

154 FERC ¶ 61,042
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

January 27, 2016

In Reply Refer To:
Breitburn Operating LP
Docket No. OR16-10-000

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Attn: James E. Olson and Suzanne E. Clevenger

Breitburn Operating L.P.
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Attention: Charlton Wimberly, Senior Counsel

Dear Mr. Olson, Ms. Clevenger and Mr. Wimberly:

1. On December 22, 2015, Breitburn Operating LP (Breitburn) filed a request for temporary waiver of the tariff 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 for its facilities in Oklahoma.¹ Breitburn requests review as soon as feasible. For the reasons discussed below, the Commission grants Breitburn's waiver request.

¹ See 49 U.S.C. App. §§ 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 and 357 (2015) (implementing the filing and reporting requirements of ICA sections 6 and 20).

2. Breitburn states it is an independent limited partnership focused on the acquisition and development of oil and gas properties, with production in seven different regions across the United States. Breitburn explains the assets it seeks temporary waiver for consist of approximately 35 miles of 4, 6, and 8 inch diameter pipelines which originate in Texas County, Oklahoma and extend to the Hooker Station location in Texas County, Oklahoma (Facilities). At Hooker Station, Breitburn's Facilities connect with Jayhawk Pipeline, L.L.C.'s system for delivery into other states. Breitburn explains that the Facilities gather crude oil from four main unit production areas which include 420 wells and injectors.

3. Breitburn explains that the Facilities were designed to meet its production needs and will continue to operate for this purpose. Breitburn further states that it unambiguously owns and has title to 100 percent of the throughput on the Facilities.

4. The criteria to qualify for a temporary waiver of the filing and reporting requirements of the Commission's regulations and sections 6 and 20 of the ICA are as follows.² First, the pipeline requesting a temporary waiver (or its affiliates) must own 100 percent of the throughput on the line. Second, there should be no demonstrated third-party interest in gaining access to or shipping upon the line. Third, there should be no likelihood such third-party interest will materialize. Fourth, there is no opposition to granting the waivers.

5. Breitburn explains that the Facilities were designed to meet its production needs and that it will operate the system as such. Breitburn represents that it will be the sole shipper, will own and have title to 100 percent of the oil transported, and that no third-party shipper has requested transportation on the system. The only origin points on the Facilities are owned and operated by Breitburn for Breitburn-owned production, consequently, Breitburn does not believe any third-party request for service on the system will materialize in the future. Breitburn states that granting the waiver request will minimize regulatory requirements on Breitburn as well as its working-interest owners.

6. Public notice of Breitburn's filing was issued December 23, 2015, with interventions and protests due on January 6, 2016. Pursuant to Rule 214 of the Commission's regulations,³ all timely filed motions to intervene and any unopposed motions to intervene out-of-time filed before the issuance date of this order are granted.

² See *Whiting Oil and Gas Corp.*, 131 FERC ¶ 61,263 (2010); *Cimarron Gathering, L.P.*, 126 FERC ¶ 61,017 (2009); *Enbridge Pipelines (NE Texas Liquids) L.P.*, 117 FERC ¶ 61,046 (2006); *Enbridge Pipelines (NE Texas Liquids) L.P.*, 110 FERC ¶ 61,159 (2005); *Ciniza Pipe Line, Inc.*, 73 FERC ¶ 61,377 (1995); *Hunt Refining Co.*, 70 FERC ¶ 61,035 (1995); and *Sinclair Oil Corp.*, 4 FERC ¶ 62,026 (1978).

³ 18 C.F.R. § 385.214 (2015).

Granting late intervention at this stage of the proceeding will not disrupt the proceeding or place additional burdens on existing parties. The waiver request is unopposed.

7. Based on the representations provided in the request for waiver, the Commission concludes that Breitburn meets the criteria to receive a temporary waiver of ICA filing and reporting requirements and the Commission's regulations implementing those requirements, consistent with the Commission's prior rulings.

8. Accordingly, the Commission grants Breitburn's request for temporary waiver, as to its Facilities. The waiver is temporary and based solely on the facts presented by Breitburn in its waiver request; therefore, the Commission directs Breitburn to report to the Commission any change in the circumstances on which this waiver is based. Specifically, Breitburn must report any change including, but not limited to, increased accessibility of other pipelines or refiners to its Facilities, changes in the ownership of the Facilities, changes in the ownership of the crude oil being shipped, and shipment tenders of requests for service by any person. Additionally, Breitburn must maintain all books and records for service on the Facilities in a manner consistent with the Uniform System of Accounts for Oil Pipelines, 18 C.F.R. pt. 352. Breitburn must 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.