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AOPL APPLAUDS NEW FERC INDEX LEVEL

WASHINGTON, DC –Today, the Association of Oil Pipe Lines (AOPL) released the following statement regarding today's action by the Federal Energy Regulatory Commission (FERC) to establish a new index level to calculate annual changes for interstate oil pipeline rate ceilings for July 1, 2021 through June 30, 2026.

"AOPL applauds FERC for issuing an oil pipeline rate index order that reasonably reflects the actual cost change experience of the oil pipeline industry, as required by FERC and court precedent. While the new index will be lower than in any of the past ten years, producing lower adjustments to tariff rates over the next five years, the rate index level set by FERC is the right outcome for this data-driven exercise," said Andy Black, President & CEO of AOPL.

As described by FERC in a statement today, after concluding its fifth five-year review of the index under Order No. 561, FERC set the new index level of Producer Price Index for Finished Goods plus 0.78 percent (PPI-FG+0.78%) for the five-year period from July 1, 2021, to June 30, 2026. The Commission adopted the new index level after reviewing comments responding to a Notice of Inquiry (NOI) issued June 18, 2020, and the page 700 data from FERC Form No. 6, Annual Report of Oil Pipeline Companies.

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