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FEDERAL ENERGY
REGULATORY COMMISSION

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April 13, 2010

BY HAND DELIVERY

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

**OIL PIPELINE FILING
Transmittal No. 20
Special Permission Requested**

**Re: ConocoPhillips Transportation Alaska, Inc. – 2008 TAPS Settlement
Implementation Tariff Filing – Docket No. IS09-384-000**

Dear Ms. Bose:

In accordance with paragraph 3 of the TAPS 2008 Settlement Agreement, which the Commission approved on April 1, 2010, *BP Pipelines (Alaska) Inc.*, 131 FERC ¶ 61,003 at P 4, n.4 (2010), ConocoPhillips Transportation Alaska, Inc. (“CPTAI”) submits an original and three copies of this Settlement Implementation Tariff Filing with the following identification:

<u>Tariff Number</u>	<u>Effective Date</u>
F.E.R.C. No. 17, Supplement No. 1 (Supplements F.E.R.C. No. 17)	May 1, 2010

The TAPS 2008 Settlement Agreement

On December 17, 2009, the parties to the proceedings in Docket Nos. IS07-75-000, *et al.* entered into the TAPS 2008 Settlement Agreement, which established 2008 settlement rates for interstate transportation services on the Trans Alaska Pipeline System (“TAPS”).

As provided in paragraph 3 of the TAPS 2008 Settlement Agreement, CPTAI agreed to file a revised tariff sheet to reduce its currently effective TAPS interstate tariff rate by two cents per barrel, effective on the first day of the calendar month that is no less than 10 days nor more than 41 days after the Settlement Approval Date. As noted, the Commission approved the TAPS 2008 Settlement Agreement on April 1, 2010, and the proposed effective date of the enclosed Settlement Implementation Tariff is May 1, 2010. CPTAI thus requests special permission pursuant to 18 C.F.R. § 341.13 to file this Settlement Implementation Tariff on less than 30 day’s notice. CPTAI respectfully requests waiver of Section 6(3) of the Interstate Commerce Act and

submits that such a waiver is appropriate since this filing implements a Commission-approved settlement and since the settling parties to the TAPS 2008 Settlement Agreement agreed, in paragraph 3, to waive any objection to the filing of this tariff on less than 30 day's notice.

In paragraph 3 of the TAPS 2008 Settlement Agreement, the settling parties also agreed that the Settlement Implementation Tariffs need not be accompanied by a cost-of-service or other justification as provided in the Commission's tariff filing rules for oil pipelines, and that Commission approval of the settlement would be deemed a waiver of any otherwise applicable tariff filing requirements in Parts 341, 342 and 346 of the Commission's Regulations. Paragraph 3 also provided that the settling parties intend that the Settlement Implementation Tariff Filings will be made in the existing 2009 dockets (CPTAI's 2009 Docket is No. IS09-384-000) and will be addressed along with the TAPS 2009 tariffs in FERC Docket Nos. IS09-348-000, *et al.* Further, the settling parties agreed that, other than reducing rates, the Settlement Implementation Tariff Filings are intended to have no effect on the proceedings with respect to the TAPS 2009 tariff filings in Docket Nos. IS09-348-000, *et al.*, and are not intended to affect either the base year or test year for purposes of evaluating the rates at issue or the protests filed in Docket Nos. IS09-348-000, *et al.* Finally, the settling parties agreed that a settling party that protested certain TAPS 2009 tariff filings prior to the date of the Settlement Agreement may protest a Settlement Implementation Tariff Filing solely to preserve its prior protest and to request that the Settlement Implementation Tariff Filing be suspended for a nominal period, subject to refund and further investigation.

Description of the Settlement Implementation Tariff

CPTAI's Settlement Implementation Tariff is Supplement No. 1 to F.E.R.C. No. 17 and is proposed to be effective, as discussed above, on May 1, 2010. This tariff applies to the transportation of petroleum between Prudhoe Bay, Alaska, and Valdez Marine Terminal, Alaska, over CPTAI's share of TAPS capacity. CPTAI's rate currently on file between these origin and destination points on TAPS is \$4.10 per barrel, which the Commission accepted and suspended, subject to refund and the outcome of a hearing, effective July 4, 2009. *BP Pipelines (Alaska) Inc.*, 127 FERC ¶ 61,316 (2009). The proposed rate in Supplement No. 1 to F.E.R.C. No. 17 is \$4.08 per barrel.

As noted in CPTAI's June 3, 2009 Transmittal No. 19, which enclosed CPTAI's currently effective FERC Tariff No. 17, CPTAI's rates have been calculated in accordance with the ratemaking methodology prescribed by the Commission in Opinion No. 502. *BP Pipelines (Alaska) Inc.*, 123 FERC ¶ 61,287 (2008). CPTAI has pending before the U.S. Court of Appeals for the District of Columbia Circuit petitions for review of Opinion No. 502 and the related rehearing orders in Docket Nos. IS05-82-000, *et al.*, as well as the Commission order that applied the Opinion No. 502 methodology to the TAPS Carriers' 2007 and 2008 rates. *BP Pipelines (Alaska) Inc.*, 125 FERC ¶ 61,376 (2008). This filing is submitted without prejudice to CPTAI's positions in its appeals of those proceedings, and nothing in this filing is intended to waive, compromise or withdraw any issues raised in those appeals. In addition, CPTAI reserves all of its rights with respect to this filing in the event that Opinion No. 502 is ultimately modified or vacated as a result of the appeal proceedings.

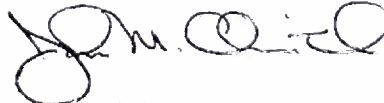
Any questions regarding this tariff should be directed to Luke M. Kiskaddon at (907) 265-6393. Pursuant to 18 C.F.R. § 343.3(a), CPTAI requests that any protest with respect to this filing be served on the following persons by email or fax at the time such protest is filed with the Commission:

Steven H. Brose
Steven Reed
Steptoe & Johnson LLP
1330 Connecticut Avenue, NW
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We certify that we have on or before this day sent copies of the publication listed hereon to all subscribers thereto by U.S. Postal Service (First Class Mail postage prepaid) or via email notification.

This filing is being hand-delivered to FERC. Please acknowledge receipt of this transmittal on the duplicate copy and return to our courier at the time of the filing.

Sincerely,

A handwritten signature in black ink, appearing to read "John M. Christal". The signature is stylized with large, overlapping loops and a long horizontal stroke at the end.

John M. Christal
Business Manager

Enclosures

cc: All Parties
Tariff Subscribers
David Ulevich

CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.

LOCAL PIPELINE TARIFF

Containing
RATES

Governing The Transportation of
CRUDE PETROLEUM

FILED
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2010 APR 13 P 11:43
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Transported by Pipeline from Points in Prudhoe, North Slope Borough, Alaska
TO
City of VALDEZ, ALASKA

This tariff publication implements a Commission-approved settlement and requests waiver of the 30 day's notice pursuant to 18 C.F.R. § 341.13. Carrier will receive Petroleum for transportation through its own pipeline and deliver to marine vessels at its Valdez terminal.

The matter published herein will have no adverse effect on the quality of the human environment.

ISSUED: April 13, 2010

EFFECTIVE: May 1, 2010

ISSUED BY
John M. Christal
Vice-President, Controller & Treasurer
ConocoPhillips Transportation Alaska, Inc.
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COMPILED BY
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