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September 21, 2010

Regulatory Commission of Alaska
701 West Eighth Avenue, Suite 300
Anchorage, Alaska 99501

Subject: Tariff Advice Letter No. TL47-307
Connection Policy

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Dear Commissioners:

On behalf of Kuparuk Transportation Company ("KTC"), the tariff filing described below is transmitted to you for filing in compliance with the Pipeline Act (AS 42.06) and 3 AAC 48.200 — 3 AAC 48.430.

Tariff Sheet Number		Cancels Sheet Number		Schedule or Rule Number
Original	Revised	Original	Revised	
2	2nd	2	1st	Index
4.1	Original			Rules and Regulations

By this filing, KTC requests approval of tariff revisions that set forth KTC's connection policy (Sheet No. 4.1) and update the index of KTC's tariff (Sheet No. 2). KTC requests that the proposed revisions be approved effective October 21, 2010, upon expiration of the 30-day statutory notice period.

Since its inception, KTC's tariff has not expressly addressed connections to KTC's crude oil pipeline system. KTC's recent negotiation of a connection agreement with Eni U.S. Operating Co. Inc. ("Eni") prompted KTC to review the "Revised Connection Package" for Trans Alaska Pipeline System ("TAPS") carriers that was approved by the Commission through Order No. P-97-5(10) (Mar. 6, 2003) and Order No. P-97-5(11) (May 22, 2003). In Order No. P-97-5(10), the Commission ordered the TAPS carriers to file tariff revisions that adopted the applicable connection policy language from the Revised Connection Package ("Model Connection Policy"). *See* Order No. P-97-5(11) at 2. In Tariff Advice Letter Nos. TL94-311, TL108-304, TL84-312, TL91-308, and TL93-301, the TAPS carriers adopted the Model Connection Policy language in tariff revisions and the Commission approved those revisions. *See id.*

In the instant filing, KTC proposes to adopt the language of the Model Connection Policy in its tariff. The text on proposed Sheet No. 4 is substantively identical to the Model Connection Policy language in the approved Revised Connection Package¹ and also to the connection policy language set forth in the TAPS carriers' tariffs. Although it is not a TAPS carrier and was not required to adopt the Model Connection Policy, KTC believes adoption of the Model Connection Policy is reasonable for the following reasons: First, the Commission has already thoroughly reviewed that policy and found it reasonable for North Slope oil pipeline connections. Second, oil received through connections to the KTC system is transported to TAPS Pump Station 1 for further transport. Third, KTC and future connecting parties will benefit from uniformity in connection policies among Alaska oil pipeline carriers.

If Sheet No. 4.1 is approved, the KTC connection policy will apply to any new connections to the KTC pipeline system. Concurrently with the filing of this tariff advice letter, KTC is separately filing an Application for Connection Permit and Temporary Connection Permit and a Request for Approval of Connection Agreement, both of which relate to the proposed connection of Eni's Nikaitchuq crude oil gathering line to KTC's Kuparuk Pipeline. The proposed Eni connection complies with the connection policy proposed on Sheet No. 4.1. Beyond the proposed Eni connection, KTC is not currently aware of any specific future connection requests to which the proposed connection policy would apply. However, pursuant to 3 AAC 48.270(a), KTC states that it currently has nine shippers that could be affected by the tariff revision if and to the extent that they request new connections to the KTC system in the future.

Please direct any questions regarding this filing to the undersigned at (907) 277-1604 or ddt@khe.com.

Sincerely yours,

KEMPPPEL, HUFFMAN AND ELLIS, P.C.
Counsel for Kuparuk Transportation Company



Dean D. Thompson

:tmg

Enclosures

¹ See Revised Connection Package, Tab A, Page 1, Docket P-97-5 (Apr. 7, 2003).

RCA No. 307 . 2nd Revision
Canceling
1st Revision

Sheet No. 2
Sheet No. 2

Kuparuk Transportation Company

KUPARUK TRANSPORTATION COMPANY


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Tariff Advice No. TL47-307

Effective: October 21, 1010

Issued by: Kuparuk Transportation Company

By: 
John M. Christal

Vice President of Kuparuk Pipeline Company,
Title: Managing Partner of Kuparuk Transportation Co.

RCA No. 307 . Original
Canceling

Sheet No. 4.1

Sheet No. _____

Kuparuk Transportation Company

SECTION 2: RULES AND REGULATIONS (CONT.)

CONNECTIONS

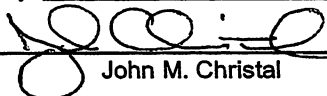
Kuparuk Transportation Company (KTC) will allow connections to its system for the purpose of transporting petroleum that meets the specifications set forth in KTC's tariffs and any other requirements as may apply to such petroleum. Connections must be designed, constructed, and operated in a manner consistent with established criteria, specifications, laws, regulations, state and federal right-of-way agreements and standards of practice as initially determined by KTC or, in the event of dispute, by the Regulatory Commission of Alaska under AS 42.06.310(a). A formal connection agreement must be executed by KTC and the proposed connector, and all necessary permits and required approvals must be issued by the Regulatory Commission of Alaska and any other federal, state, and local regulatory bodies.

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N

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