

138 FERC ¶ 61,024
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Philip D. Moeller, John R. Norris,
and Cheryl A. LaFleur.

Kern River Gas Transmission Company

Docket No. RP12-250-000

ORDER ACCEPTING AND SUSPENDING TARIFF RECORDS, SUBJECT TO
REFUND AND CONDITIONS

(Issued January 13, 2012)

1. On December 16, 2011, Kern River Gas Transmission Company (Kern River) filed revised tariff records¹ to modify section 29 of the General Terms and Conditions (GT&C) of its tariff to specify the rights and procedures of non-creditworthy shippers to contact Kern River's lenders to seek approval to provide less security than that required under the applicable lending documents. For the reasons discussed below, the revised tariff records are accepted and suspended, to be effective June 16, 2012, subject to refund and the conditions imposed herein.

I. Background

2. Since 2009, Kern River has been in the process of revising its creditworthiness provisions, which are set forth in section 29 of its GT&C.² These revisions have addressed both the manner in which Kern River will determine whether a shipper is creditworthy (section 29.1), and the collateral requirements that will be imposed on shippers deemed to be non-creditworthy (section 29.2).

¹ Sheet No. 296, GT&C Establishment and Maintenance of Credit, 1.0.0; Sheet No. 297, GT&C Establishment and Maintenance of Credit, 1.0.0; Sheet No. 298, GT&C Establishment and Maintenance of Credit, 1.0.0 to Gas Tariff, FERC NGA Gas Tariff.

² See, e.g., *Kern River Gas Transmission Co.*, 127 FERC ¶ 61,103 (2009) (May 1 Order); *Kern River Gas Transmission Co.*, 131 FERC ¶ 61,060 (2010) (April 22 Order).

3. On June 25, 2010, the Commission issued two separate orders pertaining to Kern River's creditworthiness provisions in section 29 of its GT&C.³ In the June 25 Rehearing Order, the Commission denied rehearing of its acceptance of a number of tariff revisions: (1) addition of Fitch Ratings to the list of ratings agencies used to determine creditworthiness;⁴ (2) requirement for shippers rated by multiple credit ratings agencies to meet the investment-grade criteria for each agency that rates them; and (3) requirement for shippers with a minimum investment-grade rating to also have a short-term and long-term Outlook and CreditWatch of Stable or Positive from each agency rating it at that level.

4. The June 25 Rehearing Order also addressed a filing made by Kern River in response to a proceeding established under section 5 of the Natural Gas Act related to section 29.2(b), which provided that non-creditworthy shippers furnish "other security acceptable to Transporter's lenders." The Commission initiated the section 5 proceeding to determine whether this provision should be applicable to shippers on the Kern River system that are not subject to specific collateral requirements as part of an expansion project.⁵ The Commission's general policy is that a pipeline may not require non-creditworthy shippers to provide as collateral any more than the equivalent of three months of reservation charges.⁶ However, the Commission has recognized that with respect to new construction projects, pipelines and their lenders may, when necessary,⁷ require more than three months of collateral from expansion shippers on the project.

5. Upon review of the lending documents submitted by Kern River, the Commission found that one of the lending documents associated with a system expansion project contained a provision requiring Kern River to maintain collateral in excess of three months reservation charges from all non-creditworthy shippers on its system, regardless

³ *Kern River Gas Transmission Co.*, 131 FERC ¶ 61,271 (2010) (June 25 Rehearing Order); *Kern River Gas Transmission Co.*, 131 FERC ¶ 61,269 (2010) (June 25 Tariff Order).

⁴ The other two credit ratings agencies in section 29.1 are (1) Moody's Investors Service and (2) Standard and Poor's Corporation (S&P).

⁵ May 1 Order, 127 FERC ¶ 61,103 at P 31.

⁶ *Policy Statement on Creditworthiness for Interstate Natural Gas Pipelines and Order Withdrawing Rulemaking Proceeding*, FERC Stats. & Regs. ¶ 31,191, at P 11 (2005) (*Policy Statement*).

⁷ *Id.* P 17.

of whether they are expansion shippers.⁸ The Commission found that it would be unreasonable to question the collateral requirements set forth in Kern River's original lending documents for the construction project.⁹ The Commission, therefore, determined that Kern River could require collateral as specified in these initial lending documents for all shippers.¹⁰

6. Also on June 25, 2010, the Commission issued a separate order accepting a revision to the creditworthiness criteria in section 29.1 of the GT&C. The June 25 Tariff Order addressed a proposal to modify section 29.1 to state that an investment-grade credit rating will be based on the shipper's *senior unsecured* debt rating (rather than the *corporate* debt rating). The Commission found Kern River's proposal to be just and reasonable and consistent with other pipelines' tariffs. As part of its discussion, the Commission referenced section 29.1(c), which allows a determination of shipper's creditworthiness to be based upon "approval by Transporter's lenders." The Commission stated that this provision provides another option for a shipper to demonstrate creditworthiness if it is unable to do so under sections 29.1(a) and 29.1(b) and that Kern River is obligated to seek a creditworthiness determination from its lenders before deeming a shipper non-creditworthy.¹¹

7. Subsequently, on July 2, 2010, in Docket No. RP10-945-000, Kern River proposed to remove section 29.1(c) of its GT&C, which permits shippers to establish creditworthiness via approval by Kern River's lenders. Kern River asserted that the Commission misinterpreted section 29.1(c) in the June 25 Tariff Order by placing the burden on Kern River to seek approval from its lenders for a creditworthiness determination rather than placing the responsibility on the shipper. Kern River also asserted that as it is described in the June 25 Tariff Order, section 29.1(c) would be unworkable.

⁸ June 25 Rehearing Order, 131 FERC ¶ 61,271 at P 65.

⁹ *Id.* P 66.

¹⁰ The Commission, however, did require Kern River to modify its tariff slightly to specify that it applied only when the lending documents required greater collateral and to define "current lending documents" in the definitions section of its tariff. *Id.* P 69.

¹¹ *Id.* P 21.

8. On July 29, 2010, the Commission issued an order rejecting Kern River's proposal to eliminate section 29.1(c) from its tariff.¹² The Commission found that removal of this provision would be inconsistent with other provisions of Kern River's tariff, which permit Kern River to require collateral greater than the three months' reservation charges permissible under Commission policy based on collateral requirements contained in Kern River's lending documents.¹³ The Commission explained that eliminating this provision would remove the parity between Kern River's use of its lending agreements to obtain a more stringent level of collateral than the Commission ordinarily would permit and its creditworthiness provisions, which permit a shipper to seek relief from the higher collateral requirement from Kern River's lenders.

9. On March 25, 2011, the Commission issued an order denying Kern River's requests for rehearing of the June 25 Tariff Order and the July 29 Order.¹⁴ The Commission did, however, grant clarification that Kern River is not obligated to seek a creditworthiness determination from its lenders before deeming a shipper non-creditworthy.¹⁵ Instead, the Commission explained, Kern River is required only to facilitate the ability of a non-creditworthy shipper to contact the lender or lenders that require greater than three months worth of collateral to seek that lender or lenders' review of the individual circumstances of that shipper.¹⁶

II. Details of Filing

10. Kern River states that the tariff revisions contained in the instant filing clarify the rights of a non-creditworthy shipper to contact Kern River's lenders and facilitate the interaction between such shipper and Kern River's lenders. Accordingly, Kern River proposes to remove section 29.1(c) pertaining to credit approval by Transporter's lenders. Kern River proposes to replace that section with new language in section 29.2 specifically addressing credit for long-term firm service, which Kern River states is the only service affected by the lender approval requirement.

¹² *Kern River Gas Transmission Co.*, 132 FERC ¶ 61,080 (2010) (July 29 Order).

¹³ *Id.* P 22-23.

¹⁴ *Kern River Gas Transmission Co.*, 134 FERC ¶ 61,231 (2011) (March 25 Rehearing Order).

¹⁵ *Id.* P 10.

¹⁶ *Id.*

11. Kern River proposes to add new language to section 29.2 of its GT&C that sets forth the procedures for non-creditworthy long-term firm shippers to contact Kern River's lenders to seek approval to provide less security than that required under the applicable lending documents. Proposed section 29.2 provides that a shipper seeking lender approval would be required to complete a lender credit application and pay any third-party costs incurred by Kern River as a result of the shipper's request. Kern River states that the lender's approval would, in effect, constitute an amendment to the lending documents. Kern River states that if lenders grant the requested approval, Kern River and the shipper will enter into a credit agreement that sets forth the revised credit assurance and any related conditions.

12. Kern River states that such credit agreement would be posted on Kern River's website no later than the first business day after execution and would remain posted for ninety days. Kern River states that posting the agreement would eliminate the requirement for Kern River to file either the transportation service agreement or the associated credit agreement as non-conforming. Instead, the credit provisions would be considered "special details" posted on Kern River's customer activities website pursuant to section 284.13(b)(1)(viii) of the Commission's regulations. Kern River states that such a posting would provide full disclosure of the referenced credit provisions, which have already been found to be permissible by the Commission. Kern River further states that this proposal for posting of the agreement is similar to a request made by Northern Natural Gas Company which the Commission approved.¹⁷

13. New language proposed in section 29.2 sets forth the rights of non-creditworthy long-term firm shippers seeking approval from Kern River's lenders. Section 29.2 provides that any security shall in no event be less than three months of reservation charges under the long-term firm transportation service agreement. Section 29.2 further provides that unless and until lender approval is received, shipper must provide credit support as required by Transporter. Section 29.2 states that the provision of alternate credit assurance will be subject to any conditions included in the approval and will remain valid as specified in such approval or until shipper's (or its guarantor's) financial condition, as determined by Transporter, deteriorates.

¹⁷ Kern River, Transmittal Letter, at 3 (citing *Northern Natural Gas Co.*, 135 FERC ¶ 61,207, at P 37 (2011)).

III. Public Notice, Interventions and Comments

14. Public notice of the filing was issued on December 19, 2011. Interventions and protests were due as provided in section 154.210 of the Commission's regulations, 18 C.F.R. § 154.210 (2011). Pursuant to Rule 214, 18 C.F.R. § 385.214 (2011), all timely filed motions to intervene and any unopposed motion 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 the proceeding or place additional burdens on existing parties. WPX Energy Marketing, LLC (WPXM) filed a protest.¹⁸

15. In its protest, WPXM argues that Kern River is proposing to delete section 29.1(c) under the guise of replacing it with new language in section 29.2, notwithstanding the Commission's recent rejection of Kern River's proposed deletion of that section.¹⁹ WPXM states that section 29.1(c) provides shippers with an important right to appeal to project lenders in the creditworthiness determination process. WPXM points out that this right provides balance against the imposition of lender-based collateral requirements contained in section 29.2.²⁰ WPXM explains that the Commission rejected Kern River's proposal to delete section 29.1(c) in the July 29 Order, and upheld that determination in the March 25 Rehearing Order. WPXM states that this is reason alone to reject Kern River's proposal outright.

16. WPXM further states that Kern River misapplies the clarification granted by the Commission in the March 25 Rehearing Order, in which the Commission explained that Kern River is not obligated to seek a creditworthiness determination from its lenders before finding a shipper to be non-creditworthy.²¹ WPXM argues that in granting this clarification, the Commission did not negate its rejection of Kern River's proposal to eliminate section 29.1(c). WPXM contends that the only appropriate interpretation of the Commission's clarification in light of the discussion in the March 25 Rehearing Order is that when Kern River determines that a shipper (or guarantor) is not creditworthy prior to the completion of a lender creditworthiness contact process, Kern River may only require the amount of collateral permissible under Commission policy, i.e., three months

¹⁸ WPXM is a wholly-owned subsidiary of the Williams Companies, Inc. WPXM is a shipper on Kern River's system with firm transportation service agreements under Rate Schedule KRF-1.

¹⁹ WPXM Protest at 5.

²⁰ *Id.* at 6.

²¹ *Id.* at 7 (referencing March 25 Rehearing Order, 134 FERC ¶ 61,231 at P 10).

reservation charges.²² WPXM argues that this interpretation preserves the parity and balance in the creditworthiness determination process.

17. WPXM also argues that the manner in which Kern River proposes to facilitate shippers' appeal of a non-creditworthiness determination to Kern River's lenders lacks basic fairness, rendering it effectively meaningless.²³ WPXM states that under its proposal, Kern River would be able to immediately declare WPXM non-creditworthy. WPXM expresses concern that Kern River may then demand a letter of credit for twelve months of reservation charges without WPXM having a chance to appeal the creditworthiness determination to Kern River's lenders.²⁴ Moreover, WPXM contends that Kern River's proposal lacks sufficient substance and detail about the appeal process to ensure shippers will get a bona fide audience with project lenders. WPXM posits a number of questions and concerns related to the proposed lender appeal process, including concerns over timing and process, ambiguity of certain terms, and other issues that WPXM contends are not meaningfully addressed in the filing.²⁵

18. First, WPXM states that Kern River's proposed lender contact process should include both a creditworthiness determination and collateral evaluation, rather than presuming the shipper to be non-creditworthy and dealing only with collateral requirements. WPXM notes that the provision Kern River seeks to delete addresses creditworthiness and contends that if a guarantor were determined to be creditworthy in the eyes of the project lenders, a guarantee from that party should be acceptable as sole collateral. Second, WPXM states that Kern River's proposed process is devoid of any timeline requirements. WPXM contends that without some sense of a timeframe, the process could take anywhere from five days to five years and could not be construed to facilitate the lender contact process.²⁶ Third, WPXM states that Kern River's proposal lacks detail about the steps in the lender approval process. WPXM raises questions about where the lender credit application can be found; where the form is to be submitted; how the lender review process works; and how communication between the shipper, lender and Kern River will take place.

²² *Id.*

²³ *Id.* at 8-9.

²⁴ *Id.* at 9.

²⁵ *Id.* at 10-12.

²⁶ *Id.* at 11 (citing March 25 Rehearing Order, 134 FERC ¶ 61,231 at P 10).

19. Fourth, WPXM expresses concerns with Kern River's proposed tariff language in section 29.2, which states, "[i]f shipper receives approval as required to constitute a supplement to Transporter's current lending documents." WPXM states that meaning of such phrases as "supplement" and "as required" is unclear. Fifth, WPXM states that Kern River proposes to make the shipper responsible for all out-of-pocket costs associated with the lender appeal process. WPXM states that since Kern River has failed to offer any details about the actual process the project lenders will follow and further failed to provide an explanation of what out-of-pocket costs a lender might incur, this portion of the proposal is unsupported. Finally, WPXM expresses concerns with Kern River's proposed tariff language in section 29.2, which states any approval by the project lenders of "alternate credit assurance" will cease to be valid if Kern River determines that the shipper's financial condition has deteriorated, which Kern River would base on the language in sections 29.1 and 29.4. WPXM notes, however, that Kern River is proposing to eliminate the portion of section 29.1 that allows a shipper to be found creditworthy by approval of Kern River's lenders. WPXM, therefore, states that Kern River would effectively have a "kill switch" that it could use to declare an end to whatever relief a shipper may have obtained under the "alternate credit assurance" process with the project lenders. WPXM questions why Kern River would need such a provision.

20. Accordingly, WPXM urges the Commission to reject Kern River's proposal outright. In the alternative, WPXM argues that the Commission should at the very least, suspend the proposal and establish a technical conference to address shippers' concerns.

21. On January 4, 2012, Kern River filed an answer to WPXM's protest. Rule 213(a)(2) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.213(a)(2) (2011), prohibits an answer to a protest unless otherwise ordered by the decisional authority. We will accept Kern River's answer because it has provided information that assisted us in our decision-making process.

22. Kern River states its proposal to move section 29.1(c) of its GT&C to section 29.2 and to clarify that provision is consistent with the March 25 Rehearing Order.²⁷ Kern River explains that section 29.1 deals with Kern River's standards for determining creditworthiness—it does not address the potential for third-party guarantees or other collateral to be provided by shippers. Kern River explains that section 29.2 of its GT&C addresses the special collateral requirements that stem from its lending documents. Kern River concludes that as interpreted by the Commission, the subject matter addressed in section 29.1(c) should logically be addressed in section 29.2, not in section 29.1.

²⁷ Kern River, Answer at 3 (citing March 25 Rehearing Order, 134 FERC ¶ 61,231 at P 10).

23. Kern River states that WPXM has misinterpreted the March 25 Rehearing Order by claiming that when Kern River determines that a shipper (or guarantor) is not creditworthy prior to the completion of a lender creditworthiness appeal process, Kern River may only require the amount of collateral permissible under Commission policy, i.e., three months reservation charges. Kern River argues that WPXM is incorrect in its assumption that the lenders can simply overrule Kern River's determination and decree a non-creditworthy shipper to be creditworthy, thereby not allowing Kern River to hold any credit assurance at all.

24. Kern River also states that WPXM's protest raises numerous speculative issues not relevant to this docket. Kern River explains that WPXM raises various issues related to its own creditworthiness status, analogizing its status to a crime with a sentence. Kern River explains that it has already declared Williams to be non-creditworthy, and has the right to do so, regardless of whether the substance of section 29.1(c) is contained in section 29.1 or in section 29.2. Kern River contends that notwithstanding WPXM's objections, its proposed lender appeal process contains adequate detail and is reasonable. Kern River contends that setting forth the detail suggested by WPXM in the tariff would be cumbersome, overly restrictive and would not allow for practical process refinements that are likely to be required in the future, as Kern River and the lenders gain experience with the process.

25. Kern River explains that to its knowledge it has at least 75-100 different lenders. Kern River states that at the current time, communication with these lenders is accomplished via a specialized website designed for this purpose. Kern River explains that it accomplishes routine lender communications via the trustee. However, the trustee cannot act on behalf of the lenders. Kern River contends that the process of sending and receiving communications will likely differ for different shippers, depending on the particular request made and the shipper's or its guarantor's financial condition. Kern River explains that putting the process onto a fixed timeline embedded in the tariff could work to the detriment of the shipper, because that might force a lender to say no when it might have said yes a week or month later due to the anticipated rating actually being issued. With regard to third-party costs, Kern River explains that this may differ depending on the situation.

IV. Commission Determination

26. The Commission accepts and suspends Kern River's proposal for five months, subject to refund and to Kern River providing further explanation and support for its proposed lender appeal process. Accordingly, within 30 days of the date this order issues, Kern River must file additional explanation that addresses WPXM's questions regarding the ambiguity of the proposal, as well as the Commission's concerns regarding the justness and reasonableness of the proposal as detailed herein.

27. In the instant filing, Kern River proposes to remove section 29.1(c) of its tariff, which allows shippers to be found creditworthy by approval of Kern River's lenders, and replace it with a new mechanism in section 29.2 that would enable non-creditworthy shippers to seek relief from collateral in excess of the three months' reservation charges permitted under Commission policy. By moving the lender appeal provision from the section addressing whether a shipper is creditworthy (section 29.1) to the section addressing collateral requirements for non-creditworthy shippers (section 29.2), Kern River's proposal is consistent with the Commission's March 25 Rehearing Order.

28. The Commission's primary concern in the March 25 Rehearing Order, and throughout the numerous proceedings described above, is that where Kern River's lending documents require a non-creditworthy shipper to provide collateral in excess of the Commission standard three months' reservation charges, Kern River must allow a non-creditworthy shipper to seek relief from such collateral requirements from Kern River's lenders. Accordingly, the Commission explained that "[t]he July 29 Order intended to allow a shipper that could not establish creditworthiness under sections 29.1(a) or (b) to avoid the higher collateral requirement applicable to a non-creditworthy shipper under section 29.2 by obtaining acquiescence to a lower collateral level from the lender whose lending documents were the source of the higher collateral requirement."²⁸ By moving the lender appeal provision that allows non-creditworthy shippers to gain relief from collateral requirements imposed by Kern River's lenders, Kern River's proposal is consistent with the March 25 Rehearing Order.

29. The Commission disagrees with WPXM's assertion that the Commission should summarily reject Kern River's proposal. While the Commission did previously reject a proposal by Kern River to eliminate section 29.1(c) of its GT&C,²⁹ the proposal here is different because Kern River simultaneously proposes to add a provision to section 29.2 that would provide non-creditworthy shippers with access to its lenders to seek relief from collateral requirements in excess of three months' reservation charges. In its earlier proposal, Kern River simply proposed to delete section 29.1(c) without providing any other means by which a shipper could access Kern River's lenders. The Commission, therefore, explained that:

Eliminating [section 29.1(c)] in its entirety would remove the parity between Kern River's use of its lending agreements to

²⁸ March 25 Rehearing Order, 134 FERC ¶ 61,231 at P 10.

²⁹ July 29 Order, 132 FERC ¶ 61,080, *reh'g denied*, March 25 Rehearing Order, 134 FERC ¶ 61,231.

obtain a more stringent level of collateral (currently twelve months of reservation charges) than the Commission ordinarily would permit (three months of reservation charges) and its creditworthiness provisions, which permit a shipper to seek from Kern River's lenders relief from the higher collateral requirement.³⁰

30. Here, because Kern River will continue to provide shippers found to be non-creditworthy with an avenue to seek relief from Kern River's lenders from collateral requirements in excess of three months' reservation charges, the Commission finds that Kern River maintains the "parity" between the collateral requirements in excess of Commission policy as well as a mechanism for non-creditworthy shippers to seek relief from those requirements.

31. The Commission also rejects WPXM's protest to the proposed tariff provision that would require a firm shipper (or guarantor) that is not creditworthy to provide more than three months collateral during the process of appealing to the lenders. WPXM argues that this provision is inconsistent with the March 25 Rehearing Order and upsets the parity this order sought to achieve.

32. The Commission disagrees with WPXM's interpretation of the March 25 Rehearing Order and will accept this aspect of Kern River's proposal. The March 25 Rehearing Order specifically addressed the issue of what collateral requirements Kern River can impose while a shipper contacts Kern River's lenders, stating that "a determination of uncreditworthiness of a shipper by Kern River and its consequences will stand until there is a change in that determination, or the applicable lender assents to a lower collateral level for that shipper."³¹ The Commission continues to find it reasonable for Kern River to adhere to the requirements of its lending documents until the lenders agree to a reduction in credit.

33. Notwithstanding our acceptance of Kern River's proposal to move the lender contact process from section 29.1 to section 29.2 of its GT&C, the Commission finds that Kern River has failed to adequately support the reasonableness of the process it proposed. WPXM raises numerous concerns regarding the timing and substance of the proposal that Kern River does not address either in its proposed tariff provisions or in its answer. Accordingly, the Commission is not in a position at this point to determine whether the

³⁰ July 29 Order, 132 FERC ¶ 61,080 at P 21.

³¹ March 25 Rehearing Order, 134 FERC ¶ 61,231 at P 13.

lender appeal provision proposed by Kern River is just and reasonable and whether it provides the shipper with meaningful access to Kern River's lenders.

34. The Commission, therefore, conditions acceptance of Kern River's proposed tariff provisions on Kern River providing a detailed explanation as to how the process will work, including details as to the timing and steps in the application process. Kern River must meaningfully respond to WPXM's concerns summarized above. After explaining how the lender appeal process works, Kern River must explain why the process is just and reasonable and how it preserves the overall "parity" between Kern River's collateral requirements and the process shippers can use to seek relief from those requirements. Kern River must explain why this process, in which Kern River acts as an intermediary and in which shippers have no direct access to Kern River's lenders, sufficiently facilitates shippers' ability to communicate their specific circumstances to the relevant lenders. Additionally, Kern River must explain how many of its original lending documents require collateral in excess of three months, and how many of its existing 75 to 100 lenders would need to be contacted should a non-creditworthy shipper seek relief from a collateral requirement imposed by the current lending documents. Kern River must also explain when the original lending documents requiring collateral in excess of three months' reservation charges will expire and whether, in Kern River's view, such documents are subject to change. Kern River must make this filing within 30 days of the date this order issues.

35. Based upon a review of the filing, the Commission finds that the proposed tariff records in footnote one have not been shown to be just and reasonable, and may be unjust, unreasonable, unduly discriminatory, or otherwise unlawful. Accordingly, the Commission shall accept such tariff records for filing and suspend their effectiveness for five months, subject to the conditions set forth in this order.

36. The Commission's policy regarding rate suspensions is that rate filings generally should be suspended for the maximum period permitted by statute where preliminary study leads the Commission to believe that the filing may be unjust, unreasonable, or that it may be inconsistent with other statutory standards.³² It is recognized, however, that shorter suspensions may be warranted in circumstances where suspensions for the maximum period may lead to harsh and inequitable results.³³ Such circumstances do not exist here. Therefore, the Commission shall exercise its discretion to suspend the rates to

³² See *Great Lakes Gas Transmission Co.*, 12 FERC ¶ 61,293 (1980) (five-month suspension).

³³ See *Valley Gas Transmission, Inc.*, 12 FERC ¶ 61,197 (1980) (one-day suspension).

take effect on June 16, 2012, subject to the conditions set forth in the body of this order and in the ordering paragraphs below.

The Commission orders:

(A) The tariff records listed in footnote one are accepted and suspended, to be effective June 16, 2012, subject to refund, the conditions discussed in the body of the order, and further order of the Commission.

(B) Kern River must file additional information in support of its proposed tariff revisions within 30 days of the date this order issues.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.