

# BRACEWELL

October 17, 2024

## Oil Pipeline Tariff Filing Special Permission Requested

Ms. Debbie-Anne A. Reese  
Acting Secretary  
Federal Energy Regulatory Commission  
888 First Street NE  
Washington, D.C. 20426

Re: *Paline Pipeline Company, LLC*, Docket No. IS25-\_\_\_\_-000  
Index-Based Ceiling and Rate Adjustments

Dear Acting Secretary Reese:

In accordance with the requirements of the Interstate Commerce Act (“ICA”) and the Rules and Regulations of the Federal Energy Regulatory Commission (“FERC” or the “Commission”), in particular Section 342.3, 18 C.F.R. § 342.3 (2024) (Indexing), and in accordance with the Commission’s Order Reinstating Index Level issued on September 17, 2024,<sup>1</sup> Paline Pipeline Company, LLC (“Paline”) submits for filing the following tariffs, to be effective November 1, 2024, on 14 days’ notice:

FERC No. 1.20.0, canceling FERC No. 1.19.0 (Docket No. IS24-582-000)  
FERC No. 2.20.0, canceling FERC No. 2.19.2 (Docket No. IS24-582-002)

Paline is submitting FERC Nos. 1.20.0 and 2.20.0 to increase certain of its shipper rates for service. Paline is modifying certain of its service rates in accordance with the tariff rate indexing provisions of 18 C.F.R. § 342.3. The new tariff rates are equal to the corresponding new ceiling levels calculated in accordance with 18 C.F.R. § 342.3(d) using the revised index multipliers going back to July 1, 2021, that are set forth in the 2024 Revised Index Order.<sup>2</sup> As shown on Schedule A, the current rates reflected in FERC Nos. 1.19.0 and 2.19.2 are below the newly recomputed ceiling levels set by the Commission and certain of those rates are accordingly increased to equal the recomputed ceiling levels, as reflected in proposed FERC Nos. 1.20.0 and 2.20.0.

In accordance with the requirements of 18 C.F.R. § 342.3(b) and the 2024 Revised Index Order, Schedule A sets forth the proposed new rates, the existing rates, the recomputed ceiling levels for each index year since July 1, 2021, and the recomputed ceiling level for the current index year.

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<sup>1</sup> *Five-Year Review of the Oil Pipeline Index*, 188 FERC ¶ 61,173 (2024) (“2024 Revised Index Order”).

<sup>2</sup> *See id.* at P 1.

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Pursuant to 18 C.F.R. § 341.14 (Special Permission), Paline respectfully requests waiver under Section 6(3) of the ICA to file FERC Nos. 1.20.0 and 2.20.0 on less than thirty (30) days' notice, so that they may become effective on November 1, 2024. Paline respectfully submits that the 2024 Revised Index Order expressly indicated that pipelines may request special permission to waive the thirty (30) day notice requirement. Paline submits that good cause exists for granting a waiver because doing so will allow Paline to implement the revised index ceiling levels and rates, which have been calculated in accordance with the Commission's 2024 Revised Index Order, as soon as possible. Paline acknowledges that the above-referenced tariff is conditionally accepted, subject to refund, pending a thirty (30) day review period.

Pursuant to 18 C.F.R. § 343.3 (Filing of Protests and Responses), Paline requests that any protest of this filing be emailed at the time the protest is filed to [george.fatula@bracewell.com](mailto:george.fatula@bracewell.com).

I hereby certify that on or before this date one copy of the publication listed herein and this transmittal has been sent to each subscriber thereto by means of transmission agreed upon in writing by the subscriber. Any communications concerning this filing should be addressed to the undersigned at the email address or telephone number indicated below.

Respectfully submitted,

**/s/ George D. Fatula** \_\_\_\_\_

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*Counsel for Paline Pipeline Company, LLC*

Enclosure

**Schedule A**

**Paline Pipeline Company, LLC**

Calculation of Change in Maximum Ceiling Rates and Proposed Rates under 18 C.F.R. § 342.3

*All ceiling levels and rates shown in cents/bbl*

| <u>Previous<br/>Tariff #</u> | <u>New<br/>Tariff #</u> | <u>Origin(s)</u>                                    | <u>Destination(s)</u>                                | <u>Ceiling Level<br/>6/30/21<sup>3</sup><br/>in Cents/Bbl</u> | <u>Recomputed<br/>Ceiling Level<br/>7/1/21-<br/>6/30/22<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>0.994188 | <u>Recomputed<br/>Ceiling Level<br/>7/1/22-<br/>6/30/23<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>1.097007 | <u>Recomputed<br/>Ceiling Level<br/>7/1/23-<br/>6/30/24<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>1.143094 | <u>Recomputed<br/>Ceiling Level<br/>7/1/24-<br/>6/30/25<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>1.022547 | <u>Current Rate in<br/>Cents/Bbl</u> | <u>Proposed Rate<br/>in Cents/Bbl<br/>Effective<br/>11/1/24</u> |
|------------------------------|-------------------------|---|--|---|---|---|---|---|--------------------------------------|---|
| FERC No.<br>1.19.0           | FERC No.<br>1.20.0      | Hanks Station,<br>Kilgore, TX                       | Mid-Valley<br>Pipeline Terminal,<br>Longview, TX     | 14.88   | 14.79   | 16.22   | 18.54   | 18.96   | 18.28                                | 18.96   |
| FERC No.<br>1.19.0           | FERC No.<br>1.20.0      | La Gloria Station,<br>Longview, TX                  | Mid-Valley<br>Pipeline Terminal,<br>Longview, TX     | 15.19   | 15.10   | 16.56   | 18.93   | 19.36   | 18.64                                | 19.36   |
| FERC No.<br>1.19.0           | FERC No.<br>1.20.0      | La Gloria Station,<br>Longview, TX                  | Exxon Northline<br>Tie-In, Longview,<br>TX           | 11.68   | 11.61   | 12.74   | 14.56   | 14.89   | 14.34                                | 14.89   |
| FERC No.<br>1.19.0           | FERC No.<br>1.20.0      | La Gloria Station,<br>Longview, TX                  | Plains Marketing<br>Interconnection,<br>Longview, TX | 11.68   | 11.61   | 12.74   | 14.56   | 14.89   | 14.34                                | 14.89   |
| FERC No.<br>2.19.2           | FERC No.<br>2.20.0      | Hanks Station,<br>Kilgore, TX<br>Or<br>Longview, TX | Nederland, TX  | 166.98  | 166.01  | 182.11  | 208.17  | 212.86  | 205.04                               | 212.86  |

<sup>3</sup> The ceiling level for the index year ending June 30, 2021, was established in Docket No. IS20-631-000 for the rates in FERC No. 1.19.0. For the rate to Nederland, TX in FERC No. 2.19.2, the ceiling level for the index year ending June 30, 2021, was established in Docket No. IS21-617-000. For the rates to Jefferson Southern Star Pipeline LLC Interconnection, Beaumont, TX in FERC No. 2.19.2, the route and rates were first established during the index year ending June 30, 2021, with the initial uncommitted rate appearing here as the ceiling level for that year.

| <u>Previous<br/>Tariff #</u> | <u>New<br/>Tariff #</u> | <u>Origin(s)</u>                                    | <u>Destination(s)</u>  | <u>Ceiling Level<br/>6/30/21<sup>3</sup><br/>in Cents/Bbl</u> | <u>Recomputed<br/>Ceiling Level<br/>7/1/21-<br/>6/30/22<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>0.994188 | <u>Recomputed<br/>Ceiling Level<br/>7/1/22-<br/>6/30/23<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>1.097007 | <u>Recomputed<br/>Ceiling Level<br/>7/1/23-<br/>6/30/24<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>1.143094 | <u>Recomputed<br/>Ceiling Level<br/>7/1/24-<br/>6/30/25<br/>in Cents/Bbl</u><br><br>PPI-FG +<br>0.78% Index<br>multiplier =<br>1.022547 | <u>Current Rate in<br/>Cents/Bbl</u> | <u>Proposed Rate<br/>in Cents/Bbl<br/>Effective<br/>11/1/24</u> |
|------------------------------|-------------------------|---|--|---|---|---|---|---|--------------------------------------|---|
| FERC No.<br>2.19.2           | FERC No.<br>2.20.0      | Hanks Station,<br>Kilgore, TX<br>Or<br>Longview, TX | Jefferson<br>Southern Star<br>Pipeline LLC<br>Interconnection,<br>Beaumont, TX | 162.68  | 161.73  | 177.42  | 202.81  | 207.38  | 199.75<br>(uncommitted)              | 207.38<br>(uncommitted)   |
|                              |                         |   |  |   |   |   |   |   | 84.99<br>(volume<br>incentive)       | 84.99<br>(volume<br>incentive)                                  |