

124 FERC ¶ 61,315
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

September 30, 2008

In Reply Refer To:
Kern River Gas Transmission Company
Docket No. RP08-540-000

Kern River Gas Transmission Company
2755 E. Cottonwood Parkway S-300
Salt Lake City, UT 84121

Attention: Billie L. Tolman
Manager, Regulatory Affairs

Reference: Limited Waiver Request

Dear Ms. Tolman:

1. On August 26, 2008, Kern River Gas Transmission Company (Kern River) filed a request for limited waiver of section 15.10(e) of the capacity release provision in its tariff pertaining to the issuance of refunds in the context of a capacity release arrangement. As discussed below, the Commission grants Kern River's request for limited waiver of section 15.10(e) of its tariff for good cause shown.
2. Section 15.10(e) of the General Terms and Conditions of Kern River's tariff provides, in part, that any refunds or credits of any rates or charges ordered by the Commission will be paid by Kern River solely to the releasing shipper. Kern River explains that Nevada Power Company (Nevada Power) released 37,933 Dth/day of firm capacity to Sempra Energy Trading (Sempra) with a term from January 1, 2005 through May 31, 2006. Kern River further explains that this capacity release arrangement includes a special provision providing that any refund of rates obtained as a direct result of the general rate case proceeding in Docket No. RP04-274 will be distributed to the replacement shipper (i.e., Sempra), even if such refund is not made until after the term of the release.
3. Notice of Kern River's filing was issued on August 28, 2008. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210. Pursuant to Rule 214, 18 C.F.R. § 385.214 (2008), all timely filed

motions to intervene and any motions to intervene out-of-time filed before the issuance date of this order are granted. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties.

4. For good cause shown, we grant Kern River's request for limited waiver of the refund obligation in section 15.10(e) of its tariff. Granting such limited waiver is in accordance with the special provision in the capacity release arrangement agreed to between Nevada Power and Sempra. In addition, granting the limited waiver will have no effect on service rendered to other transportation customers on Kern River's system.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

cc: All Parties

Richard N. Stapler, Jr.
Vice President and General Counsel
Kern River Gas Transmission Company
P.O. Box 71400
Salt Lake City, Utah 84171-0400