

May 31, 2019

Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Attention: Ms. Kimberly D. Bose, Secretary

Re: Billing and Payment Update;
Ruby Pipeline, L.L.C.;
Docket No. RP19-

Commissioners:

Ruby Pipeline, L.L.C. ("Ruby") hereby tenders for filing and acceptance by the Federal Energy Regulatory Commission ("Commission") the tariff record listed below for inclusion in Ruby's FERC Gas Tariff, Original Volume No. 1 ("Tariff"):

Part IV: GT&C Section 12 Billing and Payment Version 4.0.0

Proposed with an effective date of July 1, 2019, this tariff record proposes to include a tolerance for *de minimis* interest amounts associated with overdue invoices.

Reason for Filing

General Terms and Conditions ("GT&C") Section 12 of Ruby's Tariff identifies the timing applicable to payments by customers. In the event a shipper does not submit payment of their invoice timely, a late charge on the unpaid balance accrues at the Commission-approved interest rate from the payment due date to the date of actual payment.

On invoices for smaller amounts or when payment is received following a minor delay, the late charge can be minimal. Though minimal, such interest amounts can result in an administrative burden for shippers as well as for Ruby. As a result, Ruby is proposing to update GT&C Section 12 to include a tolerance for late charge amounts less than \$10. Therefore, if a customer incurs a late charge that accrues to less than \$10, Ruby would not invoice the customer for payment on that late charge amount. As such, the late charge would not be reflected on the shipper's account. Accordingly, Ruby will continue to maintain its reasonable billing practices and assess late charges (as necessary) when such charges exceed the proposed tolerance level. However, the tolerance level will relieve administrative burden and allow the parties to focus on more essential

commercial discussions without the need to address *de minimis* late charge amounts.

Description of Filing

This filing is being made in accordance with the provisions of Subpart C of Part 154 of the Commission's regulations and is proposing revisions to certain tariff provisions, as described below.

Ruby is proposing to update the billing and payment procedures found in Part IV, Section 12¹ by including a provision for a \$10 tolerance level for late charge amounts.

Section 154.204 Discussion

Pursuant to Section 154.204 of the Commission's regulations, Ruby states the following:

- a) Ruby does not anticipate any increase in revenues or costs as a result of this tariff filing.
- b) Ruby is not aware of any other filing pending with the Commission that may significantly affect this filing.

Procedural Matters

Inasmuch as this filing is fully described herein, the statement of the nature, the reasons and the basis for the instant tariff filing required by 18 C.F.R. § 154.7(a)(6) (2018) of the Commission's regulations is omitted.

In accordance with the applicable provisions of Part 154 of the Commission's regulations, Ruby is submitting an eTariff XML filing package, which includes the following:

- a) a transmittal letter; and
- b) clean and marked versions of the tariff record in PDF format.

Ruby respectfully requests the Commission accept the tendered tariff record for filing and permit it to become effective July 1, 2019, which is not less than 30 days following the date of this filing. With respect to any tariff provisions the Commission allows to go into effect without change, Ruby hereby moves to

¹ The proposed tariff record also reflects minor housekeeping changes to: 1) change the word "Regulations" to lowercase, consistent with terms that are not defined in Ruby's Tariff, 2) change the word "ten" to the numerical reference, and 3) clarify a reference by identifying the part of the tariff where the section is located (i.e., in the General Terms and Conditions).

place the tendered tariff provisions in to effect at the end of the suspension period.

Correspondence and communications concerning this filing should be directed to:

Mr. Francisco Tarin
Director, Regulatory
Ruby Pipeline, L.L.C.
Post Office Box 1087
Colorado Springs, CO 80944
Telephone: (719) 667-7517
RubyRegAffrs@kindermorgan.com

Mr. Mark A. Minich
Counsel for the Operator of
Ruby Pipeline, L.L.C.
Post Office Box 1087
Colorado Springs, CO 80944
Telephone: (719) 520-4416
Mark_Minich@kindermorgan.com

These persons have been designated for service in accordance with Rule 203 of the Commission's Rules of Practice and Procedure.

The undersigned hereby certifies that he has read this filing and knows (i) the contents of such filing and the attachments; (ii) that the contents as stated in the filing and in the attachments are true to the best of his knowledge and belief; and (iii) that he possesses full power and authority to sign this filing.

Respectfully submitted,

RUBY PIPELINE, L.L.C.

By _____/s/_____
Francisco Tarin
Director, Regulatory

Enclosures

Certificate of Service

I hereby certify that I have this day caused a copy of the foregoing document to be served upon all shippers on Ruby's pipeline system and interested state regulatory commissions, in accordance with the requirements of Sections 154.208 and 385.2010 of the Commission's Rules of Practice and Procedures.

Dated at Colorado Springs, Colorado as of this 31st day of May 2019.

/s/

Francisco Tarin

Post Office Box 1087
Colorado Springs, CO 80944
(719) 667-7517

12. BILLING AND PAYMENT

12.1 Billing

- (a) Billing. On or before the ninth Business Day of each Month Transporter shall render to Shipper an invoice for the total payment for services rendered to Shipper under its TSA during the preceding Month.
- (b) When Shipper is in control of information required by Transporter to prepare invoices, Shipper shall cause such information to be received by Transporter on or before the fifth Business Day of the Month immediately following the Month to which the information applies. If the information is not received by such deadline, Transporter will make a good faith estimate of the information and proceed with the billing process.

12.2 Payment and Late Charge

- (a) Payment. Each Shipper shall pay Transporter in immediately available funds, at the applicable address listed in the “Points of Contact” Section of this Tariff, within 10 Days of receipt of the invoice for the preceding Month. Unless otherwise specified, the effective payment due date of an invoice when such due date does not fall upon a Business Day should be the first Business Day following the due date (NAESB WGQ Standard 3.3.25). Any invoice provided by Transporter which is received by Shipper after the ninth Business Day of the Month shall not extend the due date of payment unless Transporter is responsible for such delay.
- (b) Late Charge. Should Shipper fail to pay the entire amount of any invoice when same is due, interest on the unpaid balance shall accrue using the interest rates and procedures specified in Section 154.501(d) of the Commission regulations from the due date of payment to the date of actual payment. In the event a late charge accrues to an amount less than \$10, Transporter will not invoice the late charge amount and such charge shall not be reflected on Shipper’s account.

12.3 Dispute Procedures. In the event of a bona fide dispute between the parties concerning the billed amount, Transporter shall not terminate transportation service under the notification procedures outlined below when Shipper acts in a timely manner to provide additional information and security for Transporter in accordance with the following procedures.

- (a) Remittance Detail. When Shipper submits payment, it must pay all amounts not in dispute and provide documentation supporting any disputed amounts. If payment differs from the amount invoiced, Shipper shall provide remittance detail with the payment. However, unless Shipper provides documentation specifying otherwise, if either principal or interest are due, any payments thereafter received shall first be applied to the interest due, then to the previously outstanding principal due and, lastly, to the most current principal due, unless the parties mutually agree otherwise.

12.3 Dispute Procedures (continued)

- (b) Payment Security. Within 30 Days after the due date of any payment, Shipper must pay the disputed amount in full or provide sufficient security for the disputed amount. If Shipper pays the disputed amount, such amount is subject to return by Transporter, with interest calculated in accordance with Section 12.2(b), if the dispute is resolved in Shipper's favor. If Shipper does not pay the disputed amount, it must furnish good and sufficient payment security (in addition to any security furnished pursuant to Section 4.12), acceptable to Transporter for all amounts ultimately found due after resolution of the dispute, including the amount now in dispute plus the estimated interest calculated in accordance with Section 12.2(b) that accrues until resolution of the dispute. This section does not apply to ordinary adjustments of overcharges and undercharges in accordance with Section 12.5.

- 12.4 Corrections. The time period for corrections to invoice or statement shall be six Months from the date of the initial invoice or statement with a three-Month rebuttal period using the dispute procedures described above in Section 12.3, excluding government required rate changes. Parties' other statutory or contractual rights shall not otherwise be diminished by this limitation. If there is a deliberate omission or misrepresentation of fact, there will be no time limit for correction of the invoice. If there has been a mutual mistake of fact, no corrections shall be made for an invoicing error unless notice of the mistake is given within 24 Months after the mistake is committed.

- 12.5 Adjustment of Overcharge and Undercharge - If it is determined within the time limits specified in Section 12.4 that Shipper has been overcharged or undercharged as a result of an error in billing for which Transporter is solely responsible and Shipper paid such bill, then the following procedures will apply. Unless mutually agreed otherwise, Transporter shall refund within 30 Days of a final determination the amount of any overcharge, with interest calculated pursuant to Section 12.2(b) above. Unless mutually agreed otherwise, Shipper shall pay within 30 Days of a final determination the amount of any undercharge, with interest calculated pursuant to Section 12.2(b) above. Interest shall be calculated from the time such overcharge or undercharge was paid to the date of refund or payment, respectively. This section does not apply to payments subject to a billing dispute in accordance with Section 12.3.

- 12.6 Termination of Service. Without prejudice to any other rights and remedies available to Transporter under the law and the TSA, Transporter shall have the right to initiate the termination of transportation service using the following notification procedures if any undisputed amount billed to a defaulting Shipper remains unpaid for more than 30 Days after the due date thereof. If the defaulting Shipper has released a portion of its capacity, then Transporter shall also comply with the requirements of Section 9.22.
- (a) First Notice: On or about 10 Days after the due date of any payment, Transporter shall provide written notice to the defaulting Shipper and to the FERC that service may be terminated in 30 Days unless payment is received;
 - (b) Second Notice: On or about 20 Days after the due date of any payment, Transporter shall provide written notice to the defaulting Shipper and to the FERC, that service may be terminated in 20 Days unless payment is received;
 - (c) Final Notice: On or about 30 Days after the due date of any payment, Transporter shall provide written notice to the defaulting Shipper and to the FERC, that service will be terminated unless payment is received within 10 Days.
 - (d) If a defaulting Shipper's service is terminated under a TSA, such Shipper shall compensate Transporter for any difference between the revenues due Transporter for the remaining contract term under the terminated TSA and the revenues to be received under a replacement TSA, if any, marketed to another Shipper to replace the terminated TSA. In addition, any outstanding imbalance quantity will be treated in accordance with the provisions of Section 10 of the GT&C.

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