

**STATE OF ILLINOIS**

**ILLINOIS COMMERCE COMMISSION**

**Enterprise TE Products Pipeline Company LLC** :  
: **12-0424**  
**Application for Certificate of Pipeline Authority for Enterprise TE Products Pipeline Company LLC and Cancellation of the Certificate of TE Products Pipeline Company, Limited Partnership.** :

**ORDER**

**I. INTRODUCTION AND PROCEDURAL HISTORY**

On July 13, 2012, Enterprise TE Products Pipeline Company LLC (“Enterprise” or “Applicant”) filed with the Illinois Commerce Commission (“Commission”) an application for the issuance of a Certificate in Good Standing and the cancellation of the existing certification of TE Products Pipeline Company, Limited Partnership (“TE Products”) pursuant to Section 15-401 of the Public Utilities Act (“Act”), 220 ILCS 5/1-101, et seq. Article XV of the Act, 220 ILCS 5/15-100 et seq., is known as the “Common Carrier by Pipeline Law.”

Pursuant to due notice, a pre-hearing conference was held in this matter before a duly authorized Administrative Law Judge of the Commission at its offices in Chicago, Illinois on August 28, 2012. Counsel for Enterprise and a representative of the Commission Staff (“Staff”) appeared and participated in the hearing. No petitions to intervene were filed. During the pre-hearing conference, Staff stated that having reviewed Enterprise’s responses to a data request, it concluded that it found no reason to dispute Enterprise’s requests and did not deem a full hearing to be necessary. Accordingly, a draft order was submitted by Enterprise which was later revised and resubmitted by Enterprise and Staff as an agreed upon draft order.

**II. STATUTORY PROVISIONS**

Section 15-401(a) of the Act states:

No person shall operate as a common carrier by pipeline unless the person possesses a certificate in good standing authorizing it to operate as a common carrier by pipeline.

Section 15-401(b) of the Act states:

Requirements for issuance. The Commission, after a hearing, shall grant

an application for certificate authorizing operations as a common carrier by pipeline, in whole or in part, to the extent that it finds that the application was properly filed; a public need for the service exists; the applicant is fit, willing, and able to provide the service in compliance with this Act, Commission regulations, and orders; and the public convenience and necessity requires the issuance of the certificate.

### **III. BACKGROUND AND RELIEF REQUESTED**

Enterprise is a Texas Limited Liability Company; its business address is 1100 Louisiana, Suite 1000, Houston, Texas 77002. Enterprise operates as a subsidiary of Enterprise Products Partners L.P. and is controlled by its Sole Manager, Enterprise GP LLC. Enterprise has been admitted to transact business in Illinois by the Illinois Secretary of State and owns pipelines in Illinois. (Application at 1-2).

Specifically, Enterprise owns pipelines used for the transportation of petroleum products in Will, Union, Pope, Johnson, and Massac Counties in Illinois. These pipelines were originally constructed and operated by Trans-Ohio Pipeline Company ("Trans-Ohio"), which was granted certificates of public convenience and necessity authorizing the construction and operation of pipelines for the transportation of petroleum products in Docket Nos. 57824, 59446, and 56618. These pipelines included segments that run (a) from a point near Monee, Illinois to a point near Joliet, Illinois; (b) from a point near Lick Creek, Illinois to Calvert City, Kentucky; (c) from Manhattan, Illinois to a point near Romeoville, Illinois; and (d) from Cape Girardeau, Missouri to Griffin, Indiana. (Application at 2).

By Order of December 16, 1998 in Docket No. 98-0534, the Commission cancelled and annulled the certificates previously granted to Trans-Ohio and issued a Certificate in Good Standing to TE Products. TE Products had acquired all of the assets of Trans-Ohio and was operating the pipelines previously operated by Trans-Ohio. In that Order, the Commission found that TE Products had the requisite financial resources, knowledge, and experience to operate those pipelines in a safe and efficient manner and was otherwise fit, willing, and able to operate the assets to serve a public need for the transportation of petroleum products. (Application at 2-3).

TE Products operated these pipelines until June 30, 2007 when TE Products, a Delaware limited partnership, was converted into a Texas limited partnership under the same name. The Texas limited partnership was then merged with and into TE Products Pipeline Company, LLC on the same day. Then on March 25, 2010, TE Products Pipeline Company, LLC changed its name to Enterprise TE Products Pipeline Company LLC. Thus, Enterprise has been operating the pipelines since June 30, 2007, first under the name TE Products Pipeline Company, LLC and subsequently under its current name, Enterprise TE Products Pipeline Company LLC. Through oversight, when Enterprise acquired the pipelines formerly operated by TE Products, it failed to seek a certificate from the Commission to authorize its assumption of the responsibility for operating and maintaining the pipelines. (Application at 3).

In the instant proceeding, Enterprise seeks a Certificate in Good Standing pursuant to Section 15-401 of the Act authorizing Enterprise to continue the operation of the pipelines previously certificated to TE Products and the cancellation of the certificate previously granted to TE Products. Applicant states that its operation of these pipelines will be consistent in all respects with their operation by TE Products. Furthermore, no new facilities are planned other than as may be required for the maintenance, repair, and replacement of facilities currently installed. There will be no acquisition of right-of-way, no new construction, and no significant changes in the manner in which the pipelines are being operated. The Commission's granting of a certificate will not result in any additional environmental impact or impact on traffic safety, road construction, other transportation issues, conservation areas, forest preserves, wildlife preserves, wetlands, other natural resources, or property values. The pipelines will continue to serve the people of Illinois and will satisfy the public need for common carrier transportation of petroleum products. (Application at 3-4).

#### **IV. FIT, WILLING, AND ABLE**

Enterprise presented evidence intended to show that it is "fit, willing, and able to provide the service in compliance with the Act, Commission regulations and orders" within the meaning of Section 15-401(b) of the Act. No intervenors contend otherwise, and Staff's position is that Enterprise is fit, willing, and able to operate the pipelines.

Enterprise owns and operates a 4,300-mile pipeline system that runs through twelve states. Two parallel pipelines extend from the Texas Gulf Coast to a terminal near Lick Creek, Illinois and then to Seymour, Indiana, providing storage and delivery services for both refined petroleum branches north into Will County, Illinois to a point near Monee, Illinois. From Monee, a 6-inch pipeline runs westward through Manhattan to a point near Joliet, Illinois. From Manhattan, a 6-inch pipeline branches northward to a point near Romeoville, Illinois. Enterprise's operating revenues during 2010 exceeded \$305 million, its income exceeded \$50 million, and its total assets exceeded \$808 million. (Application at 4).

#### **V. PUBLIC NEED/PUBLIC CONVENIENCE AND NECESSITY**

Furthermore, Enterprise presented evidence that there is a public need for the services that its pipelines provide. In Docket No. 98-0543, the Commission found that such a need exists, and that public need continues. (Application at 4).

#### **VI. COMMISSION ANALYSIS AND CONCLUSIONS**

Based on its review of the record, the Commission concludes that Enterprise has met all of the requirements of Section 15-401 of the Act for issuance of the requested Certificate in Good Standing. The Commission finds that the application was properly filed; a public need exists for the continuation of the transportation services provided by the pipelines; and Enterprise is fit, willing, and able to provide the proposed services through the pipelines in compliance with the Act, Commission regulations, and orders.

The Commission concludes that the information provided in Enterprise's application demonstrates that it possesses the managerial, technical, and financial capabilities to operate the pipeline in a safe and reliable manner and in accordance with the applicable laws and regulations. Therefore, based on the foregoing, the Commission also finds that the public convenience and necessity requires issuance of the requested Certificate in Good Standing to Applicant to operate as a common carrier by pipeline.

Additionally, the Commission finds that Enterprise properly requested that the certificate issued to TE Products in Docket No. 98-0534 be cancelled and withdrawn, and therefore that in light of issuance of the Certificate in Good Standing to Enterprise, the certificate issued to TE Products should be cancelled and withdrawn.

## **VII. FINDINGS AND ORDERING PARAGRAPHS**

The Commission, having considered the entire record, is of the opinion and finds that:

- (1) Enterprise is a Texas Limited Liability Company authorized to conduct business in the State of Illinois;
- (2) the Commission has jurisdiction over the parties hereto and the subject matter hereof;
- (3) the recitals of fact and conclusions reached in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact;
- (4) within the meaning of Section 15-401(b) of the Act, the application was properly filed; there is a public need for the services provided by the pipelines identified herein; the Applicant is fit, willing, and able to provide service in compliance with this Act, Commission regulations, and orders; and the public convenience and necessity require issuance of a Certificate in Good Standing to the extent approved herein; accordingly, a Certificate in Good Standing authorizing Applicant to operate as a common carrier by pipeline should be granted;
- (5) in reaching its conclusions in this proceeding, the Commission has considered all evidence presented including that enumerated in Section 15-401(b) of the Act;
- (6) the authority to operate the identified pipelines shall be subject to the conditions imposed in the prefatory portion of this Order;
- (7) Applicant shall comply with Article XV of the Act; and
- (8) the certificate issued in Docket No. 98-0534 to TE Products, the predecessor in interest to Enterprise, should be cancelled and withdrawn.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that Enterprise TE Products Pipeline Company LLC should be, and is hereby, granted a Certificate in Good Standing pursuant to Section 15-401 of the Public Utilities Act to operate as a common carrier by pipeline and the certificate previously issued to TE Products Pipeline Company, Limited Partnership is hereby cancelled.

IT IS FURTHER ORDERED that the Certificate in Good Standing herein granted shall be the following:

**CERTIFICATE IN GOOD STANDING**

IT IS HEREBY CERTIFIED, subject to the conditions imposed in this Order, that Enterprise TE Products Pipeline Company LLC is authorized, pursuant to Section 15-401 of the Public Utilities Act, to operate and maintain the pipelines as described in this Order and to operate as a common carrier by pipeline.

IT IS FURTHER ORDERED that Enterprise TE Products Pipeline Company LLC is required to comply with Findings (6) and (7) above, and other conditions set forth in this Order.

IT IS FURTHER ORDERED that the certificate previously issued to TE Products Pipeline Company, Limited Partnership in Docket No. 98-0534 is hereby cancelled.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By order of the Commission this 20<sup>th</sup> day of November, 2012.

(SIGNED) DOUGLAS P. SCOTT

CHAIRMAN