

155 FERC ¶ 61,083  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

April 22, 2016

In Reply Refer To:  
Colorado Interstate Gas Company, L.L.C.  
Docket Nos. RP11-2107-001  
RP11-2107-002

Colorado Interstate Gas Company, L.L.C.  
Two North Nevada Avenue  
Colorado Springs, CO 80903

Reference: Petition to Amend Filing Requirement in Stipulation and Agreement and  
Update Filing

Attention: David R. Cain, Assistant General Counsel

Dear Mr. Cain:

1. On March 24, 2016, Colorado Interstate Gas Company, L.L.C. (CIG), filed a petition in Docket No. RP11-2107-001 to amend the Stipulation and Agreement approved by the Commission on August 15, 2011 (Settlement)<sup>1</sup> so as to extend by three months the date by which CIG must file a general section 4 rate case. On March 24, 2016, CIG concurrently filed a revised tariff record<sup>2</sup> in Docket No. RP11-2107-002, to update its revenue sharing mechanism for qualifying services to coordinate with the amendment of the settlement. CIG seeks a shortened comment period and Commission action no later than April 22, 2016. The tariff record referenced in footnote no. 2 is accepted effective May 1, 2016, as proposed. As discussed below, the Commission will approve the proposed amendment to the Settlement as it appears to be fair, reasonable, and in the public interest.

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<sup>1</sup> *Colorado Interstate Gas Co.*, 136 FERC ¶ 61,103 (2011).

<sup>2</sup> *Colorado Interstate Gas Company, L.L.C.*, FERC NGA Gas Tariff, CIG Tariffs, [Part IV: GT&C, Section 23 - Docket No. RP11 Revenue Credit/Surcharge, 5.0.0.](#)

2. Under the current Settlement CIG must file for a system wide rate change under section 4 of the Natural Gas Act to be effective no later than October 1, 2016. CIG states in its petition that, on August 4, 2015, CIG convened a settlement conference to discuss the possibility of resolving the issues of its upcoming rate case filing and eliminating the need for such a filing in its entirety. CIG also states that at this point, CIG and its customers who are participating in the settlement discussions have reached an agreement in principle and require additional time to prepare and submit a pre-filing settlement document for the Commission's review and approval. Therefore, CIG states that to provide this additional time, CIG seeks to change the October 1, 2016, settlement termination date and effective date for a general rate change provided in the Settlement to January 1, 2017.

3. Additionally, CIG states that under paragraph 3.4 of the Settlement, revenues from "Qualifying Services" are subject to the specified crediting requirements for each full calendar year through the term of the Settlement. Paragraph 3.5 establishes a General Revenue Sharing and Surcharge Mechanism with requirements for the crediting of certain revenues or for the charging of a surcharge during each full calendar year of the term of the Settlement. CIG states that it has agreed with customers to certain modifications to the provisions of paragraphs 3.4 and 3.5, given the term extension of the Settlement to the end of the 2016 calendar year.

4. Further, CIG states in its petition that its active parties have already reached a settlement in principle that would eliminate the need for CIG to file a section 4 rate case under the Settlement. CIG states that if the pre-filing settlement is drafted, filed and approved on a timeline that would obviate the need for CIG to file a section 4 rate case, then CIG, its shippers and the Commission would save substantial time, effort and money on the preparation and prosecution of such a case while affording CIG and its customers the ability to negotiate a favorable outcome for the case. CIG states that given that the parties have achieved an agreement in principle, CIG believes that the potential benefits that are highly likely to be achieved by providing the necessary additional time warrant the amending of the Settlement. Finally, as also noted earlier, CIG states that it believes that parties will either support or not oppose the petition. Thus, the amendments of the Settlement to provide the parties more time to draft and file a pre-filing settlement for the Commission's review and approval promote administrative efficiency and are in the public interest.

5. Public notice of the filings in Docket Nos. RP11-2107-001 and RP11-2107-002 were issued on March 28, 2016 and March 29, 2016, respectively. Interventions and protests were due on or before April 5, 2016 for both filings, as provided by the notices. Pursuant to Rule 214, 18 C.F.R. § 385.214 (2015), all timely motions to intervene and any unopposed motions to intervene out-of-time filed before the issuance date of this

order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties. No protests or adverse comments were filed.

6. The Commission finds that the proposed amendment is unopposed and will allow the parties to continue settlement negotiations for a period agreeable to all of them, consistent with the Commission's policy favoring settlements. Therefore, the Settlement is amended to provide that CIG shall file a rate case no later than January 1, 2017.

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.