to system pressure, fuel quantities, and line pack. The attached Operational Purchases and Sales Report identifies the source of the operational gas purchased or sold, the date of such purchase or sale, the volumes, the purchase or sale price, the costs and revenues from such purchases or sales and the disposition of the associated costs or revenues. For the period covered by this operational purchases and sales report, Sierrita only sold gas for operational purposes.

For purposes of this report, Sierrita has categorized all purchase and sale activity as either a source (purchase) or disposition (sale) activity. This annual

report consists of six schedules, a summary schedule and five supporting schedules, providing data on a monthly basis. Schedule 1 summarizes source and dispositional activity including operational purchases and sales and reconciles such amounts with cash-out and fuel volumes¹ for the period October 2017 through September 2018.²

Schedule 2 shows Sierrita's operational purchases and other source activity by month including the quantity purchased, the average price per dekatherm paid and the total amount paid for each purchase made as a result of imbalance cash-outs and other system requirements.³ Schedule 3 similarly shows Sierrita's operational sales and other disposition activity by month including the quantity sold, the average sale price, and the total amount received. Although there were no operational purchases, the schedules are provided for completeness.

Schedules 4 and 4(a) provide transactional detail on each operational gas purchase or sale including the source (identity), the date of such purchase or sale, the volumes and applicable purchase or sale price, and the costs or revenues from such purchases or sales. All purchases and sales were conducted with parties un-affiliated with Sierrita.

Schedule 5 details changes in Sierrita's system balancing activity, including changes in linepack and net shipper imbalances for the reporting period. Schedule 6 details Sierrita's capitalized linepack and other gas costs.

In compliance with Section 27.4 of the GT&C, Sierrita is providing the required information contained in Appendix A, Schedules 1 through 6 which detail the operational purchases and sales information for the twelve months ending September 30, 2018.

¹ At this time, Sierrita does not have compression facilities that burn fuel, so no applicable fuel volumes during the time period are included in this report.

² The annual data are provided on a monthly basis on Schedules 2 through 6.

³ Sierrita's Tariff provides that shipper imbalances will be cashed out based upon a cash-out index price and are reflected on Schedules 2 or 3 as appropriate. Although there were no operational purchases or shipper cash-outs during this reporting period, Sierrita is including all schedules, including Schedule 2, to provide all supporting tables.

Correspondence and communications concerning this filing should be directed to:

Ms. M. Catherine Rezendes
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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.⁴

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

⁴ 18 C.F.R. § 385.203 (2018).

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 November 2018.

/s/

M. Catherine Rezendes

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

Sierrita Gas Pipeline LLC
Operational Purchases and Sales Report - Source and Disposition Summary

<u>Line No.</u>	<u>Particulars</u> (a)	<u>Source</u> (b)	<u>Quantity</u> <u>Dth</u> (c)	<u>Amount</u> <u>Received</u> (d)
	Operational Purchases and other Source (Debit) Activity:			
1	Imbalance Cashouts and Other Debit Activity	Schedule No. 2	-	\$ -
2	Operational Purchases	Schedule No. 2	-	\$ -
3	Line Pack, System Storage and Net System Balance Activity - Net Debit	Schedule No. 5	-	\$ -
4	Capitalized Line Pack and Base Gas	Schedule No. 6	-	\$ -
5	Other Gas Cost Adjustments	Schedule No. 6	(106,130)	\$ (318,864)
6	Total Source (Debit) Activity		(106,130)	\$ (318,864)
	Operational Sales and other Disposition (Credit) Activity:			
7	Imbalance Cashouts	Schedule No. 3	-	\$ -
8	Operational Sales	Schedule No. 3	10,000	\$ 32,000
9	Line Pack, System Storage and Net System Balance Activity - Net Credit	Schedule No. 5	96,130	\$ 192,131
10	Capitalized Line Pack and Base Gas	Schedule No. 6	-	\$ -
11	Other Gas Cost Adjustments	Schedule No. 6	-	\$ -
12	Total Disposition (Credit) Activity		106,130	224,131
13	Net System Fuel, L&U, Line Pack, and Other Balance Variance		-	\$ (94,733)

**Sierrita Gas Pipeline LLC
Operational Purchases and other Debit Activity**

<u>Line No.</u>	<u>Month</u>	<u>Imbalance Cash Outs</u>			<u>Operational Purchases</u> ¹			<u>Total</u>	
		<u>Dth</u> (a)	<u>Amount Paid</u> (b)	<u>Cash Out Price</u> (c)	<u>Dth</u> (d)	<u>Average Purchase Price</u> (e)	<u>Amount Paid</u> (f)	<u>Dth</u> (g)	<u>Amount Paid</u> (h)
1	October 2017	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
2	November	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
3	December	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
4	January 2018	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
5	February	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
6	March	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
7	April	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
8	May	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
9	June	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
10	July	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
11	August	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
12	September	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
13	Total	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -

1/ Schedule 4 details Sierrita's Operational Purchases

**Sierrita Gas Pipeline LLC
Operational Sales and other Credit Activity**

<u>Line No.</u>	<u>Month</u>	<u>Imbalance Cash Outs</u>			<u>Operational Sales¹</u>			<u>Total</u>	
		<u>Dth</u> (a)	<u>Amount Received</u> (b)	<u>Cash Out Price</u> (c)	<u>Dth</u> (d)	<u>Average Sale Price</u> (e)	<u>Amount Received</u> (f)	<u>Dth</u> (g)	<u>Amount Received</u> (h)
1	October 2017	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
2	November	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
3	December	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
4	January 2018	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
5	February	-	\$ -	\$ -	10,000	\$ 3.2000	\$ 32,000	10,000	\$ 32,000
6	March	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
7	April	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
8	May	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
9	June	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
10	July	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
11	August	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
12	September	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -
13	Total	-	\$ -	\$ -	10,000	\$ 3.2000	\$ 32,000	10,000	\$ 32,000

1/ Schedule 4(a) details Sierrita's Operational Sales

**Sierrita Gas Pipeline LLC
Operational Purchases Detail**

Line No.	Seller (a)	Month (b)	Day (c)	Year (d)	Quantity Dth (e)	Unit Price (\$Dth) (f)	Amount Paid (g)
1	October 2017						
2	No Operational Purchases				-	\$ -	
3	Total October 2017					-	\$ -
4	November 2017						
5	No Operational Purchases				-	\$ -	
6	Total November 2017					-	\$ -
7	December 2017						
8	No Operational Purchases				-	\$ -	
9	Total December 2017					-	\$ -
10	January 2018						
11	No Operational Purchases				-	\$ -	
12	Total January 2018					-	\$ -
13	February 2018						
14	No Operational Purchases				-	\$ -	
15	Total February 2018					-	\$ -
16	March 2018						
17	No Operational Purchases				-	\$ -	
18	Total March 2018					-	\$ -
19	April 2018						
20	No Operational Purchases				-	\$ -	
21	Total April 2018					-	\$ -
22	May 2018						
23	No Operational Purchases				-	\$ -	
24	Total May 2018					-	\$ -
25	June 2018						
26	No Operational Purchases				-	\$ -	
27	Total June 2018					-	\$ -
28	July 2018						
29	No Operational Purchases				-	\$ -	
30	Total July 2018					-	\$ -
31	August 2018						
32	No Operational Purchases				-	\$ -	
33	Total August 2018					-	\$ -
34	September 2018						
35	No Operational Purchases				-	\$ -	
36	Total September 2018					-	\$ -
37	Total Purchases					-	\$ -

**Sierrita Gas Pipeline LLC
Operational Sales Detail**

Line	Seller (a)	Month (b)	Day (c)	Year (d)	Quantity Dth (e)	Unit Price (\$Dth) (f)	Amount Paid (g)
1	October 2017						
2	No Operational Sales						
3	Total October 2017					-	\$ -
4	November 2017						
5	No Operational Sales						
6	Total November 2017					-	\$ -
7	December 2017						
8	No Operational Sales						
9	Total December 2017					-	\$ -
10	January 2018						
11	No Operational Sales						
12	Total January 2018					-	\$ -
13	February 2018						
14	Twin Eagle Resource Management, LLC	February	22	2018	10,000	\$3.2000	\$ 32,000
15	Twin Eagle Resource Management, LLC	February		2018	10,000	\$3.2000	\$ 32,000
16	Total February 2018					10,000	\$ 32,000
17	March 2018						
18	No Operational Sales						
19	Total March 2018					-	\$ -
20	April 2018						
21	No Operational Sales						
22	Total April 2018					-	\$ -
23	May 2018						
24	No Operational Sales						
	Total May 2018					-	\$ -
25	June 2018						
26	No Operational Sales						
27	Total June 2018					-	\$ -
28	July 2018						
29	No Operational Sales						
30	Total July 2018					-	\$ -
31	August 2018						
32	No Operational Sales						
33	Total August 2018					-	\$ -
34	September 2018						
35	No Operational Sales						
36	Total September 2018					-	\$ -
37	Total Sales					10,000	\$3.2000 \$ 32,000

Sierrita Gas Pipeline LLC
Line Pack and Net System Activity

<u>Line No.</u>	<u>Month</u>	<u>Beginning Cumulative System Balance Activity Rec / (Pay) Dth</u> (a)	<u>Line Pack Increase / (Decrease) Dth</u> (b)	<u>Net Shipper Transmission Imbalance Increase / (Decrease) Dth</u> (c)	<u>Current System Balance Activity Increase / (Decrease) Dth</u> (d)	<u>Ending Cumulative System Balance Activity Increase / (Decrease) Dth</u> (e)	<u>Index Price</u> (f)	<u>Revaluation Activity Amount</u> (g)	<u>Current Activity Amount</u> (h)	<u>Total Activity Amount</u> (i)
1	Beginning Balance		14,771	22,971		37,742	\$ 2.8487			
2	October 2017	37,742	2,188	126	2,314	40,056	\$ 2.8065	\$ (1,593)	\$ 6,494	\$ 4,901
3	November	40,056	1,606	(2,436)	(830)	39,226	\$ 2.8640	\$ 2,303	\$ (2,377)	\$ (74)
4	December	39,226	2,155	15	2,170	41,396	\$ 3.1294	\$ 10,411	\$ 6,791	\$ 17,202
5	January 2018	41,396	(5,279)	5,543	264	41,660	\$ 3.2319	\$ 4,243	\$ 853	\$ 5,096
6	February	41,660	(15)	(1,768)	(1,783)	39,877	\$ 2.5854	\$ (26,933)	\$ (4,610)	\$ (31,543)
7	March	39,877	(2,616)	3,785	1,169	41,046	\$ 2.2565	\$ (13,116)	\$ 2,638	\$ (10,478)
8	April	41,046	3,747	2,844	6,591	47,637	\$ 2.1080	\$ (6,095)	\$ 13,894	\$ 7,799
9	May	47,637	(8,490)	22,080	13,590	61,227	\$ 1.9552	\$ (7,279)	\$ 26,571	\$ 19,292
10	June	61,227	6,108	11,081	17,189	78,416	\$ 2.5167	\$ 34,379	\$ 43,260	\$ 77,639
11	July	78,416	(1,738)	19,255	17,517	95,933	\$ 4.4081	\$ 148,316	\$ 77,217	\$ 225,533
12	August	95,933	(1,232)	18,739	17,507	113,440	\$ 4.3723	\$ (3,434)	\$ 76,546	\$ 73,112
13	September	113,440	1,866	18,566	20,432	133,872	\$ 2.2383	\$ (242,081)	\$ 45,733	\$ (196,348)
14	Total - Current Activity		(1,700)	97,830	96,130			\$ (100,879)	\$ 293,010	\$ 192,131

**Sierrita Gas Pipeline LLC
Capitalized Linepack and Other Gas Costs**

<u>Line No.</u>	<u>Month</u>	<u>Capitalized Linepack and Base Gas Dth (a)</u>	<u>Index Price (b)</u>	<u>Capitalized Linepack and Base Gas Amount (c)</u>	<u>Other Gas Costs Dth (d)</u>	<u>Index Price (e)</u>	<u>Other Gas Costs Amount (f)</u>
1	October 2017	-	\$ -	\$ -	(2,314)	\$ 2.8065	\$ (6,494)
2	November	-	\$ -	\$ -	830	\$ 2.8640	\$ 2,377
3	December	-	\$ -	\$ -	(2,170)	\$ 3.1294	\$ (6,791)
4	January 2018	-	\$ -	\$ -	(264)	\$ 3.2319	\$ (853)
5	February	-	\$ -	\$ -	(8,217)	\$ 2.5854	\$ (21,244)
6	March	-	\$ -	\$ -	(1,169)	\$ 2.2565	\$ (2,638)
7	April	-	\$ -	\$ -	(6,591)	\$ 2.1080	\$ (13,894)
8	May	-	\$ -	\$ -	(13,590)	\$ 1.9552	\$ (26,571)
9	June	-	\$ -	\$ -	(17,189)	\$ 2.5167	\$ (43,260)
10	July	-	\$ -	\$ -	(17,517)	\$ 4.4081	\$ (77,217)
11	August	-	\$ -	\$ -	(17,507)	\$ 4.3723	\$ (76,546)
12	September	-	\$ -	\$ -	(20,432)	\$ 2.2383	\$ (45,733)
13	Total	-		\$ -	(106,130)		\$ (318,864)