

DOCKETED

Docket Number:	16-RPS-02
Project Title:	Appeal by Los Angeles Department of Water & Power re Renewables Portfolio Standard Certification Eligibility
TN #:	211752-6
Document Title:	Restatement of Firm Transportation Service Agreement - KRT 2009 Shell Contract No. 1706
Description:	N/A
Filer:	Patty Paul
Organization:	Los Angeles Department of Water & Power
Submitter Role:	Public
Submission Date:	6/8/2016 12:15:33 PM
Docketed Date:	6/8/2016

ORIGINAL

RESTATEMENT OF
FIRM TRANSPORTATION SERVICE AGREEMENT
Rate Schedule KRF-1

CONTRACT NO. 1706 (LADWP No. BP12-019)

THIS RESTATED FIRM TRANSPORTATION SERVICE AGREEMENT ("Agreement"), which was originally executed on May 21, 2001, is made and entered into as of this 28th day of May, 2013, by and between KERN RIVER GAS TRANSMISSION COMPANY ("Transporter") and THE DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES ("Shipper"), and supersedes all previous versions of this Agreement, if any.

WHEREAS, Transporter and Shipper entered into a Firm Transportation Service Agreement, Contract No. 1006, dated April 2, 1990, as amended;

WHEREAS, pursuant to Section 1.8 of the Precedent Agreement for Firm Transportation Service dated January 31, 2001, Transporter and Shipper amended Contract No. 1006 by including by reference a Sub-Agreement (to Transportation Service Agreement Contract No. 1006) for Incremental Transportation Service ("Sub-Agreement"), which Sub-Agreement is known as Contract No. 1706;

WHEREAS, the Sub-Agreement is being restated because of the restatement of Contract No. 1006. Contract No. 1006 is restated pursuant to a settlement dated December 7, 2011, in FERC Docket No. RP11-2328, which settlement was approved by FERC order dated February 1, 2012.

NOW, THEREFORE, in consideration of the mutual covenants and agreements as herein set forth, the parties agree as follows:

ARTICLE I - GAS TO BE TRANSPORTED

- 1.1 Subject to the terms, conditions and limitations hereof, Transporter agrees to receive, on a firm basis, from Shipper for Transportation at the Receipt Point(s) specified in Exhibit "A" and to transport and deliver Thermally Equivalent Quantities to Shipper at the Delivery Point(s) specified in Exhibit "A," Quantities of Natural Gas, exclusive of Quantities required for fuel used and lost and unaccounted-for Gas, up to Shipper's TMDQ. Shipper's TMDQ is 39,000 Dth per day. Shipper's DMDQ is equal to Shipper's TMDQ.
- 1.2 Shipper will reimburse Transporter for fuel used and lost and unaccounted-for Gas on an in-kind basis at the factors applicable to incremental rate service related to the 2003 Expansion Project, pursuant to the General Terms and Conditions of Transporter's FERC-approved tariff, as revised from time to time ("Transporter's Tariff"). Backhaul Shippers will reimburse Transporter for system-wide lost and unaccounted-for Gas, but will not reimburse Transporter for compressor fuel.

ARTICLE II - APPLICABLE RATE SCHEDULE

- 2.1 Shipper agrees to pay Transporter for all Natural Gas Transportation service rendered under the terms of this Agreement in accordance with Rate Schedule KRF-1 of Transporter's Tariff. This Agreement will be subject to the provisions of such Rate Schedule and the General Terms and Conditions of Transporter's Tariff, which by this reference are incorporated herein and made a part hereof.
- 2.2 Shipper's rates for Transportation service will be in accordance with Transporter's effective Rate Schedule KRF-1 for 15-year incremental rate service related to the 2003 Expansion Project, subject to the parties' understanding and agreement that Transporter may change the rates from time to time in accordance with the Natural Gas Act.
- 2.3 Notwithstanding Section 5.5 of the General Terms and Conditions of Transporter's Tariff, and subject to any negotiated credit set forth in this transportation service agreement; or, if there is no individually negotiated provision any Reservation Charge Adjustments applicable pursuant to Section 9 of Rate Schedule KRF-1, Shipper will make payment of the Monthly Reservation Charge pursuant hereto in full irrespective of (but without prejudice to the rights otherwise of Shipper with respect to) any dispute relative to the amount invoiced, and will not be entitled to any abatement of such payment or any set-off against it, including but not limited to, abatement or set-off due or alleged to be due by reason of any past, present or future claims or other rights of Shipper against Transporter or any other person or entity, whether in connection herewith or any unrelated transaction.

ARTICLE III - TERM OF SERVICE

- 3.1 This Agreement is subject to approval by both the City Council and the Board of Water and Power Commissioners of the City of Los Angeles.
- 3.2 The term of service under this Agreement shall end April 30, 2018.

ARTICLE IV - MISCELLANEOUS PROVISIONS

- 4.1 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No promises, agreements or warranties additional to this Agreement other than as may be contained in Transporter's Tariff will be deemed to be a part of this Agreement, nor will any alteration, amendment or modification be effective unless confirmed in writing by the parties.

APPROVED BY RES. 013 193
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- 4.2 This Agreement shall incorporate and in all respects shall be subject to the General Terms and Conditions and the applicable Rate Schedule(s) set forth in Transporter's Tariff. Transporter may file and seek approval from the FERC under Section 4 of the Natural Gas Act ("NGA") at any time and from time to time to change any rates, charges or other provisions set forth in the applicable Rate Schedule(s) and the General Terms and Conditions in Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the NGA, and this Agreement shall be deemed to include such changes and any change that becomes effective by operation of law and FERC order, without prejudice to Shipper's right to protest the same.
- 4.3 The priority of service for this Agreement shall be November 30, 2000.
- 4.4 This Agreement will be construed in accordance with the laws of the State of California, excluding any conflicts of law provisions thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 28th day of May, 2013.

"SHIPPER:"

"TRANSPORTER:"

THE DEPARTMENT OF WATER AND POWER
OF THE CITY OF LOS ANGELES

KERN RIVER GAS TRANSMISSION COMPANY

By: 

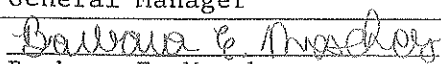
By: 

Name: Ronald O. Nichols

Name: Preston Miller
Director, Marketing & Customer Services

Title: General Manager

Title: *


Barbara E. Moschos
Board Secretary

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY

FEB 13 2013
BY 
WILLIAM H. KYSELLA, JR.
DEPUTY CITY ATTORNEY

EXHIBIT "A"

TO RESTATED FIRM TRANSPORTATION SERVICE AGREEMENT

CONTRACT NO. 1706 (LADWP No. BP12-019)

BETWEEN

THE DEPARTMENT OF WATER AND POWER OF THE CITY OF LOS ANGELES

AND

KERN RIVER GAS TRANSMISSION COMPANY

Execution Date of this Exhibit "A": May 28, 2013

From May 1, 2003 to April 30, 2018

TMDQ: 39,000 Dth

<u>Receipt Point(s)</u>	<u>Meter Number</u>	<u>Loc. Type</u>	<u>Receipt Point Entitlement (Dth)</u>
Opal-WFS	014001	Physical	39,000

Total Receipt Point Entitlement: 39,000 Dth

<u>Delivery Point(s)</u>	<u>Meter Number</u>	<u>Loc. Type</u>	<u>Delivery Point Entitlement (Dth)</u>
Kramer Junction-SoCal Gas	025032	Physical	39,000

Total Delivery Point Entitlement: 39,000 Dth