

Kuparuk Transportation Company

Post Office Box 100360
Anchorage, Alaska 99510-0360
Telephone (907) 263-3700

Sandra Pierce
Kuparuk Pipeline Company
Managing Partner
Regulatory Coordinator

Telephone: (907) 265-6316

December 1, 2020

OIL PIPELINE TARIFF FILING

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 1st Street N.E., Room 1-A
Washington, D.C. 20426

Dear Ms. Bose:

Kuparuk Transportation Company (“Kuparuk”) submits the following schedules to be effective January 1, 2021, in compliance with the Interstate Commerce Act and the rules and regulations of the Federal Energy Regulatory Commission (“FERC”).

Tariff Number:

F.E.R.C. No. 17.12.0 (cancels F.E.R.C. No. 17.11.0)

Effective Date:

January 1, 2021

This tariff is issued to revise Kuparuk’s rates, effective January 1, 2021, pursuant to the Kuparuk Settlement Agreement, which was filed with FERC on May 20, 2011, in Docket No. IS10-209-000, and approved by the Commission on August 15, 2011. *See Kuparuk Transportation Company*, 136 FERC ¶ 61,102 (2011).

The Kuparuk Settlement Agreement requires Kuparuk to file by December 1 of each year new interstate rates that are no higher than the applicable maximum rates for interstate transportation under the Kuparuk Settlement Methodology (“KSM”). The KSM is a cost-based rate methodology that establishes rate ceilings based on projections of pipeline costs and throughput subject to true-up to actual costs and throughput levels in future rates once the actual values are known using a “Net Carryover” mechanism. The specific calculations required by the KSM are set forth in the Kuparuk Settlement Agreement that was filed on May 20, 2011, in FERC Docket No. IS10-209-000.

The proposed rates for 2021 calculated pursuant to the KSM are \$0.289 per barrel from the Kuparuk River Unit origin and \$0.213 from the Milne Point origin. The proposed rates represent an increase from the 2020 rates, which were \$0.281 from the Kuparuk River Unit origin and \$0.211 from the Milne Point origin. The increase in rates is primarily because the projected 2021 throughput is lower than the throughput underlying Kuparuk’s existing rates. Lower throughput increases the rates needed to recover the projected 2021 revenue requirement. Projected cost of service for 2021 is expected to be lower than the cost of service underlying Kuparuk’s existing rates. Lower cost of service decreases the rates needed to recover the projected 2021 revenue requirement; however, the net effect of the decreases in throughput and cost of service is an increase in the rates. Pursuant to the Kuparuk Settlement Agreement, the detailed support for the proposed rates, which is confidential, was provided to the parties to the settlement prior to the filing of the rates.

Kuparuk requests that any protests or complaints, which in any way affect this tariff publication, be transmitted concurrent with their filing to the following persons at the contact information shown below:

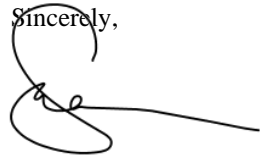
Daniel Poynor
Steptoe & Johnson LLP
dpoynor@steptoe.com
Fax: (202) 429-3902
Phone: (202) 429-6233

Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
December 1, 2020
Page 2

We certify that we have on or before this day notified all subscribers via email which contained the link to our tariff website that contains the updated posted tariffs.

If you have any questions or comments, please contact me at (907) 265-6316.

Sincerely,

A handwritten signature in black ink, appearing to be 'Sandra Pierce', with a long horizontal flourish extending to the right.

Sandra Pierce
Kuparuk Pipeline Company
Managing Partner
Regulatory Coordinator

**KUPARUK TRANSPORTATION COMPANY
LOCAL TARIFF**

Containing

RATES

Governing

THE TRANSPORTATION

of

PETROLEUM

by

PIPELINE

FROM

KUPARUK RIVER UNIT,

AND

MILNE POINT PIPELINE CONNECTION, ALASKA

TO

TRANS ALASKA PIPELINE SYSTEM PUMP STATION NO. 1

GENERAL APPLICATION

The rates for the transportation of Petroleum from the Kuparuk River Unit and the Milne Point Pipeline Connection to the Trans Alaska Pipeline System Pump Station No. 1 are made pursuant to the Kuparuk Settlement Agreement as approved in *Kuparuk Transportation Company*, 136 FERC ¶ 61,102 (2011).

This tariff filing is governed by Kuparuk Transportation Company rules and regulations F.E.R.C. Tariff No. 18.1.0 and quality bank F.E.R.C Tariff 20.1.0 and by supplements thereto or reissues thereof.

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

ISSUED: December 1, 2020

EFFECTIVE: January 1, 2021

ISSUED BY
Frank Feghali
Vice President of Kuparuk Pipeline Company
Managing Partner for
Kuparuk Transportation Company
[W]700 G Street, ANO 1020
Anchorage, AK 99501

COMPILED BY
Sandra Pierce
Tariff Coordinator
Kuparuk Transportation Company
[W]700 G Street, Suite ANO 1024
Anchorage, Alaska 99501
Phone 907-265-6316

RATE TABLE

Transportation rate in dollars and cents per barrel of 42 United States gallons, on the transportation of PETROLEUM in interstate commerce from the established receiving station to the established delivery place at locations named below:

FROM	TO	RATE
POINTS IN ALASKA: KUPARUK RIVER UNIT	TRANS ALASKA PIPELINE SYSTEM PUMP STATION NO. 1	\$0.289 [I]
MILNE POINT PIPELINE CONNECTION		\$0.213 [I]

GATHERING RATE: The above rate covers transportation by trunk line and no gathering service will be performed under this tariff.

EXPLANATION OF REFERENCE MARKS

[I] Increase

[W] Change in wording only