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April 8, 2019

Filed Via Web Portal

Mr. Mark L. Johnson, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

**RE: Electronic Submission of Petition for Approval of Amendment 8 to the Tariff
Settlement Agreement of 2003
Docket No. TO-031973**

Dear Mr. Johnson:

This firm represents Olympic Pipe Line Company, LLC (“Olympic”). Olympic is electronically submitting through the Commission’s web portal a “Petition for Approval of Amendment 8 to the Tariff Settlement Agreement of 2003” (“Petition”) and attached Exhibits. Olympic, and the shipper parties to the Tariff Settlement Agreement are seeking approval from the Commission to modifications to the Agreement.

By way of background, and as described in the filed Petition, Olympic is engaged in the business of transporting petroleum products within and beyond the State of Washington as a common carrier. As further explained in the Petition, in 2003, and to end litigation in various forums, Olympic and two of its largest shippers entered into a Tariff Settlement Agreement (“TSA”) which, among other things, set-forth a methodology for the calculation of rates to all shippers. That TSA was approved by the Commission and the Federal Energy Regulatory Commission in 2003, and has since been modified. The last modification, Amendment 7 to the TSA, was in September 2008, which has approved by the Commission and FERC later that year and has guided rate calculations filed since 2009.

In general, the TSA uses an annual, modified Cost of Service model with retroactive true-ups to calculate the rate setting for the upcoming period. If Olympic over earns or under earns in one period, the difference is rolled into the following year’s tariff. Because of the methodology of the TSA, the rate swings over time have increased, a situation less than ideal for shippers and for

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Olympic. As a result, and as at the request of the shippers, the parties to the TSA have negotiated over several months to modify the TSA. The principal objective of those negotiations was to tweak the rate methodology of the TSA to lessen the rate swings. As a result of those negotiations, the parties have entered into an Amended and Restated Settlement Agreement, which represents the Eighth Amendment to the parties' 2003 TSA. The parties' expectation is that the modified rate methodology will significantly dampen the rate swings of the current version of the TSA.

Please contact me if you have any questions about this filing.

Very truly yours,

A handwritten signature in black ink, appearing to read "Douglas C. Berry". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Douglas C. Berry

Enclosures