

May 25, 2017

Ms. Kim Christiansen **Executive Director** Kansas Corporation Commission 1500 SW Arrowhead Road Topeka, Kansas 66604-4027

> Re: Plains Pipeline, L.P.'s Application for

> > Approval, pursuant to K.A.R. 82-10-2, of Tariff

K.C.C. No. 5.12.0

Dear Ms. Christiansen:

Enclosed, please find Plains Pipeline, L.P.'s ("Plains") Application, pursuant to K.A.R. 82-10-2, for Approval of Tariff K.C.C. No. 5.12.0. This Application, in the above referenced matter, was electronically filed today. Plains requests a July 1, 2017 effective date for the Tariff.

Please do not hesitate to contact me at 713-646-4568 or tmbratcher@paalp.com if you have any questions. Thank you.

Respectfully submitted,

Bratchin

Teresa Bratcher Tariff Manager

## BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Application of	)		
Plains Pipeline, L.P.,	)	Docket No.	
Pursuant to K.A.R. 82-10-2	)		
for Approval of K.C.C. No. 5.12.0	)		

# APPLICATION OF PLAINS PIPELINE, L.P. PURSUANT TO K.A.R. 82-10-2 FOR APPROVAL OF K.C.C. No. 5.12.0

COMES NOW Plains Pipeline, L.P. ("Plains") by and through its Tariff Manager, Teresa Bratcher, and pursuant to K.A.R. 82-10-1, et seq., submits this Application for Approval of K.C.C. No. 5.12.0. In support of its Application, Plains states:

### **Section One**

A copy of the letter of transmittal sent to this Commission, along with proposed
 K.C.C. No. 5.12.0, is attached.

#### **Section Two**

- 2. The amount of dollars of the aggregate annual increase which the Application proposes is: \$9,306 based on historical annual volumes, anticipated volume changes and the rate changes included in this filing.
- 3. The changes contained in KCC No. 5.12.0 are limited to the (i) increases in rates reflected on the attached proposed tariff sheet; and, (ii) cancellation of the rates for movements from Satanta Station, Haskell County to Eubanks Station, Haskell County and Salem, Stafford County to Schurr/Jayhawk Pipeline. For these movements, the pipeline is no longer in service and no further rates or routing will be provided.

- 4. The reason for the proposed increased rates is to adjust the rates in accordance with the annual indexing and tariff ceiling provisions of the Federal Energy Regulatory Commission. All of the proposed rates are consistent and within the allowable ceiling of the FERC index.
- 5. The Application is being filed at least thirty (30) days prior to the July 1, 2017 proposed effective date for K.C.C. No. 5.12.0.
- 6. No press releases have been issued as of the date of filing this Application relating to the tariff requested here. However, shippers on the pipeline are being provided with notice of the rate increase, instructions on how to file a formal or an informal protest, as well as a copy of the proposed new tariff. A copy of the notification to shippers is attached.
- 7. A copy of the Plains' system diagram map is attached.

### **Section Three**

8. Plains' Annual Report is on file at the Commission and therefore is not included with this application.

#### **Section Four**

- 9. Attached is a copy of the *Notice of Annual Change In The Producer price Index*For Finished Goods issued by the Federal Energy Regulatory Commission ("FERC") on

  May 12, 2017.
- 10. Attached for the Commission's convenience is a schedule which reflects current Federal Energy Regulatory Commission ceiling rates; Plains' current rates pursuant to K.C.C. No. 5.12.0; the July 1, 2017 FERC authorized index percentage; the new ceiling rates under the July 1, 2017 FERC authorized index percentage; and Plains' proposed increased rates and rate cancellations requested in this Application. All of the proposed

increased rates are either at or below the calculated allowable ceiling.

**WHEREFORE**, Plains respectfully requests that K.C.C. No. 5.12.0 be approved and made effective July 1, 2017.

PLAINS PIPELINE, L.P.

J. Bratche

By:

Teresa Bratcher
Tariff Manager

333 Clay Street, Suite 1600

Houston, Texas 77002

Tele: (713) 646-4568 Fax: (713) 646-4306 tmbratcher@paalp.com

### **AFFIDAVIT**

STATE OF TEXAS	)
	) ss.
HARRIS COUNTY	)

I, Samuel N. Brown, Senior Vice President of Plains Pipeline, L.P., being first duly sworn, state that the above and foregoing *Application of Plains Pipeline*, L.P. Pursuant to K.A.R. 82-10-2 for Approval of K.C.C. No. 5.12.0 is true and correct to the best of my knowledge, information, and belief.

Samuel N. Brown

Sworn to and signed before me this

SUSAN MARIE SWINDOLL My Notary ID # 129229949 Expires December 11, 2020 day of May 2017.

Notary Public

Guar Mais Swindell

My commission expires:

### PLAINS PIPELINE, L.P.

LOCAL AND PROPORTINAL TARIFF CONTAINING RATES FOR THE INTRASTATE GATHERING AND TRANSPORTATION OF

### **CRUDE PETROLEUM**

Governed, except as otherwise provided herein, by rules and regulations published in Plains Pipeline, L.P.'s K.C.C. No. 3.4.0, supplements thereto or reissues thereof.

ISSUED: May 25, 2017

EFFECTIVE DATE: July 1, 2017 \*

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

ISSUED

Sam Brown

BY:

Senior Vice President

Plains GP LLC General Partner of Plains Pipeline, L.P. P.O. Box 4648

Houston, Texas 77210-4648

BY:

COMPILED Teresa Bratcher

Tariff Manager Plains GP LLC General Partner of Plains Pipeline, L.P.

P.O. Box 4648

Houston, Texas 77210-4648

(713) 646-4568

### LIST OF POINTS FROM AND TO WHICH RATES APPLY RATES IN CENTS PER BARREL OF 42 UNITED STATES GALLONS

FROM	ТО	RATE
Wolf Station, Kearny County	Eubanks Station, Haskell County	[1] 44.83
[C] Satanta Station, Haskell County	Eubanks Station, Haskell-County	[C] <del>22.59</del>
Gugler, Trego County	Schurr / Jayhawk Pipeline, Rice County	[I] 63.17
Carmichael, Ellis County	Schurr / Jayhawk Pipeline, Rice County	[1] 37.46
Fairport, Russell County	Schurr / Jayhawk Pipeline, Rice County	[I] 37.46
Gorham, Russell County	Schurr / Jayhawk Pipeline, Rice County	[I] 37.46
Bushton, Ellsworth County Schurr / Jayhawk Pipeline, Rice County		[I] 37.46
[C] Salem, Stafford County [C] Schurr / Jayhawk Pipeline, Rice County		[C] <del>12.99</del>
Schmeidler, Ellis County	s County Schurr / Jayhawk Pipeline, Rice County	

### **GATHERING CHARGES**

Pipeline Gathering at These Locations:	RATE
Wolf Station, Kearny and Finney Counties	[1] 69.29
Eubanks, Haskell County	[1] 54.95
Fairport, Russell and Ellis Counties	[1] 58.66
Gorham, Russell County	[I] 58.66
Bushton, Ellsworth County	[1] 58.66
Schurr, Rice County	[I] 58.66

**TRUCK UNLOADING CHARGE:** A truck unloading fee of [I] 9.78 cents per barrel shall be charged for all crude petroleum delivered into facilities of Carrier from tank trucks.

**PUMP OVER CHARGE:** Crude Petroleum received at Carrier's facilities will be assessed a fee of [I] 9.78 cents per barrel for pumping to connecting carriers.

### **EXPLANATION OF REFERENCE MARKS:**

[I] Increase



To:

Shippers and Subscribers

From:

Plains Pipeline, L.P.

On May 25, 2017, Plains Pipeline, L.P. (Plains) filed an application with the Kansas Corporation Commission (KCC) requesting authorization for a tariff change that revises its rates for transportation, gathering, truck unloading and pump-over with a proposed effective date of July 1, 2017.

The changes contained in KCC No. 5.12.0 are limited to the (i) increases in rates reflected on the attached proposed tariff sheet; and, (ii) cancellation of the rates for movements from Satanta Station, Haskell County to Eubanks Station, Haskell County and Salem, Stafford County to Schurr/Jayhawk Pipeline. For these movements, the pipeline is no longer in service and no further rates or routing will be provided.

All proposed rate increases in KCC No. 5.12.0 are consistent with the indexing system developed by the Federal Energy Regulatory Commission (FERC)'s Producer Price Index for Finished Goods (PPI-FG) plus one point two three percent (PPI-FG + 1.23%), as outlined in the Notice of Annual Change in the Producer Price Index for Finished Goods, Docket No. RM93-11-000, released on May 12, 2017.

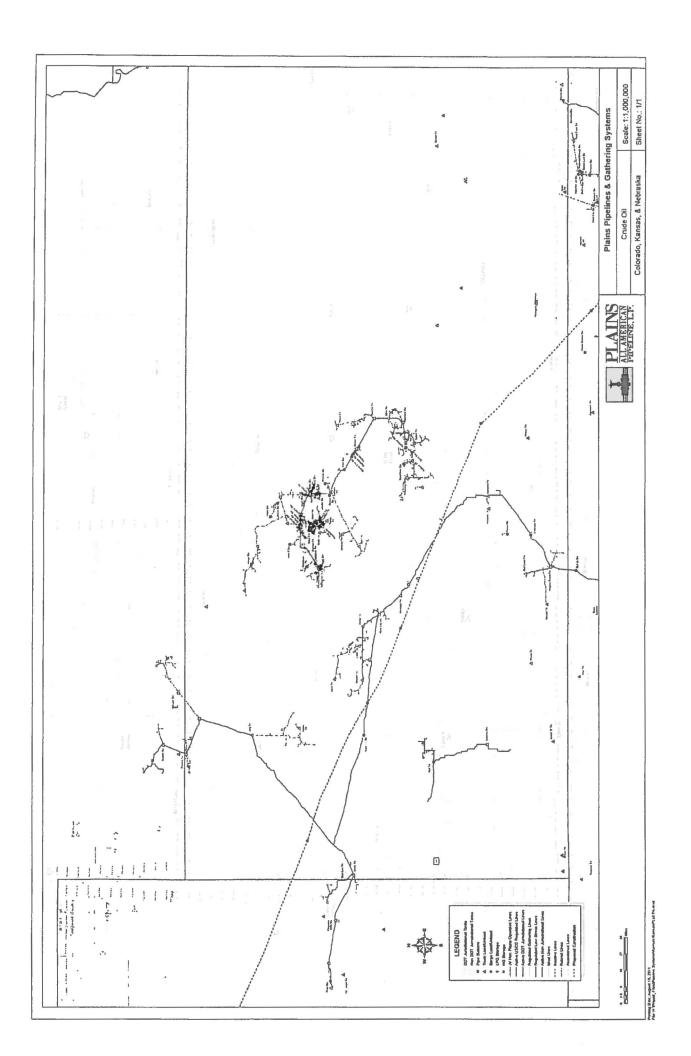
A copy of the KCC transmittal letter and the proposed new tariff rates are attached.

The KCC requires that you receive the following information:

- This application may be acted upon within thirty days of its filing at the KCC. If you would like to protest this filing, you should do so within the thirty day period. You may file a protest utilizing one of three methods:
- 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 KCC without intervening 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 contact Leo Haynos by telephone, 785.271.3278.

If you have questions about the tariffs or wish to discuss any aspect of the filing with Plains, please contact Teresa Bratcher at (713) 646-4568.

This tariff and all other current Plains tariffs are available for viewing and printing on-line at www.paalp.com.



# 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 12, 2017)

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*, 1 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 193.9 for 2015 and 191.9 for 2016.<sup>2</sup> Thus, the percent change (expressed as a decimal) in the annual average PPI-FG from 2015 to 2016, plus 1.23 percent, is positive 0.001985.<sup>3</sup> Oil pipelines must multiply their July 1, 2016, through June 30, 2017, index ceiling levels by positive 1.001985<sup>4</sup> to compute their index ceiling

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

<sup>&</sup>lt;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 <a href="http://www.bls.gov/ppi/home.htm">http://www.bls.gov/ppi/home.htm</a>. 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.

 $<sup>^{3}</sup>$  [191.9-193.9] / 193.9 = -0.010315 + 0.0123 = +0.001985

levels for July 1, 2017, through June 30, 2018, in accordance with 18 CFR § 342.3(d). For guidance in calculating the ceiling levels for each 12 month period beginning January 1, 1995, 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 (<a href="http://www.ferc.gov">http://www.ferc.gov</a>) 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 <a href="FERCOnlineSupport@ferc.gov">FERCOnlineSupport@ferc.gov</a>), or the Public Reference Room at 202-502-8371, TTY 202-502-8659. E-Mail the Public Reference Room at <a href="mailto:public.referenceroom@ferc.gov">public.referenceroom@ferc.gov</a>.

Kimberly D. Bose, Secretary.

 $<sup>^{4}</sup>$ 1 + 0.001985 = 1.001985

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

CURRENT TARIFF NO.	ORIGIN	DESTINATION	Incentive	CURRENT CEILING	CURRENT RATE	INDEX %	INDEX CEILING	NEW RATE	REF	Comment	NEW TARIF NO.
KCC 3.4.0	Truck Receipt (Injection Fee)	Item 30		6.05	5.00	1.001985	6.06	5.00	U	in rate tariffs	No Change
KCC 3.4.0	Intrasystem Xfer (1 time charge)	Item 110		241.85	200.00	1.001985	242.33	200 00	U	flat rate	No Change
KCC 5.11.0	Wolf Station, Kearny Co.	Eubanks Station, Haskell Co.		44.74	44.74	1.001985	44.83	44.83	1		5.12.0
KCC 5.11.0	Santana Station, Haskell Co.	Eubanks Station, Haskell Co.		22.59	22.59	1.001985	22.63	Cancel	С	Line has been purged	5.12,0
KCC 5.11.0	Gugler, Trego Co.	Schurr / Jayhawk Pipeline		105,68	63.04	1.001985	105.89	63.17	1		5.12.0
KCC 5 11 0	Carmichael, Ellis Co.	Schurr / Jayhawk Pipeline		37.39	37.39	1.001985	37.46	37.46	I		5.12.0
KCC 5,11,0	Fairport, Russell Co.	Schurr / Jayhawk Pipeline		37,39	37.39	1.001985	37.46	37.46	1		5.12.0
KCC 5.11.0	Gorham, Russell Co.	Schurr / Jayhawk Pipeline		37.39	37.39	1.001985	37.46	37.46	1		5.12.0
KCC 5.11.0	Bushton, Ellsworth Co.	Schurt / Jayhawk Pipeline		37.39	37.39	1.001985	37.46	37.46	1		5.12.0
KCC 5.11.0	Salem, Stafford Co.	Schurr / Jayhawk Pipeline		12.99	12.99	1.001985	13.02	Cancel	С	Line has been purged	5.12.0
KCC 5.11.0	Schmeidler, Ellis Co.	Schurr / Jayhawk Pipeline		61.77	61.77	1.001985	61.89	61.89	1		5.12.0
KCC 5 11 0	Wolf Station Gathering			90.95	69.15	1.001985	91.13	69.29	1		5.12.0
KCC 5.11.0	Eubanks Gathering			54.84	54.84	1.001985	54.95	54.95			5.12.0
KCC 5.11.0	Fairport, Russell Co.			58,54	58.54	1.001985	58.66	58.66	1		5.12.0
KCC 5,11.0	Gorham, Russell Co.			58.54	58.54	1.001985	58.66	58.66	1.		5.12.0
KCC 5.11.0	Bushton, Ellsworth Co.			58.54	58.54	1.001985	58,66	58.66	1		5 12.0
KCC 5.11.0	Schurr, Rice Co.			58.54	58.54	1.001985	58 66	58.66	1		5,12,0
KCC 5,11,0	Truck Unloading			9.76	9.76	1.001985	9,78	9.78	1		5.12.0
KCC 5.11.0	Pump Over			9.76	9.76	1.001985	9.78	9.78	1		5.12.0

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<sup>[</sup>C] Cancel [U] Unchanged rate [I] Increase