

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

May 31, 2005

In Reply Refer To:  
Enbridge Pipelines (KPC)  
Docket Nos. RP05-298-000 and 001

Enbridge Pipelines (KPC)  
1100 Louisiana, Suite 3300  
Houston, TX 77002

Attention: Cynthia A. Corcoran, Senior Counsel and  
Chief Compliance Officer

Reference: Out-of-Cycle Fuel Reimbursement Percentage Adjustments and  
Establishment of New Annual Effective Date

Ladies and Gentlemen:

1. On April 29, 2005, Enbridge Pipeline KPC (Enbridge KPC) filed revised tariff sheets, listed in the Appendix, and supporting work papers reflecting adjustments to its annual Fuel Reimbursement Adjustment (FRA) pursuant to section 23 of the General Terms and Conditions (GT&C) of its tariff. Enbridge KPC states the purpose of its filing is to (i) implement an out-of-cycle FRA; (ii) move the effective date for its annual FRA filings from November 1 to April 1 of each year; and, (iii) correct various cross-references in section 23. Enbridge KPC states that the proposed modification to the effective date for its FRA is necessary because it will allow Enbridge KPC to track more effectively the fuel retention contractually required under its long-term lease with Transok L.L.C. (Transok).<sup>1</sup>

2. Subsequently, on May 18, 2005, in Docket No. RP05-298-001, Enbridge KPC filed supplemental substitute tariff sheets, also listed in the Appendix correcting the column labels of its originally filed tariff sheets. We accept Enbridge KPC's revised

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<sup>1</sup> Transok calculates its fuel retention percentage for the leased capacity at the beginning of each calendar year. The proposed April 1 effective date allows the use of more current Transok fuel data in Enbridge KPC's FRA filings, thereby minimizing any possible over- or under- recovery of fuel that may result from Transok's prior year's fuel retention data.

tariff sheets, as corrected, effective June 1, 2005, subject to the outcome of the proceeding in Docket No. RP04-6-000 concerning Enbridge KPC's October 1, 2003 annual FRA. We reject the superseded tariff sheets as moot. Acceptance of this filing benefits the public by ensuring that Enbridge KPC's tariff reflects the most up-to-date fuel data and is consistent with current Commission policy.

3. Section 23 of Enbridge KPC's GT&C provides for an annual FRA to reflect decreases and increases in fuel usage and lost unaccounted for gas effective November 1 of each year. The instant out-of-cycle FRA filing establishes the Fuel Retention Percentages (FRPs) that will become effective June 1, 2005, as proposed. By implementing the adjusted FRPs, Enbridge KPC can eliminate the accumulating current over recovery of fuel due to the rate differential between Enbridge KPC and Transok, as well as reconcile errors related to the annual FRP Surcharge in a more timely fashion. In addition, because the instant filing proposes to reestablish the effective date of its annual FRA filing to April 1, this out-of-cycle FRA filing sets forth the applicable FRPs for each zone for (i) June 1, 2005 through October 31, 2005 and (ii) November 1, 2005 through March 31, 2006. The revised tariffs sheets reflect the following adjustments to the FRPs:

- (1) Zone 1 FRP decreases from 2.8411 % to 0.0% for June-October and similarly decreases from 2.1648% to 0.0% for November-March;
- (2) Zone 2 FRP decreases by 0.6372 from 1.79421% to 1.1570% for June-October and decreases by 0.1864 from 1.35051 to 1.1641% for November-March; and,
- (3) Zone 3 FRP decreases by 0.5550 from 0.87560% to 0.3206% for June-October and decreases by 0.2926 from 0.61340% to 0.3208% for November-March.

4. Notice of the filing was issued on May 4, 2005, with comments, protests, or interventions due on May 11, 2005. Pursuant to Rule of 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214), all timely motions to intervene are granted and any motions to intervene out of time are granted as of the date of this order. On May 11, 2005, the Kansas Corporation Commission (KCC) filed comments.

5. In its comments, KCC states that the instant filing does not appear to present an increased risk of a large negative deferred fuel account balance that was previously identified by KCC in the Docket No. RP04-6-000 proceeding. Rather, KCC contends that, to some degree, the instant proposal may reduce the likelihood of such a recurrence in the future. For that reason, KCC does not object the Commission permitting the FRA filing to go into effect as proposed. However, KCC requests that the Commission consolidate the instant proceeding with the proceeding in Docket No. RP04-6-000. In the

alternative, KCC requests that if the instant filing is permitted to go into effect, the Commission condition the effectiveness of the instant filing as subject to the outcome of any remedies order in Docket No. RP04-6-000.

6. The Commission will not consolidate the two proceedings. However, as stated above, the Commission will accept the tariff sheets identified in the Appendix subject to the outcome of the Docket No. RP04-6-000 proceeding. The Commission also grants waiver of annual filing date requirements of section 23 of Enbridge KPC's GT&C, to allow the out-of-cycle FRA filing to become effective on June 1, 2005.

By direction of the Commission.

Linda Mitry,  
Deputy Secretary.

cc: Public File  
All Parties

David Halphen, Vice President  
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**APPENDIX**

**Enbridge Pipelines (KPC)  
FERC Gas Tariff, First Revised Volume No. 1**

**Tariff Sheets Accepted Effective June 1, 2005:**

Substitute Sixth Revised Sheet No. 15  
Substitute Sixth Revised Sheet No. 21  
Substitute Sixth Revised Sheet No. 26  
Substitute Sixth Revised Sheet No. 28  
Substitute Sixth Revised Sheet No. 30  
Substitute Fifth Revised Sheet No. 31A  
Substitute Fifth Revised Sheet No. 31C  
Second Revised Sheet No. 174  
First Revised Sheet No. 175  
First Revised Sheet No. 176

AND

**Tariff Sheets Rejected as Moot**

Sixth Revised Sheet No. 15  
Sixth Revised Sheet No. 21  
Sixth Revised Sheet No. 26  
Sixth Revised Sheet No. 28  
Sixth Revised Sheet No. 30  
Fifth Revised Sheet No. 31A  
Fifth Revised Sheet No. 31C