



February 26, 2025

Ms. Debbie-Ann Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Kern River Gas Transmission Company
Docket No. RP25-_____

Dear Secretary Reese:

Pursuant to Part 154 of the regulations of the Federal Energy Regulatory Commission (“FERC” or “Commission”), Kern River Gas Transmission Company (“Kern River”) 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 April 1, 2025:

Sheet No. 5, Version 31.0.0
Sheet No. 5.02, Version 16.0.0
Sheet No. 5A, Version 31.0.0
Sheet No. 5A.02, Version 15.0.0
Sheet No. 5B, Version 25.0.0
Sheet No. 6, Version 27.0.0
Sheet No. 10, Version 10.0.0

Purpose

The purpose of this filing is to revise the electric compressor fuel surcharges applicable to gas scheduled for delivery downstream of Kern River’s Daggett compressor station for the period from April 1, 2025, through March 31, 2026.

Statement of Nature, Reasons and Basis for the Filing

Background

Pursuant to Section 12.12 of the General Terms and Conditions of Kern River’s Tariff, electric compressor fuel surcharges are to be re-determined annually, to become effective on April 1 of each year. Kern River must file work papers supporting the new surcharges at least 30 days prior to the proposed effective date of those surcharges.

Proposed Electric Compressor Fuel Surcharges

Kern River proposes to establish the Daggett electric compressor fuel surcharges for the period from April 1, 2025 through March 31, 2026 as follows: The surcharge applicable to rolled-in rate shippers will decrease from a charge of \$0.0024 per Dth to a charge of \$0.0011 per Dth. The surcharge applicable to incremental rate shippers will decrease from a charge of \$0.0015 per Dth to a charge of \$0.0008 per Dth. The surcharge applicable to interruptible and authorized overrun shippers will decrease from a charge of \$0.0019 per Dth to a charge of \$0.0009 per Dth.¹ Tariff sheet Nos. 5, 5.02, 5A, 5A.02, 5B, 6 and 10 are being revised to reflect the proposed surcharges. Exhibit A, attached, shows the derivation of the proposed surcharges.

As shown on Exhibit A, the proposed surcharges are derived from an annual cost of electricity of \$469,351 which is based on the invoices Kern River received from Southern California Edison Company for service at the Daggett compressor station during calendar year 2024. In accordance with the cost allocation procedure authorized by the Commission by letter order in Docket No. RP02-231, dated May 21, 2002, rolled-in rate shippers are responsible for 69% of the total costs, or \$323,852, and incremental rate shippers are responsible for the remaining 31%, or \$145,499.

The costs allocated to each rate group were adjusted by the over-collection for the applicable group through December 31, 2024, to determine total projected costs to be recovered during the 12-month period commencing April 1, 2025. The \$323,852 to be recovered from rolled-in rate shippers was decreased by the over-collection of \$19,288 at year end 2024, resulting in a balance to be collected from Kern River rolled-in shippers of \$304,564. The \$145,499 to be recovered from the incremental rate shippers was decreased by the over-collection of \$7,506 at year end 2024, resulting in a balance to be collected from Kern River incremental rate shippers of \$137,993. The total costs for each rate group were then divided by the respective projected annual deliveries downstream of the Daggett compressor, to determine the applicable surcharges.

Marked Version of Tariff Sheets

In accordance with Section 154.201 of the Commission's regulations, a marked version of the proposed tariff sheets comparing the currently effective surcharges with the proposed surcharges is attached.

¹ The surcharge for interruptible and authorized overrun service is a blended rate derived from the surcharges applicable to rolled-in rate service and incremental rate service, calculated on the basis of 45% for rolled-in rate service and 55% for incremental rate service.

Materials Submitted

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

- this transmittal letter;
- Exhibit A;
- the 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.

Effective Date

Kern River hereby moves that the Commission accept the tendered tariff sheets to be effective April 1, 2025, or at the end of any minimal suspension period that may be imposed by the Commission.

Communications

All communications regarding this filing should be served upon:

Luis Valdivia
Director, Regulatory Policy & Rates
Kern River Gas Transmission Company
2755 East Cottonwood Parkway
Salt Lake City, Utah 84121
(402) 398-7393
luis.valdivia@nngco.com

David Bolda
Senior Attorney
Kern River Gas Transmission Company
2755 E. 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.

Respectfully submitted,

KERN RIVER GAS TRANSMISSION COMPANY

/s/ Luis Valdivia

Luis Valdivia
Director, Regulatory Policy & Rates

Attachments

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

	<u>Base Tariff Rates 3/</u>	<u>TRC 5/</u>
Recourse Rate:		
Daily Reservation/Demand Rate 4/		
Maximum	\$ 0.4734	\$-0.0521
Minimum	\$ 0.0000	
10-Year Rate:		
Daily Reservation/Demand Rate 4/		
Maximum	\$ 0.4734	\$-0.0521
Minimum	\$ 0.0000	
15-Year Rate:		
Daily Reservation/Demand Rate 4/		
Maximum	\$ 0.3633	\$-0.0400
Minimum	\$ 0.0000	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0031	
Minimum	\$ 0.0031	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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

2/ Rates for incrementally-priced firm transportation under Rate Schedule KRF-1 for the 2003/2010 Expansion Project shippers are set out separately on Sheet No. 5A.

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 \$0.0011/Dth for quantities within contract demand and \$0.0009/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/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

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

(Continued)

TRC 6/

	<u>Other Rates</u>	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0031	
Minimum	\$ 0.0031	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
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 \$0.0011/Dth for quantities within contract demand and \$0.0009/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.

6/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRF-1
 FIRM INCREMENTAL RATE SERVICE
 2003/2010 EXPANSION PROJECTS
 (RATES PER DTH)

	<u>Base Tariff Rates 2/</u>	<u>TRC 4/</u>
Recourse Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.5833	\$-0.0642
Minimum	\$ 0.0000	
10-Year Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.5833	\$-0.0642
Minimum	\$ 0.0000	
15-Year Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.4717	\$-0.0519
Minimum	\$ 0.0000	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0044	
Minimum	\$ 0.0044	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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

2/ 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, Shippers receiving firm incremental rate service on the 2003/2010 Expansion Projects 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 \$0.0008/Dth for quantities within contract demand and \$0.0009/Dth for authorized overrun quantities.

3/ 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.

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRF-1
 FIRM INCREMENTAL RATE SERVICE
 PERIOD TWO RATES/ALTERNATE PERIOD TWO RATES FOR 2003/2010 EXPANSION PROJECTS 2/
 (RATES PER DTH)

Base Tariff Rates 3/ (continued)

	<u>Other Rates</u>	<u>TRC 5/</u>
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0044	
Minimum	\$ 0.0044	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
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, 2003/2010 Expansion 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 \$0.0008/Dth for quantities within contract demand and \$0.0009/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/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRF-1
 FIRM INCREMENTAL RATE SERVICE
 APEX EXPANSION PROJECT
 (RATES PER DTH)

	<u>Base Tariff Rates 2/</u>	<u>TRC 4/</u>
Recourse Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.4444	\$-0.0489
Minimum	\$ 0.0000	
20-Year Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.4444	\$-0.0489
Minimum	\$ 0.0000	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0044	
Minimum	\$ 0.0044	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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

2/ 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, Shippers receiving firm incremental rate service on the Apex Expansion project are subject to an electric compressor fuel surcharge for quantities scheduled for delivery from any receipt point on Transporter's wholly-owned system to delivery points downstream of the Daggett compressor station. The surcharge is \$0.0008/Dth for quantities within contract demand and \$0.0009/Dth for authorized overrun quantities.

3/ 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.

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRI-1
 INTERRUPTIBLE SERVICE
 (RATES PER DTH)

	<u>Base Tariff Rates 2/</u>	<u>TRC 4/</u>
Interruptible Transportation Rate 3/		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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

2/ Transportation rates set forth herein are exclusive of ACA Surcharges, which all Shippers must pay pursuant to Section 5.3 of Rate Schedule KRI-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, quantities of Gas 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 on an interruptible basis are subject to an electric compressor fuel surcharge \$0.0009/Dth.

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

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Transportation Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
RATE SCHEDULE KRF-PK
FIRM PEAKING SERVICE
(RATES PER DTH)

(Continued)

2/ Transportation rates set forth herein are exclusive of ACA Surcharges, which all Shippers must pay pursuant to Section 5.4 of Rate Schedule KRF-PK, 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 of Transporter's tariff.

In addition, Shippers receiving firm peaking service 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 \$0.0008/Dth for quantities within contract demand and \$0.0009/Dth for authorized overrun quantities.

3/ 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.

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at a rate that is derived from the Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

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

	<u>Base Tariff Rates 3/</u>	<u>TRC 5/</u>
Recourse Rate:		
Daily Reservation/Demand Rate 4/		
Maximum	\$ 0.4734	\$-0.0521
Minimum	\$ 0.0000	
10-Year Rate:		
Daily Reservation/Demand Rate 4/		
Maximum	\$ 0.4734	\$-0.0521
Minimum	\$ 0.0000	
15-Year Rate:		
Daily Reservation/Demand Rate 4/		
Maximum	\$ 0.3633	\$-0.0400
Minimum	\$ 0.0000	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0031	
Minimum	\$ 0.0031	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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

2/ Rates for incrementally-priced firm transportation under Rate Schedule KRF-1 for the 2003/2010 Expansion Project shippers are set out separately on Sheet No. 5A.

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 \$0.001124/Dth for quantities within contract demand and \$0.000919/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/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

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

(Continued)

TRC 6/

	<u>Other Rates</u>	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0031	
Minimum	\$ 0.0031	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
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 \$0.001124/Dth for quantities within contract demand and \$0.000919/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.

6/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRF-1
 FIRM INCREMENTAL RATE SERVICE
 2003/2010 EXPANSION PROJECTS
 (RATES PER DTH)

	<u>Base Tariff Rates 2/</u>	<u>TRC 4/</u>
Recourse Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.5833	\$-0.0642
Minimum	\$ 0.0000	
10-Year Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.5833	\$-0.0642
Minimum	\$ 0.0000	
15-Year Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.4717	\$-0.0519
Minimum	\$ 0.0000	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0044	
Minimum	\$ 0.0044	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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2/ 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, Shippers receiving firm incremental rate service on the 2003/2010 Expansion Projects 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 \$0.00~~0815~~/Dth for quantities within contract demand and \$0.00~~0919~~/Dth for authorized overrun quantities.

3/ 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.

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRF-1
 FIRM INCREMENTAL RATE SERVICE
 PERIOD TWO RATES/ALTERNATE PERIOD TWO RATES FOR 2003/2010 EXPANSION PROJECTS 2/
 (RATES PER DTH)

Base Tariff Rates 3/ (continued)

	<u>Other Rates</u>	<u>TRC 5/</u>
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0044	
Minimum	\$ 0.0044	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
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, 2003/2010 Expansion 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 \$0.000815/Dth for quantities within contract demand and \$0.000919/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/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRF-1
 FIRM INCREMENTAL RATE SERVICE
 APEX EXPANSION PROJECT
 (RATES PER DTH)

	<u>Base Tariff Rates 2/</u>	<u>TRC 4/</u>
Recourse Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.4444	\$-0.0489
Minimum	\$ 0.0000	
20-Year Rate:		
Daily Reservation/Demand Rate 3/		
Maximum	\$ 0.4444	\$-0.0489
Minimum	\$ 0.0000	
Firm Transportation Commodity/Usage Rate:		
Maximum	\$ 0.0044	
Minimum	\$ 0.0044	
Authorized Overrun Rate:		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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

2/ 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, Shippers receiving firm incremental rate service on the Apex Expansion project are subject to an electric compressor fuel surcharge for quantities scheduled for delivery from any receipt point on Transporter's wholly-owned system to delivery points downstream of the Daggett compressor station. The surcharge is \$0.00~~0845~~/Dth for quantities within contract demand and \$0.00~~0919~~/Dth for authorized overrun quantities.

3/ 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.

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
 RATE SCHEDULE KRI-1
 INTERRUPTIBLE SERVICE
 (RATES PER DTH)

	<u>Base Tariff Rates 2/</u>	<u>TRC 4/</u>
Interruptible Transportation Rate 3/		
Maximum	\$ 0.4392	\$-0.0483
Minimum	\$ 0.0037	

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

2/ Transportation rates set forth herein are exclusive of ACA Surcharges, which all Shippers must pay pursuant to Section 5.3 of Rate Schedule KRI-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, quantities of Gas 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 on an interruptible basis are subject to an electric compressor fuel surcharge \$0.000919/Dth.

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

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at the applicable Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Transportation Charge in the monthly billing invoice.

STATEMENT OF RATES 1/
RATE SCHEDULE KRF-PK
FIRM PEAKING SERVICE
(RATES PER DTH)

(Continued)

2/ Transportation rates set forth herein are exclusive of ACA Surcharges, which all Shippers must pay pursuant to Section 5.4 of Rate Schedule KRF-PK, 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 of Transporter's tariff.

In addition, Shippers receiving firm peaking service 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 \$0.00~~0815~~/Dth for quantities within contract demand and \$0.00~~0919~~/Dth for authorized overrun quantities.

3/ 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.

4/ TRC is the Tax Reform Credit pursuant to Section 31 of the General Terms and Conditions. Shippers receiving service at a rate that is derived from the Maximum Base Tariff Rate will receive the TRC. Until a Triggering Event occurs, the TRC will be a daily rate credit to the Reservation Charge and, if applicable, to the Authorized Overrun Charge in the monthly billing invoice.

**Derivation of Electric Compressor Fuel Surcharges
For Period from April 1, 2025 through March 31, 2026**

	Allocation of Costs		
	Total	Rolled-in Rate Shippers	Expansion Rate Shippers
Projected Electricity Costs: 1/ Balance as of 12/31/24 (see below):	\$469,351 (\$26,794)	\$323,852 (\$19,288)	\$145,499 (\$7,506)
Projected Cost Recovery Required:	\$442,557	\$304,564	\$137,993
Projected Deliveries Downstream of Daggett (Dths): 2/	456,058,775	273,178,089	182,880,686
Surcharge per Dth: 3/		<u>\$0.0011</u>	<u>\$0.0008</u>

Month	Total Monthly Electricity Costs (A)	Allocated Monthly Electricity Costs Rolled - In (B) (A) * (.69)	Allocated Monthly Electricity Costs Incremental (C) (A) * (.31)	Actual Surcharges Rolled-in Rate Shippers (D) 4/	Actual Surcharges Incremental Rate Shippers (E) 4/	Balance Rolled-in Rate Shippers (F) (B) - (D)	Balance Incremental Rate Shippers (G) (C) - (E)	Total Balance (H) (F) + (G)
Balance as of 12/31/23						\$210,318	\$82,217	\$292,535
January, 2024	\$44,352	\$30,603	\$13,749	\$19,159	\$10,550	\$11,444	\$3,199	\$14,643
February, 2024	\$58,122	\$40,104	\$18,018	\$21,151	\$12,029	\$18,953	\$5,988	\$24,942
March, 2024	\$81,026	\$55,908	\$25,118	\$20,644	\$12,173	\$35,264	\$12,946	\$48,209
April, 2024	\$51,996	\$35,877	\$16,119	\$52,343	\$21,905	(\$16,465)	(\$5,786)	(\$22,252)
May, 2024	\$5,811	\$4,010	\$1,802	\$48,387	\$20,066	(\$44,377)	(\$18,264)	(\$62,641)
June, 2024	\$4,526	\$3,123	\$1,403	\$50,359	\$16,913	(\$47,236)	(\$15,510)	(\$62,746)
July, 2024	\$7,834	\$5,405	\$2,428	\$67,908	\$23,569	(\$62,503)	(\$21,141)	(\$83,643)
August, 2024	\$27,738	\$19,140	\$8,599	\$58,348	\$23,393	(\$39,209)	(\$14,794)	(\$54,003)
September, 2024	\$5,196	\$3,585	\$1,611	\$50,150	\$20,778	(\$46,565)	(\$19,168)	(\$65,732)
October, 2024	\$49,378	\$34,071	\$15,307	\$61,033	\$26,935	(\$26,962)	(\$11,628)	(\$38,590)
November, 2024	\$62,859	\$43,373	\$19,486	\$51,628	\$22,808	(\$8,255)	(\$3,322)	(\$11,577)
December, 2024	\$70,512	\$48,653	\$21,859	\$52,348	\$24,101	(\$3,695)	(\$2,243)	(\$5,938)
Total 2024	\$469,351	\$323,852	\$145,499	\$553,458	\$235,222	(\$229,606)	(\$89,723)	(\$319,329)
Balance as of 12/31/24						<u>(\$19,288)</u>	<u>(\$7,506)</u>	<u>(\$26,794)</u>

- 1/ Based on projected electricity costs for the Daggett electric compressor, allocated in accordance with the procedure approved in Docket No. RP02-231; i.e., 69% to rolled-in rate shippers and 31% to incremental rate expansion shippers.
- 2/ Based on scheduled deliveries downstream of the Daggett Compressor on a forward-haul basis during 2024.
- 3/ The surcharge for interruptible and authorized overrun service is a blended rate derived from the surcharges applicable to rolled-in rate service and incremental rate service, calculated on the basis of 45% for rolled-in rate service and 55% for incremental rate service. These factors are based on the Commission approved billing determinants that were used to derive the interruptible/AOS surcharges in Kern River's last rate case proceeding in Docket No. RP04-274. The blended rate is calculated as 45% of the rolled-in rate of \$0.0011 and 55% of the incremental rate of \$0.0008 resulting in a blended rate of \$0.0009.
- 4/ From 1/1/24-03/31/24, rolled-in shippers paid \$0.0009/Dth, expansion shippers paid \$0.0007/Dth, Apex shippers paid \$0.0007/Dth, and interruptible/AOS shippers paid \$0.0008/Dth. From 4/1/24-12/31/24, rolled-in shippers paid \$0.0024/Dth, expansion shippers paid \$0.0015/Dth, Apex shippers paid \$0.0015/Dth, and interruptible/AOS shippers paid \$0.0019/Dth.