

An Energy Transfer/Kinder Morgan Affiliate

August 12, 2022

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

> RE: Florida Gas Transmission Company, LLC Update to GT&C Section 27 Docket No. RP22-

Dear Ms. Bose:

Florida Gas Transmission Company, LLC ("FGT") hereby electronically submits for filing with the Federal Energy Regulatory Commission ("Commission") the following tariff record to its FERC NGA Gas Tariff, Fifth Revised Volume No. 1 ("Tariff"), proposed to become effective September 12, 2022:

Version	<u>Description</u>	Title
9.0.0	GT&C Section 27.	Fuel Reimbursement Charge Adjustment

STATEMENT OF NATURE, REASONS AND BASIS

Section 27 of the General Terms and Conditions ("GT&C") of FGT's Tariff provides for the recovery by FGT of gas used in the operation of its system, quantities delivered to parties as payment for compression services, payments to electric providers incurred in the operation of electric compression, and gas lost from FGT's system or otherwise Loss and Unaccounted For ("LAUF").

The Fuel Reimbursement Charge Adjustment pursuant to GT&C Section 27 consists of the Fuel Reimbursement Charge Percentage ("FRCP"), including LAUF, and the Unit Fuel Charge which includes the deferred gas fuel surcharge, electric power cost and deferred electric power cost surcharge, as well as the lost and unaccounted for gas deferred surcharge. The FRCP and the Unit Fuel Charge are maintained and applied separately for the Market Area and the Western Division for Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1 and ITS-WD.

The purpose of this filing is to amend GT&C Section 27 to remove from the Unit Fuel Charge the exclusion of cash payments to electric providers for monthly demand charges and associated surcharges and taxes with respect to FGT's Compressor Station No. 13A ("CS 13A"). The proposed amendment is necessitated by the expiration of a contract with a third-party compression service provider and a change in the ownership of the electric provider at CS 13A. Due to the expiration of the contract with the third-party service provider, FGT is now purchasing electric power directly from the electric provider for CS13A. The former electric provider for CS 13A, Gulf Power Company ("Gulf Power"), was acquired by NextEra Energy, Inc., the parent company of Florida Power & Light Company ("FPL"), effective January 1, 2019. However, after such acquisition, all tariff rate schedules for electric usage at CS 13A remained unchanged through December 31, 2021. In October 2021, the Florida Public Service Commission

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unanimously approved the four-year rate plan that unified the rates and tariffs of Gulf Power and FPL in Northwest Florida, to be effective January 1, 2022.¹

The new rate schedules offered by FPL in Northwest Florida do not provide the same options FGT had with Gulf Power, specifically the former Gulf Power rate schedules offered no demand charges or fuel charges options. As a result of the FPL rate schedule changes, FGT is proposing modifications to the electric power cost and deferred electric power cost surcharge computations within its GT&C Section 27. Under the revised tariff language, FGT's electric power costs for CS 13A will be treated the same as electric power costs for all other electric compression on the FGT system.

IMPLEMENTATION AND WAIVER REQUEST

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, FGT requests that the proposed tariff record submitted herewith be accepted effective September 12, 2022. FGT respectfully requests the Commission grant any waivers of its Regulations that it deems necessary to accept this filing and allow the proposed tariff record in this filing to become effective on September 12, 2022.

CONTENTS OF THE FILING

This filing is made in electronic format in compliance with Section 154.4 of the Commission's Regulations. In addition to the proposed tariff record in RTF format with metadata attached, the XML filing package contains:

- . a transmittal letter including a Statement of Nature, Reasons and Basis in PDF format
- . a clean copy of the proposed tariff record in PDF format
- . a marked version of the proposed tariff changes in PDF format
- . a copy of the complete filing in PDF format for publishing in eLibrary

COMMUNICATIONS, PLEADINGS AND ORDERS

FGT requests that all Commission orders and correspondence as well as pleadings and correspondence from other parties concerning this filing be served on each of the following:

Michael T. Langston²

Vice President Chief Regulatory Officer Florida Gas Transmission Company, LLC 1300 Main Street Houston, TX 77002 (713) 989-7610 (713) 989-1205 (Fax) michael.langston@energytransfer.com

Kevin Erwin²

General Counsel Florida Gas Transmission Company, LLC 1300 Main Street Houston, TX 77002 (713) 989-2745 (713) 989-1189 (Fax) kevin.erwin@energytransfer.com

¹ Source: Florida Power & Light Company; NextEra Energy, Inc.: "FPL completes integration of Gulf Power; expands America's best energy value to Northwest Florida", News Release dated January 1, 2022.

² Designated as responsible Company official under Section 154.7(a)(2) of the Commission's Regulations.

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Lawrence J. Biediger^{2 3} Sr. Director, Rates and Regulatory Affairs Florida Gas Transmission Company, LLC 1300 Main Street Houston, TX 77002 (713) 989-7670 (713) 989-1205 (Fax) <u>larry.biediger@energytransfer.com</u>

In accordance with Section 154.2(d) of the Commission's Regulations, a copy of this filing is available for public inspection during regular business hours at FGT's office at 1300 Main Street, Houston, Texas 77002. In addition, copies of this filing are being served on jurisdictional customers and interested state regulatory agencies. FGT has posted a copy of this filing on its Internet website accessible via <u>https://fgtmessenger.energytransfer.com</u> under Informational Postings, Regulatory.

Pursuant to Section 385.2011(c)(5) of the Commission's Regulations, the undersigned has read this filing and knows its contents; the contents are true as stated, to the best of his knowledge and belief; and the undersigned possesses full power and authority to sign such filing.

Respectfully submitted,

FLORIDA GAS TRANSMISSION COMPANY, LLC

/s/ Lawrence J. Biediger

Lawrence J. Biediger Sr. Director, Rates and Regulatory Affairs

³ Designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure. FGT respectfully requests that the Commission waive Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to allow FGT to include additional representatives on the official service list.

GENERAL TERMS AND CONDITIONS

27. FUEL REIMBURSEMENT CHARGE ADJUSTMENT

The Fuel Reimbursement Charge Adjustment shall include: (1) the Gas Fuel Reimbursement Charge Percentage ("FRCP"), including system Gas Loss and Unaccounted For ("LAUF"), and (2) the Unit Fuel Charge consisting of the Deferred Gas Fuel Surcharge, including deferred system LAUF, and the Electric Power Cost and the Deferred Electric Power Cost Surcharge. The FRCP and the Unit Fuel Charge shall be maintained and applied separately for the Market Area and the Western Division.

The FRCP and the Unit Fuel Charge shall be adjusted in accordance with this Section 27 and shall be set forth on the Currently Effective Rates for Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1 and ITS-WD of this Tariff.

- A. Filing of Fuel Reimbursement Charge Adjustment
 - 1. Effective Date

The effective date of each Fuel Reimbursement Charge Adjustment for the Market Area and the Western Division shall be April 1 and October 1 which shall establish the Base FRCP and the Base Unit Fuel Charge for each adjustment period.

2. Fuel Reimbursement Charge Adjustment Periods

The Fuel Reimbursement Charge Adjustment Periods shall be the six (6)-month periods beginning each April 1 ("Summer Period") and October 1 ("Winter Period").

3. Filing Procedures

At least thirty (30) days prior to the Effective Date, Transporter shall file workpapers with the Commission setting forth the separate Fuel Reimbursement Charge Adjustment for the Market Area and the Western Division as determined in accordance with this Section 27.

4. Calculation Quantities

For all calculations involving the quantity of gas delivered by Transporter in Sections B.2, C, D and E herein, the Market Area delivered quantity shall exclude quantities where gas is received and delivered within the Market Area and the Western Division delivered quantity shall exclude quantities where gas is received and delivered within the Western Division through no more than one (1) compressor station. The system

LAUF quantity shall exclude Western Division forwardhaul deliveries utilizing no compression.

- B. Computation of the Gas FRCP
 - The FRCP shall be the sum of the Base FRCP and any flex adjustments, as provided for in Section F, expressed as a percentage rounded to two (2) decimal places and shall be used to calculate the quantity of gas, expressed in MMBtu, to be delivered by or for the account of Shipper and accepted by Transporter at Receipt Point(s) to reimburse Transporter for actual fuel usage, actual quantities of gas delivered to party(ies) as payment for compression services provided to Transporter and LAUF.
 - 2. Computation of the Base FRCP

The Base FRCP for the Market Area and the Western Division shall be determined separately on a semi-annual basis and shall be the sum of the Base FRCP and applicable LAUF.

- a. The Base FRCP shall be determined separately for the Market Area and the Western Division and shall be calculated by dividing the actual fuel usage, plus actual quantities delivered to party(ies) as payment for compression services provided to Transporter by the actual quantity of gas delivered by Transporter for the account of Shippers. For the purpose of this computation, actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter, LAUF and actual quantity of gas delivered by Transporter shall be those quantities related to the six-month period commencing one year prior to the effective date of the FRCP. In computing the Base FRCP, Transporter may file for adjustments to actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter may file for adjustments to actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter may file for adjustments to actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter, LAUF or actual quantity of gas delivered to provide for known and measurable changes and to the extent Transporter proposes such adjustments, Transporter shall include supporting workpapers.
- b. Transporter shall determine a system LAUF percentage that shall be included in the Base FRCP, as applicable. If the LAUF percentage is a negative, Transporter shall use a rate of 0.00% to avoid a negative fuel reimbursement percentage for backhaul only transactions.
- C. Computation of the Deferred Gas Fuel Surcharge

For the Market Area, the Western Division and the system LAUF, Transporter shall establish and maintain separate Deferred Gas Fuel Accounts for the Summer and Winter Periods. For each billing month, the applicable seasonal Deferred Gas Fuel Account shall be increased or decreased by the volumetric difference between retained fuel and actual fuel (including actual quantities of gas delivered to party(ies) as payment for compression services provided to Transporter and LAUF) valued at the simple arithmetic average of the Sales Posted Price and the Purchase Posted Price as defined in the monthly balancing provisions of Section 14.

The quantity recorded in the Market Area or Western Division Deferred Gas Fuel Accounts shall be the difference between (1) the product obtained by multiplying the applicable effective FRCP for the Market Area or the Western Division by the total throughput for the Market Area or Western Division excluding those quantities identified in Section 27.A.4 above and (2) the actual quantities of gas expended for fuel usage, actual quantities of gas delivered to party(ies) as payment for compression services provided to Transporter, less fuel retained on the excluded quantities identified in Section 27.A.4 above.

The quantity recorded in the system LAUF Deferred Account shall be the difference between (1) the product obtained by multiplying the applicable effective Fuel Reimbursement Charge Percentage for LAUF by the total system throughput, excluding those quantities identified in Section 27.A.4 above, and (2) LAUF and any change in line pack attributable to operation of the cash-out mechanism during the billing month.

In no event shall the balance of a summer Deferred Gas Fuel Account be recovered in the Winter period; nor shall the balance in a Winter Deferred Gas Fuel Account be recovered in the Summer Period.

Interest on the Market Area and the Western Division Deferred Gas Fuel Accounts shall accrue in accordance with Section 154.501(d) of the Commission's Regulations.

The Deferred Gas Fuel Surcharge shall be computed by dividing the balance of the Summer or Winter Deferred Gas Fuel Account, as appropriate, plus interest and unamortized balance from the prior corresponding recovery period by the estimated quantity of gas to be delivered during the recovery period.

D. Computation of Electric Power Cost

The Electric Power Cost shall include the cash payments made by Transporter to electric providers incurred in the operation of electric compression. The Electric Power Cost shall be determined separately for the Market Area and the Western Division and shall be calculated by dividing the projected payments to electric providers by the estimated quantity of gas to be delivered in the Market Area or the Western Division, as applicable, during the recovery period. For the purpose of this computation, payments to electric providers shall be those payments related to the six-month period commencing with the effective date of each Electric Power Cost. Transporter shall include supporting workpapers.

- E. Computation of the Deferred Electric Power Cost Surcharge
 - 1. For each billing month, the applicable seasonal Market Area or Western Division Deferred Electric Power Cost Account shall be increased or decreased by the difference between the amount received from the Market Area or Western Division Electric Power Cost, and actual cash payments to electric providers, including billing adjustments, surcharges and taxes, incurred in the operation of electric compression.

In no event shall the balance of a summer Deferred Electric Power Cost Account be recovered in the Winter period; nor shall the balance in a Winter Deferred Electric Power Cost Account be recovered in the Summer Period.

Interest on the Market Area and the Western Division Deferred Electric Power Cost Accounts shall accrue in accordance with Section 154.501(d) of the Commission's Regulations.

2. The Deferred Electric Power Cost Surcharge shall be computed by dividing the balance of the Summer or Winter Deferred Electric Power Cost Account, as appropriate, plus interest and any unamortized balance from the prior corresponding recovery period by the estimated quantity of gas to be delivered during the recovery period.

F. Flex Adjustments

Transporter may at any time file to make a flex adjustment to the Market Area or the Western Division FRCP. Such adjustment shall not adjust the FRCP more than a total of five-tenths percent (0.5%) from the Base FRCP and shall only be effective at the beginning of a month. Notification of a flex adjustment shall be posted on Transporter's Internet website at least five (5) working days prior to the nomination deadline for the first day of the month under Section 10. Tariff records reflecting such adjustment shall become effective on the date proposed, provided that Transporter files such tariff records no more than sixty (60) days and at least seven (7) days before the proposed effective date and shall become effective without prior FERC approval.

G. Interim Adjustments

Transporter may at any time file to make an interim adjustment to the Base Unit Fuel Charge for the Market Area or the Western Division provided that such adjustment may not result in the Unit Fuel Charge differing from the Base Unit Fuel Charge by more than \$0.0050 per MMBtu. Such adjustment shall only be effective at the beginning of the month and tariff sections shall become effective on the date proposed, provided that the Transporter files such tariff records no more than sixty (60) days and no later than seven (7) days prior to the proposed effective date. Such tariff records shall be effective without prior FERC approval and notice shall be provided to Shippers at least five (5) working days prior to the nomination deadline for the first day of the month under Section 10.

H. Western Division Fuel Charges

For gas delivered in Transporter's Western Division, Transporter shall retain as fuel reimbursement the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Adjustment listed on the Currently Effective Rates for Rate Schedules FTS-WD, FTS-WD-2 and ITS-WD.

I. Fuel Charges Applicable to Quantities Received and Delivered in Market Area

For gas received and delivered within Transporter's Market Area, Transporter shall retain as fuel reimbursement the FRCP listed on the Currently Effective Rates for Rate Schedules FTS-1, FTS-3, SFTS and ITS-1 applied to transportation of natural gas through compressor stations needed to move natural gas on a forwardhaul basis from Market Area Points of Receipt to Market Area Points of Delivery; provided however, the minimum fuel charge, including LAUF, shall be 0.25% and the maximum fuel charge shall be the effective Fuel Reimbursement Charge Adjustment. For Backhauls from Market Area Points of Receipt to Market Area Points of Delivery, the fuel charge, including LAUF, shall be 0.25%.

MARKED VERSION

GENERAL TERMS AND CONDITIONS

27. FUEL REIMBURSEMENT CHARGE ADJUSTMENT

The Fuel Reimbursement Charge Adjustment shall include: (1) the Gas Fuel Reimbursement Charge Percentage ("FRCP"), including system Gas Loss and Unaccounted For ("LAUF"), and (2) the Unit Fuel Charge consisting of the Deferred Gas Fuel Surcharge, including deferred system LAUF, and the Electric Power Cost and the Deferred Electric Power Cost Surcharge. The FRCP and the Unit Fuel Charge shall be maintained and applied separately for the Market Area and the Western Division.

The FRCP and the Unit Fuel Charge shall be adjusted in accordance with this Section 27 and shall be set forth on the Currently Effective Rates for Rate Schedules FTS-1, FTS-3, SFTS, FTS-WD, FTS-WD-2, ITS-1 and ITS-WD of this Tariff.

- A. Filing of Fuel Reimbursement Charge Adjustment
 - 1. Effective Date

The effective date of each Fuel Reimbursement Charge Adjustment for the Market Area and the Western Division shall be April 1 and October 1 which shall establish the Base FRCP and the Base Unit Fuel Charge for each adjustment period.

2. Fuel Reimbursement Charge Adjustment Periods

The Fuel Reimbursement Charge Adjustment Periods shall be the six (6)-month periods beginning each April 1 ("Summer Period") and October 1 ("Winter Period").

3. Filing Procedures

At least thirty (30) days prior to the Effective Date, Transporter shall file workpapers with the Commission setting forth the separate Fuel Reimbursement Charge Adjustment for the Market Area and the Western Division as determined in accordance with this Section 27.

4. Calculation Quantities

For all calculations involving the quantity of gas delivered by Transporter in Sections B.2, C, D and E herein, the Market Area delivered quantity shall exclude quantities where gas is received and delivered within the Market Area and the Western Division delivered quantity shall exclude quantities where gas is received and delivered within the Western Division through no more than one (1) compressor station. The system

LAUF quantity shall exclude Western Division forwardhaul deliveries utilizing no compression.

- B. Computation of the Gas FRCP
 - The FRCP shall be the sum of the Base FRCP and any flex adjustments, as provided for in Section F, expressed as a percentage rounded to two (2) decimal places and shall be used to calculate the quantity of gas, expressed in MMBtu, to be delivered by or for the account of Shipper and accepted by Transporter at Receipt Point(s) to reimburse Transporter for actual fuel usage, actual quantities of gas delivered to party(ies) as payment for compression services provided to Transporter and LAUF.
 - 2. Computation of the Base FRCP

The Base FRCP for the Market Area and the Western Division shall be determined separately on a semi-annual basis and shall be the sum of the Base FRCP and applicable LAUF.

- a. The Base FRCP shall be determined separately for the Market Area and the Western Division and shall be calculated by dividing the actual fuel usage, plus actual quantities delivered to party(ies) as payment for compression services provided to Transporter by the actual quantity of gas delivered by Transporter for the account of Shippers. For the purpose of this computation, actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter, LAUF and actual quantity of gas delivered by Transporter shall be those quantities related to the six-month period commencing one year prior to the effective date of the FRCP. In computing the Base FRCP, Transporter may file for adjustments to actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter may file for adjustments to actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter may file for adjustments to actual fuel usage, actual quantities delivered to party(ies) as payment for compression services provided to Transporter, LAUF or actual quantity of gas delivered to provide for known and measurable changes and to the extent Transporter proposes such adjustments, Transporter shall include supporting workpapers.
- b. Transporter shall determine a system LAUF percentage that shall be included in the Base FRCP, as applicable. If the LAUF percentage is a negative, Transporter shall use a rate of 0.00% to avoid a negative fuel reimbursement percentage for backhaul only transactions.
- C. Computation of the Deferred Gas Fuel Surcharge

For the Market Area, the Western Division and the system LAUF, Transporter shall establish and maintain separate Deferred Gas Fuel Accounts for the Summer and Winter Periods. For each billing month, the applicable seasonal Deferred Gas Fuel Account shall be increased or decreased by the volumetric difference between retained fuel and actual fuel (including actual quantities of gas delivered to party(ies) as payment for compression services provided to Transporter and LAUF) valued at the simple arithmetic average of the Sales Posted Price and the Purchase Posted Price as defined in the monthly balancing provisions of Section 14.

The quantity recorded in the Market Area or Western Division Deferred Gas Fuel Accounts shall be the difference between (1) the product obtained by multiplying the applicable effective FRCP for the Market Area or the Western Division by the total throughput for the Market Area or Western Division excluding those quantities identified in Section 27.A.4 above and (2) the actual quantities of gas expended for fuel usage, actual quantities of gas delivered to party(ies) as payment for compression services provided to Transporter, less fuel retained on the excluded quantities identified in Section 27.A.4 above.

The quantity recorded in the system LAUF Deferred Account shall be the difference between (1) the product obtained by multiplying the applicable effective Fuel Reimbursement Charge Percentage for LAUF by the total system throughput, excluding those quantities identified in Section 27.A.4 above, and (2) LAUF and any change in line pack attributable to operation of the cash-out mechanism during the billing month.

In no event shall the balance of a summer Deferred Gas Fuel Account be recovered in the Winter period; nor shall the balance in a Winter Deferred Gas Fuel Account be recovered in the Summer Period.

Interest on the Market Area and the Western Division Deferred Gas Fuel Accounts shall accrue in accordance with Section 154.501(d) of the Commission's Regulations.

The Deferred Gas Fuel Surcharge shall be computed by dividing the balance of the Summer or Winter Deferred Gas Fuel Account, as appropriate, plus interest and unamortized balance from the prior corresponding recovery period by the estimated quantity of gas to be delivered during the recovery period.

D. Computation of Electric Power Cost

The Electric Power Cost shall include the cash payments made by Transporter to electric providers incurred in the operation of electric compression., excluding cash payments to electric providers for monthly demand charges and surcharges and taxes based on such demand charges at Compressor Station No. 13A. The Electric Power Cost shall be determined separately for the Market Area and the Western Division and shall be calculated by dividing the projected payments to electric providers by the estimated quantity of gas to be delivered in the Market Area or the Western Division, as applicable, during the recovery period. For the purpose of this computation, payments to electric providers shall be those payments related to the six-month period commencing with the effective date of each Electric Power Cost. Transporter shall include supporting workpapers.

- E. Computation of the Deferred Electric Power Cost Surcharge
 - 1. For each billing month, the applicable seasonal Market Area or Western Division Deferred Electric Power Cost Account shall be increased or decreased by the difference between the amount received from the Market Area or Western Division Electric Power Cost, and actual cash payments to electric providers, including billing adjustments, surcharges and taxes, incurred in the operation of electric compression; provided, however, cash payments to electric providers for monthly demand charges and surcharges and taxes based on such demand charges at Compressor Station No. 13A shall be excluded as applicable.

In no event shall the balance of a summer Deferred Electric Power Cost Account be recovered in the Winter period; nor shall the balance in a Winter Deferred Electric Power Cost Account be recovered in the Summer Period.

Interest on the Market Area and the Western Division Deferred Electric Power Cost Accounts shall accrue in accordance with Section 154.501(d) of the Commission's Regulations.

- 2. The Deferred Electric Power Cost Surcharge shall be computed by dividing the balance of the Summer or Winter Deferred Electric Power Cost Account, as appropriate, plus interest and any unamortized balance from the prior corresponding recovery period by the estimated quantity of gas to be delivered during the recovery period.
- F. Flex Adjustments

Transporter may at any time file to make a flex adjustment to the Market Area or the Western Division FRCP. Such adjustment shall not adjust the FRCP more than a total of five-tenths percent (0.5%) from the Base FRCP and shall only be effective at the beginning of a month. Notification of a flex adjustment shall be posted on Transporter's Internet website at least five (5) working days prior to the nomination deadline for the first day of the month under Section 10. Tariff records reflecting such adjustment shall become effective on the date proposed, provided that Transporter files such tariff records no more than sixty (60) days and at least seven (7) days before the proposed effective date and shall become effective without prior FERC approval.

G. Interim Adjustments

Transporter may at any time file to make an interim adjustment to the Base Unit Fuel Charge for the Market Area or the Western Division provided that such adjustment may not result in the Unit Fuel Charge differing from the Base Unit Fuel Charge by more than \$0.0050 per MMBtu. Such adjustment shall only be effective at the beginning of the month and tariff sections shall become effective on the date proposed, provided that the Transporter files such tariff records no more than sixty (60) days and no later than seven (7) days prior to the proposed effective date. Such tariff records shall be effective without prior FERC approval and notice shall be provided to Shippers at least five (5) working days prior to the nomination deadline for the first day of the month under Section 10.

H. Western Division Fuel Charges

For gas delivered in Transporter's Western Division, Transporter shall retain as fuel reimbursement the sum of fuel charges by Transporting Pipelines, if applicable, plus the Fuel Reimbursement Charge Adjustment listed on the Currently Effective Rates for Rate Schedules FTS-WD, FTS-WD-2 and ITS-WD.

I. Fuel Charges Applicable to Quantities Received and Delivered in Market Area

For gas received and delivered within Transporter's Market Area, Transporter shall retain as fuel reimbursement the FRCP listed on the Currently Effective Rates for Rate Schedules FTS-1, FTS-3, SFTS and ITS-1 applied to transportation of natural gas through compressor stations needed to move natural gas on a forwardhaul basis from Market Area Points of Receipt to Market Area Points of Delivery; provided however, the minimum fuel charge, including LAUF, shall be 0.25% and the maximum fuel charge shall be the effective Fuel Reimbursement Charge Adjustment. For Backhauls from Market Area Points of Receipt to Market Area Points of Delivery, the fuel charge, including LAUF, shall be 0.25%.