

144 FERC ¶ 61,137
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

August 19, 2013

In Reply Refer To:
Targa Badlands LLC
Docket No. OR13-22-000

Bracewell & Giuliani LLP
2000 K Street, NW, Suite 500
Washington, DC 20006-1872

Attention: Mark K. Lewis

Dear Mr. Lewis:

1. On May 16, 2013, Targa Badlands LLC (Targa) 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 which implement the filing and reporting requirements.¹
2. Targa states that it will construct, own, and operate a new crude oil pipeline system (Stanley Facilities), which will be partially located on the Fort Berthold Reservation and entirely within the State of North Dakota. According to Targa, the Stanley Facilities will consist of approximately 31 miles of eight-inch or larger diameter pipeline, along with associated meters, valves, pumps, and pig trap facilities. Targa further states that upon completion of the Stanley Facilities, it will use the facilities to transport crude oil produced from the Bakken shale crude oil production areas and owned by Targa from New Town, North Dakota, to Stanley, North Dakota. Targa adds that no third-party shipper has requested service on the Stanley Facilities, and Targa does not anticipate that any such third party will seek transportation on the new facilities.

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.

3. Targa asserts that the Commission previously granted similar requests for temporary waiver of the filing and reporting requirements of ICA sections 6 and 20 and the related sections of the Commission's regulations.² Targa states that the Commission granted such waivers 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 lines; (3) no such interest is likely to materialize; and (4) there is no opposition to granting the waivers. In these cases, continues Targa, the Commission determined there were no active third-party shipper interests to protect under the ICA, and therefore temporary waivers of the ICA sections 6 and 20 filing and reporting requirements were warranted.³ Targa further states that the Commission made the waivers subject to revocation should circumstances change and required the pipelines to keep their books and records in a manner consistent with the Commission's Uniform System of Accounts, as well as to make such books and records available to the Commission upon request.⁴

4. Public notice of Targa's filing was issued May 29, 2013, with interventions and protests due as provided in accordance with Rules 211 and 214 of the Commission's regulations.⁵ No interventions or protests were filed.

5. The Commission concludes that, given the physical characteristics of the Stanley Facilities and the limited nature of the facilities' operations, Targa meets the criteria necessary to qualify for temporary waiver consistent with Commission precedent.⁶

6. Accordingly, the Commission grants Targa temporary waiver of the filing and reporting requirements of ICA sections 6 and 20 and the Commission's related regulations with respect to the Stanley Facilities. Because this waiver is temporary and

² Targa cites *Pelican Gathering Systems, LLC*, 141 FERC ¶ 61,245, at PP 3, 5-6 (2012); *Tesoro High Plains Pipeline Company, LLC*, 141 FERC ¶ 61,143, at PP 4, 7-8 (2012); *Agave Energy Company*, 136 FERC ¶ 61,094, at P 5 (2011); *Saddle Butte Pipeline, LLC*, 136 FERC ¶ 61,071, at P 3 (2011); *Jayhawk Pipeline, L.L.C.*, 128 FERC ¶ 61,079, at P 4 (2009).

³ Targa cites *Jayhawk Pipeline, L.L.C.*, 128 FERC ¶ 61,079, at P 4 (2009).

⁴ Targa cites, e.g., *Saddle Butte Pipeline, LLC*, 136 FERC ¶ 61,071, at PP 3, 6 (2011).

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

⁶ See *supra* note 2. See also *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).

based solely on the facts presented in the request for waiver, the Commission directs Targa to report immediately to the Commission any change in the circumstances on which this waiver is based. Specifically, Targa must report any changes including, but not limited to: (1) increased accessibility of other pipelines or refiners to its facilities; (2) changes in the ownership of the facilities; (3) changes in the ownership of the crude oil shipped; and (4) shipment tenders or requests for service by any person. In addition, Targa must maintain all books and records in a manner consistent with the Uniform System of Accounts for Oil Pipelines⁷ and make such books and records available to the Commission or its duly authorized agents upon request.

By the direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

⁷ 18 C.F.R. pt. 352 (2013).