



Southern Natural Gas
Company, L.L.C.
a Kinder Morgan operated company

June 24, 2025

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

Re: Southern Natural Gas Company, L.L.C.
Compliance Filing
Docket No. RP25-

Dear Ms. Reese:

Pursuant to Section 4 of the Natural Gas Act (“NGA”), and Part 154 of the regulations of the Federal Energy Regulatory Commission (“Commission” or “FERC”) and in compliance with the Commission’s March 25, 2022 Order Issuing Certificates and Approving Abandonment in Docket No. CP20-51-000 (“Order”),¹ Southern Natural Gas Company, L.L.C. (“SNG”) hereby respectfully submits for acceptance the tariff records listed in Appendix A and displayed in Appendix B to its FERC Gas Tariff, Eighth Revised Volume No. 1 (“Tariff”).

Nature, Basis, and Reasons for Filing

On February 7, 2020, SNG filed an application in Docket No. CP20-51-000, pursuant to sections 7(b) and 7(c) of the Natural Gas Act and Part 157 of the Commission’s regulations, for authorization to construct a new compressor station and three new meter stations (“Application”). The project is designed to create capacity to support 1,100,000 dekatherms per day (Dth/d) of firm transportation service that SNG would abandon by lease to Tennessee Gas Pipeline Company, L.L.C. (“TGP Lease”). On March 25, 2022, the Commission issued its Order which included, among other items, a requirement for SNG to submit live tariff records implementing the *pro forma* tariff records contained in Exhibit P to the Application.

The tariff records proposed herein in Appendix B are consistent with the *pro forma* tariff records included in Exhibit P of the Application with the following exceptions.

First, since SNG filed the Application, SNG implemented an electric power cost surcharge mechanism (“EPC Mechanism”) in Docket No. RP24-982, which was accepted by the Commission as a partial settlement on December 6, 2024, and as a comprehensive settlement on May 19, 2025 (“Settlement”).² The *pro forma* tariff records submitted in Exhibit P to the

¹ *Southern Natural Gas Company, L.L.C.*, 178 FERC ¶ 61,199 (2022).

² SNG’s EPC Mechanism proposal was protested by several shippers. SNG reached a partial settlement of the EPC Mechanism issues with its customers which was accepted by the Commission on December 6, 2024 (see 189 FERC ¶ 61,183 (2024)). The un-settled issues of the EPC Mechanism were ultimately settled as a part of SNG’s Section 4 rate case comprehensive settlement in Docket No. RP24-744, which was accepted by the Commission on May 19, 2025 (see 191 FERC ¶ 61,138 (2025)).

Application were affected by the subsequent implementation of the EPC Mechanism. Specifically, the proposed tariff records contained in Appendix B incorporate the following modifications to the *pro forma* tariff records submitted in Exhibit P to the Application:

1. The Statement of Rates Section 2.10 is modified to include a rate for the EPC Mechanism surcharge specific to the TGP Lease; and
2. The General Terms and Conditions Section 35.2 is modified to also incorporate language supporting EPC Mechanism.

Second, after the submission of the Application, the initial fuel retention rate for the TGP Lease was changed from 0.32% to 0.25%. Subsequently, the Statement of Rates Section 2.10 tariff record submitted here includes the updated initial fuel retention rate for the TGP Lease and an initial electric power cost surcharge of \$0.0000/Dth.³

SNG respectively requests an effective date of July 1, 2025, for the tariff records, which will coincide with the project's in-service date. SNG realizes that in its Application it stated that it would submit the live tariff records 30-60 days in advance of the project in-service date. However, since the tariff records submitted herein contain language that was subject to the outcome of the aforementioned Settlement and because SNG had to confirm that the facilities associated with the Application were ready to be placed in service, SNG delayed this compliance filing until the Settlement was final and no longer subject to rehearing.⁴ As such, SNG respectively requests the Commission grant a waiver of the notice requirements found in 18 C.F.R. § 154.207 of the Commission's regulations to allow the tariff records to become effective July 1, 2025.

Procedural Matters

SNG is submitting this filing pursuant to Subpart C of Part 154 of the Commission's regulations.⁵ Pursuant to the applicable provisions of Part 154.7 of the Commission's regulations, SNG submits an eTariff XML filing package containing:

1. This transmittal letter; and
2. Appendix A, containing a listing of the proposed tariff records;
3. Appendix B, containing clean and marked versions of the tariff records proposed to be effective on July 1, 2025, in PDF format.

³ Under the terms of the TGP Lease, which is also reflected in the proposed tariff record containing Section 35.2 of the General Terms and Conditions of SNG's Tariff, the actual fuel and electric power consumed will be excluded from the determination of the fuel retention rates and EPC surcharge for SNG system. The initial fuel and electric power cost surcharge proposed herein reflects SNG's estimate of the actual fuel and electric power consumption rates for the TGP Lease.

⁴ The Commission issued its order on May 19, 2025 which, pursuant to Section 19(a) of the Natural Gas Act, the right for any party to seek rehearing expired on June 18, 2025. SNG notes that it made its Settlement compliance filing in Docket No. RP24-744-009 on June 18, 2025, which contains a tariff record, the Table of Contents, that is also contained in this filing. That tariff record reflects the applicable listing of certain sections within the Statement of Rates portion of SNG's Tariff. For purposes of this filing, the Table of Contents tariff record proposed herein includes the modifications proposed in the aforementioned filing. Should that filing not be accepted by the Commission, SNG will file to modify the relevant tariff record proposed herein.

⁵ See 18 C.F.R. §§ 154.201 - 154.210 (2024) (Subpart C).

SNG respectfully requests that the Commission accept the tendered tariff records for filing and grant any waivers that may be deemed necessary, including waiver of the notice requirements found in 18 C.F.R. § 154.207 of the Commission's regulations, to permit them to become effective on July 1, 2025. To the extent the Commission allows the revised tariff records to go into effect without change, SNG hereby moves to place the tendered tariff records into effect at the end of any minimal suspension period specified in a Commission order.

As required by Section 154.208 of the Commission's regulations, copies of this filing are being electronically mailed to SNG's customers and interested commissions. The names, titles, and mailing addresses of the persons to whom communications concerning this filing are to be addressed and to whom service is to be made are as follows:

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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,

SOUTHERN NATURAL GAS COMPANY, L.L.C.

/s/ Ryan Leahy
Ryan Leahy
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 SNG's system, and interested state regulatory commissions, in accordance with the requirements of Section 154.208 and Section 385.2010 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure.

Dated at Birmingham, Alabama as of this 24th day of June 2025.

By, _____/s/_____

Ryan Leahy
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SOUTHERN NATURAL GAS COMPANY

APPENDIX A

PROPOSED TARIFF SECTIONS

Southern Natural Gas Company, L.L.C.
FERC Gas Tariff
Volume No. 1

Tariff Sections Proposed to be Effective July 1, 2025

Section	Description	Version
1.1	Table of Contents	17.0.0
2	Statement of Rates	3.0.0
2.10	Lease Rates	1.0.0
4.35	Fuel Mechanism	8.0.0

APPENDIX B

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Sheet No.

Reserved

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FT
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FT-NN
FT-NN SETTLEMENT
IT
IT SETTLEMENT
CSS
CSS SETTLEMENT
ISS
ISS SETTLEMENT
LIQUIDS AND LIQUEFIABLES
LIQUIDS AND LIQUEFIABLES SETTLEMENT
NEGOTIATED RATES
NON-CONFORMING SERVICE AGREEMENTS
PAL
PAL SETTLEMENT
LEASE RATES

LEASE RATES

Fuel Retention (% of Receipts)

Lease to Tennessee Gas Pipeline Company, L.L.C.

0.25%

Electric Power Cost Surcharge (\$/Dth of Receipts)

Lease to Tennessee Gas Pipeline Company, L.L.C.

0.0000/Dth

35. FUEL MECHANISM

35.1 Purpose

This Section 35 describes how COMPANY shall update the COMPANY's fuel retention percentages for its services on a periodic basis.

35.2 Procedures

The fuel retention rates pursuant to Section 35.4 and the Electric Power Cost ("EPC") rates, if applicable, pursuant to Section 35.5 under Rate Schedules CSS and ISS, and the leased capacity to Tennessee Gas Pipeline Company, L.L.C. ("TGP"), will be updated annually. Any quantities received and delivered on COMPANY's system under COMPANY's lease with TGP will be calculated separately under the terms of COMPANY's lease with TGP and will not be included in the calculations set forth below in Sections 35.3, 35.4, or 35.5. The fuel retention rates pursuant to Section 35.3 and the EPC rates pursuant to Section 35.5 under Rate Schedules FT, FTNN, IT and, if applicable, under Liquefiable Transportation Agreements will be updated semiannually. The COMPANY will make a filing (with workpapers) with the FERC at least thirty days before the effective date of April 1 of each year setting forth the updated fuel retention rates and EPC rates, if applicable, to be effective April 1 through March 31 to be applicable to Rate Schedules CSS and ISS ("Storage Fuel") and to the capacity leased to TGP. These updated fuel retention rates and EPC rates will be based upon the actual data for the twelve months ended the previous December 31 ("Storage Base Period"). The COMPANY will make a filing (with workpapers) with the FERC at least 30 days before the effective date of April 1 of each year setting forth the updated fuel retention percentages and EPC rates to be effective from April 1 through September 30 to be applicable to Rate Schedules FT, FTNN, IT and, if applicable, under Liquefiable Transportation Agreements ("Summer Fuel"). The Storage Fuel filing and the Summer Fuel filing will be made together as a single filing. The updated Summer Fuel retention rates will be based on the actual data for the six months ended the previous September 30 ("Summer Base Period") The COMPANY will make a filing (with workpapers) with the FERC at least 30 days before the effective date of October 1 of each year setting forth the updated fuel retention percentages and EPC rates to be effective from October 1 through March 31 to be applicable to Rate Schedules FT, FTNN, IT and, if applicable, under Liquefiable Transportation Agreements ("Winter Fuel"). The updated Winter Fuel retention rates and EPC rates will be based on the actual data for the six months ended the previous March 31 ("Winter Base Period"). The initial Summer Fuel and Storage Fuel filing will be effective April 1, 2014 and the initial Winter Fuel filing will be effective October 1, 2014.

35.3 Calculation For Transportation Fuel Retention Rates

The Winter Fuel and Summer Fuel retention percentages for Rate Schedules FT, FT-NN, IT and, if applicable, under Liquefiable Transportation Agreements shall be determined by dividing the sum of items 1 and 2 by item 3 as described below:

1. The actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, prior to October 1, 2024, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's transmission facilities for the Winter Base Period or Summer Base Period, as applicable. Such resulting quantity shall be allocated to the various zones in accordance with the fuel allocation methods in effect on COMPANY's system.
2. Over-recovery (as a negative value) or under-recovery (as a positive value) amount associated with COMPANY's transmission facilities during the Winter Base Period or Summer Base Period, as applicable. Such amount shall be allocated to the various zones in accordance with the fuel allocation methods in effect on COMPANY's system.
3. The amount in item 1 above in this Section 35.3 plus the applicable quantity of gas delivered by COMPANY during the Winter Base Period or Summer Base

Period, as applicable. Such resulting quantity shall be allocated to the various zones in accordance with the fuel allocation methods in effect on COMPANY's system.

The Dth equivalent of the costs of electricity used for electric compression shall be calculated as follows: each month's electricity costs used for electric compression shall be divided by the Index Price set forth in Section 14.1 of these General Terms and Conditions for the applicable month to derive a Dth equivalent amount for that month.

The over-recovery or under-recovery amount during the Winter Base Period or Summer Base Period, as applicable, shall be calculated as the difference between a and b as follows: (a) the quantity of gas retained by COMPANY under the applicable rate schedules during the Winter Base Period or Summer Base Period, as applicable, plus the over-recovery amount (will be an addition to the quantity of gas retained) or under-recovery amount (will be a subtraction to the quantity of gas retained) for the prior year Winter Base Period or Summer Base Period, as applicable, (prior year Winter Base Period and prior year Summer Base Period over-recovery or under-recovery amount for the initial Winter Season and initial Summer Season filings will each include 50% of the cumulative transportation fuel over-recovery or under-recovery amount as of March 31, 2013 and (b) the actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, for base periods prior to October 1, 2024, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's transmission facilities during the Winter Base Period or Summer Base Period, as applicable.

The backhaul fuel retention percentage will remain at .16% without adjustment.

35.4 Calculation For Storage Fuel Retention Rates

The fuel retention percentage for Rate Schedules CSS and ISS shall be determined by dividing the sum of items 1 and 2 by item 3 as described below:

1. The actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, prior to January 1, 2025, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's storage facilities for the applicable Base Period;
2. Over-recovery (as a negative value) or under-recovery (as a positive value) amount associated with COMPANY's storage facilities during the Storage Base Period;
3. The amount in item 1 above in this Section 35.4 plus the quantity of gas injected and plus the quantity of gas withdrawn under Rate Schedules CSS and ISS during the Storage Base Period.

The Dth equivalent of the costs of electricity used for electric compression shall be calculated as follows: each month's electricity costs used for electric compression shall be divided by the Index Price set forth in Section 14.1 of these General Terms and Conditions for the applicable month to derive a Dth equivalent amount for that month.

The over-recovery or under-recovery amount during the Storage Base Period shall be calculated as the difference between a and b as follows: (a) the quantity of gas retained by the COMPANY under the applicable rate schedules during the Storage Base Period plus the over-recovery amount (will be an addition to the quantity of gas retained) or under-recovery amount (will be a subtraction to the quantity of gas retained) for the prior year Storage Base Period (prior year Storage Base Period over-recovery or under-recovery amount will be the cumulative storage fuel over-recovery or under-recovery amount as of December 31, 2013 for the initial filing) and (b) the actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, for a Storage Base Period prior to January 1, 2025, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's storage facilities during the Storage Base Period.

35.5 Electric Power Cost Recovery

(a) Prior to October 1, 2024, for transportation and prior to January 1, 2025, for storage, COMPANY will account for gains and losses on the sale of transportation fuel retained for electricity as described below:

1. Following the end of each Winter Base Period and each Summer Base Period, respectively, COMPANY will determine the difference between the sales proceeds attributable to COMPANY's sale of the Dth equivalent of the cost of electricity used for electric compression as described in Section 35.3 and COMPANY's cost of electricity used for electric compression for the applicable Winter Base Period or Summer Base Period. If the difference is positive, the difference will be reduced by any cumulative losses existing in the Winter or Summer Deferred Electricity Losses Account, as applicable, described in item 4 below as of the beginning of the applicable Winter Base Period or Summer Base Period to determine the net difference. The positive difference will be deducted from the Winter or Summer Deferred Electricity Losses Account, as applicable, provided, however, the resulting Winter or Summer Deferred Electricity Losses Account balance, as applicable, shall never be less than zero (0). If the net difference is positive, the net difference will be shared as described in item 2 below. If the net difference is negative, such net difference will remain in the applicable Winter or Summer Deferred Electricity Losses Account and be carried over to the next applicable Summer or Winter Base Period. For the initial Summer Base Period the calculation of the difference described above will exclude sales and costs attributable to the month of April, 2013.
2. If the net difference for the applicable Winter Base Period or Summer Base Period is positive, COMPANY will provide a monetary credit on SHIPPER's bill for 85% of SHIPPER's pro rata share of such net difference based on the volume of gas retained from SHIPPER for transportation fuel to the total volume of gas retained from all SHIPPERS for transportation fuel, during the applicable Winter Base Period or Summer Base Period. The monetary credit will be applied to SHIPPER's bill within 80 days of the end of the applicable Winter Base Period or Summer Base Period. The remaining 15% of any net positive difference will be retained by COMPANY and will be taken into income.
3. If the difference is negative the difference will be added to the Winter or Summer Deferred Electricity Losses Account, as applicable, described in item 4 below and no sharing will occur for that period.
4. Any negative difference calculated as described in item 1 above for a Winter Base Period or Summer Base Period will be recorded in the Winter or Summer Deferred Electricity Losses Account, respectively, and carried over to the next Winter Base Period or Summer Base Period, as applicable.

(b) Beginning on October 1, 2024, for transportation and beginning on January 1, 2025, for storage, the COMPANY will recover electric power costs through an EPC tracking and true-up mechanism. EPC shall mean the electric power costs incurred by COMPANY which are required for the operation of COMPANY's electric compression facilities recorded in COMPANY's FERC Account 819 for storage and COMPANY's FERC Account 855 for transportation. The EPC rates, expressed in dollars per Dth, shall be stated on the Statement of Rates in COMPANY's Tariff, reflected on SHIPPER's invoice and paid by SHIPPER pursuant to the provisions of Section 15 of the General Terms and Conditions of COMPANY's Tariff.

The EPC rate for storage, if applicable, shall be determined by dividing the sum of items 1 and 2 by item 3:

1. The sum of the EPC during the Storage Base Period.

2. The EPC balance, which includes revenue received from the EPC charge during the applicable base period and any over-recovery (as a negative value) or under-recovery (as a positive value) of COMPANY'S total actual expenses and the revenue amounts collected from the EPC rate during the applicable base period.
3. The quantity of gas injected and plus the quantity of gas withdrawn under Rate Schedules CSS and ISS during the Storage Base Period.

The EPC rates for transportation shall be determined by dividing the sum of items 1 and 2 by item 3:

1. The sum of the EPC during the applicable Winter Base Period or Summer Base Period.
2. The EPC balance, which includes revenue received from the EPC charge during the applicable Winter Base Period or Summer Base Period and any over-recovery (as a negative value) or under-recovery (as a positive value) of COMPANY'S total actual expenses and the revenue amounts collected from the EPC rates during the applicable Winter Base Period or Summer Base Period. Subject to the outcome of the proceeding in Docket No. RP24-982-000, the initial EPC balance for the Winter Base Period or Summer Base Period, as applicable, will include any negative difference calculated pursuant to Section 35.5(a)(4).
3. For transportation, the receipt quantities under all applicable transportation rate schedules during the applicable Winter Base Period or Summer Base Period.

APPENDIX B

MARKED VERSION OF TARIFF SECTIONS

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Reserved

STATEMENT OF RATES

FT
FT SETTLEMENT
FT-NN
FT-NN SETTLEMENT
IT
IT SETTLEMENT
CSS
CSS SETTLEMENT
ISS
ISS SETTLEMENT
LIQUIDS AND LIQUEFIABLES
LIQUIDS AND LIQUEFIABLES SETTLEMENT
NEGOTIATED RATES
NON-CONFORMING SERVICE AGREEMENTS
PAL
PAL SETTLEMENT
LEASE RATES

LEASE RATES

Fuel Retention (% of Receipts)

Lease to Tennessee Gas Pipeline Company, L.L.C. 0.25%

Electric Power Cost Surcharge (\$/Dth of Receipts)

Lease to Tennessee Gas Pipeline Company, L.L.C. 0.0000/Dth

35. FUEL MECHANISM

35.1 Purpose

This Section 35 describes how COMPANY shall update the COMPANY's fuel retention percentages for its services on a periodic basis.

35.2 Procedures

The fuel retention rates pursuant to Section 35.4 and the Electric Power Cost ("EPC") rates, if applicable, pursuant to Section 35.5 under Rate Schedules CSS and ISS, and the leased capacity to Tennessee Gas Pipeline Company, L.L.C. ("TGP"), will be updated annually. Any quantities received and delivered on COMPANY's system under COMPANY's lease with TGP will be calculated separately under the terms of COMPANY's lease with TGP and will not be included in the calculations set forth below in Sections 35.3, 35.4, or 35.5. The fuel retention rates pursuant to Section 35.3 and the EPC rates pursuant to Section 35.5 under Rate Schedules FT, FTNN, IT and, if applicable, under Liquefiable Transportation Agreements will be updated semiannually. The COMPANY will make a filing (with workpapers) with the FERC at least thirty days before the effective date of April 1 of each year setting forth the updated fuel retention rates and EPC rates, if applicable, to be effective April 1 through March 31 to be applicable to Rate Schedules CSS and ISS ("Storage Fuel") and to the capacity leased to TGP. These updated fuel retention rates and EPC rates will be based upon the actual data for the twelve months ended the previous December 31 ("Storage Base Period"). The COMPANY will make a filing (with workpapers) with the FERC at least 30 days before the effective date of April 1 of each year setting forth the updated fuel retention percentages and EPC rates to be effective from April 1 through September 30 to be applicable to Rate Schedules FT, FTNN, IT and, if applicable, under Liquefiable Transportation Agreements ("Summer Fuel"). The Storage Fuel filing and the Summer Fuel filing will be made together as a single filing. The updated Summer Fuel retention rates will be based on the actual data for the six months ended the previous September 30 ("Summer Base Period") The COMPANY will make a filing (with workpapers) with the FERC at least 30 days before the effective date of October 1 of each year setting forth the updated fuel retention percentages and EPC rates to be effective from October 1 through March 31 to be applicable to Rate Schedules FT, FTNN, IT and, if applicable, under Liquefiable Transportation Agreements ("Winter Fuel"). The updated Winter Fuel retention rates and EPC rates will be based on the actual data for the six months ended the previous March 31 ("Winter Base Period"). The initial Summer Fuel and Storage Fuel filing will be effective April 1, 2014 and the initial Winter Fuel filing will be effective October 1, 2014.

35.3 Calculation For Transportation Fuel Retention Rates

The Winter Fuel and Summer Fuel retention percentages for Rate Schedules FT, FT-NN, IT and, if applicable, under Liquefiable Transportation Agreements shall be determined by dividing the sum of items 1 and 2 by item 3 as described below:

1. The actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, prior to October 1, 2024, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's transmission facilities for the Winter Base Period or Summer Base Period, as applicable. Such resulting quantity shall be allocated to the various zones in accordance with the fuel allocation methods in effect on COMPANY's system.
2. Over-recovery (as a negative value) or under-recovery (as a positive value) amount associated with COMPANY's transmission facilities during the Winter Base Period or Summer Base Period, as applicable. Such amount shall be allocated to the various zones in accordance with the fuel allocation methods in effect on COMPANY's system.
3. The amount in item 1 above in this Section 35.3 plus the applicable quantity of gas delivered by COMPANY during the Winter Base Period or Summer Base

Period, as applicable. Such resulting quantity shall be allocated to the various zones in accordance with the fuel allocation methods in effect on COMPANY's system.

The Dth equivalent of the costs of electricity used for electric compression shall be calculated as follows: each month's electricity costs used for electric compression shall be divided by the Index Price set forth in Section 14.1 of these General Terms and Conditions for the applicable month to derive a Dth equivalent amount for that month.

The over-recovery or under-recovery amount during the Winter Base Period or Summer Base Period, as applicable, shall be calculated as the difference between a and b as follows: (a) the quantity of gas retained by COMPANY under the applicable rate schedules during the Winter Base Period or Summer Base Period, as applicable, plus the over-recovery amount (will be an addition to the quantity of gas retained) or under-recovery amount (will be a subtraction to the quantity of gas retained) for the prior year Winter Base Period or Summer Base Period, as applicable, (prior year Winter Base Period and prior year Summer Base Period over-recovery or under-recovery amount for the initial Winter Season and initial Summer Season filings will each include 50% of the cumulative transportation fuel over-recovery or under-recovery amount as of March 31, 2013 and (b) the actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, for base periods prior to October 1, 2024, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's transmission facilities during the Winter Base Period or Summer Base Period, as applicable.

The backhaul fuel retention percentage will remain at .16% without adjustment.

35.4 Calculation For Storage Fuel Retention Rates

The fuel retention percentage for Rate Schedules CSS and ISS shall be determined by dividing the sum of items 1 and 2 by item 3 as described below:

1. The actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, prior to January 1, 2025, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's storage facilities for the applicable Base Period;
2. Over-recovery (as a negative value) or under-recovery (as a positive value) amount associated with COMPANY's storage facilities during the Storage Base Period;
3. The amount in item 1 above in this Section 35.4 plus the quantity of gas injected and plus the quantity of gas withdrawn under Rate Schedules CSS and ISS during the Storage Base Period.

The Dth equivalent of the costs of electricity used for electric compression shall be calculated as follows: each month's electricity costs used for electric compression shall be divided by the Index Price set forth in Section 14.1 of these General Terms and Conditions for the applicable month to derive a Dth equivalent amount for that month.

The over-recovery or under-recovery amount during the Storage Base Period shall be calculated as the difference between a and b as follows: (a) the quantity of gas retained by the COMPANY under the applicable rate schedules during the Storage Base Period plus the over-recovery amount (will be an addition to the quantity of gas retained) or under-recovery amount (will be a subtraction to the quantity of gas retained) for the prior year Storage Base Period (prior year Storage Base Period over-recovery or under-recovery amount will be the cumulative storage fuel over-recovery or under-recovery amount as of December 31, 2013 for the initial filing) and (b) the actual quantity of gas consumed by COMPANY for company use and lost and unaccounted for gas and, for a Storage Base Period prior to January 1, 2025, the Dth equivalent of the costs of electricity used for COMPANY's electric compression associated with COMPANY's storage facilities during the Storage Base Period.

35.5 Electric Power Cost Recovery

(a) Prior to October 1, 2024, for transportation and prior to January 1, 2025, for storage, COMPANY will account for gains and losses on the sale of transportation fuel retained for electricity as described below:

1. Following the end of each Winter Base Period and each Summer Base Period, respectively, COMPANY will determine the difference between the sales proceeds attributable to COMPANY's sale of the Dth equivalent of the cost of electricity used for electric compression as described in Section 35.3 and COMPANY's cost of electricity used for electric compression for the applicable Winter Base Period or Summer Base Period. If the difference is positive, the difference will be reduced by any cumulative losses existing in the Winter or Summer Deferred Electricity Losses Account, as applicable, described in item 4 below as of the beginning of the applicable Winter Base Period or Summer Base Period to determine the net difference. The positive difference will be deducted from the Winter or Summer Deferred Electricity Losses Account, as applicable, provided, however, the resulting Winter or Summer Deferred Electricity Losses Account balance, as applicable, shall never be less than zero (0). If the net difference is positive, the net difference will be shared as described in item 2 below. If the net difference is negative, such net difference will remain in the applicable Winter or Summer Deferred Electricity Losses Account and be carried over to the next applicable Summer or Winter Base Period. For the initial Summer Base Period the calculation of the difference described above will exclude sales and costs attributable to the month of April, 2013.
2. If the net difference for the applicable Winter Base Period or Summer Base Period is positive, COMPANY will provide a monetary credit on SHIPPER's bill for 85% of SHIPPER's pro rata share of such net difference based on the volume of gas retained from SHIPPER for transportation fuel to the total volume of gas retained from all SHIPPERS for transportation fuel, during the applicable Winter Base Period or Summer Base Period. The monetary credit will be applied to SHIPPER's bill within 80 days of the end of the applicable Winter Base Period or Summer Base Period. The remaining 15% of any net positive difference will be retained by COMPANY and will be taken into income.
3. If the difference is negative the difference will be added to the Winter or Summer Deferred Electricity Losses Account, as applicable, described in item 4 below and no sharing will occur for that period.
4. Any negative difference calculated as described in item 1 above for a Winter Base Period or Summer Base Period will be recorded in the Winter or Summer Deferred Electricity Losses Account, respectively, and carried over to the next Winter Base Period or Summer Base Period, as applicable.

(b) Beginning on October 1, 2024, for transportation and beginning on January 1, 2025, for storage, the COMPANY will recover electric power costs through an EPC tracking and true-up mechanism. EPC shall mean the electric power costs incurred by COMPANY which are required for the operation of COMPANY's electric compression facilities recorded in COMPANY's FERC Account 819 for storage and COMPANY's FERC Account 855 for transportation. The EPC rates, expressed in dollars per Dth, shall be stated on the Statement of Rates in COMPANY's Tariff, reflected on SHIPPER's invoice and paid by SHIPPER pursuant to the provisions of Section 15 of the General Terms and Conditions of COMPANY's Tariff.

The EPC rate for storage, if applicable, shall be determined by dividing the sum of items 1 and 2 by item 3:

1. The sum of the EPC during the Storage Base Period.

2. The EPC balance, which includes revenue received from the EPC charge during the applicable base period and any over-recovery (as a negative value) or under-recovery (as a positive value) of COMPANY'S total actual expenses and the revenue amounts collected from the EPC rate during the applicable base period.
3. The quantity of gas injected and plus the quantity of gas withdrawn under Rate Schedules CSS and ISS during the Storage Base Period.

The EPC rates for transportation shall be determined by dividing the sum of items 1 and 2 by item 3:

1. The sum of the EPC during the applicable Winter Base Period or Summer Base Period.
2. The EPC balance, which includes revenue received from the EPC charge during the applicable Winter Base Period or Summer Base Period and any over-recovery (as a negative value) or under-recovery (as a positive value) of COMPANY'S total actual expenses and the revenue amounts collected from the EPC rates during the applicable Winter Base Period or Summer Base Period. Subject to the outcome of the proceeding in Docket No. RP24-982-000, the initial EPC balance for the Winter Base Period or Summer Base Period, as applicable, will include any negative difference calculated pursuant to Section 35.5(a)(4).
3. For transportation, the receipt quantities under all applicable transportation rate schedules during the applicable Winter Base Period or Summer Base Period.