FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **2011-11-07** | Period of Report: **2011-09-30**
SEC Accession No. 0000950123-11-095513

(HTML Version on secdatabase.com)

FILER

COLORADO INTERSTATE GAS COMPANY, L.L.C.

CIK:**200155**| IRS No.: **840173305** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **10-Q** | Act: **34** | File No.: **001-04874** | Film No.: **111182632**
SIC: **4922** Natural gas transmission

Mailing Address
1001 LOUISIANA ST
HOUSTON TX 77002

Business Address
1001 LOUISIANA ST
HOUSTON TX 77002
7134202600

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2011

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 1-4874

Colorado Interstate Gas Company, L.L.C.

(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	**84-0173305** (I.R.S. Employer Identification No.)
El Paso Building **1001 Louisiana Street** **Houston, Texas** (Address of Principal Executive Offices)	**77002** (Zip Code)

Telephone Number: (713) 420-2600

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☑ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

COLORADO INTERSTATE GAS COMPANY, L.L.C.

TABLE OF CONTENTS

Below is a list of terms that are common to our industry and used throughout this document:

/d = per day BBtu = billion British thermal units

When we refer to "us," "we," "our," "ours," or "CIG," we are describing Colorado Interstate Gas Company, L.L.C. and/or our subsidiaries.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

COLORADO INTERSTATE GAS COMPANY, L.L.C.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Operating revenues	$92	$89	$308	$299
Operating expenses				
Operation and maintenance	34	51	108	118
Depreciation and amortization	11	11	34	31
Taxes, other than income taxes	6	4	18	15
	51	66	160	164
Operating income	41	23	148	135
Other income, net	1	2	2	6
Interest and debt expense, net	(15)	(15)	(46)	(44)
Affiliated interest income, net	1	–	1	1
Net income	28	10	105	98
Other comprehensive income				
Unrealized actuarial gains on postretirement benefit obligations	9	–	9	–
Comprehensive income	$37	$10	$114	$98

See accompanying notes.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)
(Unaudited)

	September 30, 2011	December 31, 2010
ASSETS		
Current assets		
Cash and cash equivalents	$ 7	$ 1
Accounts and notes receivable		
Customer, net of allowance	1	1
Affiliates	35	3
Other	14	16
Materials and supplies	8	8
Other	8	6
Total current assets	73	35
Property, plant and equipment, at cost	1,884	1,850
Less accumulated depreciation and amortization	487	455
Total property, plant and equipment, net	1,397	1,395
Other long-term assets		
Note receivable from affiliate	22	63
Other	46	49
	68	112
Total assets	$ 1,538	$ 1,542
LIABILITIES AND MEMBERS' EQUITY/PARTNERS' CAPITAL		
Current liabilities		
Accounts payable		
Trade	$ 8	$ 5
Affiliates	18	19
Other	5	17
Short-term other financing obligations, including current maturities	5	5
Taxes payable	15	15
Regulatory liabilities	10	8
Accrued interest	11	4
Contractual deposits	8	11
Other	2	3
Total current liabilities	82	87
Long-term debt and other financing obligations, less current maturities	647	649
Other long-term liabilities	20	37
Commitments and contingencies (Note 4)		
Members' equity/partners' capital	780	769
Accumulated other comprehensive income	9	–
Total members' equity/partners' capital	789	769
Total liabilities and members' equity/partners' capital	$ 1,538	$ 1,542

See accompanying notes.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2010
Cash flows from operating activities		
Net income	$105	$98
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization	34	31
Non-cash asset write down	–	21
Other non-cash income items	16	3
Asset and liability changes	(12)	(23)
Net cash provided by operating activities	143	130
Cash flows from investing activities		
Capital expenditures	(47)	(34)
Net change in notes receivable from affiliates	9	40
Other	(2)	4
Net cash provided by (used in) investing activities	(40)	10
Cash flows from financing activities		
Payments to retire other financing obligations	(3)	(4)
Distributions to partners	(126)	(137)
Contributions from partners	32	–
Net cash used in financing activities	(97)	(141)
Net change in cash and cash equivalents	6	(1)
Cash and cash equivalents		
Beginning of period	1	2
End of period	$7	$1

See accompanying notes.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

We prepared this Quarterly Report on Form 10-Q under the rules and regulations of the United States Securities and Exchange Commission. As an interim period filing presented using a condensed format, it does not include all of the disclosures required by U.S. generally accepted accounting principles, and should be read along with our 2010 Annual Report on Form 10-K. The financial statements as of September 30, 2011, and for the quarters and nine months ended September 30, 2011 and 2010, are unaudited. The condensed consolidated balance sheet as of December 31, 2010 was derived from the audited balance sheet filed in our 2010 Annual Report on Form 10-K. In our opinion, we have made adjustments, all of which are of a normal, recurring nature, to fairly present our interim period results. Our financial statements for prior periods include reclassifications that were made to conform to the current year presentation none of which impacted our reported net income or members' equity/partners' capital. Due to the seasonal nature of our business, information for interim periods may not be indicative of our operating results for the entire year. Our disclosures in this Form 10-Q are an update to those provided in our 2010 Annual Report on Form 10-K.

In June 2011, El Paso Pipeline Partners L.P. (EPB) acquired an additional 28 percent ownership interest in us from El Paso Corporation (El Paso). The acquisition increased EPB' s interest in us to 86 percent with El Paso retaining the remaining 14 percent. EPB is controlled by its general partner, El Paso Pipeline GP Company, L.L.C., a wholly-owned subsidiary of El Paso.

Effective August 31, 2011, we converted our legal structure to a limited liability company and changed our name to Colorado Interstate Gas Company, L.L.C.

On October 16, 2011, El Paso announced a definitive agreement with Kinder Morgan, Inc. (KMI) whereby KMI will acquire El Paso in a transaction that values El Paso at approximately $38 billion including the assumption of debt. The transaction has been approved by each company' s board of directors but remains subject to the approvals of El Paso shareholders, the Federal Trade Commission (FTC) and other customary regulatory and other approvals. The approval of KMI shareholders will also be required, but a voting agreement has been executed by the majority of the shareholders of KMI to support the transaction.

Significant Accounting Policies

There were no changes in the significant accounting policies described in our 2010 Annual Report on Form 10-K and no significant accounting pronouncements issued but not yet adopted as of September 30, 2011.

2. Divestiture

In September 2010, we recorded a non-cash adjustment as an increase of operation and maintenance expense of approximately $21 million to write down net property, plant and equipment based on a Federal Energy Regulatory Committee (FERC) order related to the sale of the Natural Buttes facilities. In October 2010, we filed a request for rehearing and clarification of the FERC order and in October 2011, the FERC denied our request. For a further discussion of Natural Buttes, see our 2010 Annual Report on Form 10-K.

3. Financial Instruments

At September 30, 2011 and December 31, 2010, the carrying amounts of cash and cash equivalents and trade receivables and payables represent fair value because of the short-term nature of these instruments. At September 30, 2011 and December 31, 2010, we had an interest bearing note receivable from EPB of $54 million and $63 million due upon demand with a variable interest rate of 2.2% and 0.8%. While we are exposed to changes in interest income based on changes to the variable interest rate, the fair value of this note receivable approximates the carrying value due to the note being due on demand and the market-based nature of the interest rate.

In addition, the carrying amounts of our long-term debt and other financing obligations, and their estimated fair values, which are based on quoted market prices for the same or similar issues, are as follows:

	September 30, 2011		December 31, 2010	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In millions)			
Long-term debt and other financing obligations, including current maturities	$ 652	$ 707	$ 654	$ 703

4. Commitments and Contingencies

Legal Proceedings

We and our affiliates are named defendants in numerous legal proceedings and claims that arise in the ordinary course of our business. For each of these matters, we evaluate the merits of the case or claim, our exposure to the matter, possible legal or settlement strategies and the likelihood of an unfavorable outcome. If we determine that an unfavorable outcome is probable and can be estimated, we establish the necessary accruals. While the outcome of these matters cannot be predicted with certainty, and there are still uncertainties related to the costs we may incur, based upon our evaluation and experience to date, we had no accruals for our outstanding legal proceedings at September 30, 2011. It is possible however, that new information or future developments could require us to reassess our potential exposure related to these matters and establish accruals accordingly.

Environmental Matters

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These laws and regulations require us to remove or remedy the effect of the disposal or release of specified substances at current and former operating sites. At September 30, 2011, our accrual was approximately $10 million for expected remediation costs and associated onsite, offsite and groundwater technical studies and for related environmental legal costs; however, we estimate that our exposure could be as high as $33 million. Our accrual includes $6 million for environmental contingencies related to properties we previously owned.

Our environmental remediation projects are in various stages of completion. Our recorded liabilities reflect our current estimates of amounts we will spend to remediate these sites. However, depending on the stage of completion or assessment, the ultimate extent of contamination or remediation required may not be known. As additional assessments occur or remediation efforts continue, we may incur additional liabilities.

For the remainder of 2011, we estimate that our total remediation expenditures will be approximately $1 million, most of which will be expended under government directed clean-up programs. In addition, we expect to make capital expenditures for environmental matters of approximately $5 million in the aggregate for the remainder of 2011 through 2015, including capital expenditures associated with the impact of the Environmental Protection Agency rule on emissions of hazardous air pollutants from reciprocating internal combustion engines which are subject to regulations with which we have to be in compliance by October 2013.

It is possible that new information or future developments could require us to reassess our potential exposure related to environmental matters. We may incur significant costs and liabilities in order to comply with existing environmental laws and regulations. It is also possible that other developments, such as increasingly strict environmental laws, regulations and orders of regulatory agencies, as well as claims for damages to property and the environment or injuries to other persons resulting from our current or past operations, could result in substantial costs and liabilities in the future. As this information becomes available, or other relevant developments occur, we will adjust our accrual amounts accordingly. While there are still uncertainties related to the ultimate costs we may incur, based upon our evaluation and experience to date, we believe our reserves are adequate.

Regulatory Matter

In August 2011, the FERC approved an uncontested pre-filing settlement of a rate case required under the terms of a previous settlement. The settlement generally provides for our current tariff rates to continue until our next general rate case which will be effective after October 1, 2014 but no later than October 1, 2016.

Pursuant to FERC guidance, regulated pipeline companies are required to recognize a regulatory asset or liability for changes in actuarial assumptions related to their postretirement benefit plans that would otherwise be recorded in accumulated other comprehensive income if it is probable that amounts would be included in rates in future periods. As a result of our rate case settlement discussed above, we will no longer include these costs in our rates and have reclassified $9 million from a regulatory liability to accumulated other comprehensive income at September 30, 2011.

5. Accounts Receivable Sales Program

We participate in an accounts receivable sales program where we sell receivables in their entirety to a third-party financial institution (through a wholly-owned special purpose entity). The sale of these accounts receivable (which are short-term assets that generally settle within 60 days) qualify for sale accounting. The third party financial institution involved in our accounts receivable sales program acquires interests in various financial assets and issues commercial paper to fund those acquisitions. We do not consolidate the third party financial institution because we do not have the power to control, direct or exert significant influence over its overall activities since our receivables do not comprise a significant portion of its operations.

In connection with our accounts receivable sales, we receive a portion of the sales proceeds up front and receive an additional amount upon the collection of the underlying receivables (which we refer to as a deferred purchase price). Our ability to recover the deferred purchase price is based solely on the collection of the underlying receivables. The tables below contain information related to our accounts receivable sales program.

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
	(In millions)			
Accounts receivable sold to the third-party financial institution(1)	$ 93	$ 88	$ 308	$ 294
Cash received for accounts receivable sold under the program	55	50	167	177
Deferred purchase price related to accounts receivable sold	38	38	141	117
Cash received related to the deferred purchase price	43	44	144	139
Amount paid in conjunction with terminated program (2)	–	–	–	20

(1) During the quarters and nine months ended September 30, 2011 and 2010, losses recognized on the sale of accounts receivable were immaterial.

(2) In January 2010, we terminated our previous accounts receivable sales program and paid $20 million to acquire the related senior interests in certain receivables under that program. See our 2010 Annual Report on Form 10-K for further information.

	September 30, 2011	December 31, 2010
	(In millions)	
Accounts receivable sold and held by third-party financial institution	$ 32	$ 37
Uncollected deferred purchase price related to accounts receivable sold (1)	12	15

(1) Initially recorded at an amount which approximates its fair value using observable inputs other than quoted prices in active markets.

The deferred purchase price related to the accounts receivable sold is reflected as other accounts receivable on our balance sheet. Because the cash received up front and the deferred purchase price relate to the sale or ultimate collection of the underlying receivables, and are not subject to significant other risks given their short term nature, we reflect all cash flows under the accounts receivable sales program as operating cash flows on our statement of cash flows. Under the accounts receivable sales program, we service the underlying receivables for a fee. The fair value of this servicing agreement as well as the fees earned, were not material to our financial statements for the quarters and nine months ended September 30, 2011 and 2010.

6. Investment in Unconsolidated Affiliate and Transactions with Affiliates

Investment in Unconsolidated Affiliate

We have a 50 percent investment in WYCO Development LLC (WYCO). At September 30, 2011 and December 31, 2010, our investment balance in WYCO was approximately $15 million and was reflected in other non-current assets on our balance sheets. Our equity earnings for the quarters ended September 30, 2011 and 2010 were less than $1 million. For the nine months ended September 30, 2011 and 2010, our equity earnings were $1 million. We reflect equity earnings in other income on our income statements. Additionally, for the nine months ended September 30, 2011 and 2010, we received cash distributions of $1 million and less than $1 million from WYCO.

Transactions with Affiliates

Other Financing Obligations. We have other financing obligations payable to WYCO related to Totem Gas Storage and High Plains Pipeline. At September 30, 2011 and December 31, 2010, these other financing obligations were $176 million and $179 million. For a further discussion of our other financing obligations, see our 2010 Annual Report on Form 10-K.

Distributions and Contributions. We are required to make distributions to our owners as defined in our partnership and limited liability company agreements on a quarterly basis. During the nine months ended September 30, 2011 and 2010, we paid cash distributions of approximately $126 million and $137 million to our partners. In addition, in October 2011, we paid cash distributions to our members of approximately $29 million. During the nine months ended September 30, 2011, we received cash contributions of approximately $32 million from our partners to fund our expansion projects. In addition, in October 2011, we received cash contributions from our members of approximately $10 million.

Cash Management Program. We participate in EPB' s cash management program which matches our short-term cash surpluses and needs, thus minimizing our total borrowings from outside sources. EPB uses the cash management program to settle intercompany transactions between participating affiliates. At September 30, 2011 and December 31, 2010, we had a note receivable from EPB of approximately $54 million and $63 million. At September 30, 2011, we have classified $32 million of this receivable as current on our balance sheet based on the net amount we anticipate using in the next twelve months considering available cash sources and needs. The interest rate on this note is variable and was 2.2% and 0.8% at September 30, 2011 and December 31, 2010.

Other Affiliate Balances. At September 30, 2011 and December 31, 2010, we had contractual deposits from our affiliates of $7 million.

Affiliate Revenues and Expenses. We enter into transactions with our affiliates within the ordinary course of business. For a further discussion of our affiliated transactions, see our 2010 Annual Report on Form 10-K. The following table shows revenues and charges from our affiliates.

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
	(In millions)			
Revenues	$ 3	$ 3	$ 9	$ 9
Operation and maintenance expenses	23	21	70	63
Reimbursement of operating expenses	3	2	7	8

Item 2. Management' s Discussion and Analysis of Financial Condition and Results of Operations

The information contained in Item 2 updates, and should be read in conjunction with, the information disclosed in our 2010 Annual Report on Form 10-K, and the financial statements and notes presented in Item 1 of this Quarterly Report on Form 10-Q.

On October 16, 2011, El Paso announced a definitive agreement with KMI whereby KMI will acquire El Paso in a transaction that values El Paso at approximately $38 billion including the assumption of debt. The transaction has been approved by each company' s board of directors but remains subject to the approvals of El Paso shareholders the FTC and other customary regulatory and other approvals. The approval of KMI shareholders will also be required, but a voting agreement has been executed by the majority of the shareholders of KMI to support the transaction.

Results of Operations

Beginning January 1, 2011, our management uses segment earnings before interest expense and income taxes (Segment EBIT) as a measure to assess the operating results and effectiveness of our business, which consists of consolidated operations as well as an investment in an unconsolidated affiliate. We believe Segment EBIT is useful to investors to provide them with the same measure used by our management to evaluate our performance and so that investors may evaluate our operating results without regard to our financing methods. Segment EBIT is defined as net income adjusted for items such as interest and debt expense and affiliated interest income. Segment EBIT may not be comparable to measures used by other companies. Additionally, Segment EBIT should be considered in conjunction with net income and other performance measures such as operating income or operating cash flows. Below is a reconciliation of our Segment EBIT to net income, our throughput volumes and an analysis and discussion of our results for the quarters and nine months ended September 30, 2011 compared with the same periods in 2010.

Operating Results:

	Quarter Ended September 30, 2011	Quarter Ended September 30, 2010	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2010
	(In millions, except for volumes)			
Operating revenues	$92	$89	$308	$299
Operating expenses	(51)	(66)	(160)	(164)
Operating income	41	23	148	135
Other income, net	1	2	2	6
Segment EBIT	42	25	150	141
Interest and debt expense	(15)	(15)	(46)	(44)
Affiliated interest income, net	1	–	1	1
Net income	$28	$10	$105	$98
Throughput volumes (BBtu/d)	2,004	2,055	2,117	2,112

Segment EBIT Analysis:

	Quarter Ended September 30, 2011				Nine Months Ended September 30, 2011			
	Variance				Variance			
	Operating Revenue	Operating Expense	Other	Total	Operating Revenue	Operating Expense	Other	Total
	Favorable/(Unfavorable) (In millions)							
Expansions	$5	$(1)	$–	$4	$16	$(2)	$(4)	$10
Reservation revenues and expenses	(2)	(1)	–	(3)	(4)	(3)	–	(7)
Operating and general and administrative expenses	–	(2)	–	(2)	–	(11)	–	(11)
Non-cash asset write down	–	21	–	21	–	21	–	21
Other(1)	–	(2)	(1)	(3)	(3)	(1)	–	(4)
Total impact on Segment EBIT	$3	$15	$(1)	$17	$9	$4	$(4)	$9

(1) Consists of individually insignificant items.

Expansions. During 2011, we benefited from increased reservation revenues due to the Raton 2010 expansion project placed in service December 2010. For a further discussion of our expansion projects, see our 2010 Annual Report on Form 10-K.

Reservation Revenues and Expenses. During the quarter and nine months ended September 30, 2011, our reservation revenues decreased when compared to the same periods in 2010 primarily due to the nonrenewal of expiring contracts as a result of reduced basis differentials. Additionally, we experienced higher transportation expenses during the quarter and nine months ended September 30, 2011 as a result of increased third party capacity commitments.

Operating and General and Administrative Expenses. During the quarter and nine months ended September 30, 2011, our operating and general and administrative expenses increased primarily due to higher field repair and maintenance expenses and employee benefit costs.

Non-cash Asset Write Down. During the third quarter of 2010, we recorded a $21 million non-cash asset write down as an increase of operations and maintenance expense based on a FERC order related to the sale of the Natural Buttes facilities in 2009. In October 2010, we filed a request for rehearing and clarification of the FERC order and in October 2011, the FERC denied our request. For a further discussion of Natural Buttes, see Item 1, Financial Statements, Note 2.

Regulatory Matter

In August 2011, the FERC approved an uncontested pre-filing settlement of a rate case required under the terms of a previous settlement. The settlement generally provides for our current tariff rates to continue until our next general rate case which will be effective after October 1, 2014 but no later than October 1, 2016.

Liquidity and Capital Resources

Liquidity Overview. Our primary sources of liquidity are cash flows from operating activities, amounts available under EPB' s cash management program and capital contributions from our members, while our primary uses of cash are for working capital, capital expenditures and required distributions to our members. At September 30, 2011, we had a note receivable from EPB under its cash management program of approximately $54 million, of which $32 million was classified as current based on the net amount we anticipate using in the next twelve months considering available cash sources and needs. See Item 1, Financial Statements, Note 6 for a further discussion of EPB' s cash management program.

Cash Flow Activities. Our cash flows for the nine months ended September 30, 2011 are summarized as follows (in millions).

Cash Flow from Operations	
Net income	$105
Non-cash income adjustments	50
Change in assets and liabilities	(12)
Total cash flow from operations	143
Other Cash Inflows	
Investing activities	
Net change in note receivable from affiliate	9
Financing activities	
Contributions from partners	32
Total other cash inflows	41
Cash Outflows	
Investing activities	
Capital expenditures	47
Other	2
Total other cash outflows	49
Financing activities	
Distributions to partners	126
Payments to retire other financing obligations	3
	129
Total cash outflows	178
Net change in cash and cash equivalents	$6

During the nine months ended September 30, 2011, we generated $143 million of operating cash flows. We used these amounts primarily to fund maintenance capital expenditures, as well as pay distributions to our partners. During the nine months ended September 30, 2011, we paid cash distributions of approximately $126 million to our partners. In addition, in October 2011 we paid cash distributions to our members of approximately $29 million. During 2011, we received cash contributions of approximately $32 million from our partners to fund our expansion projects. In October 2011, we received cash contributions from our members of approximately $10 million.

Our cash capital expenditures for the nine months ended September 30, 2011, and our estimated capital expenditures for the remainder of this year to expand and maintain our system are listed below.

	Nine Months Ended September 30, 2011	2011 Remaining	Total
		(In millions)	
Maintenance	$ 25	$ 11	$36
Expansion	22	2	24
	$ 47	$ 13	$60

We believe we have adequate liquidity available to us to meet our capital requirements and our existing operating needs through cash flows from operating activities, amounts available under EPB' s cash management program, and capital contributions from our members. While we do not anticipate a need to directly access the financial markets in the remainder of 2011 for any of our operating activities or expansion capital needs based on liquidity available to us, market conditions may impact our or EPB' s ability to act opportunistically. Our future plans could also be impacted by the completion of El Paso' s announced acquisition by KMI.

Commitments and Contingencies

For a further discussion of our commitments and contingencies, see Item 1, Financial Statements, Note 4 which is incorporated herein by reference and our 2010 Annual Report on Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There are no material changes in our quantitative and qualitative disclosures about market risks from those reported in our 2010 Annual Report on Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of September 30, 2011, we carried out an evaluation under the supervision and with the participation of our management, including our President and Chief Financial Officer (CFO), as to the effectiveness, design and operation of our disclosure controls and procedures. This evaluation considered the various processes carried out under the direction of our disclosure committee in an effort to ensure that information required to be disclosed in the U.S. Securities and Exchange Commission reports we file or submit under the Securities Exchange Act of 1934, as amended (Exchange Act) is accurate, complete and timely. Our management, including our President and CFO, does not expect that our disclosure controls and procedures or our internal controls will prevent and/or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives and our President and CFO concluded that our disclosure controls and procedures (as defined in Exchange Act Rules 13a − 15(e) and 15d − 15(e)) were effective as of September 30, 2011.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the third quarter of 2011 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II − OTHER INFORMATION

Item 1. Legal Proceedings

See Part I, Item 1, Financial Statements, Note 4, which is incorporated herein by reference. Additional information about our legal proceedings can be found in Part I, Item 3 of our 2010 Annual Report on Form 10-K.

Item 1A. Risk Factors

CAUTIONARY STATEMENTS FOR PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on assumptions or beliefs that we believe to be reasonable; however, assumed facts almost always vary from actual results, and differences between assumed facts and actual results can be material, depending upon the circumstances. Where, based on assumptions, we or our management express an expectation or belief as to future results, that expectation or belief is expressed in good faith and is believed to have a reasonable basis. We cannot assure you, however, that the stated expectation or belief will occur, be achieved or accomplished. The words "believe," "expect," "estimate," "anticipate," and similar expressions will generally identify forward-looking statements. All of our forward-looking statements, whether written or oral, are expressly qualified by these cautionary statements and any other cautionary statements that may accompany such forward-looking statements. In addition, we disclaim any obligation to update any forward-looking statements to reflect events or circumstances after the date of this report.

Important factors that could cause actual results to differ materially from estimates or projections contained in forward-looking statements are described in our 2010 Annual Report on Form 10-K under Part I, Item 1A, Risk Factors. There have been no material changes in these risk factors since that report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. (Removed and Reserved)

Item 5. Other Information

None.

Item 6. Exhibits

The Exhibit Index is hereby incorporated herein by reference.

The agreements included as exhibits to this report are intended to provide information regarding their terms and not to provide any other factual or disclosure information about us or the other parties to the agreements. The agreements may contain representations and warranties by the parties to the agreements, including us, solely for the benefit of the other parties to the applicable agreement and:

should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;

may have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;

may apply standards of materiality in a way that is different from what may be viewed as material to certain investors; and

were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Colorado Interstate Gas Company, L.L.C. has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COLORADO INTERSTATE GAS COMPANY, L.L.C.

Date: November 4, 2011

/s/ James J. Cleary

James J. Cleary
President
(Principal Executive Officer)

Date: November 4, 2011

/s/ John R. Sult

John R. Sult
Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

COLORADO INTERSTATE GAS COMPANY, L.L.C.

EXHIBIT INDEX

Each exhibit identified below is filed as a part of this Report.

Exhibit Number	Description
3.A	Limited Liability Company Agreement of Colorado Interstate Gas Company, L.L.C., dated August 31, 2011.
31.A	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.B	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.A	Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.B	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Schema Document.
101.CAL	XBRL Calculation Linkbase Document.
101.LAB	XBRL Labels Linkbase Document.
101.PRE	XBRL Presentation Linkbase Document.

Exhibit 3.A

LIMITED LIABILITY COMPANY AGREEMENT
OF
COLORADO INTERSTATE GAS COMPANY, L.L.C.

A DELAWARE LIMITED LIABILITY COMPANY

PREAMBLE

The undersigned members, El Paso Noric Investments III, L.L.C., a Delaware limited liability company, and EPPP CIG GP Holdings, L.L.C., a Delaware limited liability company (the "Members"), hereby form Colorado Interstate Gas Company, L.L.C. (the "Company"), a Delaware limited liability company, pursuant to and in accordance with the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101, et seq. (the "Act"), and hereby declare the following to be the Limited Liability Company Agreement of such limited liability company as of the Effective Date (as defined herein).

ARTICLE I
DEFINITIONS AND TERMS

SECTION 1.01. Definitions Unless the context otherwise requires, the following terms shall have the following meanings for the purposes of this Agreement:

"***Act***" means the Delaware Limited Liability Company Act, 6 Del C. §§ 18-101, et seq., as amended from time to time (or any corresponding provisions of succeeding law).

"***Agreement***" means this Limited Liability Company Agreement, as the same may be amended from time to time.

"***Capital Contribution***" means a capital contribution made by the Members pursuant to Section 3.01 or 3.02.

"***Certificate of Formation***" means the Certificate of Formation filed with the Secretary of State of the State of Delaware on August 31, 2011, to form the Company pursuant to the Act, as originally executed by Stacy J. James (as an authorized person within the meaning of the Act) and as amended, modified, supplemented or restated from time to time, as the context requires.

"***Company***" means the limited liability company formed pursuant to this Agreement.

"***Distributable Cash***" means cash (in U.S. dollars) of the Company that the Members determine is available for distribution.

"***Interest***" means the ownership interest in the Company at any time, including the right of the Members to any and all benefits to which the Members may be entitled as provided in this Agreement, together with the obligations of the Members to comply with all the terms and provisions of this Agreement.

"***Members***" means El Paso Noric Investments III, LLC and EPPP CIG GP Holdings, L.L.C. and any other member or members admitted to the Company in accordance with this Agreement or any amendment or restatement hereof.

"***Person***" has the meaning set forth in the Act.

SECTION 1.02. Terms Generally. The definitions in Section 1.01 shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. All references herein to Articles, Sections and Exhibits shall be deemed to be references to Articles and Sections of, and Exhibits to, this Agreement unless the context shall otherwise require. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

ARTICLE II
FORMATION

SECTION 2.01. Name. The name of the Company shall be as set forth in the Preamble hereof. All business of the Company shall be conducted under such name and title to all property, real, personal, or mixed, owned by or leased to the Company shall be held in such name. Notwithstanding the preceding sentence, the Members may change the name of the Company or adopt such trade or fictitious names as it may determine.

SECTION 2.02. Term. The term of the Company commenced on the date of filing of the Certificate of Formation of the Company in the Office of the Secretary of State of Delaware (the "Effective Date"). The term of the Company shall continue until terminated as provided in Article VIII hereof.

SECTION 2.03. Principal Place of Business. The principal place of business of the Company shall be located at 1001 Louisiana, Houston, Texas 77002. The Members may establish other offices at other locations.

SECTION 2.04. Agent for Service of Process. The Corporation Trust Company shall be the registered agent of the Company upon whom process against it may be served. The address of such agent within the State of Delaware is: Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801.

SECTION 2.05. Purposes of the Company. The Company has been organized to engage in any lawful act or activity for which a Delaware limited liability company may be formed.

ARTICLE III
CAPITAL CONTRIBUTIONS

SECTION 3.01. Capital Contribution. The Members may contribute cash or other property to the Company as they shall decide, from time to time.

SECTION 3.02. Additional Capital Contributions. If at any time the Members shall determine that additional funds or property are necessary or desirable to meet the obligations or needs of the Company, the Members may make additional Capital Contributions.

SECTION 3.03. Limitation on Liability. The liability of the Members shall be limited to its Interest in the Company, and the Members shall not have any personal liability to contribute money to, or in respect of, the liabilities or the obligations of the Company, except as set forth in the Act.

SECTION 3.04. Withdrawal of Capital; Interest. The Members may not withdraw capital or receive any distributions, except as specifically provided herein. No interest shall be paid by the Company on any Capital Contributions.

ARTICLE IV
DISTRIBUTIONS

SECTION 4.01. Distributions. Except as otherwise provided in the Act, all Distributable Cash of the Company shall be distributed to the Members, or distributions in kind may be made to the Members at such times as the Members shall determine.

ARTICLE V
BOOKS AND RECORDS

SECTION 5.01. Books and Records. The Members shall keep or cause to be kept complete and accurate books of account and records that shall reflect all transactions and other matters and include all documents and other materials with respect to the Company' s business that are usually entered into and maintained by Persons engaged in similar businesses. All Company financial statements shall be accurate in all material respects, shall fairly present the financial position of the Company and the results of its operations and Distributable Cash and transactions in its reserve accounts, and shall be prepared in accordance with generally accepted accounting principles, subject, in the case of quarterly statements, to year-end adjustments. The books of the Company shall at all times be maintained at the principal office of the Company or at such other location as the Members decides.

ARTICLE VI
MANAGEMENT OF THE COMPANY

SECTION 6.01. Management. The management of the Company shall be under the direction of the Members, who may, from time to time, designate one or more persons to be officers of the Company, with such titles as the Members may determine, including those positions set forth in Section 6.02.

SECTION 6.02. Officers. Such of the following officers shall be elected as the Members deems necessary or appropriate: a President, one or more Executive Vice Presidents, one or more Senior Vice Presidents, one or more Vice Presidents, a Secretary, a Treasurer, a Controller, one or more Assistant Vice Presidents, Assistant Secretaries, Assistant Treasurers and Assistant Controllers, and such other officers with such titles and powers and/or duties as the Members shall from time to time determine. Officers may be designated for particular areas of responsibility and simultaneously serve as officers of subsidiaries or divisions. Any officer so elected may resign at any time upon written notice to the Members. Such resignation shall take effect at the time specified therein, and unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective. Any officer may be removed, with or without cause, by the Members. Any such removal shall be without prejudice to the contractual rights of such officer, if any, with the Company, but the election or appointment of any officer shall not of itself create contractual rights. Any number of offices may be held by the same person. Any vacancy occurring in any office by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Members.

(a) President. The President shall have general control of the business, affairs, operations and property of the Company, subject to the supervision of the Members. He may sign or execute, in the name of the Company, all deeds, mortgages, bonds, contracts or other undertakings or instruments, except in cases where the signing or execution thereof shall have been expressly delegated by the Members to some other officer or agent of the Company. He shall have and may exercise such powers and perform such duties as may be provided by law or as are incident to the office of President of a company (as if the Company were a Delaware corporation) and such other duties as are assigned from time to time by the Members.

(b) Vice Presidents. Each Executive Vice President, Senior Vice President, Vice President and Assistant Vice President shall have such powers and perform such duties as may be provided by law or as may from time to time be assigned to him, either generally or in specific instances, by the Members or the President. Any Executive Vice President or Senior Vice President may perform any of the duties or exercise any of the powers of the President at the request of, or in the absence or disability of, the President or otherwise as occasion may require in the administration of the business and affairs of the Company.

Each Executive Vice President, Senior Vice President, Vice President and Assistant Vice President shall have authority to sign or execute all deeds, mortgages, bonds, contracts or other instruments on behalf of the Company, except in cases where the signing or execution thereof shall have been expressly delegated by the Members to some other officer or agent of the Company.

(c) Secretary. The Secretary shall keep the records of the Company, in books provided for the purpose; he shall be custodian of the seal or seals of the Company; he shall see that the seal is affixed to all documents requiring same, the execution of which, on behalf of the Company, under its seal, is duly authorized, and when said seal is so affixed he may attest same; and, in general, he shall perform all duties incident to the office of the secretary of a company (as if the Company were a Delaware corporation), and such other duties as from time to time may be assigned to him by the Members or the President or as may be provided by law. Any Assistant Secretary may perform any of the duties or exercise any of the powers of the Secretary at the request of, or in the absence or disability of, the Secretary or otherwise as occasion may require in the administration of the business and affairs of the Company.

(d) Treasurer. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Company, and shall deposit, or cause to be deposited, in the name of the Company, all moneys or other valuable effects in such banks, trust companies or other depositories as shall, from time to time, be selected by or under authority of the Members; if required, he shall give a bond for the faithful discharge of his duties, with such surety or sureties as the Members may determine; he shall keep or cause to be kept full and accurate records of all receipts and disbursements in books of the Company and shall render to the Members or the President, whenever requested, an account of the financial condition of the Company (as if the Company were a Delaware corporation); and, in general, he shall perform all the duties incident to the office of treasurer of a company, and such other duties as may be assigned to him by the Members or the President or as may be provided by law.

(e) Controller. The Controller shall be the chief accounting officer of the Company. He shall keep full and accurate accounts of the assets, liabilities, commitments, receipts, disbursements and other financial transactions of the Company; shall cause regular audits of the books and records of account of the Company and supervise the preparation of the Company' s financial statements; and, in general, he shall perform the duties incident to the office of controller of a company (as if the Company were a Delaware corporation) and such other duties as may be assigned to him by the Members or the President or as may be provided by law. If no Controller is elected by the Members, the Treasurer shall perform the duties of the office of controller.

(f) Tax Officer. The office of Tax Officer shall have the authority to sign or execute on behalf of this Company any federal, foreign, Indian, state or local tax return or report, claim for refund of taxes, extension of a statute of limitation, administrative tax appeals filings and any other document relating to this Company' s tax responsibilities.

ARTICLE VII
TRANSFERS OF COMPANY INTERESTS

SECTION 7.01. Transfers. Any Member may, directly or indirectly, sell, assign, transfer, pledge, hypothecate or otherwise dispose of all or any part of its Interest. Any Person acquiring the Member' s Interest shall be admitted to the Company as a substituted Member with no further action being required on the part of the Members.

ARTICLE VIII
DISSOLUTION AND TERMINATION

SECTION 8.01. Dissolution. The Company shall be dissolved and its business wound up upon the decision made at any time by the Members to dissolve the Company, or upon the occurrence of any event of dissolution under the Act.

SECTION 8.02. Liquidation. Upon dissolution, the Company' s business shall be liquidated in an orderly manner. The Members shall wind up the affairs of the Company pursuant to this Agreement and in accordance with the Act, including, without limitation, Section 18-804 thereof.

SECTION 8.03. Distribution of Property. If in the discretion of the Members it becomes necessary to make a distribution of Company property in kind in connection with the liquidation of the Company, such property shall be transferred and conveyed to the Members subject to Section 18-804 of the Act.

ARTICLE IX
INDEMNIFICATION

SECTION 9.01. General. Except to the extent expressly prohibited by the Act, the Company shall indemnify each Person made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that such Person or such Person' s testator or intestate is or was a member or officer of the Company, against judgments, fines (including excise taxes assessed on a Person with respect to an employee benefit plan), penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with such action or proceeding, or any appeal therefrom; provided that no such indemnification shall be made if a judgment or other final adjudication adverse to such Person establishes that his conduct did not meet the then applicable minimum statutory standards of conduct; and provided, further, that no such indemnification shall be required in connection with any settlement or other non-adjudicated disposition of any threatened or pending action or proceeding unless the Company has given its prior consent to such settlement or such other disposition, which consent shall not be unreasonably withheld.

SECTION 9.02. Reimbursement. The Company shall advance or promptly reimburse, upon request, any Person entitled to indemnification hereunder for all expenses, including attorneys' fees, reasonably incurred in defending any action or proceeding in advance of the final disposition thereof upon receipt of an undertaking by or on behalf of such Person (in form and substance satisfactory to the Company) to repay such amount if such Person is ultimately found not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced or reimbursed exceed the amount to which such Person is entitled; provided that such Person shall cooperate in good faith with any request by the Company that common counsel be utilized by the parties to an action or proceeding who are similarly situated unless to do so would be inappropriate due to actual or potential conflicts of interest between or among such parties; and provided, further, that the Company shall only advance attorneys' fees in respect of legal counsel approved by the Company, such approval not to be unreasonably withheld.

SECTION 9.03. Availability. The right to indemnification and advancement of expenses under this provision is intended to be retroactive and shall be available with respect to any action or proceeding which relates to events prior to the effective date of this provision.

SECTION 9.04. Indemnification Agreement. The Company is authorized to enter into agreements with any of its Members or officers extending rights to indemnification and advancement of expenses to such Person to the fullest extent permitted by applicable law, but the failure to enter into any such agreement shall not affect or limit the rights of such Person pursuant to this provision.

SECTION 9.05. Enforceability. In case any provision in this Article IX shall be determined at any time to be unenforceable in any respect, the other provisions shall not in any way be affected or impaired thereby, and the affected provisions shall be given the fullest possible enforcement in the circumstances, it being the intention of the Company to provide indemnification and advancement of expenses to its members and officers, acting in such capacities, to the fullest extent permitted by law.

SECTION 9.06. No Amendments. No amendment or repeal of this provision shall apply to or have any effect on the indemnification of, or advancement of expenses to, the Members or any officer of the Company for, or with respect to, acts or omissions of such Members or officer occurring prior to such amendment or repeal.

SECTION 9.07. Not Exclusive. The foregoing shall not be exclusive of any other rights to which any Member or any officer may be entitled as a matter of law and shall not affect any rights to indemnification to which Company personnel other than the Members or officers may be entitled by contract or otherwise.

ARTICLE X
MISCELLANEOUS

SECTION 10.01. Amendments and Consents. This Agreement may be modified or amended only by the Members.

SECTION 10.02. Benefits of Agreement. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditor of the Company or the Members.

SECTION 10.03. Integration. This Agreement constitutes the entire agreement pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements in connection therewith. No covenant, representation or condition not expressed in this Agreement shall affect, or be effective to interpret, change or restrict, the express provisions of this Agreement.

SECTION 10.04. Headings. The titles of Articles and Sections of this Agreement are for convenience only and shall not be interpreted to limit or amplify the provisions of this Agreement.

SECTION 10.05. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument, which may be sufficiently evidenced by one counterpart.

SECTION 10.06. Severability. Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions hereof are determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those portions of this Agreement, which are valid.

SECTION 10.07. Applicable Law. This Agreement shall be construed in accordance with, and governed by, the laws of the State of Delaware, without regard to its conflict of law principles.

SECTION 10.08. Security. For purposes of providing for transfer of, perfection a security interest in, and other relevant matters related to, a membership interest in the Company, each membership interest in the Company shall be deemed to be a 'security' subject to the rules set forth in Chapters 8 and 9 of the Texas Uniform Commercial Code and any similar Uniform Commercial Code provision adopted by the States of New York or Delaware or any other relevant jurisdiction.

IN WITNESS WHEREOF, this Limited Liability Company Agreement has been duly executed by the Members, effective as of the 31st day of August, 2011.

EL PASO NORIC INVESTMENTS III, L.L.C.

By: /s/ Daniel B. Martin
Daniel B. Martin
Senior Vice President

EPPP CIG GP HOLDINGS, L.L.C.

By: /s/ Daniel B. Martin
Daniel B. Martin
Senior Vice President

Exhibit A
Percentage Interests

	Percentage Interest	
Member:		
EPPP CIG GP Holdings, L.L.C. 1001 Louisiana Street Houston, Texas 77002	86.00	%
Member:		
El Paso Noric Investments III, L.L.C. 1001 Louisiana Street Houston, Texas 77002	14.00	%
Total	100.00	%

Exhibit 31.A

CERTIFICATION

I, James J. Cleary, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Colorado Interstate Gas Company, L.L.C.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant' s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

(c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting.

5. The registrant' s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of the registrant' s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

Date: November 4, 2011

/s/ James J. Cleary
James J. Cleary
President
(Principal Executive Officer)
Colorado Interstate Gas Company, L.L.C.

Exhibit 31.B

CERTIFICATION

I, John R. Sult, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Colorado Interstate Gas Company, L.L.C.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant' s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; and

(c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting.

5. The registrant' s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of the registrant' s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

Date: November 4, 2011

/s/ John R. Sult
John R. Sult
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)
Colorado Interstate Gas Company, L.L.C.

Exhibit 32.A

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the period ending September 30, 2011, of Colorado Interstate Gas Company, L.L.C. (the “Company”) as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, James J. Cleary, President, certify (i) that the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ James J. Cleary
James J. Cleary
President
(Principal Executive Officer)
Colorado Interstate Gas Company, L.L.C.

November 4, 2011

A signed original of this written statement required by Section 906 has been provided to Colorado Interstate Gas Company, L.L.C. and will be retained by Colorado Interstate Gas Company, L.L.C. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.B

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q for the period ending September 30, 2011, of Colorado Interstate Gas Company, L.L.C. (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John R. Sult, Executive Vice President and Chief Financial Officer, certify (i) that the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and (ii) that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John R. Sult
John R. Sult
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)
Colorado Interstate Gas Company, L.L.C.

November 4, 2011

A signed original of this written statement required by Section 906 has been provided to Colorado Interstate Gas Company, L.L.C. and will be retained by Colorado Interstate Gas Company, L.L.C. and furnished to the Securities and Exchange Commission or its staff upon request.

Condensed Consolidated Balance Sheets (Unaudited) (USD $) In Millions	Sep. 30, 2011	Dec. 31, 2010
Current assets		
Cash and cash equivalents	$ 7	$ 1
Accounts and notes receivable		
Customer, net of allowance	1	1
Affiliates	35	3
Other	14	16
Materials and supplies	8	8
Other	8	6
Total current assets	73	35
Property, plant and equipment, at cost	1,884	1,850
Less accumulated depreciation and amortization	487	455
Total property, plant and equipment, net	1,397	1,395
Other long-term assets		
Note receivable from affiliate	22	63
Other	46	49
Total other long-term assets	68	112
Total assets	1,538	1,542
Accounts payable		
Trade	8	5
Affiliates	18	19
Other	5	17
Short-term other financing obligations, including current maturities	5	5
Taxes payable	15	15
Regulatory liabilities	10	8
Accrued interest	11	4
Contractual deposits	8	11
Other	2	3
Total current liabilities	82	87
Long-term debt and other financing obligations, less current maturities	647	649
Other long-term liabilities	20	37
Commitments and contingencies (Note 4)		
Members' equity/partners' capital	780	769
Accumulated other comprehensive income	9	0
Total members' equity/partners' capital	789	769
Total liabilities and members' equity/partners' capital	$ 1,538	$ 1,542

Condensed Consolidated Statements of Cash Flows (Unaudited) (USD $) In Millions	9 Months Ended	
	Sep. 30, 2011	Sep. 30, 2010
Cash flows from operating activities		
Net income	$ 105	$ 98
Adjustments to reconcile net income to net cash from operating activities		
Depreciation and amortization	34	31
Non-cash asset write down	0	21
Other non-cash income items	16	3
Asset and liability changes	(12)	(23)
Net cash provided by operating activities	143	130
Cash flows from investing activities		
Capital expenditures	(47)	(34)
Net change in notes receivable from affiliates	9	40
Other	(2)	4
Net cash provided by (used in) investing activities	(40)	10
Cash flows from financing activities		
Payments to retire other financing obligations	(3)	(4)
Distributions to partners	(126)	(137)
Contributions from partners	32	0
Net cash used in financing activities	(97)	(141)
Net change in cash and cash equivalents	6	(1)
Cash and cash equivalents		
Beginning of period	1	2
End of period	$ 7	$ 1

Document and Entity Information	9 Months Ended Sep. 30, 2011
Document and Entity Information [Abstract]	
Entity Registrant Name	Colorado Interstate Gas Company, L.L.C.
Entity Central Index Key	0000200155
Document Type	10-Q
Document Period End Date	Sep. 30, 2011
Amendment Flag	false
Document Fiscal Year Focus	2011
Document Fiscal Period Focus	Q3
Current Fiscal Year End Date	--12-31
Entity Well-known Seasoned Issuer	No
Entity Voluntary Filers	No
Entity Current Reporting Status	Yes
Entity Filer Category	Non-accelerated Filer
Entity Common Stock, Shares Outstanding	0

Commitments and Contingencies	9 Months Ended Sep. 30, 2011
Commitments and Contingencies [Abstract]	
Commitments and Contingencies	**4. Commitments and Contingencies**

Legal Proceedings

We and our affiliates are named defendants in numerous legal proceedings and claims that arise in the ordinary course of our business. For each of these matters, we evaluate the merits of the case or claim, our exposure to the matter, possible legal or settlement strategies and the likelihood of an unfavorable outcome. If we determine that an unfavorable outcome is probable and can be estimated, we establish the necessary accruals. While the outcome of these matters cannot be predicted with certainty, and there are still uncertainties related to the costs we may incur, based upon our evaluation and experience to date, we had no accruals for our outstanding legal proceedings at September 30, 2011. It is possible however, that new information or future developments could require us to reassess our potential exposure related to these matters and establish accruals accordingly.

Environmental Matters

We are subject to federal, state and local laws and regulations governing environmental quality and pollution control. These laws and regulations require us to remove or remedy the effect of the disposal or release of specified substances at current and former operating sites. At September 30, 2011, our accrual was approximately $10 million for expected remediation costs and associated onsite, offsite and groundwater technical studies and for related environmental legal costs; however, we estimate that our exposure could be as high as $33 million. Our accrual includes $6 million for environmental contingencies related to properties we previously owned.

Our environmental remediation projects are in various stages of completion. Our recorded liabilities reflect our current estimates of amounts we will spend to remediate these sites. However, depending on the stage of completion or assessment, the ultimate extent of contamination or remediation required may not be known. As additional assessments occur or remediation efforts continue, we may incur additional liabilities.

For the remainder of 2011, we estimate that our total remediation expenditures will be approximately $1 million, most of which will be expended under government directed clean-up programs. In addition, we expect to make capital expenditures for environmental matters of approximately $5 million in the aggregate for the remainder of 2011 through 2015, including capital expenditures associated with the impact of the Environmental Protection Agency rule on emissions of hazardous air pollutants from reciprocating internal combustion engines which are subject to regulations with which we have to be in compliance by October 2013.

It is possible that new information or future developments could require us to reassess our potential exposure related to environmental matters. We may incur significant costs and liabilities in order to comply with existing environmental laws and regulations. It is also possible that other developments, such as increasingly strict environmental laws, regulations and orders of regulatory agencies, as well as claims for damages to property and the environment or injuries to other persons resulting from our current or past operations, could result in substantial costs and liabilities in the future. As this information becomes available, or other relevant developments occur, we will adjust our accrual amounts accordingly. While there are still uncertainties related to the ultimate costs we may incur, based upon our evaluation and experience to date, we believe our reserves are adequate.

Regulatory Matter

In August 2011, the FERC approved an uncontested pre-filing settlement of a rate case required under the terms of a previous settlement. The settlement generally provides for our current tariff rates to continue until our next general rate case which will be effective after October 1, 2014 but no later than October 1, 2016.

Pursuant to FERC guidance, regulated pipeline companies are required to recognize a regulatory asset or liability for changes in actuarial assumptions related to their postretirement benefit plans that would otherwise be recorded in accumulated other comprehensive income if it is probable that amounts would be included in rates in future periods. As a result of our rate case settlement discussed above, we will no longer include these costs in our rates and have reclassified $9 million from a regulatory liability to accumulated other comprehensive income at September 30, 2011.

Divestiture	9 Months Ended Sep. 30, 2011
Divestiture [Abstract]	
Divestiture	**2. Divestiture** In September 2010, we recorded a non-cash adjustment as an increase of operation and maintenance expense of approximately $21 million to write down net property, plant and equipment based on a Federal Energy Regulatory Committee (FERC) order related to the sale of the Natural Buttes facilities. In October 2010, we filed a request for rehearing and clarification of the FERC order and in October 2011, the FERC denied our request. For a further discussion of Natural Buttes, see our 2010 Annual Report on Form 10-K.

Accounts Receivable Sales Program	9 Months Ended Sep. 30, 2011
Accounts Receivable Sales Program [Abstract]	
Accounts Receivable Sales Program	

5. Accounts Receivable Sales Program

We participate in an accounts receivable sales program where we sell receivables in their entirety to a third-party financial institution (through a wholly-owned special purpose entity). The sale of these accounts receivable (which are short-term assets that generally settle within 60 days) qualify for sale accounting. The third party financial institution involved in our accounts receivable sales program acquires interests in various financial assets and issues commercial paper to fund those acquisitions. We do not consolidate the third party financial institution because we do not have the power to control, direct or exert significant influence over its overall activities since our receivables do not comprise a significant portion of its operations.

In connection with our accounts receivable sales, we receive a portion of the sales proceeds up front and receive an additional amount upon the collection of the underlying receivables (which we refer to as a deferred purchase price). Our ability to recover the deferred purchase price is based solely on the collection of the underlying receivables. The tables below contain information related to our accounts receivable sales program.

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
	(In millions)			
Accounts receivable sold to the third-party financial institution(1)	$ 93	$ 88	$ 308	$ 294
Cash received for accounts receivable sold under the program	55	50	167	177
Deferred purchase price related to accounts receivable sold	38	38	141	117
Cash received related to the deferred purchase price	43	44	144	139
Amount paid in conjunction with terminated program (2)	—	—	—	20

(1) During the quarters and nine months ended September 30, 2011 and 2010, losses recognized on the sale of accounts receivable were immaterial.

(2) In January 2010, we terminated our previous accounts receivable sales program and paid $20 million to acquire the related senior interests in certain receivables under that program. See our 2010 Annual Report on Form 10-K for further information.

	September 30, 2011	December 31, 2010
	(In millions)	
Accounts receivable sold and held by third-party financial institution	$ 32	$ 37
Uncollected deferred purchase price related to accounts receivable sold (1)	12	15

(1) Initially recorded at an amount which approximates its fair value using observable inputs other than quoted prices in active markets.

The deferred purchase price related to the accounts receivable sold is reflected as other accounts receivable on our balance sheet. Because the cash received up front and the deferred purchase price relate to the sale or ultimate collection of the underlying receivables, and are not subject to significant other risks given their short term nature, we reflect all cash flows under the accounts receivable sales program as operating cash flows on our statement of cash flows. Under the accounts receivable sales program, we service the underlying receivables for a fee. The fair value of this servicing agreement as well as the fees earned, were not material to our financial statements for the quarters and nine months ended September 30, 2011 and 2010.

Investment in Unconsolidated Affiliate and Transactions with Affiliates	9 Months Ended Sep. 30, 2011
Investment in Unconsolidated Affiliate and Transactions with Affiliates [Abstract]	
Investment in Unconsolidated Affiliate and Transactions with Affiliates	**6. Investment in Unconsolidated Affiliate and Transactions with Affiliates**

Investment in Unconsolidated Affiliate

We have a 50 percent investment in WYCO Development LLC (WYCO). At September 30, 2011 and December 31, 2010, our investment balance in WYCO was approximately $15 million and was reflected in other non-current assets on our balance sheets. Our equity earnings for the quarters ended September 30, 2011 and 2010 were less than $1 million. For the nine months ended September 30, 2011 and 2010, our equity earnings were $1 million. We reflect equity earnings in other income on our income statements. Additionally, for the nine months ended September 30, 2011 and 2010, we received cash distributions of $1 million and less than $1 million from WYCO.

Transactions with Affiliates

Other Financing Obligations. We have other financing obligations payable to WYCO related to Totem Gas Storage and High Plains Pipeline. At September 30, 2011 and December 31, 2010, these other financing obligations were $176 million and $179 million. For a further discussion of our other financing obligations, see our 2010 Annual Report on Form 10-K.

Distributions and Contributions. We are required to make distributions to our owners as defined in our partnership and limited liability company agreements on a quarterly basis. During the nine months ended September 30, 2011 and 2010, we paid cash distributions of approximately $126 million and $137 million to our partners. In addition, in October 2011, we paid cash distributions to our members of approximately $29 million. During the nine months ended September 30, 2011, we received cash contributions of approximately $32 million from our partners to fund our expansion projects. In addition, in October 2011, we received cash contributions from our members of approximately $10 million.

Cash Management Program. We participate in EPB's cash management program which matches our short-term cash surpluses and needs, thus minimizing our total borrowings from outside sources. EPB uses the cash management program to settle intercompany transactions between participating affiliates. At September 30, 2011 and December 31, 2010, we had a note receivable from EPB of approximately $54 million and $63 million. At September 30, 2011, we have classified $32 million of this receivable as current on our balance sheet based on the net amount we anticipate using in the next twelve months considering available cash sources and needs. The interest rate on this note is variable and was 2.2% and 0.8% at September 30, 2011 and December 31, 2010.

Other Affiliate Balances. At September 30, 2011 and December 31, 2010, we had contractual deposits from our affiliates of $7 million.

Affiliate Revenues and Expenses. We enter into transactions with our affiliates within the ordinary course of business. For a further discussion of our affiliated transactions, see our 2010 Annual Report on Form 10-K. The following table shows revenues and charges from our affiliates.

	Quarter Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
	(In millions)			
Revenues	$ 3	$ 3	$ 9	$ 9

Operation and maintenance expenses	23	21	70	63
Reimbursement of operating expenses	3	2	7	8

Basis of Presentation and Significant Accounting Policies	9 Months Ended Sep. 30, 2011
Basis of Presentation and Significant Accounting Policies [Abstract]	
Basis of Presentation and Significant Accounting Policies	**1. Basis of Presentation and Significant Accounting Policies** *Basis of Presentation* We prepared this Quarterly Report on Form 10-Q under the rules and regulations of the United States Securities and Exchange Commission. As an interim period filing presented using a condensed format, it does not include all of the disclosures required by U.S. generally accepted accounting principles, and should be read along with our 2010 Annual Report on Form 10-K. The financial statements as of September 30, 2011, and for the quarters and nine months ended September 30, 2011 and 2010, are unaudited. The condensed consolidated balance sheet as of December 31, 2010 was derived from the audited balance sheet filed in our 2010 Annual Report on Form 10-K. In our opinion, we have made adjustments, all of which are of a normal, recurring nature, to fairly present our interim period results. Our financial statements for prior periods include reclassifications that were made to conform to the current year presentation none of which impacted our reported net income or members'equity/partners'capital. Due to the seasonal nature of our business, information for interim periods may not be indicative of our operating results for the entire year. Our disclosures in this Form 10-Q are an update to those provided in our 2010 Annual Report on Form 10-K. In June 2011, El Paso Pipeline Partners L.P. (EPB) acquired an additional 28 percent ownership interest in us from El Paso Corporation (El Paso). The acquisition increased EPB's interest in us to 86 percent with El Paso retaining the remaining 14 percent. EPB is controlled by its general partner, El Paso Pipeline GP Company, L.L.C., a wholly-owned subsidiary of El Paso. Effective August 31, 2011, we converted our legal structure to a limited liability company and changed our name to Colorado Interstate Gas Company, L.L.C. On October 16, 2011, El Paso announced a definitive agreement with Kinder Morgan, Inc. (KMI) whereby KMI will acquire El Paso in a transaction that values El Paso at approximately $38 billion including the assumption of debt. The transaction has been approved by each company's board of directors but remains subject to the approvals of El Paso shareholders, the Federal Trade Commission (FTC) and other customary regulatory and other approvals. The approval of KMI shareholders will also be required, but a voting agreement has been executed by the majority of the shareholders of KMI to support the transaction. *Significant Accounting Policies* There were no changes in the significant accounting policies described in our 2010 Annual Report on Form 10-K and no significant accounting pronouncements issued but not yet adopted as of September 30, 2011.

Financial Instruments	9 Months Ended Sep. 30, 2011

Financial Instruments [Abstract]

Financial Instruments

3. Financial Instruments

At September 30, 2011 and December 31, 2010, the carrying amounts of cash and cash equivalents and trade receivables and payables represent fair value because of the short-term nature of these instruments. At September 30, 2011 and December 31, 2010, we had an interest bearing note receivable from EPB of $54 million and $63 million due upon demand with a variable interest rate of 2.2% and 0.8%. While we are exposed to changes in interest income based on changes to the variable interest rate, the fair value of this note receivable approximates the carrying value due to the note being due on demand and the market-based nature of the interest rate.

In addition, the carrying amounts of our long-term debt and other financing obligations, and their estimated fair values, which are based on quoted market prices for the same or similar issues, are as follows:

	September 30, 2011		December 31, 2010	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In millions)			
Long-term debt and other financing obligations, including current maturities	$ 652	$ 707	$ 654	$ 703

Condensed Consolidated Statements of Income and Comprehensive Income (Unaudited) (USD $) In Millions	3 Months Ended		9 Months Ended	
	Sep. 30, 2011	Sep. 30, 2010	Sep. 30, 2011	Sep. 30, 2010
Condensed Consolidated Statements of Income and Comprehensive Income [Abstract]				
Operating revenues	$ 92	$ 89	$ 308	$ 299
Operating expenses				
Operation and maintenance	34	51	108	118
Depreciation and amortization	11	11	34	31
Taxes, other than income taxes	6	4	18	15
Total operating expenses	51	66	160	164
Operating income	41	23	148	135
Other income, net	1	2	2	6
Interest and debt expense, net	(15)	(15)	(46)	(44)
Affiliated interest income, net	1	0	1	1
Net income	28	10	105	98
Other comprehensive income				
Unrealized actuarial gains on postretirement benefit obligations	9	0	9	0
Comprehensive income	$ 37	$ 10	$ 114	$ 98