

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeen G. Kelly.

Colorado Interstate Gas Company

Docket No. RP01-350-014

ORDER GRANTING PETITION TO AMEND STIPULATION AND AGREEMENT

(Issued June 9, 2006)

1. On May 26, 2006, Colorado Interstate Gas Company (CIG) filed a petition requesting an amendment of its settlement agreement approved by the Commission in Docket No. RP01-350-000, *et al.* on August 5, 2002.¹ CIG requests that the settlement agreement be amended to extend the date by which it is required to file new, system-wide base rates. CIG requests the effective date of new rates be extended from January 1, 2007, to February 1, 2007. In this order we grant the petition.

Background

2. On May 23, 2002, CIG filed an uncontested offer of settlement in its section 4 rate change proceeding in Docket No. RP01-350-000, *et al.* Article V of the settlement stated that the settlement rates would remain in effect until the date on which they are superseded by a system-wide change in rates effectuated pursuant to section 4 or 5 of the Natural Gas Act, and that “in that regard, CIG shall be obligated to file a new system-wide rate case proposing new base tariff rates to be effective no later than October 1, 2006.” On August 5, 2002, the Commission issued an order accepting the offer of settlement.²

¹*Colorado Interstate Gas Co.*, 100 FERC ¶ 61,154 (2002).

² *Id.*

3. On February 17, 2006, the Commission issued an order approving CIG's January 6, 2006 petition to modify the settlement to change the effective date of new system wide rates from October 1, 2006, to December 1, 2006, and on April 12, 2006, granted CIG's second petition to change the effective date to January 1, 2007.³

Instant Filing

4. CIG states that it has conducted informal settlement negotiations regarding its future system-wide base rates with interested parties, including shippers and customers, to discuss the possibility of resolving issues in the upcoming filing. It states that progress has been made on the issues, including discussion of contract extensions with the Public Service Company of Colorado, which would impact a rate moratorium under consideration, all of which warrant more time to bring final closure on these issues. CIG further states that its has substantially finalized its pre-filing settlement and is engaged in discussions with the interested parties on resolving these issues, and that it is likely that these related issues will be resolved and the settlement will likely be finalized.

5. CIG believes all parties either support or will not oppose this petition. Accordingly, CIG requests that the effective date for its new system-wide base rates be extended from January 1, 2007, to February 1, 2007.

6. CIG states it has a record of settlement of section 4 rate cases and if settlement can be achieved, its shippers and the Commission would save substantial time, effort and money in the prosecution of such a case. In order to proceed to meet the existing schedule, CIG requests a response to its petition within approximately 14 days because of the time needed for preparation of a general system-wide rate case filing by June 30, 2006.

Public Notice and Interventions

7. CIG's petition to amend the Stipulation and Agreement was noticed on June 2, 2006, with comments, interventions and protests due on June 5, 2006. No protests or comments in opposition to the petition were filed. Pursuant to Rule 214 (18 C.F.R. § 385.214 (2005)), all timely-filed motions to intervene and any motions to intervene out-of time before the issuance date of this order are granted.

³ *Colorado Interstate Gas Co.*, 114 FERC ¶ 61,173 (2006); *Colorado Interstate Gas Co.*, 115 FERC ¶ 61,039 (2006).

Discussion

8. The petition appears to be in the public interest and will be granted to permit an additional 30 days for the parties to continue to negotiate future system-wide base rates for CIG's transportation and storage services.

The Commission orders:

Pursuant to the Commission's Rules of Practice and Procedure, particularly Rule 207, (18 C.F.R. § 385.207 (2005)), the petition of CIG to amend its stipulation and agreement in Docket No. RP01-350-000, *et al.* is hereby granted.

By the Commission.

(S E A L)

Magalie R. Salas,
Secretary.