

October 29, 2020

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") revised tariff records for Part II – Section 2 – Version 5.0.0 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 adjusted fuel and lost and unaccounted-for gas ("FL&U") reimbursement percentages to become effective December 1, 2020.

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 on July 30, 2020 and those FL&U reimbursement percentages were made effective on September 1, 2020 by the Commission.¹ Thus, as just noted, the subject filing updates the FL&U reimbursement percentages proposed to be effective December 1, 2020.

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 June 1, 2020 through August 31, 2020.

¹ *Sierrita Gas Pipeline LLC*, Docket No. RP20-1052-000 (Aug. 21, 2020) (unpublished letter order).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 December 1, 2020 and February 28, 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 1.53% to 4.80% and to maintain its Total L&U Reimbursement Percentage of 0.00%.³

Part II: Stmt. Of Rates, Section 2 have been revised to reflect the new Current Period and True-up components along with the resulting new Total rate for the Fuel Gas Percentage and the L&U Percentage with a proposed effective date of December 1, 2020.

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, December 2020 through February 2021, Sierrita anticipates throughput to average 50,344 Dth per day. This is a decrease in forecasted average daily throughput relative to the previous filing that included three months of throughput beginning September 1, 2020. The decrease is due primarily to winter months typically having lower demand on Sierrita and also reflects that several competing projects have been placed in-service since the last filing. Sierrita does not expect compression will be required to flow the anticipated level of throughput. Because Sierrita is contractually required to maintain minimum pressure requirements at the delivery point, however, compression is required for the pressure requirements even if throughput levels would not otherwise require compression. Therefore, Sierrita is forecasting average fuel burn to continue at the same average daily rate since compression service began of approximately 1,945 Dth per day. Based on the anticipated throughput and forecasted fuel burn, the Current Period Fuel Reimbursement Percentage will increase from 1.36% to 3.86%.⁴

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

³ See Appendix A, Schedules 1 and 2.

⁴ See Appendix A, Schedule 1, line 11, 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 June 1, 2020 through August 31, 2020 as described earlier.⁵

During the Data Collection Period, Sierrita under-collected Fuel Gas quantities of 105,633 Dth⁶ and, as discussed below, over-collected L&U quantities. Pursuant to Section 13.6 of the GT&C, Sierrita is netting the over-collected L&U quantity of 63,218 Dth⁷ with the under-collected Fuel Gas quantities. The netting of the under-collected Fuel Gas against over-collected L&U results in a remaining under-collection of Fuel Gas of 42,415 Dth.⁸ Based on the remaining amount and the anticipated throughput discussed earlier, Sierrita proposes a Fuel Gas True-up Reimbursement Percentage of 0.94%. The sum of the Current and True-up Fuel Gas Reimbursement Percentages results in a Total Fuel Gas Reimbursement Percentage of 4.80% for the period these percentages are 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,⁹ Sierrita is forecasting its Current Period L&U Reimbursement Percentage during the period of December 2020 to February 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 June 1, 2020 through August 31, 2020. As demonstrated on Schedule 2, Sierrita experienced over-collected L&U quantities of 63,218 Dth¹⁰ during the Data Collection Period. Netting the over-collected L&U quantities with the under-collected Fuel Gas quantities, as discussed earlier, results in an L&U true-up quantity of zero and an L&U True-up Reimbursement Percentage of zero percent.¹¹

⁵ See Section 13.5 (a) of the GT&C.

⁶ See Appendix A, Schedule 1, line 3.

⁷ See Appendix A, Schedule 1, line 7.

⁸ See Appendix A, Schedule 1, line 8.

⁹ 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).

¹⁰ See Appendix A, Schedule 2, line 3.

¹¹ See Appendix A, Schedule 2, line 8.

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 regulations¹² 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;
- 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 December 1, 2020. With respect to any tariff provisions the Commission allows to go into effect without change, Sierrita hereby moves to place the tendered tariff provisions into effect at the end of any minimal suspension period specified by the Commission. In addition, Sierrita respectfully requests that the Commission grant any necessary waivers in order for the proposed percentages to be accepted.

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

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.¹³

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

¹³ 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 October 2020.

/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 (June 2020 - August 2020) 1/	171,250
2	Current Period Fuel Retained (June 30, 2020 - August 2020) 2/	65,617
3	Current Period Fuel Deficiency/(Gain) [line 1 - line 2]	105,633
4	Quantity expected to be trued-up from previous filings	-
5	True-up fuel retained (June 2020 - August 2020)	-
6	True-up Deficiency/(Gain) [line 4 - line 5]	-
7	Under-collection of Fuel to be netted against L&U 3/	(63,218)
8	Total to be trued-up [line 3 + line 6 + line 7]	42,415
9	Projected Fuel Requirement (December 2020 - February 2021) 4/	175,017
10	Projected System Receipts (December 2020 - February 2021) 5/	4,531,000
11	Current Period Fuel Reimbursement Percentage [line 9 / line 10]	3.86%
12	Fuel True-Up Reimbursement Percentage [line 8 / line 10]	0.94%
13	Total Fuel Reimbursement Percentage [line 11 + line 12]	4.80%

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/ As required by Section 13.6 of the General Terms and Conditions of Sierrita's Tariff, Sierrita has netted over-collected quantities of L&U during the collection period against under-collected quantities of fuel during the collection period. See Appendix A - Schedule 2, Page 1, line 3, column (b).
- 4/ The projected fuel usage based on projected throughput and pressure requirements.
- 5/ Throughput projected for December 2020 to February of 2021 averages 50,344 Dth/day.

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 (June 2020 - August 2020) 1/	(24,179)
2	Current Period L&U Retained (June, 2020 - August 2020) 2/	39,039
3	Current Period L&U Deficiency/(Gain) [line 1 - line 2]	(63,218)
4	Quantity expected to be trued-up from previous filings	-
5	True-up L&U retained (June 2020 - August 2020)	-
6	True-up Deficiency/(Gain) [line 4 - line 5]	-
7	Over-collection of L&U to be netted against Fuel 3/	63,218
8	Total to be trued-up [line 3 + line 6 + line 7]	-
9	Projected L&U (December 2020 - February 2021) 4/	-
10	Projected System Receipts (December 2020 - February 2021) 5/	4,531,000
11	Current Period L&U Reimbursement Percentage [line 9 / line 10]	0.00%
12	L&U True-up Reimbursement Percentage [line 8 / line 10]	0.00%
13	Total L&U Reimbursement Percentage [line 11 + line 12]	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/ As required by Section 13.6 of the General Terms and Conditions of Sierrita's Tariff, Sierrita has netted over-retained quantities of L&U during the collection period against under-collected quantities of fuel during the collection period.
- 4/ 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 the L&U Reimbursement Percentages shall be less than zero.
- 5/ Throughput projected for December 2020 to February of 2021 averages 50,344 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
Line No.	Item	L&U Balance 4-12-2020	Apr 13-30, 2020	May-20	Jun-20	Jul-20	Aug-20	June 2020 through August 2020
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h) (e)+(f)+(g)
1	EPNG/SIERRITA (DSNJQUIN) SAN JOAQUIN		2,169,486	4,593,028	4,661,062	5,386,109	5,643,889	15,691,060
2	SIERRITA/SIERRITA NET LINE PACK LOSS/(GAIN)			6,172	3,386	1,536		4,922
3	Total System Receipts		2,169,486	4,599,200	4,664,448	5,387,645	5,643,889	15,695,982
Deliveries (Dth's)								
4	GASDEAGU/SIERRITA SASABE PIMA		2,123,038	4,551,329	4,617,584	5,334,631	5,594,609	15,546,824
5	SIERRITA/SIERRITA NET LINE PACK GAIN		16,217				2,087	2,087
6	Total Deliveries		2,139,255	4,551,329	4,617,584	5,334,631	5,596,695	15,548,910
System Fuel:								
7	FERC Account 810 - Compressor Station Fuel		40,433	59,191	56,274	57,001	57,404	170,680
8	FERC Account 812 - Other Utility Operations 1/		3,009	189	192	189	190	571
9	Capitalized Fuel							
10	Total System Fuel		43,442	59,380	56,466	57,190	57,594	171,251
11	Total System Deliveries		2,182,697	4,610,709	4,674,051	5,391,821	5,654,289	15,720,161
12	L&U Loss (Gain)[Line 3 - Line 11]	(8,987)	(13,212)	(11,509)	(9,603)	(4,176)	(10,400)	(24,178)

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	Sierrita Compressor Station
	(a)	(b)
1	June-20	56,466
2	July-20	57,190
3	August-20	57,594
4	Total June - August 2020	171,250

Current Period Fuel Retained

	Month	Fuel Retention
	(a)	(b)
5	June-20	18,897
6	July-20	23,083
7	August-20	23,637
8	Total June - August 2020	65,617

Volumetric True-up Fuel Retained

	Month	Fuel Retention
	(a)	(b)
9	June-20	-
10	July-20	-
11	August-20	-
12	Total June - August 2020	-

Sierrita Gas Pipeline, LLC**L&U**

(Quantities in Dth)

L&U Experienced

Line No.	Month	L&U
	(a)	(b)
1	June-20	(9,603)
2	July-20	(4,176)
3	August-20	(10,400)
4	Total June - August 2020	(24,179)

Current Period L&U Retained

	Month	L&U Retention
	(a)	(b)
5	June-20	11,241
6	July-20	13,728
7	August-20	14,070
8	Total June - August 2020	39,039

Volumetric True-up L&U Retained

	Month	L&U Retention
	(a)	(b)
9	June-20	-
11	July-20	-
12	August-20	-
13	Total June - August 2020	-

STATEMENT OF RATES

FUEL GAS AND L&U REIMBURSEMENT PERCENTAGES

	<u>Current Period</u>	<u>True-up</u>	<u>Total</u>
Fuel Gas Percentage	3.86%	0.94%	4.80%
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	31.8636 %	0. 9417 %	41.8053 %
L&U Percentage	0.00%	0.00%	0.00%