



October 26, 2018

(Letter Revised to Correct Version Numbers on Sheet Nos. 5.02 and 180)

Hon. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Kern River Gas Transmission Company
Docket No. RP19-127

Dear Secretary Bose:

Pursuant to Part 154 of the regulations of the Federal Energy Regulatory Commission (“Commission” or “FERC”), Kern River Gas Transmission Company (“Kern River”) hereby tenders for filing and acceptance the following tariff sheets as part of its FERC Gas Tariff, Third Revised Volume No. 1 (“Tariff”), to be effective November 26, 2018:

Sheet No. 5.02, Version 4.0.0
Sheet No.180, Version 1.0.0
Sheet No. 259, Version 7.0.0
Sheet No. 420, Version 5.0.0

Purpose

The purpose of this filing is to make various “housekeeping” revisions to Kern River’s Tariff.

Statement of Nature, Reasons and Basis for the Filing

Kern River has identified several unrelated provisions in its Tariff that need to be updated or corrected, and Kern River proposes to revise its Tariff accordingly, as described in detail below.

Proposed Tariff Changes

Sheet No. 5.02: Sheet No. 5.02, “Statement of Rates” applicable to Kern River’s Period Two, Original System/2002 Expansion Project shippers, shows a Maximum Authorized Overrun Rate of \$0.4380 per Dth, which is a leap year rate, instead of the non-leap year rate of \$0.4392 per Dth. The Authorized Overrun Rate for all shipper groups, including the Period Two, Original System/2002 Expansion Project shippers

was updated to show the non-leap year rate, effective January 1, 2017.¹ However, the January 1, 2017 non-leap year Authorized Overrun Rate on Sheet No. 5.01² was unintentionally superseded by the leap year Unauthorized Overrun Rate on May 1, 2017 by a tariff filing submitted to the Commission on November 1, 2016.³ Therefore, Kern River proposes to revise Sheet No. 5.02 to reflect the appropriate non-leap year rate.

Sheet No. 180: Section 13.2(b) of the General Terms and Conditions of the Tariff (“GT&C”), “Scheduling of Receipts and Deliveries, Scheduling Process,” addresses bumping. The language on currently-effective Sheet No. 180 specifies that interruptible and authorized overrun service will not be bumped in the Intraday 2 cycle. Due to an oversight, when Kern River revised Section 21 of its Tariff, “NAESB WGQ Definitions, Standards and Data Sets,” to incorporate Version 3.0 of the NAESB WGQ standards,⁴ it did not update the related language on Sheet No. 180 in Section 13.2(b) to be consistent with NAESB WGQ 1.3.2(v), which states that interruptible and authorized overrun service will not be bumped in the Intraday 3 cycle. Therefore, Kern River proposes to update Section 13.2(b) of its Tariff to reflect NAESB WGQ 1.3.2(v).

Sheet No. 259: Section 22.1(b)(2) of the GT&C, “Pooling and Title Transfer Tracking,” lists the delivery points available to receive gas from associated market area pools. The Corpus delivery meter, which is located in Section 34, Township 32 South, Range 24 East, Kern County, California, is expected to be placed into service in late November. Therefore, Kern River proposes to add the Corpus delivery meter to the California Firm and California AOS/Interruptible market area pools, and to update Sheet No. 259 to show the addition.

Sheet No. 420: Sheet No. 420 lists non-conforming service agreements that were entered into before August 19, 2010, when Kern River began filing its non-conforming agreements in Original Volume No. 1A. Kern River’s transportation service agreement with EDF Trading North America, LLC (“EDF”), Contract No. 1802, which is currently listed on Sheet No. 402, has expired. Therefore, Kern River proposes to delete the EDF contract from its Tariff.

¹ See Kern River filing in Docket No. RP17-177, which changed the Authorized Overrun Rate for all shipper groups from leap year to non-leap year rates, effective January 1, 2017. Letter order issued December 7, 2016.

² The Authorized Overrun Rate previously set forth on Sheet No. 5.01 is now set forth on Sheet No. 5.02.

³ See Kern River filing in Docket No. RP17-146. Kern River was required to file the Period Two rates for its 15-year, 2002 Expansion project shippers six months before the effective date. Sheet No. 5.01 submitted in that filing showed the leap year rate in effect at the time of the filing, instead of the non-leap year rate that would apply when the tariff sheet became effective May 1, 2017.

⁴ See Kern River filing in Docket No. RP16-503; order issued March 29, 2016, 154 FERC ¶ 61,250.

Effective Date

Kern River requests that the Commission accept the tendered tariff sheets to be effective November 26, 2018, or at the end of any minimal suspension period that may be imposed by the Commission. Kern River also requests that the Commission grant any waivers it may deem necessary for the acceptance of this filing.

Materials Submitted

This filing is comprised of an eTariff.xml filing package containing:

- this transmittal letter;
- the proposed tariff sheets in electronic format, with metadata attached;
- clean copies of the tariff sheets for posting on the Commission's eLibrary; and
- marked copies of the tariff sheets.

Communications

All communications regarding this filing should be served upon:

Laura Demman
Vice President, General Counsel & Regulatory Affairs
Kern River Gas Transmission Company
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Salt Lake City, UT 84121
(402) 398-7278
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John Hutchings
Sr. Attorney
Kern River Gas Transmission Company
2755 E. Cottonwood Parkway
Salt Lake City, UT 84121
(801) 937-6068
john.hutchings@kernrivergas.com

A copy of this filing has been served electronically on Kern River's shippers and other interested parties.

Respectfully submitted,

KERN RIVER GAS TRANSMISSION COMPANY

/s/ Laura Demman

Laura Demman
Vice President, General Counsel & Regulatory Affairs

STATEMENT OF RATES 1/
RATE SCHEDULE KRF-1
PERIOD TWO RATES FOR FIRM ROLLED-IN RATE SERVICE 2/
ORIGINAL SYSTEM/2002 EXPANSION PROJECT
(RATES PER DTH)

(Continued)

Other Rates

Firm Transportation Commodity/Usage Rate:

Maximum	\$ 0.0031
Minimum	\$ 0.0031

Authorized Overrun Rate:

Maximum	\$ 0.4392
Minimum	\$ 0.0037

1/ All costs included in rates are transmission costs. Kern River provides no storage or gathering services.

2/ The rates shown on this sheet are applicable to Shippers in accordance with Section 30 of the General Terms and Conditions of this Tariff.

3/ Transportation rates set forth herein are exclusive of ACA Surcharges, which all Shippers must pay pursuant to Section 5.4 of Rate Schedule KRF-1, and fuel used and lost and unaccounted-for gas, which all Shippers must furnish in-kind each Day by applying a fuel reimbursement factor to receipt point nominations, pursuant to Section 12 of the General Terms and Conditions.

In addition, rolled-in rate shippers are subject to an electric compressor fuel surcharge for quantities scheduled for delivery from any receipt point on Transporter's wholly-owned system or from the Dag Moj receipt point to delivery points downstream of the Daggett compressor station. The surcharge is \$0.0001/Dth for quantities within contract demand and \$0.0003/Dth for authorized overrun quantities.

4/ All reservation rates are daily rates computed on the basis of 365 days per year, except that such rates for leap years are computed on the basis of 366 days.

5/ See Section 30.2(e) of the General Terms and Conditions of Transporter's Tariff for eligibility regarding Period Two Insulated Rates.

GENERAL TERMS AND CONDITIONS
(Continued)

13. SCHEDULING OF RECEIPTS AND DELIVERIES (Continued)

13.2 Scheduling Process. (Continued)

- (b) Bumping. During each nomination cycle, available capacity will be scheduled pursuant to the priority and sequence described in Section 13.2(a). Once scheduled, nominations for Firm Transportation Service will not be bumped. Nominations for Interruptible Transportation Service and Authorized Overrun Service will not be bumped below Elapsed-Prorated-Scheduled-Quantities in the Intraday 1 nomination cycle, and will not be bumped in the Intraday 3 cycle.

If Quantities are reduced as a result of bumping, Transporter will provide advance notice to each affected Shipper and will indicate whether penalties will apply. Such notice will be provided on Transporter's Designated Site and by Internet E-mail or direct notification to the Shipper's Internet URL address, as specified by the Shipper.

Each Shipper will designate an operational contact for Transporter to notify on a 24-hour a day, 365 days a year basis. If Transporter is unable to notify any Shipper because that Shipper's contact is unavailable, such Shipper will be solely responsible for any consequences arising from such failure of communication.

- (c) Contractual Priorities. The foregoing scheduling priorities and capacity allocation methodologies will control and govern the provision of service on Transporter's system, notwithstanding anything to the contrary which may be expressed or implied in any executed Transportation Service Agreement.

GENERAL TERMS AND CONDITIONS
(Continued)

22. POOLING AND TITLE TRANSFER TRACKING (Continued)

22.1 General (Continued)

- (x) California Firm Pool and California AOS/Interruptible Pool Delivery Points:
 - Boron 2-5002
 - Racetrack 2-5003
 - SE Kern River 2-5004
 - Kern River 2-5005
 - China Grade 2-5006
 - Sycamore 2-5007
 - N Kern River 2-5008
 - Mt. Poso 2-5009
 - Kern Front 2-5010
 - Wheeler Ridge 2-5011
 - South Midway 2-5012
 - Taft 2-5013
 - Midway Midset 2-5014
 - Midway Santa Fe 2-5015
 - Oxford 2-5016
 - Crocker Springs 2-5018
 - McKittrick 2-5019
 - 17Z Chevron 2-5020
 - 17Z Mobil 2-5021
 - 17Z Shell 2-5022
 - 17Z Texaco 2-5023
 - Kern River Santa Fe 2-5025
 - Bear Mountain 2-5026
 - TehachapiCummings 2-5027
 - Granite 2-5028
 - Grapevine 2-5029
 - La Paloma 2-5030
 - Sunrise 2-5031
 - Kramer Junction 2-5032
 - Sidewinder 2-5033
 - Pastoria 2-5034
 - Poso Creek 2-5035
 - Ford City 2-5036
 - Sunset 2-5037
 - Fairfield 2-5038
 - Edison 2-5039
 - Equinox 2-5040
 - Corpus 2-5041

- (xi) South Central Utah Firm Pool and South Central Utah AOS/Interruptible Pool Delivery Points:
 - Milford 2-4007

NON-CONFORMING SERVICE AGREEMENTS

The following service agreements were submitted before August 19, 2010, and contain one or more currently effective provisions that differ materially from the Forms of Service Agreements contained in this Tariff. Non-conforming service agreements submitted on or after August 19, 2010 are included in Original Volume No. 1A.

<u>Name of Shipper/Agreement No.</u>	<u>Rate Schedule</u>	<u>Agreement/ Amendment Date</u>	<u>Date Filed</u>
Nevada Power Company, d/b/a NV Energy (No. 1617) Base Agreement	KRF-1	03/17/2009	03/17/2009
Nevada Power Company, d/b/a NV Energy (No. 1830) Base Agreement	KRF-1	03/17/2009	03/17/2009

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RATE SCHEDULE KRF-1
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