

134 FERC ¶ 61,125  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

February 17, 2011

In Reply Refer To:  
Colorado Interstate Gas Company  
Docket No. RP06-397-000

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

Attention: David R. Cain, Senior Counsel

Reference: Petition to Amend Stipulation and Agreement

Ladies and Gentlemen:

1. On January 28, 2011, pursuant to Rule 207(a)(5) of the Commission's Rules of Practice and Procedure,<sup>1</sup> Colorado Interstate Gas Company (CIG) petitioned the Commission to amend paragraph 4.2 of an uncontested Stipulation and Agreement (2006 Settlement) to provide for a 60-day extension of the required effective date for new system-wide base rates that CIG must file pursuant to the 2006 Settlement. This would allow CIG and its customers to conduct additional settlement discussions to resolve all the issues involving CIG's upcoming filing for a system-wide rate change under section 4 of the Natural Gas Act. As discussed below, the Commission will approve the proposed amendment to the 2006 Settlement as it appears to be fair, reasonable, and in the public interest.

2. On June 20, 2006, CIG petitioned for approval of the 2006 Settlement filed in Docket Nos. RP01-350-000 and RP06-397-000. On August 7, 2006, the Commission

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<sup>1</sup> 18 C.F.R. § 385.207(a)(5) (2010).

approved the 2006 Settlement.<sup>2</sup> Article IV of the 2006 Settlement requires CIG to file new, system-wide base rates to be effective no later than October 1, 2011.

3. On December 8, 2010, CIG convened a settlement conference to discuss the possibility of resolving the issues of its upcoming filing for new, system-wide base rates. CIG states that the consensus among the attendees was that while it was worthwhile to continue to pursue the offer of settlement, additional information was needed to permit the attendees to decide whether they can support CIG's settlement offer or an alternative settlement offer. Since that time, CIG has been providing additional information and conducting further settlement discussions. CIG and its customers believe that additional discussions would be beneficial and worthwhile to attempt to resolve issues and obviate the need for a general section 4 filing.

4. In the petition, CIG requests that the second sentence of paragraph 4.2 of Article IV be changed to the following:

If CIG has not filed sooner, it shall be obligated to file a new system-wide rate case proposing new base tariff rates to be effective no later than December 1, 2011.

5. CIG states that the only change would be to delete "October 1, 2011" which currently appears at the end of the sentence, and replace it with "December 1, 2011." CIG states that there are no other changes to the 2006 Settlement that are intended or implied. Thus, CIG states that with the usual five month suspension period, it would anticipate filing no later than May 31, 2011, to have the proposed new base tariff rates in effect no later than December 1, 2011.

6. CIG states that it circulated a draft of the petition to all interested parties, and no party indicated opposition to the petition. CIG states that the potential benefits merit amending the 2006 Settlement and that such amendment is in the public interest. CIG states that to defer preparation of its filing to continue to pursue settlement discussions, it is necessary the Commission act on the petition no later than February 18, 2011, and if the Commission has not acted by February 18, 2011, this petition is withdrawn.

7. Notice of CIG's petition was issued on February 1, 2011. Answers to CIG's petition were due on or before February 4, 2011. On February 4, 2011, Colorado Springs Utilities filed an answer in support of CIG's petition. No party filed in opposition.

8. The Commission finds that the proposed amendment to the 2006 Settlement appears fair and reasonable and in the public interest because it is unopposed and will

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<sup>2</sup> *Colorado Interstate Gas Co.*, 116 FERC ¶ 61,126 (2006).

allow parties to continue settlement negotiations consistent with the Commission's policy favoring settlements. Therefore, the Commission grants CIG's petition to amend the 2006 Settlement as proposed.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.