

TSP Name: Colorado Interstate Gas Company, L.L.C.
TSP: 00-691-4865
Notice ID: 8591
Critical: N
Notice Type Desc: Other
Notice Stat Desc: Initiate
Prior Notice:
Notice Eff Date: 02/01/2012
Notice Eff Time: 07:59:26 AM
Reqr Rsp Desc: No response required.
Post Date: 02/01/2012
Post Time: 07:59:26 AM

Notice Text

Posting for Unsubscribed Available Capacity

Effective Date: April 1, 2012
Quantity Available: 20,000 Dth/day
Receipt Location: Kanda (KAN) 20,000 Dth/day
Delivery Location: Ponderosa (PON) 5,000 Dth/day
Tomahawk (TOM) 15,000 Dth/day
Location Type: Rec to Del

Bid Due Date: February 29, 2012

Capacity Available From Expiring Contracts (UAC 398)

Colorado Interstate Gas Company, L.L.C. (CIG) is conducting a binding open season for 20,000 Dth/day of firm transportation capacity available effective April 1, 2012. Receipt capacity is 20,000 Dth/day at Kanda (KAN) and delivery capacity is 5,000 Dth/day at Ponderosa (PON) and 15,000 Dth/day at Tomahawk (TOM).

This Open Season will commence at 9:00 a.m., MCT on February 1, 2012, and will close at 10:00 a.m., MCT on February 29, 2012. Parties interested in bidding in this Open Season should submit bids to CIG by February 29, 2012 by 10:00 a.m. MCT.

Bids should include the bidding party's name, UAC Number 398, quantity, term, and rate. Bids must be submitted via email to CIGBids@elpaso.com in order to be considered valid. By submitting a bid, the bidding party will be representing that it has full authority to bind the requesting company. The bid rate must be presented as the reservation rate per Dth/month or stated as the maximum tariff rate. The Commodity Charge, ACA, Fuel, Lost and Unaccounted For, and any other authorized surcharges, if any, will be in addition to the bid rate. CIG reserves the right to not accept bids that have rates less than the maximum recourse rate, as well as bids stated as the dollar equivalent of the current maximum recourse rate, or bids for less than the full amount of available capacity that would prevent CIG from marketing the remaining capacity on commercially acceptable terms. Neither negotiated rate bids nor conditional bids will be considered. CIG will evaluate all Open Season bids based on the total net present value per Dth of the monthly reservation charges for each bid. If there is insufficient capacity available to meet all successful bids, and if two or more of the lowest accepted bids are of equal net present value, unless such bidder(s) have elected not to have the bid(s) prorated, capacity will be allocated pro rata based on the Maximum Delivery Quantity of the bids that are tied.

CIG notes that the Federal Energy Regulatory Commission recently issued Order No. 894, which in some cases prohibits multiple affiliates of the same entity from bidding in an open season for capacity in which the pipeline may allocate capacity on a pro rata basis. It appears to CIG that the restrictions imposed by FERC Order No. 894 will be applicable in this open season and FERC recommends that potential bidders review and adhere to the requirements of that FERC Order.

The successful bidder(s) will be notified by no later than 11:00 a.m., MCT on February 29, 2012.

Following the award of capacity the successful bidder(s) must provide evidence of creditworthiness in a manner satisfactory to CIG as provided for in the General Terms and Conditions Section 4.14 of CIG's FERC Gas Tariff. Satisfactory evidence of creditworthiness may include a Letter of Credit, a guarantee from a creditworthy party or a satisfactory review of the financial status of the successful bidder(s) by CIG. Each successful bidder and CIG shall enter into and execute a FTSA reflecting the terms of its bid as awarded by CIG. The FTSA will be in the form contained in CIG's FERC Gas Tariff. Questions concerning this Open Season should be directed to:

Steve Newell (719) 520-4341
Randy Barton (719) 520-4667
Mark Iverson (719) 520-4587
Cathy Bulf (719) 520-3797
Dan Willemyns (719) 520-4375
Will Brown (719) 520-4250

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