

April 28, 2023

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. RP23-\_\_\_\_

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 May 1, 2023:

Sheet No. 450E, Version 12.0.0 Sheet No. 453O, Version 10.0.0

## **Purpose**

The purpose of this filing is to obtain Commission acceptance of a negotiated rate transportation service agreement ("Agreement").

# Statement of Nature, Reasons and Basis for the Filing

On January 12, 2023, Kern River and World Fuel Services, Inc. amended and restated Agreement No. 26048 to incorporate a negotiated rate and revise the terms of the Agreement. This Agreement does not deviate in any material respect from the applicable pro forma agreement in Kern River's Tariff.

Tariff Sheet Nos. 450E and 453O are updated to reflect the addition of the Agreement beginning May 1, 2023. The negotiated provisions are set forth in footnotes 18 and 26.

In accordance with the Commission's Statement of Policy on Alternatives to Traditional Cost of Service Ratemaking for Natural Gas Pipelines<sup>1</sup> and applicable precedent, Kern River will record separately the billing determinants, quantities

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<sup>&</sup>lt;sup>1</sup> 74 FERC ¶ 61,076 (1996).

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transported, rates, surcharges and revenues associated with negotiated rate transactions so this information can be separately identified and totaled in Statements G, I and J in Kern River's future general rate proceedings. Also, the negotiated rate transactions shall be reflected on Kern River's transactional report pursuant to Order Nos. 637, 637A and 637B.

#### Effective Date

Kern River respectfully requests that the Commission accept the tendered tariff sheets to be effective May 1, 2023, or at the end of any minimal suspension period that may be ordered by the Commission. Kern River also requests that the Commission grant any waivers of its Regulations it deems 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**

Kern River respectfully requests that all communications regarding this filing be served upon each of the following:

Luis Valdivia
Manager, Rates and Tariffs
Kern River Gas Transmission Company
2755 East Cottonwood Parkway
Salt Lake City, Utah 84121
(402) 398-7393
luis.valdivia@nnqco.com

David Bolda
Senior Attorney
Kern River Gas Transmission Company
2755 East Cottonwood Parkway
Salt Lake City, Utah 84121
(801) 937-6487
david.bolda@kernrivergas.com

#### Other

In accordance with Section 154.208, Kern River has served an electronic copy of this filing upon its customers and interested state regulatory commissions.

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Respectfully submitted,

# KERN RIVER GAS TRANSMISSION COMPANY

/s/ Luis Valdivia

Luis Valdivia Manager, Rates and Tariffs

Sheet No. 450E Version: 12.0.0 Superseding Version: 11.0.0

## NEGOTIATED RATE AGREEMENTS (Continued)

Shipper Name/ Agreement No.	Negotiated Rate (per Dth)	Rate <u>Schedule</u>	Receipt Points	Delivery <u>Points</u>	Contract Quantity (Dth/d)	Term <u>Expires</u>
CIMA Energy, LP No. 26001	12/	KRF-1	Opal	Blue Diamond	20,000	5/31/2018 9/
ConocoPhillips Company No. 26004	12/	KRF-1	Opal	Blue Diamond	20,000	5/31/2018 9/
Direct Energy Busi Marketing, LLC No. 26065	iness 12/	KRF-1	Opal	Blue Diamond	20,000	11/30/2021 21/
MIECO LLC No. 26006	12/	KRF-1	Opal	Blue Diamond	20,000	5/31/2018 9/
Shell Energy North America (US No. 26008	S), LP 12/	KRF-1	Opal	Blue Diamond	20,000	5/31/2018 9/
Calpine Energy Services, L.P. No. 26009	12/	KRF-1	Opal	Kramer Junction Blue Diamond	*	5/31/2018 9/
* March 1, 2020 June 1, 2021 – November 1, 2	16,534 4,139 16,534					
Castleton Commod Merchant Trading I No. 26010		KRF-1	Opal	Kramer Junction Blue Diamond	16,534	10/31/2020 25/
EDF Trading North America, LLC No. 26011	n 12/	KRF-1	Opal	Kramer Junction Blue Diamond	*	5/31/2018 9/
* April 1, 2021 - June 1, 2021 - November 1, 2	16,534 4,139 16,534					
World Fuel Services Inc. 18/ No. 26048		KRF-1	Opal	Wecco	2,000	4/30/2027 26/

Sheet No. 453O Version: 10.0.0 Superseding Version: 9.0.0

## NEGOTIATED RATE AGREEMENTS (Continued)

#### FOOTNOTES: (Continued)

- Shipper and Transporter have agreed to a Negotiated Daily Reservation/Demand Rate of \$0.5191 per Dth for the total DMDQ under this Agreement. In addition to the Negotiated Daily Reservation/Demand Rate, Shipper is responsible for reimbursing Transporter for fuel and Daggett surcharges at the rates applicable to rolled-in rate service and for commodity and other surcharges at the maximum rate applicable to incremental rate service related to the 2003/2010 Expansion Projects for all quantities scheduled.
- 17/ This Agreement shall be in effect from November 1, 2021 through October 31, 2024. This Agreement may be extended for an additional term of one month or longer if Transporter and Shipper agree on a rate and term for the extended period prior to the expiration date of this Agreement.
- 18/ Shipper and Transporter have agreed to a Negotiated Daily Reservation/Demand Rate of \$0.5191 per Dth for the total DMDQ under this Agreement. In addition to the Negotiated Daily Reservation/Demand Rate, Shipper is responsible for reimbursing Transporter for fuel, commodity charges and surcharges at the maximum rate applicable to incremental rate service related to the 2003/2010 Expansion Projects for all quantities scheduled.
- This Agreement shall be in effect from May 1, 2021, through May 31, 2021, and month to month thereafter. Either party may terminate this Agreement at the expiration of the initial term or any time thereafter by giving at least twenty (20) calendar days' written notice to the other party.
- 20/ This Agreement shall be in effect from November 1, 2020 through November 30, 2020, and month to month thereafter. Either party may terminate this Agreement at the expiration of the initial term or any time thereafter by giving at least twenty (20) calendar days' written notice to the other party.
- This Agreement shall be in effect from November 1, 2021, through November 30, 2021, and month to month thereafter. Either party may terminate this Agreement at the expiration of the initial term or any time thereafter by giving at least twenty (20) calendar days' written notice to the other party.
- This Agreement shall be in effect from March 1, 2019 through March 31, 2019, and month to month thereafter. Either party may terminate this Agreement at the expiration of the initial term or any time thereafter by giving at least twenty (20) calendar days' written notice to the other party.
- This Agreement shall be in effect from February 15, 2020, through March 31, 2020, and month to month thereafter. Either party may terminate this Agreement at the expiration of the initial term or any time thereafter by giving at least twenty (20) calendar days' written notice to the other party.
- 24/ Reserved.
- This Agreement shall be in effect from October 1, 2020 through October 31, 2020, and month to month thereafter. Either party may terminate this Agreement at the expiration of the initial term or any time thereafter by giving at least twenty (20) calendar days' written notice to the other party.
- This Agreement shall be in effect from May 1, 2023, through April 30, 2027. This Agreement may be extended for an additional term of one year or longer if Transporter and Shipper agree on a rate and term for the extended period prior to the expiration date of this Agreement. Shipper shall have a right of first refusal pursuant to the terms of Transporter's Tariff.

Sheet No. 450E Version: 12.0.0 Superseding Version: 11.0.0

## NEGOTIATED RATE AGREEMENTS (Continued)

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Direct Energy Busin Marketing, LLC No. 26065	ness 12/	KRF-1	Opal	Blue Diamond	20,000	11/30/2021 21/
MIECO LLC No. 26006	12/	KRF-1	Opal	Blue Diamond	20,000	5/31/2018 9/
Shell Energy North America (US No. 26008	), LP 12/	KRF-1	Opal	Blue Diamond	20,000	5/31/2018 9/
Calpine Energy Services, L.P. No. 26009	12/	KRF-1	Opal	Kramer Junction Blue Diamond	*	5/31/2018 9/
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Castleton Commodi Merchant Trading I No. 26010		KRF-1	Opal	Kramer Junction Blue Diamond	16,534	10/31/2020 25/
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Sheet No. 453O Version: 10.0.0 Superseding Version: 9.0.0

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- 26/ This Agreement shall be in effect from May 1, 2023, through April 30, 2027. This Agreement may be extended for an additional term of one year or longer if Transporter and Shipper agree on a rate and term for the extended period prior to the expiration date of this Agreement. Shipper shall have a right of first refusal pursuant to the terms of Transporter's Tariff.