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August 7, 2009

**FILING CONTAINS CONFIDENTIAL INFORMATION**

**Via Hand Delivery**

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: Docket Nos. IS07-75-000, et al. – Refund Report**

Dear Secretary Bose:

Enclosed for filing in the above captioned dockets are the original and fourteen copies of the refund report of ConocoPhillips Transportation Alaska, Inc. (“CPTAI”). CPTAI submits the following items in support of this report:

- The instant transmittal letter, which describes how the refunds were calculated;
- Attachment A, which provides the back-up for the refunds, including interest, for each shipper; and
- A certificate of service to all shippers and subscribers, including all parties in the above dockets.

On April 16, 2009, the Commission issued its Order on Rehearing and Compliance and Establishing Hearing and Settlement Judge Procedures, *BP Pipelines (Alaska) Inc.*, 127 FERC ¶ 61,047 (2009) (“April 16 Order”). The April 16 Order ruled on the January 28, 2009 compliance filing submitted by the Trans Alaska Pipeline System (“TAPS”) Carriers calculating rates for 2007 and 2008 consistent with *BP Pipelines (Alaska) Inc.*, 125 FERC ¶ 61,367 (2008) and the Commission’s Opinion No.

502 methodology established in *BP Pipelines (Alaska) Inc.*, 123 FERC ¶ 61,287 (2008), *order on reh'g*, 125 FERC ¶ 61,215 (2008), *order on reh'g*, 127 FERC ¶ 61,317 (2009).<sup>1</sup>

The April 16 Order held that, because the 2007 compliance filing rate was below the 2004 refund floor, the TAPS Carriers were required to pay refunds for 2007 based on the difference between their filed rates and the 2004 refund floor applicable to each Carrier. *See* April 16 Order at PP 36, 42 and Ordering Paragraph B. Since the 2008 compliance filing rate was above the refund floor, the Commission adopted the 2008 compliance filing rate as an interim rate subject to further investigation and potential additional refund and required the TAPS Carriers to refund the difference between the 2008 filed rate and the 2008 compliance filing rate. *See* April 16 Order at PP 36, 50 and Ordering Paragraphs C and D.

Consistent with the requirements of the April 16 Order, on April 27, 2009, CPTAI filed FERC Tariff No. 15, establishing the 2008 compliance filing rate of \$3.45 as the interim rate effective January 1, 2008. CPTAI began charging the interim rate set forth in FERC Tariff No. 15 beginning May 1, 2009, and on May 18, 2009, CPTAI paid refunds for the period from January 1, 2007 through April 30, 2009, consistent with the April 16 Order.

As shown in the detailed reports contained in Attachment A, CPTAI calculated the amount of refunds for 2007 by multiplying the volume of barrels shipped on CPTAI by the variance between the 2004 refund floor (\$3.09 per barrel) and CPTAI's 2007 filed rate (\$5.29 per barrel). CPTAI calculated refunds for the period from January 1, 2008 through April 30, 2009, by multiplying the volume of barrels shipped by the variance between the interim rate (\$3.45 per barrel) and CPTAI's filed rate during that period (\$4.87 per barrel). Interest on refunds was calculated in accordance with 18 C.F.R. § 340.1(c)(2) and compounded quarterly. The interest rates were taken from the FERC website and are shown in the individual shipper refund detail provided in Attachment A.

Although CPTAI has paid refunds to its shippers as indicated in this report, CPTAI's payments in no way constitute a waiver of its right to seek repayment of such refunds from shippers in amounts as may be determined appropriate after judicial review and potential remand of the April 16 Order; *BP Pipelines (Alaska) Inc.*, 125 FERC ¶ 61,367 (2008); *BP Pipelines (Alaska) Inc.*, 123 FERC ¶ 61,287 (2008); *BP Pipelines (Alaska) Inc.*, 125 FERC ¶ 61,215 (2008); *BP Pipelines (Alaska) Inc.*, 127 FERC ¶ 61,317 (2009) and any subsequent orders affecting CPTAI's ultimate refund liability in the referenced proceedings.

Pursuant to 18 C.F.R. § 388.112, CPTAI hereby requests **CONFIDENTIAL** treatment of certain information contained in this filing. Attachment A contains information regarding refunds paid to individual shippers and which reveal individual shipper volumes and shipping patterns that are Confidential pursuant to Section 15(13) of

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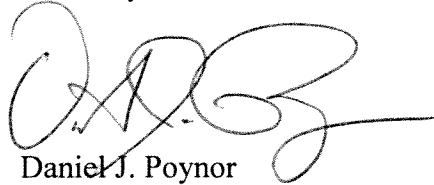
<sup>1</sup> In addition to CPTAI, the TAPS Carriers are BP Pipelines (Alaska) Inc., ExxonMobil Pipeline Company, Koch Alaska Pipeline Company, LLC, and Unocal Pipeline Company.

the Interstate Commerce Act ("ICA"). Thus, CPTAI is filing herewith one copy of the Confidential material and the original and fourteen (14) copies of the public version. Consistent with Section 15(13) of the ICA, each shipper will receive refund data pertinent to its own movements, not those of other shippers.

We have enclosed an extra copy of each of the Public and Confidential versions to be stamped and returned to us for our files.

Thank you for your consideration. If you have any questions, please feel free to give me a call.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Poynor', with a long horizontal flourish extending to the right.

Daniel J. Poynor  
*Counsel for ConocoPhillips  
Transportation Alaska, Inc.*

cc: Service list, subscribers and shippers (w/o confidential information of other shippers).

**ATTACHMENT A**

**CONOCOPHILLIPS TRANSPORTATION ALASKA, INC. REFUND REPORT**

**INDIVIDUAL SHIPPER REFUNDS**

**PUBLIC VERSION**

**(Confidential Materials Redacted)**

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a copy of the foregoing Refund Report with attachments on each person designated on the official service list compiled by the Secretary for this proceeding and on all shippers of ConocoPhillips Transportation Alaska, Inc. For those portions of the report that are confidential, each shipper was only sent its own information.

Dated at Washington, D.C. on this 7<sup>th</sup> day of August, 2009.

*/s/ William E. Flynn*

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