

125 FERC ¶ 61,108
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 28, 2008

In Reply Refer To:
Kern River Gas Transmission Company
Docket No. RP04-274-010

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

Attention: J. Gregory Porter
Vice President and General Counsel

Reference: Interim Rates

Dear Mr. Porter:

1. On September 30, 2008, Kern River Gas Transmission Company (Kern River) filed a Settlement offer in this proceeding. As a part of the Settlement, Kern River proposes to immediately place into effect interim rates and provide early refunds for settling parties reflecting the outcome of the proposed Settlement. Accordingly, Kern River has filed tariff sheets set forth in the Appendix to be effective for settling parties for the locked-in period¹ from November 1, 2004, until the date the Period 1 rates become effective October 1, 2008. The Appendix also reflects the Period 1 rates effective October 1, 2008, for settling parties and lists the currently effective motion rates for Kern River's services applied to non-settling parties. Kern River requests that the Commission accept the proposed tariff sheets listed in the Appendix to become effective as proposed. In the event the Settlement is not approved by the Commission, Kern River proposes it be allowed the right in accordance with section 2 of Article 3 of the Settlement, to recoup from settling parties the refunds Kern River is to pay on October 1, 2008, and/or collect

¹ Kern River has filed numerous tariff sheets for the locked-in period with various effective dates to reflect adjustments pertaining to fuel, annual charge adjustments, and leap year.

the difference between the locked-in motion rates and the Period 1 Settlement rates for the interim period.

2. Kern River's filing was noticed on October 6, 2008, with comments due on or before October 14, 2008. No adverse comments were filed.²

3. The Commission will accept the revised tariff sheets listed in the Appendix subject to the outcome of the Commission's decision on the pending Settlement in this proceeding. The Commission finds that accepting the rates on an interim basis to become effective as proposed will provide rate relief for settling parties until the Commission can review the Settlement and the record to make a final determination. All issues set forth in the proposed Settlement in this proceeding will be addressed by the Commission in its order on the Settlement. Finally, the Commission will reject the revised tariff sheets listed in footnote No. 3 which are reserved for future use, since Kern River failed to propose an effective date for these sheets.³

By direction of the Commission.

Kimberly D. Bose,
Secretary.

cc: All Parties

² While the interim implementation tariff sheets were noticed under RP04-274-000, the Commission has assigned it RP04-274-010.

³ Sub Nineteenth Revised Sheet No. 5, Sub Fifteenth Revised Sheet No. 5-A, Sub Seventeenth Revised Sheet No. 6, and Sub Sixth Revised Sheet No. 7 to FERC Gas Tariff, Second Revised Volume No. 1.

**Second Revised Volume No. 1
Tariff Sheets Accepted**

Effective November 1, 2004

3rd Sub Thirteenth Revised Sheet No. 5
4th Sub Ninth Revised Sheet No. 5-A

Effective January 1, 2005

3rd Sub Fourteenth Revised Sheet No. 5
4th Sub Tenth Revised Sheet No. 5-A

Effective April 1, 2005

Sub 1st Rev 15th Revised Sheet No. 5
Sub 1st Rev 11th Revised Sheet No. 5-A

Effective October 1, 2005

Sub 1st Rev 16th Revised Sheet No. 5
Sub 1st Rev 12th Revised Sheet No. 5-A

Effective April 1, 2006

Sub 1st Rev 17th Revised Sheet No. 5
Sub 1st Rev 13th Revised Sheet No. 5-A

Effective October 1, 2006

Sub 1st Rev 18th Revised Sheet No. 5
Sub 1st Rev 14th Revised Sheet No. 5-A

Effective April 1, 2007

Sub 2nd Rev 18th Revised Sheet No. 5
Sub 2nd Rev 14th Rev Sheet No. 5-A
2nd Sub Sixteenth Revised Sheet No. 6

**Second Revised Volume No. 1
Tariff Sheets Accepted**

Effective October 1, 2007

Sub 3rd Rev 18th Revised Sheet No. 5
Sub 3rd Rev 14th Rev Sheet No. 5-A
Sub 3rd Rev 16th Revised Sheet No. 6

Effective January 1, 2008

Sub 4th Rev 18th Revised Sheet No. 5
Sub 4th Rev 14th Rev Sheet No. 5-A
Sub 4th Rev 16th Revised Sheet No. 6
Sub 1st Rev 2nd Revised Sheet No. 8

Effective April 1, 2008

Sub 5th Rev 18th Revised Sheet No. 5
Sub 5th Rev 14th Rev Sheet No. 5-A
Sub 5th Rev 16th Revised Sheet No. 6

Effective October 1, 2008

Sub 6th Rev 18th Revised Sheet No. 5
Sub Original Sheet No. 5.01
Sub 6th Rev 14th Revised Sheet No. 5-A
Sub Original Sheet No. 5-B
Sub 6th Rev 16th Revised Sheet No. 6
Sub 3rd Rev Fifth Revised Sheet No. 7
Original Sheet No. 7-A
Sub Third Revised Sheet No. 8
Ninth Revised Sheet No. 496