

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;  
Sudeen G. Kelly, Marc Spitzer,  
Philip D. Moeller, and Jon Wellinghoff.

SFPP, L. P.

Docket No. IS07-116-000

ORDER ACCEPTING TARIFF SUBJECT TO  
SUSPENSION AND REFUND

(Issued March 9, 2007)

1. On February 7, 2007, SFPP, L. P. (SFPP) filed F.E.R.C. Tariff No. 142 in compliance with the F.E.R.C. Order on Initial Decision issued December 8, 2006,<sup>1</sup> in Docket No. OR96-2-012, *et al.*, to be effective March 1, 2007. SFPP's F.E.R.C. Tariff No. 142 decreases the rate from its Sepulveda Junction, California to Watson Station, California, and includes a litigation cost surcharge as ordered by the Commission in the December 8, 2006 Order. The Commission accepts SFPP's filing, subject to refund and subject to the outcome of the Sepulveda compliance filing phase in Docket No. OR96-2-012, *et al.*

2. BP West Coast Products LLC (BP) and ExxonMobil Oil Corporation (ExxonMobil) (together Indicated Shippers) filed a motion to intervene, protest, and a request that SFPP's filing be accepted and suspended, subject to refund, and subject to the outcome of the Sepulveda compliance filing phase in Docket Nos. OR96-2-012 *et al.* SFPP did not file a response to BP and ExxonMobil's joint motion to intervene or their protest.

**Protest**

3. BP and ExxonMobil state that the Indicated Shippers are refiners and marketers of petroleum products and shippers on the interstate, common carrier, pipeline system of SFPP. Further, the Indicated Shippers have shipped, or will ship under the rates that SFPP proposes to adjust in this proceeding. Indicated Shippers state that they filed a

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<sup>1</sup> *Texaco Refining and Marketing, Inc., et al., v. SFPP, L.P.*, 117 FERC ¶ 61,285 (2006).

request for rehearing of the Commission's December 8, 2006 Order asserting that order contained errors regarding income tax allowances and cost-of-capital issues, some of which are pending judicial review in other proceedings before the U.S. Court of Appeals for the D.C. Circuit (Case Nos. 07-1018 and 07-1028). Indicated Shippers further assert that the rates at issue here have the same methodological errors embedded in them, and that for this reason the proposed rates are unjust and unreasonable. Indicated Shippers' protest raises material disputed issues of fact and law. For this reason the instant filing is accepted subject to suspension and refund, effective March 1, 2007.

The Commission orders:

The Commission accepts and suspends SFPP's filing, FERC Tariff No. 142, effective March 1, 2007, subject to refund, and subject to the outcome of the Sepulveda compliance filing in Docket No. OR96-2-012, *et al.*

By the Commission.

( S E A L )

Philis J. Posey,  
Acting Secretary.