151 FERC ¶ 61,060
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

April 20, 2015

In Reply Refer To:
Targa NGL Pipeline Company LLC
Docket No. OR15-19-000

Caldwell Boudreaux Lefler PLLC
1800 West Loop South,
Suite 1680
Houston, Texas 77027

Attention: Charles F. Caldwell, Esq.

Dear Mr. Caldwell:

1. On February 23, 2015, Targa NGL Pipeline Company LLC (Targa) filed a request for temporary waiver of the filing and reporting requirements of Sections 6 and 20 of the Interstate Commerce Act (ICA)[1] and the Commission's implementing regulations thereunder.

2. Targa requests a temporary waiver with respect to a pipeline that is located entirely within the State of Texas (Targa NGL Line). The Targa NGL Line is owned by Targa and transports natural gas liquids (NGLs) from Targa's fractionator at Mont Belvieu in Chambers County, Texas to Targa's Galena Park terminal on the Houston Ship Channel in Harris County, Texas. The Targa NGL Line is 27.34 miles long and 12 inches in diameter, with an operating capacity of approximately 75,000 barrels per day. The Targa NGL Line has only one origin point, located at Targa's terminal at Mont Belvieu, Texas, which is owned and operated by Targa Downstream LLC, an affiliate of

[1] *See* 49 App. 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.

Targa. The Galena Park terminal is the only destination point on the Targa NGL Line. The NGLs transported on the Targa NGL Line are owned by Targa or an affiliate.

3. Targa explains it became aware its customers transport NGLs by marine transport to destinations outside of Texas following a change of commodity ownership at the Galena Park terminal. Targa recognizes these movements could be construed as part of continuous movements in interstate commerce, and concludes it should treat the movement as subject to Section 1(1) of the ICA. Consequently, Targa seeks temporary waiver of the Targa NGL Line's tariff filing and reporting requirements of Sections 6 and 20 of the ICA and of Parts 341 and 357 of the Commission's regulations.[2]

4. Targa maintains the Commission historically has granted temporary waivers to pipelines that, while not exempt from the ICA as private carriers, were nevertheless granted waivers because factual circumstances showed the traditional filing and reporting requirements of the ICA were unnecessary. In particular, Targa states the Commission has granted temporary waivers where a pipeline has shown that (a) the pipeline or its affiliate own 100 percent of the throughput on the line; (b) there is no demonstrated third-party interest in gaining access to or shipping on the line; (c) no such interest is likely to materialize; and (d) there is no opposition to granting the waivers. Targa explains in these situations, the Commission determined there were no third-party shipper interests to protect under the ICA, and consequently a temporary waiver was warranted.

5. Targa asserts it meets the Commission's criteria for granting a temporary waiver. First, Targa contends its affiliates own 100 percent of the throughput on the Targa NGL Line. Further, Targa states no other shipper has requested transportation service on the Targa NGL Line. Targa explains that the Targa NGL Line has only one origin location, at Targa's fractionator, suggesting no third-party interest is likely to materialize. Finally, Targa states it is unaware of opposition to its waiver request.

6. Targa affirms it will comply with conditions previously imposed upon pipelines for similar grants of temporary waiver. Specifically, Targa agrees it will promptly report any material changes to the facts set forth in the instant request, including but not limited to (a) increased accessibility of other pipelines or refiners to the facilities; (b) changes in ownership of the facilities; (c) changes in ownership of the NGLs transported and; (d) shipment tenders or requests for service by any person. Targa further affirms it will maintain its books and records in accordance with the requirements of the Commission's Uniform System of Accounts for Oil Pipelines.

7. Public notice of Targa's waiver request was issued on March 2, 2015, with interventions and protests due as provided in accordance with Rules 211 and 214 of the Commission's regulations on March 9, 2015. No interventions or protests were filed.

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[2] 18 C.F.R. pts. 341 and 357 (2014).

8. Targa's request is similar to previous waiver requests granted by the Commission. Under the facts presented, all NGLs transported on the Targa NGL Line will be owned by Targa or an affiliate. Further, there is no demonstrated third-party interest in gaining access to or shipping upon the line. As there is only one origin point located at an affiliate's fractionator, and only one destination point on the Targa NGL Line, it is unlikely that a third party will request service. Moreover, there is no opposition to Targa's waiver request. The Commission concludes that given the physical characteristics of the facilities and the limited nature of the Targa NGL Line, Targa meets all criteria necessary to qualify for a temporary waiver consistent with prior Commission rulings.[3]

9. Accordingly, the Commission grants Targa a temporary waiver of ICA Sections 6 and 20, and the Commission's filing and reporting requirements implementing those sections as the requirements relate to the Targa NGL Line. Because these waivers are temporary, the Commission directs Targa to immediately report any change in circumstances the Commission found warranted granting these waivers. Specifically, Targa must report any changes including, but not limited to (a) increased accessibility of other pipelines or refiners to its facilities; (b) changes in ownership of the facilities; (c) changes in ownership of NGLs shipped; and (d) shipment tenders or requests for service by any person. Additionally, Targa must maintain all books and records in a manner consistent with the Uniform System of Accounts for Oil Pipelines, 18 C.F.R. Part 352, and make such books and records available to the Commission or its duly authorized agents upon request.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

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[3] *Saddle Butte Pipeline, LLC*, 136 FERC ¶ 61,071 (2011); *Giant Pipeline Co.*, 120 FERC ¶ 61,275 (2007); and *Sinclair Oil Corp.*, 4 FERC ¶ 62,026 (1978).