

# Kaw Pipe Line Company

2000 S. Main \* McPherson, KS 67460 \* 620-241-9270

October 30, 2018

Ms. Kim Christiansen, Executive Director  
Kansas Corporation Commission  
1500 S.W. Arrowhead Road  
Topeka, KS 66604-4027

19-KAWP-177-TAR

Dear Ms. Christiansen:

Please accept for filing the following KCC tariffs, issued on this date, October 30, 2018, to be effective on December 1, 2018, by Gregory L. Brown, President for Kaw Pipe Line Company. These tariff rates are increased by the annual F.E.R.C. Index for 2018 which is 4.4087 percent.

Supplement #12 to KCC No. 140  
Supplement #14 to KCC No. 143  
Supplement #16 to KCC No. 145

Required supporting documentation attached includes Customer Notice of Tariff Change, Change Pages, Officer Verification and supporting FERC Docket No. RM93-11-000 – 2018 Notice of Annual Change in the Producer Price Index for Finished Goods. A tariff calculation spreadsheet is attached showing the current tariff rates, maximum tariff rates based on the FERC index for 2018, and the proposed tariff rates effective December 1, 2018.

The amount of dollars of the aggregate annual increase which this Application proposes is \$107,000 based on estimated volumes for December 1, 2018 through June 30, 2019 and the rate changes included in this filing.

Kaw Pipe Line Company has served notification of the tariff issuance on or before the issuance date to all shippers that Kaw serves in Kansas. Upon approval by the Kansas Corporation Commission, Kaw will make these tariff documents available on a website at: <http://www.chsinc.com/pipelines/tariffs>.

If you need additional information, or if we can be of any further assistance, please call me at 620-241-9275.

Sincerely,



Ellen Gilbert  
Contract & Regulatory Analyst

c: Greg Brown  
All Subscribers and Shippers

**KAW PIPE LINE COMPANY**

INDEX CEILING CALCULATION

FOR YEAR JULY 1, 2018 THROUGH JUNE 30, 2019

						2017	2018
						Index	Index
						1.001985	1.044087
TARIFF NUMBER		CONNECTION TYPE	ROUTING		Current Rate	Max Rate	Max Rate
Current	New		FROM	TO	07/01/17	07/01/17	07/01/18
							New Rate
							12/01/18
Supplement #11 to KCC No. 140	Supplement #12 to KCC No. 140	Metered Truck	Bemis Station, Ellis County	Chase, Rice County	36.84	36.84	38.46
		Metered Truck	Bemis Station, Ellis County	Lyons, Rice County	36.84	36.84	38.46
		Metered Truck	Susank Station, Barton County	Chase, Rice County	27.70	27.70	28.92
		Metered Truck	Susank Station, Barton County	Lyons, Rice County	27.70	27.70	28.92
Supplement #13 to KCC No. 143	Supplement #14 to KCC No. 143	Lease Metered	Ellis County	Chase, Rice County	107.32	107.32	112.05
		Lease Metered	Ellis County	Lyons, Rice County	107.32	107.32	112.05
Supplement #15 to KCC No. 145	Supplement #16 to KCC No. 145	Metered Truck	Ellis County	Chase, Rice County	75.10	75.10	78.41
		Metered Truck	Ellis County	Lyons, Rice County	75.10	75.10	78.41
		Pipeline connected	Holtzinger Station, Trego County	Chase, Rice County	44.74	44.74	46.71
		Pipeline connected	Holtzinger Station, Trego County	Lyons, Rice County	44.74	44.74	46.71

163 FERC ¶ 61,105

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Revisions to Oil Pipeline Regulations  
Pursuant to the Energy Policy Act of 1992

Docket No. RM93-11-000

NOTICE OF ANNUAL CHANGE  
IN THE PRODUCER PRICE INDEX FOR FINISHED GOODS

(May 11, 2018)

The Commission's regulations include a methodology for oil pipelines to change their rates through use of an index system that establishes ceiling levels for such rates. The Commission bases the index system, found at 18 CFR § 342.3, on the annual change in the Producer Price Index for Finished Goods (PPI-FG), plus one point two three percent (PPI-FG + 1.23). The Commission determined in an *Order Establishing Index Level*,<sup>1</sup> issued December 17, 2015, that PPI-FG + 1.23 is the appropriate oil pricing index factor for pipelines to use for the five-year period commencing July 1, 2016.

The regulations provide that the Commission will publish annually, an index figure reflecting the final change in the PPI-FG, after the Bureau of Labor Statistics publishes the final PPI-FG in May of each calendar year. The annual average PPI-FG index figures were 191.9 for 2016 and 198.0 for 2017.<sup>2</sup> Thus, the percent change (expressed as a decimal) in the annual average PPI-FG from 2016 to 2017, plus 1.23 percent, is positive 0.044087.<sup>3</sup> Oil pipelines must multiply their July 1, 2017, through

---

<sup>1</sup> 153 FERC ¶ 61,312 at P 52 (2015).

<sup>2</sup> Bureau of Labor Statistics (BLS) publishes the final figure in mid-May of each year. This figure is publicly available from the Division of Industrial Prices and Price Indexes of the BLS, at 202-691-7705, and in print in August in Table 1 of the annual data supplement to the BLS publication *Producer Price Indexes* via the Internet at <http://www.bls.gov/ppi/home.htm>. To obtain the BLS data, scroll down to "PPI Databases" and click on "Top Picks" of the Commodity Data including "headline" FD-ID indexes (Producer Price Index – PPI). At the next screen, under the heading "PPI Commodity Data," select the box, "Finished goods – WPUFD49207," then scroll to the bottom of this screen and click on Retrieve data.

<sup>3</sup>  $[198.0 - 191.9] / 191.9 = 0.031787 + 0.0123 = +0.044087$

Docket No. RM93-11-000

- 2 -

June 30, 2018, index ceiling levels by positive 1.044087<sup>4</sup> to compute their index ceiling levels for July 1, 2018, through June 30, 2019, in accordance with 18 CFR § 342.3(d). For guidance in calculating the ceiling levels for each 12 month period beginning January 1, 1995,<sup>5</sup> see *Explorer Pipeline Company*, 71 FERC ¶ 61,416 at n.6 (1995).

In addition to publishing the full text of this Notice in the *Federal Register*, the Commission provides all interested persons an opportunity to view and/or print this Notice via the Internet through FERC's Home Page (<http://www.ferc.gov>) and in FERC's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street, NE, Room 2A, Washington, DC 20426. The full text of this Notice is available on FERC's Home Page at the eLibrary link. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field and follow other directions on the search page.

User assistance is available for eLibrary and other aspects of FERC's website during normal business hours. For assistance, please contact the Commission's Online Support at 1-866-208-3676 (toll free) or 202-502-6652 (e-mail at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov)), or the Public Reference Room at 202-502-8371, TTY 202-502-8659. E-Mail the Public Reference Room at [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

Kimberly D. Bose,  
Secretary.

---


<sup>4</sup>  $1 + 0.044087 = 1.044087$

<sup>5</sup> For a listing of all prior multipliers issued by the Commission, see the Commission's website, <http://www.ferc.gov/industries/oil/gen-info/pipeline-index.asp>.


## VERIFICATION

State of Kansas       )  
                                  ) SS.  
County of McPherson )

Gregory L. Brown, President for Kaw Pipe Line Company, being first duly sworn, deposes and says that he is the Gregory L. Brown referred to in the foregoing document before the State Corporation Commission of the State of Kansas and the statements therein were prepared by him or under his direction and are true and correct to the best of his knowledge and belief.

  
Gregory L. Brown

Subscribed and sworn to before me this 30<sup>th</sup> day of Oct, 2018.

  
Notary Public

My Commission Expires: 07-01-22



## KAW PIPE LINE COMPANY CUSTOMER NOTICE OF TARIFF CHANGE

To: All interstate shippers on Kaw Pipe Line Company in the State of Kansas

Re: Supplement #12 to KCC No. 140  
Supplement #14 to KCC No. 143  
Supplement #16 to KCC No. 145

On October 30, 2018, Kaw Pipe Line Company has filed an application with the Kansas Corporation Commission requesting authorization for a tariff change which increases rates by 4.4087 percent to reflect the annual changes in the FERC index for the period starting July 1, 2018. Kaw last increased its tariffs on July 1, 2017.

The application may be acted upon within thirty days of the filing. If you would like to protest this filing, you should do so within the thirty-day period. You may file a protest in one of three manners:

- You may intervene in the docket by having an attorney submit a petition for intervention in accordance with K.A.R. 82-1-225 and filing a written protest:  
or
- You may send an informal protest to the Commission without intervention by mailing it to the attention of Leo Haynos, Chief of Pipeline Safety, Kansas Corporation Commission, 1500 SW Arrowhead Drive Topeka, Kansas 66604:  
or
- You may telephone Leo Haynos, Chief of Pipeline Safety at 785-271-3278.

If you have any questions about this tariff filing, you may contact Ellen Gilbert at 620-241-9275 or call Leo Haynos at the Commission at the telephone number listed above.

# KAW PIPE LINE COMPANY

## INTRASTATE PIPELINE TARIFF

### APPLYING ON THE TRANSPORTATION OF CRUDE PETROLEUM

Governed, except as otherwise provided herein, by rules & regulations published in Kaw Pipe Line Company  
K.S.C.C. No. 118, supplements thereto or successive issues thereof.

*(Rate in cents per barrel of 42 United States Gallons.)*

ROUTE NO.	ORIGINS IN KANSAS	DESTINATIONS IN KANSAS	RATE
01	Bemis Station, Ellis County	Chase, Rice County	Rate 1 [ I ] 38.46
		Lyons, Rice County	[ I ] 38.46
02	Susank Station, Barton County	Chase, Rice County	Rate 2 [ I ] 28.92
		Lyons, Rice County	[ I ] 28.92

Rate 1 – Covers metered truck receipts only.

Rate 2 – Covers metered truck receipts only.

---

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

---

**ISSUED: OCTOBER 30, 2018**

**EFFECTIVE: DECEMBER 1, 2018 \***

---

\* or the date of issuance of the Kansas Corporation Commission's Final Order approving the requested tariff change(s)/rate(s) pursuant to K.S.A. 66-117(d), whichever date is later.

#### AUTHORITY DOCKET 16365-R STATE CORPORATION COMMISSION OF KANSAS

Issued By:

[N] GREGORY L. BROWN, President  
[C] RICHARD S. PETERSEN, Vice President  
KAW PIPE LINE COMPANY  
2000 S. Main  
McPherson, KS 67460

Compiled by:

ELLEN GILBERT  
KAW PIPE LINE COMPANY  
2000 S. Main  
McPherson, KS 67460  
Phone: 620-241-9275  
egilbert@jayhawkpl.com

[ I ] Increase  
[ N ] New  
[ C ] Cancel

KAW PIPE LINE COMPANY  
CHANGE PAGE - Supplement #12 to KCC No. 140 (Cancels Supplement #11)

- Metered truck receipts from Bemis Station, Ellis County, Kansas to Chase, Rice County, Kansas.
- Metered truck receipts from Bemis Station, Ellis County, Kansas to Lyons, Rice County, Kansas.
- Metered truck receipts from Susank Station, Barton County, Kansas to Chase, Rice County, Kansas.
- Metered truck receipts from Susank Station, Barton County, Kansas to Lyons, Rice County, Kansas.

The rate was increased for all services listed above by 4.4087 percent to reflect FERC indexing methodology for the period of July 1, 2018 through June 30, 2019.



# KAW PIPE LINE COMPANY

## LOCAL TARIFF

### APPLYING ON THE TRANSPORTATION OF CRUDE PETROLEUM

Governed, except as otherwise provided herein, by rules & regulations published in Kaw Pipe Line Company  
K.S.C.C. No. 118, supplements thereto or successive issues thereof.

*(Rate in cents per barrel of 42 United States Gallons.)*

ORIGINS IN KANSAS	DESTINATIONS IN KANSAS	RATE	
Ellis County	Chase, Rice County	[ I ]	112.05
	Lyons, Rice County	[ I ]	112.05

Covers lease metered receipts only.

---

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

---

**ISSUED: OCTOBER 30, 2018**

**EFFECTIVE: DECEMBER 1, 2018 \***

---

\* or the date of issuance of the Kansas Corporation Commission's Final Order approving the requested tariff  
change(s)/rate(s) pursuant to K.S.A. 66-117(d), whichever date is later.

#### AUTHORITY DOCKET 16365-R STATE CORPORATION COMMISSION OF KANSAS

Issued By:  
[N] GREGORY L. BROWN, President  
[C] ~~RICHARD S. PETERSEN, Vice President~~  
KAW PIPE LINE COMPANY  
2000 S. Main  
McPherson, KS 67460

Compiled by:  
ELLEN GILBERT  
KAW PIPE LINE COMPANY  
2000 S. Main  
McPherson, KS 67460  
Phone: 620-241-9275  
egilbert@jayhawkpl.com

[ I ] Increase  
[ N ] New  
[ C ] Cancel

KAW PIPE LINE COMPANY  
CHANGE PAGE - Supplement #14 to KCC No. 143 (Cancels Supplement #13)

- Lease metered receipts from Ellis County, Kansas to Chase, Rice County, Kansas.
- Lease metered receipts from Ellis County, Kansas to Lyons, Rice County, Kansas.

The rate was increased for all services listed above by 4.4087 percent to reflect FERC indexing methodology for the period of July 1, 2018 through June 30, 2019.

# KAW PIPE LINE COMPANY

## LOCAL TARIFF

APPLYING ON THE TRANSPORTATION OF

CRUDE PETROLEUM

Governed, except as otherwise provided herein, by rules & regulations published in Kaw Pipe Line Company  
K.S.C.C. No. 118, supplements thereto or successive issues thereof.

*(Rate in cents per barrel of 42 United States Gallons.)*

ROUTE NO.	ORIGINS IN KANSAS	DESTINATIONS IN KANSAS	RATE
01	Ellis County	Chase, Rice County	Rate 1 [ I ] 78.41
		Lyons, Rice County	[ I ] 78.41
02	Holtzinger Station, Trego County	Chase, Rice County	Rate 2 [ I ] 46.71
		Lyons, Rice County	[ I ] 46.71

Rate 1 – Covers metered truck receipts only (except Bemis Station).

Rate 2 – Covers receipts into the pipelines of Kaw Pipe Line Company from connecting carrier at the location designated.

---

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

---

**ISSUED: October 30, 2018**

**EFFECTIVE: DECEMBER 1, 2018 \***

---

\* or the date of issuance of the Kansas Corporation Commission's Final Order approving the requested tariff change(s)/rate(s) pursuant to K.S.A. 66-117(d), whichever date is later.

**AUTHORITY DOCKET 16365-R STATE CORPORATION COMMISSION OF KANSAS**

Issued By:  
GREGORY L. BROWN, President  
KAW PIPE LINE COMPANY  
2000 S. Main  
McPherson, KS 67460

Compiled by:  
ELLEN GILBERT  
KAW PIPE LINE COMPANY  
2000 S. Main  
McPherson, KS 67460  
Phone: 620-241-9275  
egilbert@jayhawkpl.com

[ I ] Increase

KAW PIPE LINE COMPANY

CHANGE PAGE - Supplement #16 to KCC No. 145 (Cancels Supplement #15)

- Metered Truck Receipts from Groff and Roth Stations in Ellis County, Kansas to Chase (Rice County), Kansas.
- Metered Truck Receipts from Groff and Roth Stations in Ellis County, Kansas to Lyons (Rice County), Kansas.
- Metered Truck Receipts from Holtzinger Station in Trego County, Kansas to Chase (Rice County), Kansas.
- Metered Truck Receipts from Holtzinger Station in Trego County, Kansas to Chase (Rice County), Kansas.

The rate was increased for all services listed above by 4.4087 percent to reflect FERC indexing methodology for the period of July 1, 2018 through June 30, 2019.