



U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs

For Release: April 12, 2004
Release #: 3072

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**MMS to Explore Potential Pipeline Authority
Public Meetings Announced In Federal Register**

A recent court order determined that the Federal Energy Regulatory Commission (FERC) did not have authority to require data submittals for certain natural gas pipelines in the Outer Continental Shelf (OCS) and indicated the Interior Department may be the most appropriate federal regulator of pipeline access.

Based on that court order, today the Department of the Interior's Minerals Management Service (MMS) published an advance notice of proposed rulemaking in the *Federal Register*. The notice requests comments and announces a series of public meetings designed to gain public input on the bureau's potential implementation of pipeline authority for oil and natural gas.

The MMS is exploring the authority to ensure open and non-discriminatory access to oil and gas pipelines, and is interested in hearing from the public on the "open and non-discriminatory access" provisions of the Outer Continental Shelf Lands Act (OCSLA) and the Department's responsibilities.

The MMS is now seeking public comments to better determine its role in regulating oil and natural gas pipelines under its OCSLA authority.

Companies engaged in the activity of moving oil and natural gas production on the Outer Continental Shelf may still be subject to the FERC's jurisdiction. However, if the FERC declares that a company's facilities perform a "gathering" function rather than a "transportation" function, then the facilities are exempt from the FERC's jurisdiction under the Natural Gas Act. As such, the FERC will not impose its ratemaking authorities (tariff calculation guidelines) on that facility. Ensuring open and nondiscriminatory access to these gathering pipelines may then fall to the MMS.

Given this authority, the MMS encourages the public and other interested parties to provide comments and participate in the planned public meetings in order to define changes to MMS programs and regulations. The advanced notice of proposed rulemaking gives the public an opportunity to provide input to the MMS regarding what actions or processes the Secretary should initiate to assure those responsibilities are met.

In addition, MMS is interested in circumstances under which a service provider would deny service to a shipper and is soliciting comments from any party that feels they have been denied open and non-discriminatory access to pipelines on the OCS, as well as suggestions for actions that could have been taken to prevent this from happening.

The public meetings will be held on the following dates at these specific locations:

April 27, 2004 9:00 a.m. Public Meeting
Hotel Intercontinental
2222 West Loop South
Houston, TX

May 11, 2004 9:00 a.m. Public Meeting

DOI Yates Auditorium
1849 C. Street N.W.
Washington, DC

May 14, 2004 9:00 a.m. Public Meeting
MMS Room 111
1201 Elmwood Park Blvd
New Orleans, LA

More information is available in the Federal Register notice available online:

<http://a257.g.akamaitech.net/7/257/2422/14mar20010800/edocket.access.gpo.gov/2004/04-8247.htm>

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas, and other mineral resources on the Outer Continental Shelf in Federal offshore waters. The agency also collects, accounts for, and disburses mineral revenues from Federal and American Indian lands. Between 1982 and 2003, MMS distributed more than \$135 billion in revenues from onshore and offshore lands, an average of more than \$6 billion per year, to the Nation, States and American Indians. Nearly \$1 billion from those revenues go into the Land and Water Conservation Fund annually for the development of State and Federal park and recreation lands.

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