

SABINE PIPE LINE LLC
NOTICE OF PRE-SETTLEMENT EFFORTS FOR UPCOMING FERC RATE CASE

This posting is to notify all Shippers that Sabine Pipe Line LLC (“Sabine”) intends to file a petition with the Federal Energy Regulatory Commission (“FERC”) for approval of the Stipulation and Agreement (“Settlement Agreement”) attached hereto. Submission of the Settlement Agreement is in an effort to pre-settle the general rate case currently required to be filed with the FERC by July 1, 2024. The draft of the Settlement Agreement is consistent with the information previously posted on Sabine’s website and made available at the December 4, 2023 customer meeting via Teams.

Although the prior settlement requires Sabine to file a new rate case, Sabine recognizes that settlement is a more efficient approach for all parties. For further information or questions please call Scott Davis at 713-739-3535 or via email at Scott.Davis@enlink.com.

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Sabine Pipe Line LLC

Docket No. [RP24-](#)
Docket No. RP15-1322-000

STIPULATION AND AGREEMENT

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“FERC” or “Commission”),¹¹ Sabine Pipe Line LLC (“Sabine”) hereby submits this Stipulation and Agreement (“Settlement”) as an integrated and comprehensive settlement of all issues associated with the [rate case it is required to file by July 1, 2024 pursuant to the settlement of Sabine’s last rate](#) proceeding. [Sabine has circulated a copy of this Settlement to the service list in Docket No. RP15-1322 and posted a copy on its interactive website. Sabine is not aware of any opposition to this Settlement. in the above captioned docket. The Settlement is supported or not opposed by the parties in this proceeding that are listed on Appendix A hereto.](#)

[Under the Settlement, the participants agree and stipulate as follows:](#)

ARTICLE I.
SETTLEMENT RATES AND OTHER MATTERS

1.1 Settlement Effective Date

- A. The “Settlement Effective Date” shall be the first day of the first calendar month following the date on which a Commission order becomes a Final Order. For purposes of this Settlement, a “Final Order” shall mean a final Commission order that: (i) is no longer subject to rehearing or appeal and

¹ 18 C.F.R. § 385.602 (2021~~5~~).

(ii) approves the Settlement as filed, without modification or condition.

- B. Assuming Commission approval, Sabine will ~~concurrently~~ file a motion to place the Settlement Rates into effect ~~subject to refund~~ effective April July 1, 2024~~16~~. ~~Refunds will be calculated for the period from April 1, 2016 through the Settlement Effective Date. If the Commission approves the Settlement as filed and without modification or condition, the parties expect that there will be no refunds because the interim rates placed into effect on April 1, 2016 will be the same as the Settlement Rates in effect on the Settlement Effective Date.~~

1.2 Settlement Rates

The “Settlement Rates” for service on the Sabine system shall be as follows. The maximum recourse reservation rate under Rate Schedule FT-1 shall be \$0.37004150 per Dth per day, or \$11.254142.6229 per Dth per month. The Rate Schedule FT-1 maximum recourse usage rate shall be \$0.0035 per Dth delivered. The maximum recourse rate for Rate Schedule IT-1 shall be \$0.37004185 per Dth delivered. The Settlement Rates, including minimum recourse rates, are established based on a single-system mainline rate design and are set forth in the *pro forma* tariff record included in Schedule 1 attached hereto.

1.3 Depreciation Rates

The “Depreciation Rates” for transmission facilities and intangible and general plant, as well as the negative salvage rate, are reflected on Schedule 2 attached hereto. The Depreciation Rates and negative salvage rate reflected on Schedule 2 shall be effective as of the Settlement Effective Date.

1.4 Negative Salvage

Sabine will record negative salvage accruals on its books in a subaccount to Account No. 108, Accumulated Provision for Depreciation of Gas Utility Plant. This subaccount will function as a negative salvage reserve distinct from the depreciation reserve. In addition to the annual negative salvage accruals, the gross salvage and cost of removal for all retirements will also be reflected in the negative salvage reserve. Upon retirement of plant, the cost of removal and gross salvage shall be debited or credited to the negative salvage subaccount in Account No. 108 in sufficient detail to show separately for each such functional classification the cost of removal and salvage.

~~1.5 — Moratorium, Rate Case Comeback, and Contract Term Modification~~

~~Neither Sabine nor any customer may file, under Section 4 or Section 5 of the Natural Gas Act, to revise any provision of the Settlement, including the Settlement Rates, with a filing date that occurs less than five years after the Settlement Effective Date (“Moratorium Period”). Following the Moratorium Period, Sabine shall file a new Natural Gas Act Section 4 rate case with a filing date that is no later than eight years after the Settlement Effective Date.~~

ARTICLE II.

MISCELLANEOUS

2.1 Non-Severability

The various provisions of this Settlement are non-severable components of an overall ~~negotiated~~ resolution of all issues in the rate case that is currently required to be filed by July 1, 2024~~Docket No. RP15-1322-000.~~

2.2 Entireties Clause

This Settlement represents a ~~negotiated~~ resolution of only the specific matters addressed herein, and except as specifically provided in this Settlement, no ~~party~~ person shall be deemed to have waived any claim or right in a future proceeding. There are no other agreements or understandings ~~between the parties to this Settlement~~ related to this Settlement ~~except as stated herein, and this Settlement represents the entire agreement of the parties with respect to the matters resolved in this proceeding.~~ This Settlement is not intended to resolve or affect any other proceeding pending before the Commission, courts, or any other governmental authority, nor does Commission approval of this Settlement constitute approval of, or precedent regarding, any principle or issue in this proceeding (recognizing that the terms of this Settlement are intended to remain in effect for the duration of this Settlement). Likewise, ~~no in consideration of all elements of this negotiated Settlement, no party intends that any~~ provision of this Settlement constitutes precedent or should be deemed “settled practice,” as the term “settled practice” was interpreted in *Public Service Comm’n of N.Y. v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980), cert. denied, 454 U.S. 880 (1981) or a “long-standing practice” as that term was used in *Columbia Gas Transmission Corp. v. FERC*, 628 F.2d 578 (D.C. Cir. 1979).

2.3 Filing Tariff Records

Sabine shall file revised tariff records to implement this Settlement in accordance with Section 1.1(B) above.

2.4 Term of Settlement

Except for Section 1.1(B), which is effective upon the filing of this Settlement, this Settlement shall become effective on the Settlement Effective Date and shall terminate on the date on which Sabine first places new rates into effect in a subsequent rate proceeding (whether or not such rates are placed into effect subject to refund).

~~2.5 Nature of Settlement~~

~~The terms of this Settlement are contractual, not a mere recital, and this Settlement is the result of negotiations between the parties to this Settlement, each of which has participated in the drafting of this Settlement through its respective attorneys. No party shall be deemed the drafter of this Settlement, and this Settlement shall not be construed against any party as the drafter. In the event of a conflict between the terms of this Settlement and the “Explanatory Statement of Stipulation and Agreement,” the Settlement shall control. Nothing contained in this Settlement shall be deemed an admission of any kind, whether of guilt, liability, or fact, by or against any party to this Settlement, or their directors, officers, shareholders, agents, employees, representatives, principals, successors, predecessors, assigns, and heirs.~~

~~2.6~~2.5 Interpretation

Each capitalized term not otherwise defined herein shall have the definition provided for such term in Sabine’s General Terms and Conditions.

~~2.7 Successors and Assigns~~

~~The provisions of this Settlement shall be binding upon and inure to the benefit of~~

~~the parties and their respective successors and permitted assigns.~~

~~2.8 — Definition of Parties and Participants~~

~~For purposes of this Settlement, the term “party” shall have the meaning provided in 18 C.F.R. § 385.102(c) (2015), and the term “participant” shall have the meaning provided in 18 C.F.R. § 385.102(b) (2015).~~

ARTICLE III. **EFFECT OF APPROVAL**

3.1 Settlement Rates in Public Interest

It is specifically understood and agreed that this Settlement represents a resolution ~~negotiated settlement~~ of all the issues related to the rate filing required by July 1, 2024 ~~set for hearing in this proceeding, resolved~~ in a manner that is in the public interest, ~~and that the benefits accruing to the parties hereto represent compromises by each party on many matters so that a balance could be achieved among competing interests.~~

3.2 Termination of Proceeding and Waivers

Commission approval of this Settlement without modification or condition shall constitute termination of the obligation to file a rate case by July 1, 2024 ~~proceeding in the above-captioned dockets~~. The Commission’s approval of this Settlement shall constitute any and all waivers of the Commission’s rules and regulations that may be necessary to effectuate the Settlement in accordance with its terms, including a waiver of Section 154.207 of the Commission’s regulations, 18 C.F.R. § 154.207 (20215), to the extent necessary to implement the Settlement Rates as described above.

3.3 Rights Reserved

~~All participants further understand and agree that t~~The provisions of this Settlement relate only to the specific matters referred to in this Settlement and ~~that no participant~~ person waives any claim or right that it otherwise may have with respect to any matters not

expressly provided for in this Settlement. Except to the extent explicitly set forth in this Settlement, ~~then neither the Commission, Commission Trial Staff, nor any of the parties to this~~ Settlement shall not be deemed to have approved, accepted, agreed to or consented to any policy, methodology or other principle underlying or supposed to underlie any of the matters provided for in this Settlement. Nothing in this Settlement shall preclude Sabine from filing changes in its FERC Gas Tariff to the extent that such changes do not contravene Sabine's specific obligations under this Settlement, or preclude any person party from responding thereto or seeking changes in Sabine's FERC Gas Tariff pursuant to NGA Section 5 ~~to the extent that such changes do not contravene such party's specific obligations under this Settlement.~~

~~3.4~~ — No Modification Without Written Agreement

~~No modification of the terms and provisions of this Settlement shall be made except by the execution of a written agreement by all of the parties to this Settlement, as approved by the Commission. The applicable standard of review for any future modification of this Settlement is the ordinary "just and reasonable" standard.~~

~~3.5~~ 3.4 No Effect Before Settlement Effective Date

This Settlement is made pursuant to Rule 602 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.602 (20215). Except as set forth in Section 2.4 above, until the Settlement Effective Date, this Settlement and the *pro forma tariff record* contained in Schedule 1 hereto shall be privileged and of no effect, and nothing contained in this Settlement or in the *pro forma tariff record* shall be admissible in evidence in any Commission, court, or other regulatory proceeding or deemed an admission by any personarty of any principle contained herein.

WHEREFORE, Sabine respectfully requests that the Commission approve this Settlement in its entirety, without modification or condition.

Respectfully submitted,