

147 FERC ¶ 61,159  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

May 29, 2014

In Reply Refer To:  
Trailblazer Pipeline Company  
LLC  
Docket No. RP13-1031-000

Paul Korman  
Van Ness Feldman, L.L.P.  
1050 Thomas Jefferson Street, N.W.  
7th Floor  
Washington, DC 20007-3877

Dear Mr. Korman:

1. On February 24, 2014, you filed on behalf of Trailblazer Pipeline Company LLC (Trailblazer) a Settlement Agreement to resolve all issues in the above captioned docket. On March 4, 2014, Indicated Shippers<sup>1</sup> and Trial Staff filed initial comments supporting the Settlement Agreement. No reply comments were filed. On March 11, 2014, the Presiding Administrative Law Judge certified the Settlement Agreement to the Commission as uncontested.

2. The Settlement Agreement resolves issues related to Trailblazer's rates and the recovery of its fuel costs. The Settlement Agreement provides that neither Trailblazer nor any other Settling Party may file to increase or decrease the Settlement Agreement rates until January 1, 2016. The Settlement Agreement also requires that Trailblazer file a general rate case no later than January 1, 2019 (assuming a maximum suspension period for any rate increase). Article 14.3 of the Settlement Agreement provides that to the extent the Commission considers any changes to the provisions of this Settlement during the term of this Settlement, the standard of review for such changes shall be the most stringent standard permissible under applicable law. Trial Staff explains the provision when applied to non-settling parties or the Commission acting *sua sponte* shall be

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<sup>1</sup> The Indicated Shippers include Anadarko Energy Services Company; Chevron U.S.A. Inc.; ConocoPhillips Company; Cross Timbers Energy Services, Inc.; Marathon Oil Company; Shell Energy North America (US), L.P.; SWEPI LP; and WPX Energy Marketing, LLC.

understood to mean the ordinary just and reasonable standard.<sup>2</sup> The Commission adopts this understanding of the provision as no party filed reply comments challenging Trial Staff's representation.

3. The Commission finds that the Settlement Agreement appears to be fair, reasonable, and in the public interest, and it is hereby approved. Commission approval of the Settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. Refunds and adjustments shall be made pursuant to the Settlement Agreement. To effectuate the terms of the Settlement Agreement, Trailblazer is directed to file tariff records in eTariff format as required by Order No. 714<sup>3</sup> in order to implement the *pro forma* tariff records proffered with the Settlement.

4. This letter order terminates Docket No. RP13-1031-000.

By direction of the Commission.

Kimberly D. Bose,  
Secretary.

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<sup>2</sup> Trial Staff, March 4, 2014 Comments at pp. 11-12.

<sup>3</sup> *Electronic Tariff Filings*, Order No. 714, FERC Stats. & Regs. ¶ 31,276 (2008).