

February 12, 2008

DECISION AND ORDER
OF THE DEPARTMENT OF ENERGY

Supplemental Order

Name of Petitioner: Crude Oil Supplemental Refund Distribution

Date of Filing: February 8, 2007

Case Numbers: RB272-10179

This decision grants supplemental crude oil refunds. The names of the recipients and the amount of the refunds are listed in the Appendix to this decision.

This supplemental refund decision concerns the crude oil overcharge refund proceeding. Pursuant to the long-standing policy of the Department of Energy (DOE), thousands of purchasers of petroleum products have applied for, and been granted, refunds from crude oil overcharge funds under the jurisdiction of the DOE's Office of Hearings and Appeals (OHA). *See* Modified Statement of Restitutionary Policy In Crude Oil Cases, 51 Fed. Reg. 27899 (August 4, 1986). The standards for considering Applications for Refund from these crude oil funds are set forth at 10 C.F.R. Part 205, Subpart V. The deadline for applications in the crude oil proceeding was June 30, 1995.

The OHA has approved more than 87,000 crude oil overcharge refund applications. A claimant is generally eligible for a refund equal to the number of gallons of eligible refined petroleum products it purchased during the period August 19, 1973 through January 27, 1981, multiplied by a per gallon refund amount. That per gallon refund amount, also referred to as the volumetric, is derived by dividing the total refund monies available by the total U.S. consumption of petroleum products during the crude oil price control period. Originally, the DOE calculated refunds at a \$0.0002 per gallon volumetric. In 1989, the DOE increased the volumetric to \$0.0008 per gallon, and applicants paid at the lower \$0.0002 per gallon rate were eligible for a \$0.0006 per gallon supplemental payment. *See* Crude Oil Supplemental Refund Distribution, 18 DOE ¶ 85,878 (1989). In 1995, the DOE increased the volumetric to \$0.0016 per gallon, and applicants paid at the lower \$0.0008 per gallon rate were eligible for a \$0.0008 per gallon supplemental payment.

On January 13, 2006, the DOE announced that applicants paid at the lower \$0.0016 per gallon rate were eligible for an additional \$0.000695389 per gallon supplemental refund. 71 Fed. Reg. 2195 (January 13, 2006). In order to receive this supplemental refund check, applicants were required to verify that their name and address in our records was correct, to correct any information that was not accurate, and to verify whether the refund

could not be paid to the original applicant for any reason, e.g., due to death, divorce, bankruptcy or dissolution of a business.

On August 20, 2007, the DOE announced that a final additional \$0.000083748502302897 per gallon refund would be paid to all applicants who had been found eligible for the \$0.000695389 per gallon supplemental refund announced on January 13, 2006. 72 Fed. Reg. 46461 (August 20, 2007). We have not yet ordered the payment of the \$0.000695389 per gallon supplemental refund to the applicants listed in the Appendix to this decision. Therefore, the applicants are eligible for a supplemental refund of \$0.000779137502302897 per gallon.

These applicants were also eligible to receive a \$0.0008 per gallon supplemental payment beginning in 1995, but did not submit the required information by the January 31, 2000 deadline for requesting that refund. However, when we announced the January 31, 2000 deadline we stated that “[s]mall refund recipients continue to have the option of requesting a supplemental refund until the conclusion of the crude oil overcharge refund proceeding,” as we only mailed notice of the deadline to larger refund recipients. Announcement of Final Deadline to Request Supplemental Crude Oil Overcharge. 64 Fed. Reg. 19998 (April 23, 1999). Therefore, the refunds approved in this decision are calculated by multiplying the number of gallons of eligible refined petroleum products purchased by the claimants by \$0.001579137502302897 (the current \$0.000779137502302897 per gallon refund to which it is eligible, plus the \$0.0008 not previously received by the claimant). Refunds are rounded to the nearest dollar.

It Is Therefore Ordered That:

- (1) The Director of Special Accounts and Payroll, Office of Departmental Accounting and Financial Systems Development, Office of the Controller of the Department of Energy shall take appropriate action to disburse the supplemental refunds set forth in the Appendix to this Order.
- (2) The funds shall be disbursed from the escrow fund denominated Crude Tracking-Claimants 4, Account No. 999DOE010Z, maintained at the Department of the Treasury.
- (3) Applicants shall notify the Office of Hearings and Appeals in the event that there is a change of address, or if an address correction is necessary. Such notification shall be sent to:

Director of Management Information
Office of Hearings and Appeals
Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585-0107
- (4) Any conditions imposed that applied to an applicant's receipt of the initial crude oil refund shall also apply to that applicant's receipt of this supplemental refund.

(5) The determinations made in this Decision and Order are based upon the presumed validity of the statements and documentary material submitted by the applicants. This Decision and Order may be revoked or modified at any time upon a determination that the basis underlying a refund application is incorrect.

(6) This is a final Order of the Department of Energy.

Poli A. Marmolejos
Director
Office of Hearings and Appeals

Date: February 12, 2008

Appendix - Supplemental Refund Case No. RB272-10179

| Case No. | Firm | Volume | Refund |
|-----------------|---------------------|----------------|-----------------|
| RF272-11209 | JAMES LINN FARM | 51,855 | \$82.00 |
| RF272-56844 | CITY OF ALTA | 60,000 | \$95.00 |
| Totals | 2 Applicants | 111,855 | \$177.00 |