

145 FERC ¶ 61,068
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

October 22, 2013

In Reply Refer To:
MIPC, LLC
Docket No. OR13-33-000

Sidley Austin LLP
1501 K Street, NW
Washington, DC 20005

Attention: Eugene R. Elrod, Esq.

Dear Mr. Elrod:

1. On August 23, 2013, MIPC, LLC (MIPC) filed a request for temporary waiver of the filing and reporting requirements of sections 6 and 20 of the Interstate Commerce Act (ICA) and Parts 341 and 357 of the Commission's regulations, which implement the filing and reporting requirements.¹
2. MIPC states that it is a wholly-owned subsidiary of Monroe Energy, LLC (Monroe). MIPC explains that it owns and operates approximately 56 miles of 8 to 10-inch refined petroleum products pipelines that transport interstate barrels of refined petroleum products in a limited area in Pennsylvania and New Jersey.
3. MIPC states that its pipeline originates at the Monroe refinery in Trainer, Pennsylvania (Trainer Refinery). According to MIPC, its pipeline is used exclusively to transport refined petroleum products processed at the Trainer Refinery to Ridley Park, Pennsylvania; Woodbury, New Jersey; and Leonards Junction, New Jersey. MIPC further states that, at those destinations, the pipeline interconnects with other interstate petroleum products pipelines. Additionally, MIPC explains that its pipeline transports

¹ See 49 U.S.C. §§ 6, 20 (1988). Section 6 requires interstate oil pipelines to file all rates, fares, and charges for transportation on their systems, as well as to file copies of contracts with other common carriers for any such traffic. Section 20 authorizes the Commission to require annual or special reports from carriers subject to the ICA. See also 18 C.F.R. pts. 341, 357 (2013) implementing the filing and reporting requirements of ICA sections 6 and 20.

petroleum products from the Trainer Refinery to Monroe's G Street terminal in Philadelphia for local delivery from the terminal's truck rack.² MIPC emphasizes that all of the products transported on its pipelines are produced at the Trainer Refinery and are owned by Monroe. MIPC also explains that it acquired the pipeline system from another company in June 2012 and that its first shipment on the pipeline occurred in September 2012. According to MIPC, since it has been transporting refined petroleum products on its pipeline, it has received no third-party requests for transportation.

4. MIPC states that, in certain circumstances, the Commission previously has granted waivers to interstate pipelines that were not exempt from the ICA under the "private carrier" doctrine.³ Similarly, asserts MIPC, a waiver is appropriate in this case and is consistent with other waivers granted by the Commission when the factual circumstances demonstrate that the filing and reporting requirements of the ICA are not necessary to protect the interests of unaffiliated shippers.⁴ MIPC notes that the Commission has granted such waivers in instances where (1) the pipelines (or their affiliates) own 100 percent of the throughput on the line; (2) there is no demonstrated third-party interest in gaining access to or shipping on the line; (3) no such interest is likely to materialize; and (4) there is no opposition to granting the waivers.⁵

5. MIPC contends that its pipeline system meets the Commission's requirements for such waivers. MIPC reiterates that its pipeline is used exclusively for the purpose of transporting volumes of petroleum products refined and owned by MIPC's affiliate Monroe. Further, states MIPC, no third-party has sought access to or transportation on its pipeline, and no such interest is likely to materialize.

6. MIPC acknowledges that the waiver it seeks will be temporary and may be revoked should circumstances change. Additionally, MIPC acknowledges its continuing obligations if the Commission grants the requested waiver to (1) maintain its books and records consistent with the Commission's Uniform System of Accounts;⁶ (2) preserve its

² MIPC states that the movements for local delivery to the G Street truck rack in Philadelphia are subject to a tariff filed with the Pennsylvania Public Utility Commission tariff.

³ MIPC cites *The Pipe Line Cases*, 234 U.S. 548 (1914).

⁴ MIPC cites, e.g., *Whiting Oil and Gas Corp.*, 131 FERC ¶ 61,263 (2010); *Cimmarron Gathering, L.P.*, 126 FERC ¶ 61,017 (2009); *Jayhawk Pipeline, L.L.C.*, 128 FERC ¶ 61,079 (2009); *Enbridge Pipelines (NE Texas Liquids) L.P.*, 110 FERC ¶ 61,159 (2005); *Hunt Refining Co.*, 70 FERC ¶ 61,035 (1995); *Sinclair Oil Corp.*, 4 FERC ¶ 62,026 (1978).

⁵ MIPC cites, e.g., *Cimmarron Gathering, L.P.*, 126 FERC ¶ 61,017 (2009).

⁶ MIPC cites 18 C.F.R. pt. 352 (2013).

books and records as required by the Commission's relevant regulations;⁷ (3) make such books and records available to the Commission upon request; and (4) notify the Commission of any change in the material facts upon which the requests waiver is based.

7. Public notice of MIPC's filing was issued August 27, 2013, with interventions and protests due as provided in accordance with Rules 211 and 214 of the Commission's regulations.⁸ No interventions or protests were filed.

8. The Commission concludes that, given the physical characteristics of MIPC's pipeline and the limited nature of the pipeline's operations, MIPC meets the criteria necessary to qualify for temporary waiver consistent with Commission precedent.⁹

9. Accordingly, the Commission grants MIPC temporary waiver of the filing and reporting requirements of ICA sections 6 and 20 and the Commission's related regulations with respect to its pipeline. Because this waiver is temporary and based solely on the facts presented in the request for waiver, the Commission directs MIPC to report immediately to the Commission any change in the circumstances on which this waiver is based. Specifically, MIPC must report any changes including, but not limited to (a) increased accessibility of other pipelines or refiners to the subject pipeline, (b) changes in the ownership of the pipeline, (c) changes in the ownership of the petroleum products shipped, and (d) shipment tenders or requests for service by any person. In addition, MIPC must maintain all books and records in a manner consistent with the Uniform System of Accounts for Oil Pipelines¹⁰ and make such books and records available to the Commission or its duly authorized agents upon request.

By direction of the Commission.

Kimberly D. Bose,
Secretary.

⁷ MIPC cites 18 C.F.R. pt. 356 (2013).

⁸ 18 C.F.R. §§ 385.211 and 385.214 (2013).

⁹ See, e.g., *ONEOK Rockies Midstream, L.L.C.*, 138 FERC ¶ 61,133 (2012); *Sinclair Pipeline Company, L.L.C.*, 134 FERC ¶ 61,077 (2011); *Enbridge Pipelines (NE Texas Liquids) L.P.*, 117 FERC ¶ 61,046 (2006).

¹⁰ 18 C.F.R. pt. 352 (2013).