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August 13, 2003

VIA HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001



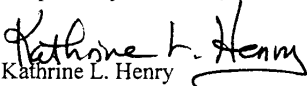
Re: STB Docket No. 42081
Dyno Nobel, Inc. v. Kaneb Pipe Line Partners, L.P.

Dear Secretary Williams:

Enclosed for filing in the above-referenced proceeding please find an original and ten copies of the Opposition of Kaneb Pipe Line Partners, L.P. and Kaneb Pipe Line Operating Partnership, L.P. to Petition to Intervene.

Please date stamp the extra copy of this cover letter and the filing and return them to our messenger. Thank you for your assistance.

Respectfully submitted,


Kathrine L. Henry
An Attorney for Kaneb Pipe Line Partners, L.P.
and Kaneb Pipe Line Operating Partnership, L.P.

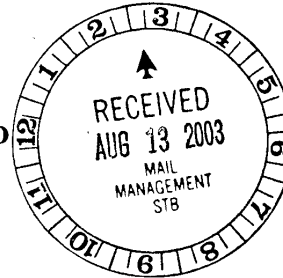
Enclosure
cc: Parties of Record
Mitchell F. Hertz

ENTERED
Office of Proceedings

AUG 13 2003

Part of
Public Record

UNITED STATES OF AMERICA
BEFORE THE
SURFACE TRANSPORTATION BOARD



DYNO NOBEL, INC.)
)
Complainant)
)
v.)
)
KANEB PIPE LINE PARTNERS, L.P.,)
)
Defendant)

Docket No. 42081

ENTERED
Office of Proceedings
AUG 13 2003
Part of
Public Record

**OPPOSITION OF KANEB PIPE LINE PARTNERS, L.P. AND
KANEB PIPE LINE OPERATING PARTNERSHIP, L.P. TO
PETITION TO INTERVENE**

Pursuant to 49 C.F.R. § 1104.13 (2002), Defendants Kaneb Pipe Line Partners, L.P. and Kaneb Pipe Line Operating Partnership, L.P. (collectively "Kaneb") herewith respectfully submit their opposition to the August 1, 2003 petition of CF Industries, Inc. ("CF Industries") to intervene in the above-docketed matter.

CF Industries should not be allowed to intervene in this proceeding. CF Industries' petition was filed pursuant to 49 C.F.R. § 1112.4, which governs petitions to intervene under modified procedures. Dyno Nobel has not requested, nor has the Board ordered on its own initiative, that this case be heard under modified procedures. Therefore, the provision of the Board's Rules cited by CF Industries is not applicable herein, and the petition to intervene should be denied.

In addition, CF Industries states in its petition that it has an interest in this proceeding because it is a shipper, has a rate prescription in effect and is subject to higher rates on the Kaneb pipeline. CF Industries further states that it agrees with the contention of complainant, Dyno Nobel, Inc. (“Dyno Nobel”), in this proceeding that Kaneb cannot change the rate prescription in effect without prior Board approval.

CF Industries filed its own complaint against Kaneb on August 1, 2003, in Docket No. 42084, in which it raised as its sole allegation that Kaneb cannot change the rate prescription in effect without prior Board approval. Thus, because CF Industries has filed its own complaint, its interests are fully protected in its own case, and there is no need for CF Industries to intervene in this proceeding.

In addition, Dyno Nobel has alleged the rate prescription claim as only a small part of one count in its complaint. Dyno Nobel’s complaint is based principally on its claims that Kaneb’s April 1, 2003 rate increase at the Louisiana, Missouri (LOMO) delivery point violates the Board’s contract rate policy (“CRP”) and an October 25, 2000 Letter Agreement between Koch Pipeline Company, LLC, the previous owner of the pipeline at issue, and Dyno Nobel.¹ Dyno Nobel further alleges that Kaneb’s rate increase to LOMO results in unreasonable discrimination against Dyno Nobel.² Finally, Dyno Nobel claims that Kaneb’s increased rates to LOMO exceed a maximum reasonable level under the Board’s constrained market pricing (“CMP”) standards.³

¹ Complaint at ¶¶ 16-20.

² Id. at ¶¶ 21-26.

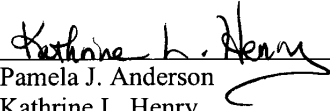
³ Id. at ¶¶ 27-28.

In contrast to Dyno Nobel's claims, CF Industries' complaint contains no allegations regarding violations of CRP, unreasonable discrimination, or that rates exceed maximum reasonable levels permitted under CMP at any delivery point. Moreover, CF Industries was not a party to the Letter Agreement, nor does it challenge Kaneb's rate increase at LOMO. Thus, it is clear that CF Industries' interests are not the same as Dyno Nobel's, nor will the outcome in Dyno Nobel's case affect CF Industries.

In addition, allowing CF Industries to intervene in this proceeding will unnecessarily complicate and delay this case. Although CF Industries has, at best, a tangential interest in this case, the parties would potentially have to include CF Industries in setting or modifying any procedural schedules, as well as in any settlement discussions, and its views would need to be taken into account. In addition, CF Industries could potentially attempt to assert other rights reserved to parties, such as access to confidential or highly confidential, shipper-sensitive data through discovery in which it has no legitimate interest. It would be an unnecessary waste of the Board's resources to have to resolve any discovery disputes that might arise as a result of CF Industries' participation in this proceeding.

Therefore, in view of the fact that CF Industries has filed its own complaint in which its particular interests are fully represented; that its concerns, as evidenced by its complaint, are not the same as Dyno Nobel's; and that its participation in this case will unnecessarily complicate and delay the proceedings, Kaneb requests that the Board deny CF Industries' petition to intervene.

Respectfully submitted,



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August 13, 2003

CERTIFICATE OF SERVICE

I hereby certify that I have this 13th day of August, 2003, caused a copy of the foregoing Opposition to Petition to Intervene to be served on the following by first-class mail, postage prepaid:

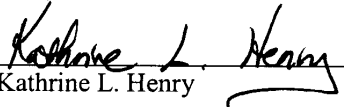
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Washington, D.C. 20005

Counsel for CF Industries, Inc.

Dated at Washington D.C. this 13th day of August, 2003.


Kathrine L. Henry