

# KUPARUK TRANSPORTATION COMPANY LOCAL PIPELINE TARIFF

Containing the  
**QUALITY BANK METHODOLOGY**

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## GENERAL APPLICATION

This tariff shall apply only to those tariffs which specifically incorporate this tariff, supplements to this tariff and successive issues hereof, by reference.

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### NOTICES

[W] This tariff is issued to comply with the Order on Rehearing issued April 24, 1998, by the Federal Energy Regulatory Commission in Docket Nos. OR-2-013 et al. and the Order Changing Effective Date of Use of U.S. Gulf Coast Spot Quote for "Barge" High Sulfur VGO to Value the Gas Oil Component on the Gulf and West Coasts issued April 29, 1998, by the Alaska Public Utilities Commission in Docket Nos. P-89-1 et al.

For rules and regulations other than the Kuparuk Transportation Company Quality Bank Methodology tariff, see F.E.R.C. No. 5, supplements thereto and reissues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

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ISSUED: May 22, 1998

EFFECTIVE: April 14, 1998

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ATTACHMENT 2A

COMPONENT UNIT VALUE PRICING BASIS

**PROPANE (C<sub>3</sub>)**

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Propane.	OPIS's (weekly) Los Angeles delivered spot quote for Propane.

**ISOBUTANE (iC<sub>4</sub>)**

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Isobutane.	OPIS's (weekly) Los Angeles delivered spot quote for Isobutane.

**NORMAL BUTANE (nC<sub>4</sub>)**

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Normal Butane.	OPIS's (weekly) Los Angeles delivered spot quote for Normal Butane.

**LIGHT STRAIGHT RUN (C<sub>5</sub> - 175°F)**

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Natural Non-Warren.	OPIS's (weekly) Bakersfield delivered spot quote for Natural Gasoline.

**NAPHTHA (175° - 350°F)**

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.	Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.

**LIGHT DISTILLATE (350° - 450°F)**

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Jet Kerosene 54 less 0.5082 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Jet Fuel less 0.5082 cents per gallon.

**HEAVY DISTILLATE (450° - 650°F)**

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 2 less 2.0327 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Gasoil less 1.0163 cents per gallon.

**GAS OIL (650° - 1050°F)**

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United States Gulf Coast	United States West Coast
OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.	OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.

**RESID (1050°F and Over)**

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 6 Fuel Oil 3.0% Sulfur less 4.5735 cents per gallon.	Platt's U.S. West Coast spot quote for Pipeline 380 cst at Los Angeles converted to \$/Bbl using 6.37 Bbl/MT less 4.5735 cents per gallon.

Explanation of symbols: [W] Change in wording only