

126 FERC ¶ 61,307
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

March 31, 2009

In Reply Refer To:
Kern River Gas Transmission
Company
Docket No. RP09-372-000

Kern River Gas Transmission Company
P.O. Box 71400
Salt Lake City, Utah 84171-0400

Attention: Billie L. Tolman, Manager
Regulatory Affairs

Reference: Annual Determination of Electric Compressor Fuel Costs

Dear Ms. Tolman:

1. On February 19, 2009, Kern River Gas Transmission Company (Kern River) filed revised tariff sheets¹ and workpapers in accordance with section 12.12 of the General Terms and Conditions (GT&C) in its tariff pertaining to the annual determination of its electric compressor fuel surcharges. Kern River has also revised section 12.12 of the GT&C of its tariff pertaining to the applicability of the electric compressor surcharges.² The revised tariff sheets listed in footnote number 1 are in compliance with section 12.12 of the GT&C of Kern River's tariff. Therefore, Twentieth Revised Sheet No. 5 and Sixteenth Revised Sheet No. 5-A are accepted effective April 1, 2009, subject to the outcome of Kern River's

¹ Twentieth Revised Sheet No. 5, Sixteenth Revised Sheet No. 5-A, and Fourth Revised Sheet No. 110-A.1 to FERC Gas Tariff, Second Revised Volume No. 1.

² Other minor housekeeping changes have been made to section 12.12 as well.

rate case proceeding in Docket No. RP04-274-000, *et al.*³ Fourth Revised Sheet No. 110-A.1, is accepted effective April 1, 2009, as proposed.⁴

2. Kern River's filing was noticed on February 23, 2009, with interventions and protests due on or before March 3, 2009. No protests or adverse comments were filed. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,⁵ the notices of intervention and timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding. Granting late intervention at this stage of the proceeding will not disrupt this proceeding or place additional burdens on existing parties.

3. Kern River reflected its annual electric compressor fuel surcharge for firm rolled-in rate shippers as well as the annual fuel surcharge for firm incremental rate shippers in accordance with the provisions of section 12.12 of its GT&C. The firm rolled-in rate fuel surcharge has decreased from \$0.0000 per Dth to a credit of \$0.0001 per Dth. The firm incremental fuel surcharge has increased from a credit of \$0.0001 per Dth to \$0.0000 per Dth. The interruptible and authorized overrun surcharge has remained the same at \$0.0000 per Dth.

4. Kern River has revised section 12.12 of the GT&C of its tariff by deleting the reference to gas that flows from the DagMoj receipt point to upstream delivery points. Kern River states that gas flowing from the DagMoj receipt point to upstream points has no operational impact on deliveries downstream of the Daggett electric compressor station and, therefore, should not be subject to the Daggett electric compressor fuel surcharge. Kern River also states that to date no gas has been nominated from the DagMoj receipt point to upstream delivery points. The Commission finds Kern River's proposal to remove the DagMoj receipt point from the list of points assessed the Daggett compressor fuel surcharge is acceptable and will have no operational impact on Kern River's system.

³ Sheet Nos. 5 and 5-A include firm rolled-in rates and firm incremental rates that are still subject to refund and subject to the outcome of Kern River's general section 4 rate case proceeding in Docket No. RP04-274-000, *et al.*

⁴ Sheet No. 110-A.1 includes the changes to section 12.12 of the GT&C of Kern River's tariff that the Commission is accepting as discussed herein.

⁵ 18 C.F.R. § 385.214 (2008).

5. Kern River has also revised section 12.12 of the GT&C of its tariff to reflect the current sharing of power costs between Kern River and Mojave Pipeline Company (Mojave) associated with the Daggett electric compressor. Section 12.12 currently provides that Kern River and Mojave will share the power costs associated with the Daggett compressor, pursuant to the terms and conditions of the August 29, 1989 Construction, Operation and Maintenance Agreement. Kern River has revised section 12.12 to reflect the execution of the September 30, 2004, Term Sheet that modified the cost sharing arrangement between Kern River and Mojave. The Commission finds the revisions to section 12.12 of the GT&C of Kern River's tariff are acceptable and reflect the new power cost sharing agreement between Kern River and Mojave with regard to the Daggett compressor.

By direction of the Commission.

Kimberly D. Bose,
Secretary.