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MMS Wraps Up Series of Public Meetings on Pipeline Authority

The Minerals Management Service wrapped up the last of three public meetings in its effort to gather public comments on how the MMS should implement its delegated authority under the Outer Continental Shelf Lands Act to ensure open and non-discriminatory access to gas and oil pipelines. MMS held meetings in Houston, Washington, D.C., with the final meeting in New Orleans May 14.

According to George Triebisch, MMS Associate Director for Policy and Management Improvement, "The public meetings provided enlightened discussion on numerous topics from industry representatives (producers and pipelines), the general public and other groups on the bureau's responsibility." Triebisch also said, the MMS will be posting written summaries of the meeting comments on its webpage in the near future.

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.

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.

The MMS will be accepting written comments until June 11. For more information see the Federal Register notice:

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

Following the receipt of written comments, the MMS will decide on the appropriate next steps.

MMS, part of the Department of the Interior, manages the nation's oil, natural gas, and other mineral resources on the OCS 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.

MMS: Securing Ocean Energy and Economic Value for America