

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Southern Natural Gas Company)	
)	Docket No. RP18-556-000
)	

**COMMENTS OF SOUTHERN NATURAL GAS COMPANY, L.L.C.
IN SUPPORT OF SETTLEMENT**

Pursuant to the deadline established by the Combined Notice of Filings issued by the Federal Energy Regulatory Commission on March 13, 2018,¹ Southern Natural Gas Company, L.L.C. (“Southern Natural”) hereby files the instant comments in support of the March 12, 2018 Stipulation and Agreement (“Settlement”) filed in the captioned docket. Southern Natural supports Commission approval of the Settlement without condition or modification.

Southern Natural entered into negotiations with its customers from August 2017 through early March 2018 to resolve their differences regarding the issues pending in this docket. The negotiations resulted in the Settlement. Through the Settlement, the participants have successfully resolved all issues in the case in a practical and carefully-constructed fashion, eliminating the need for testimony, discovery, hearing and briefing of the matters resolved. The avoidance of litigation and resultant better use of resources is a valuable outcome, benefiting the participants, the Commission and the public interest. The Settlement resolves contentious matters which, if litigated, would consume significant resources on the part of Southern Natural, its customers, and the Commission and its Staff. Among other things, the Settlement includes a rate moratorium through August 31, 2021, which provides the settling parties with rate certainty and stability during the moratorium period. The Settlement specifically contemplates that the settled matters and settlement rates take into consideration the recent reduction to the federal

¹ Southern Natural Gas Company, L.L.C., Combined Notice of Filings, Docket No. RP18-556-000 (Mar. 13, 2018) (establishing a March 26, 2018 comment deadline).

corporate income tax rate pursuant to the Tax Cuts and Jobs Act of 2017² and prevents settling parties from seeking further reductions in the settlement rates related to the tax reductions during the moratorium period.³

The Settlement has the support or non-opposition from a wide array of interests across Southern Natural's customer base. Given the broad support for the Settlement and lack of opposition, the Commission's approval is warranted. Southern Natural anticipates that any comments filed regarding the Settlement will either support or not oppose approval of the Settlement. Prompt approval will enhance certainty in the marketplace concerning service on Southern Natural. Shippers, including their markets and suppliers, will be able to rely upon the terms of the Settlement in transacting for service on Southern Natural effective September 1, 2018.

Southern Natural respectfully requests approval of the Settlement without modification or condition. The negotiations that produced the Settlement transpired over the course of many months. Each side made concessions that, in isolation, they would have been unlikely to agree to, but as part of the entire Settlement, they are willing to accept. Approval without modification or condition is desirable in order to give all participants the benefit of their bargain.

Given the circumstances apparent in this case, Southern Natural believes that the approval of the Settlement by the Commission without modification or condition is fair and reasonable, and also in the public interest.

Respectfully submitted,

/s/ Patricia S. Francis

Patricia S. Francis
Assistant General Counsel

² See Settlement, Article III, Paragraph D.

³ See *id.*

Southern Natural Gas Company, L.L.C.
569 Brookwood Village, Suite 749
Birmingham, Alabama 35209
(205) 325-7696
patricia_francis@kindermorgan.com

Mosby G. Perrow
Assistant General Counsel
mosby_perrow@kindermorgan.com
J. Curtis Moffatt
General Counsel
curt_moffatt@kindermorgan.com
1001 Louisiana
Houston, TX 77020

A. Gregory Junge
Van Ness Feldman LLP
1050 Thomas Jefferson St., NW
Washington, DC 20007
(202) 298-1800
agj@vnf.com

**ATTORNEYS FOR SOUTHERN NATURAL
GAS COMPANY**

March 26, 2018

CERTIFICATE OF SERVICE

In accordance with Rule 2010 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010 (2017), I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Birmingham, AL this 26th day of March, 2018.

/s/ Patricia S. Francis

Patricia S. Francis