



2755 East Cottonwood Parkway Suite 300
Salt Lake City, UT 84121

March 31, 2025

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

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

Dear Secretary Reese:

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 April 1, 2025:

Sheet No. 450H, Version 0.0.0

Sheet No. 450I, Version 0.0.0

Sheet No. 453R, Version 4.0.0

Purpose

The purpose of this filing is to obtain Commission acceptance of new negotiated rate transportation service agreements (“TSAs”) with DRW Energy Company (“DRW”), Macquarie Energy LLC (“Macquarie”), Glencore Ltd. (“Glencore”), and J.P. Morgan Chase Bank, N.A. (“J.P. Morgan”) in accordance with the Commission’s Statement of Policy on Alternatives to Traditional Cost of Service Ratemaking for Natural Gas Pipelines (“Policy Statement”)¹ and to reference the TSAs and the applicable negotiated rates in Kern River’s Tariff.

Statement of Nature, Reasons and Basis for the Filing

Kern River entered into negotiated rate TSAs for firm transportation service under Rate Schedule KRF-1 with the following shippers:

- DRW, Contract No. 26075, Dated March 21, 2025;
- Glencore, Contract No. 26076, Dated March 21, 2025;
- Macquarie, Contract No. 26077, Dated March 21, 2025; and
- J.P. Morgan, Contract No. 26074, Dated March 21, 2025.

¹ 74 FERC ¶ 61,076 (1996).

These TSAs are effective from April 1, 2025 through April 30, 2025 and month to month thereafter as set forth in footnote 32 on Tariff Sheet No. 453R, and are subject to an index-based reservation rate as set forth in footnote 12 on Tariff Sheets Nos. 453I and 453J in Kern River's Tariff.

Kern River proposes to list the new negotiated rate TSAs on proposed Tariff Sheet Nos. 450H and 450I, along with the required information, including: the name of the shipper, contract number, negotiated rate, rate schedule, receipt and delivery points, contract quantities and term.

None of these negotiated rate TSAs deviate in any material respect from the form of service agreement for Rate Schedule KRF-1 in Kern River's Tariff.

Other Regulatory Requirements

In accordance with the Policy Statement and applicable precedent, Kern River will record separately the billing determinants, quantities 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.

Waiver and Effective Date

The Policy Statement provides: "the Commission will readily grant requests to waive the 30-day notice requirement" for negotiated rate filings.² Accordingly, Kern River respectfully requests that the Commission grant a waiver of section 154.207 and any other waivers of its Regulations it deems necessary to allow the tendered tariff sheets to be effective April 1, 2025.

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 copy of the tariff sheets for posting on the Commission's eLibrary; and
- marked copy of the tariff sheets.

² 74 FERC ¶ 61,076 at 61,241-2 (1996). See *NorAm Gas Transmission Company*, 77 FERC ¶ 61,011 at 61,034-5 (1996).

Hon. Debbie-Anne Reese

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Posting

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

Communications

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

Luis Valdivia
Director, Regulatory Policy and Rates
Kern River Gas Transmission Company
2755 East Cottonwood Parkway
Salt Lake City, Utah 84121
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David Bolda
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Respectfully submitted,

KERN RIVER GAS TRANSMISSION COMPANY

/s/ Luis Valdivia

Luis Valdivia
Director, Regulatory Policy and Rates

NEGOTIATED RATE AGREEMENTS (Continued)

<u>Shipper Name/ Agreement No.</u>	<u>Negotiated Reservation Rate (per Dth)</u>	<u>Rate Schedule</u>	<u>Receipt Points</u>	<u>Delivery Points</u>	<u>Quantity (Dth/d)</u>	<u>Term Expires</u>
DRW Energy Trading LLC No. 26075	12/	KRF-1	Overthrust 121	Wheeler Ridge- SoCal Gas	*	4/30/2025 32/
* April 1, 2025 – May 31, 2025					5,000	
October 1, 2025 – November 30, 2025					5,000	
December 1 2025 - December 31, 2025					2,065	
January 1, 2026 – January 31, 2026					2,737	
March 1, 2026 – May 31, 2026					5,000	
October 1, 2026 – October 31, 2026					5,000	
March 1, 2027 – May 31, 2027					5,000	
October 1, 2027 – October 31, 2027					5,000	
March 1, 2028 – May 31, 2028					5,000	
October 1, 2028 – October 31, 2028					3,640	
March 1, 2029 – May 31, 2029					5,000	
October 1, 2029 – October 31, 2029					3,640	
Beginning January 1, 2030 through December 31, 2030, and continuing thereafter, the DMDQ shall follow the monthly distribution as described below:						
March 1, 2030 – May 31, 2030					5,000	
October 1, 2030 – October 31, 2030					921	
Glencore LTD No. 26076	12/	KRF-1	Overthrust 121	Wheeler Ridge- SoCal Gas	*	4/30/2025 32/
* April 1, 2025 – May 31, 2025					5,000	
October 1, 2025 – November 30, 2025					5,000	
December 1 2025 - December 31, 2025					2,065	
January 1, 2026 – January 31, 2026					2,737	
March 1, 2026 – May 31, 2026					5,000	
October 1, 2026 – October 31, 2026					5,000	
March 1, 2027 – May 31, 2027					5,000	
October 1, 2027 – October 31, 2027					5,000	
March 1, 2028 – May 31, 2028					5,000	
October 1, 2028 – October 31, 2028					3,640	
March 1, 2029 – May 31, 2029					5,000	
October 1, 2029 – October 31, 2029					3,640	
Beginning January 1, 2030 through December 31, 2030, and continuing thereafter, the DMDQ shall follow the monthly distribution as described below:						
March 1, 2030 – May 31, 2030					5,000	
October 1, 2030 – October 31, 2030					921	

NEGOTIATED RATE AGREEMENTS (Continued)

Shipper Name/ Agreement No.	Negotiated Reservation Rate (per Dth)	Rate Schedule	Receipt Points	Delivery Points	Quantity (Dth/d)	Term Expires
Macquarie Energy, LLC No. 26077	12/	KRF-1	Overthrust 121	Wheeler Ridge SoCal Gas	*	4/30/2025 32/
*	April 1, 2025 – May 31, 2025				5,000	
	October 1, 2025 – November 30, 2025				5,000	
	December 1 2025 - December 31, 2025				2,065	
	January 1, 2026 – January 31, 2026				2,737	
	March 1, 2026 – May 31, 2026				5,000	
	October 1, 2026 – October 31, 2026				5,000	
	March 1, 2027 – May 31, 2027				5,000	
	October 1, 2027 – October 31, 2027				5,000	
	March 1, 2028 – May 31, 2028				5,000	
	October 1, 2028 – October 31, 2028				3,640	
	March 1, 2029 – May 31, 2029				5,000	
	October 1, 2029 – October 31, 2029				3,640	
Beginning January 1, 2030 through December 31, 2030, and continuing thereafter, the DMDQ shall follow the monthly distribution as described below:						
	March 1, 2030 – May 31, 2030				5,000	
	October 1, 2030 – October 31, 2030				921	
J.P. Morgan Ventures Energy Corporation No. 26074	12/	KRF-1	Overthrust 121	Wheeler Ridge SoCal Gas	*	4/30/2025 32/
*	April 1, 2025 – May 31, 2025				5,000	
	October 1, 2025 – November 30, 2025				5,000	
	December 1 2025 - December 31, 2025				2,066	
	January 1, 2026 – January 31, 2026				2,737	
	March 1, 2026 – May 31, 2026				5,000	
	October 1, 2026 – October 31, 2026				5,000	
	March 1, 2027 – May 31, 2027				5,000	
	October 1, 2027 – October 31, 2027				5,000	
	March 1, 2028 – May 31, 2028				5,000	
	October 1, 2028 – October 31, 2028				3,642	
	March 1, 2029 – May 31, 2029				5,000	
	October 1, 2029 – October 31, 2029				3,642	
Beginning January 1, 2030 through December 31, 2030, and continuing thereafter, the DMDQ shall follow the monthly distribution as described below:						
	March 1, 2030 – May 31, 2030				5,000	
	October 1, 2030 – October 31, 2030				922	

FOOTNOTES: (Continued)

28/ This Agreement shall be in effect from November 1, 2023, through February 28, 2027, for the months of November through February. 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.

29/ 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 incremental rate service related to the Apex Expansion Project 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.

30/ 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, Daggett surcharges, commodity charges and surcharges at the maximum rate applicable to incremental rate service related to the 2003/2010 Expansion Projects for all quantities scheduled.

31/ Pursuant to Section 5.10 of Rate Schedule KRF-L1, Transporter and Shipper have mutually agreed to a Negotiated Rate for service under this Transportation Service Agreement, as provided in Section 23 of the General Terms and Conditions of Transporter's FERC Gas Tariff. Effective commencing September 1, 2023, such Negotiated Rate is a Daily Reservation/Demand Rate of \$0.0140 per Dth for the Primary Term.

32/ This Agreement shall be in effect from April 1, 2025 through April 30, 2025, 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.

NEGOTIATED RATE AGREEMENTS (Continued)

<u>Shipper Name/ Agreement No.</u>	<u>Negotiated Reservation Rate (per Dth)</u>	<u>Rate Schedule</u>	<u>Receipt Points</u>	<u>Delivery Points</u>	<u>Quantity (Dth/d)</u>	<u>Term Expires</u>
DRW Energy Trading LLC No. 26075	12/	KRF-1	Overthrust 121	Wheeler Ridge- SoCal Gas	*	4/30/2025 32/

* April 1, 2025 – May 31, 2025	5,000
October 1, 2025 – November 30, 2025	5,000
December 1 2025 - December 31, 2025	2,065
January 1, 2026 – January 31, 2026	2,737
March 1, 2026 – May 31, 2026	5,000
October 1, 2026 – October 31, 2026	5,000
March 1, 2027 – May 31, 2027	5,000
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Glencore LTD No. 26076	12/	KRF-1	Overthrust 121	Wheeler Ridge- SoCal Gas	*	4/30/2025 32/
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* April 1, 2025 – May 31, 2025	5,000
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