

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PETITION OF CATLETTSBURG)	
REFINING, LLC FOR A DEVIATION)	CASE NO. 2003-00011
FROM 49 CFR PART 192 AND)	
807 KAR 5:022)	

O R D E R

Catlettsburg Refining, LLC (CRLLC) has filed a letter with the Commission seeking a deviation from 49 CFR Part 192 and 807 KAR 5:022.

CRLLC owns and operates a refinery located in Catlettsburg, Kentucky. CRLLC is a subsidiary of Marathon Ashland Petroleum LLC, a joint venture between Marathon Oil Company and Ashland Inc. Interstate 64 divides the refinery into two parts: the refinery property and the H-Coal site. CRLLC plans to construct several pipelines across the Interstate 64 right-of-way through an existing tunnel. It is for two of these pipelines, one a natural gas line and the other a hydrogen product pipeline, that CRLLC seeks the waiver and deviation.

CRLLC has requested this deviation to allow it to design and construct the pipeline facilities to refinery piping standards based upon the American Society of Mechanical Engineers B31.3 Piping Code. CRLLC states that these standards are compatible and exceed the standards under the regulations for which it seeks a deviation.

Commission Staff inspected the CRLLC facilities and determined that, although the refinery itself is not jurisdictional to the Commission, the proposed pipeline facility

construction under the Interstate 64 right-of-way may be subject to federal and state pipeline safety regulations.

Pursuant to the provisions of 49 U.S.C.A. § 60118, the state authority, acting under an agreement with the Secretary of Transportation, may waive compliance with a safety standard. Likewise, 807 KAR 5:022, Section 18, authorizes the Commission to grant a waiver of its safety regulations.

The Commission, being otherwise sufficiently advised, HEREBY ORDERS that:

1. A case is established to determine whether the waiver and deviation requested by CRLLC should be granted.

2. A formal hearing is scheduled for January 28, 2003 at 10:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky for the purpose of presenting evidence concerning the requested waiver and deviation of 49 CFR Part 192 and 807 KAR 5:022. According to Kentucky law, corporations or foreign entities are required to be represented by an attorney authorized to practice in the Commonwealth of Kentucky in appearances before the Commission.

Done at Frankfort, Kentucky, this 13th day of January, 2003.

By the Commission

ATTEST:


Executive Director