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September 23, 2022

30514-0002

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VIA HAND DELIVERY

RECEIVED

SEP 23 2022

Mr. Brandon M. Frey
 Executive Secretary
 Louisiana Public Service Commission
 602 North 5th Street, 12th Floor
 Baton Rouge, LA 70802

LA Public Service Commission

Re: Crescent Midstream, LLC, Bonefish Pipeline Bi-Directional Tariff Exception –
 LPSC Tariff No. 65.7.

Dear Brandon:

Pursuant to Section 3.C of the Commission's Common Carrier Petroleum Pipeline Rules (General Order dated March 9, 2015, R-33390, the "Pipeline Rules"), Crescent Midstream, LLC ("Crescent") hereby respectfully requests approval of a Tariff Exception to provide bi-directional intrastate crude petroleum transportation service pursuant to an individually negotiated contract with one shipper, Chevron.

The Tariff Exception and contract would be applicable to a new reverse-flow secondary (southbound) transportation service on Crescent's Bonefish Pipeline segment originating at St. James in St. James Parish, Louisiana and terminating at Empire in Plaquemines Parish, Louisiana.

Crescent's Bonefish Pipeline is a 144 mile, multi-diameter pipeline, with a total throughput capacity of approximately 120 thousand barrels per day. See attached map and flow diagram included herewith as **Exhibit A**.

Pursuant to LPSC Tariff No. 65.7 (effective July 1, 2022),¹ LPSC Tariff No. 25.4 (Rules & Regulations) and LPSC Tariff No. 35.2 (Quality Bank Policy), supplements thereto or successive issues thereof, Crescent currently provides primary (northbound) common carrier transportation service on the Bonefish Pipeline originating at Empire in Plaquemines Parish and terminating at St. James in St. James Parish.

Crescent is requesting approval of a Tariff Exception for the proposed new secondary/southbound transportation service from St. James to Empire for a single shipper (Chevron) at this time, while keeping in place the current primary/northbound transportation service from Empire to St. James.

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¹ See Crescent letter to Tammy Burl, dated June 1, 2022.

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provided pursuant to Tariff No. 65.7. Crescent is not requesting any change in rates of Tariff No. 65.7.

The secondary/southbound transportation service proposed to be provided on the Bonefish Pipeline pursuant to Tariff Exception may be subject to apportionment in a given month based on the capacity needed to accommodate the primary/northbound service nominations on the Pipeline pursuant to Tariff No. 65.7. However, there would be no apportionment of primary/northbound service nominations to accommodate secondary/southbound service nominations in any given month. In other words, service provided pursuant to the Tariff Exception would be secondary to the current service provided pursuant to Tariff No. 65.7.

Historically, there has been an excess of capacity on the Bonefish Pipeline and approving the Tariff Exception will promote the utilization of excess capacity on the Pipeline.

Pursuant to Tariff No. 65.7, Crescent is currently providing primary/northbound transportation service on the Bonefish Pipeline to three to five shippers on a month-to-month basis. Other than these recurring shippers, there are no new shippers seeking primary/northbound transportation service on the Bonefish Pipeline at present. Upon approval of the Tariff Exception, the secondary/southbound transportation service will be provided to Chevron pursuant to an individually negotiated contract providing all rates, terms, conditions and renewal options unique to Chevron.

Providing secondary/southbound service on the Bonefish Pipeline pursuant to Tariff Exception and individually negotiated contracts, such as that with Chevron, will allow for the provision of such contracts to meet the unique needs and conditions of the various shippers that may require secondary/southbound transportation services on the Bonefish Pipeline, such as volume based incentive rates that are competitive with alternative transportation services, such as barges. In addition, due to the historically-available excess capacity on the Bonefish Pipeline, approving the Tariff Exception will promote the utilization of underutilized capacity on the Pipeline.

Pursuant to the Commission's Pipeline Rules, Crescent will continue to provide primary/northbound transportation service pursuant to Tariff No. 65.7, supplements thereto or successive issues thereof. With regard to the secondary/southbound transportation service proposed to be provided pursuant to Tariff Exception, Crescent will continue to comply with the requirements of the Pipeline Rules, except those related to tariff and rate filings.

Crescent shall notify the Commission of the addition, deletion or refusal to provide secondary/southbound service to any shipper on the Bonefish Pipeline via Tariff Exception, and of the termination, expiration, or renegotiation of contracts with existing shippers pursuant to Tariff Exception on the Bonefish Pipeline, in compliance with the Pipeline Rules.

Accordingly, pursuant to the Pipeline Rules, Crescent respectfully requests that the Executive Secretary approve a Tariff Exception on the Bonefish Pipeline applicable to Crescent's secondary/southbound transportation service from St. James in St. James Parish to Empire in Plaquemines Parish pursuant to an individually negotiated contract with Chevron; and that Crescent's LPSC Tariff No. 65.7 remain in place and effective, subject to supplements thereto or successive issues thereof, which will continue to be applicable to Crescent's primary/northbound transportation service from Empire in Plaquemines Parish to St. James in St. James Parish.

Crescent respectfully requests that the Commission publish notice of this filing in its September 30, 2022 Bulletin for a 15-day notice period.

Thank you for your courtesies, and please let us know if you have any questions concerning this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul F. Guarisco", with a long, sweeping horizontal line extending to the right.

Paul F. Guarisco

PFG:cd

Cc: David Allison
Tammy Burl