

153 FERC ¶ 61,105
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 29, 2015

In Reply Refer To:
Kern River Gas Transmission Company
Docket No. RP15-1305-000

Kern River Gas Transmission Company
Attention: Laura Demman
2755 East Cottonwood Parkway
Salt Lake City, UT 84121

Dear Ms. Demman:

1. On September 29, 2015, Kern River Gas Transmission Company (Kern River) filed tariff record revisions,¹ and a related request for waiver of section 12.12 of the General Terms and Conditions of its tariff, for the purpose of reducing the electric compressor fuel surcharges applicable to gas delivered downstream of the Daggett compressor station during the period November 1, 2015 through March 31, 2016. The Commission approves the waiver request, and accepts the out-of-period tariff filing, effective November 1, 2015.

2. On February 24, 2015, Kern River submitted a tariff filing in Docket No. RP15-509 to establish the electric compressor fuel surcharges for the period from April 1, 2015 through March 31, 2016. The surcharges were derived from projected deliveries downstream of the Daggett compressor station and (1) the balance in the electric compressor fuel deferral account as of December 31, 2014 of \$778,727 owed to Kern River, and (2) a projected cost of electricity for calendar year 2015 of \$838,577.²

¹ See Appendix to this letter order.

² The projected cost of electricity was based on invoices received by Kern River from Southern California Edison Company for electricity used at the Daggett compressor station during calendar year 2014.

3. On March 9, 2015, Indicated Shippers³ filed a motion for additional information, arguing that the surcharge was higher than prior years. On March 17, 2015, Kern River responded to the motion, explaining the reasons for the higher surcharge, and stated it would monitor its electric compressor usage and file for an interim surcharge reduction if appropriate. The Commission accepted its tariff on March 31, 2015.⁴
4. After closely monitoring its actual electricity usage, Kern River has found its electricity costs are lower than projected, and by October 31, 2015, it will have completely resolved the 2014 imbalance and collected sufficient surcharges to reimburse it for most of the electricity costs through October 31, 2015. Kern River therefore proposes to reduce its surcharges for the period November 1, 2015 – March 31, 2016 to avoid over-collecting electricity costs for the remainder of the collection period.
5. Public notice of the filing was issued on October 6, 2015. Interventions and protests were due as provided in section 154.210 of the Commission's regulations (18 C.F.R. § 154.210 (2015)). Pursuant to Rule 214 (18 C.F.R. § 385.214 (2015)), all timely filed motions to intervene and any unopposed 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 the proceeding or place additional burdens on existing parties. No adverse comments or protests were filed.
6. For good cause shown, the Commission grants the requested waiver and accepts the tariff records listed in the appendix to this letter, effective November 1, 2015.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

³ Indicated Shippers include Aera Energy LLC, Anadarko Energy Services Company, Chevron U.S.A. Inc., ConocoPhillips Company, Cross Timbers Energy Services, Inc., Shell Energy North America (US), L.P., Southwest Gas Corporation, and WPX Energy Marketing, LLC.

⁴ *Kern River Gas Transmission Co.*, 150 FERC ¶ 61,243 (2015).

Appendix

**Kern River Gas Transmission Company
FERC NGA Gas Tariff
Gas Tariff**

Tariff Records Accepted, Effective November 1, 2015

[Sheet No. 5, Statement of Rates, Schedules KRF-1, CH-1, UP-1, MO-1, SH-1, 14.0.0](#)

[Sheet No. 5.01, Statement of Rates, Period Two \(Step-Down\) Rates, 8.0.0](#)

[Sheet No. 5A, Statement of Rates, Firm Incremental Service, 14.0.0](#)

[Sheet No. 5A.01, Statement of Rates, 2003 Expansion, 5.0.0](#)

[Sheet No. 5B, Statement of Rates, Apex Expansion Project, 8.0.0](#)

[Sheet No. 6, Statement of Rates, Interruptible Service, 12.0.0](#)