

FERC and the Pipelines: Making Growth Work

David D'Alessandro¹

Abstract

The increasing production of crude oil in Canada, North Dakota, and Wyoming demands construction of new pipelines and expansion of existing pipelines to transport oil to refineries in the United States. This presentation will focus on policies of the Federal Energy Regulatory Commission designed to encourage pipeline construction and expansion.

Pipeline developers, shippers and owners of refineries will learn about ways a pipeline tariff rate can be structured such that adequate revenue streams are provided for new construction—without requiring cross-subsidies from existing shippers. The audience will gather a greater understanding of FERC policies governing the prorationing of capacity—policies triggered when the existing capacity of a pipeline is not adequate to serve all demands. The discussion on prorationing will also include the role that railroads play in moving crude oil to market.

¹*Stinson Leonard Street, LLP*

David D'Alessandro began his career in energy law at the Federal Energy Regulatory Commission from 1977 to 1981, where he was the Deputy Assistant General Counsel for the Oil and Gas Pipeline Section of the General Counsel's Office. Since 1981, Dave has been in private practice representing clients in FERC oil and gas pipeline and electric transmission proceedings. Dave served as President of the Energy Bar Association in 1998 and currently serves as Managing Partner of the Washington, D.C. office of Stinson Leonard Street, where Dave has been a partner since 1990. Dave also serves as Co-Chair of Stinson Leonard Street's Oil and Gas Practice Group which includes members located in the firm's offices in Bismarck, Denver, Minneapolis, Kansas City, and Wichita.