TAPS Oil Movements Historical Data Reporting for December 2000

The attached operations reports depict TAPS oil movements. Throughout the day, the Operations Control Center at the Valdez Marine Terminal receives data from metering systems that are located at Pump Station 1, Golden Valley Electric Association, Petro Star Valdez Refinery and Valdez Marine Terminal. Every 24 hours the data is compiled and transmitted to Anchorage.

The first page of the attachment, known as the OMH-2A report, shows the daily ending volume (measured in barrels) in the tanks at Pump Station 1, as well as the daily tankage change. The output number (reflected in the "Output" column) either adds or subtracts the tankage change to the total metered volume from the Producers to determine the actual volume which entered the pipeline.

The second page of the attachment, known as the OMH-3C report, shows the daily data pertaining to oil movements at Valdez. It reflects the volume (measured in barrels) that flows through the incoming meters from the pipeline and the volume loaded onto vessels by berth, together with (in the "Valdez Loadings" column) loadings from all berths.

DATE: 01/05/01

DATA FOR DECEMBER, 2000

VALDEZ OIL MOVEMENTS
HISTORICAL DATA REPORTING

DATE	PUMP STATION 1 TANK 110	PUMP STATION 1 TANK 111	PUMP STATION 1 TANK CHG	VCI	OUTPUT	* PUMP STATIONS 2 - 12 * RELIEF TANKS	TANK CHG
01	81,083	77,493	10,438-	13.7	1,077,102	150,796	1,354-
02	78,732	75,090	4,754-	13.7	1,069,638	149,805	991-
03	64,470	60,792	28,560-	13.6	1,091,275	157,995	8,190
W/TOT					3,238,015		
W/AVG	74,762	71,125	14,584-	13.7	1,079,338	152,865	1,948
04	38,597	34,977	51,688-	12.8	1,078,679	147,436	10,559-
05	37,685	34,256	1,633-	13.9	1,035,035	154,523	7,087
06	38,315	34,834	1,208	14.0	1,036,718	161,621	7,098
07	39,701	36,206	2,758	13.9	1,021,124	157,765	3,866-
08	42,798	39,204	6,095	14.1	1,028,678	154,044	3,721-
09	47,790	44,393	10,181	14.1	1,036,598	161,289	7,245
10	80,616	77,024	64,857	14.2	992,541	144,090	17,199-
W/TOT					7,229,373		
W/AVG	46,415	42,985	4,540	13.9	1,032,768	154,395	1,986-
11	94,877	91,928	29,765	14.2	1,026,109	154,382	10,292
12	100,145	97,114	10,454	14.3	1,010,948	155,837	1,455
13	105,597	102,546	10,884	14.2	1,022,777	165,208	9,371
14	81,921	78,625	47,597-	14.0	1,071,327	154,516	10,692-
15	64,170	60,671	35,705-	13.9	1,059,061	150,906	3,610-
16	51,043	47,501	26,297-	13.8	1,027,019	147,140	3,766-
17	54,262	50,840	6,558	14.0	972,514	145,051	2,089-
W/TOT					7,189,755		
W/AVG	78,859	75,604	7,420-	14.1	1,027,108	153,291	137
18	66,729	63,672	25,299	13.8	990,285	153,323	8,272
19	75,036	71,678	16,312	13.7	997,818	161,195	7,872
20	91,433	88,105	32,825	13.8	1,016,125	148,059	13,136-
21	95,398	92,036	7,896	13.8	1,037,219	145,115	2,944-
22	62,136	58,710	66,588-	13.6	1,096,537	142,962	2,153-
23	44,005	40,363	36,478-	13.7	1,069,242	138,237	4,725-
24	42,030	38,414	3,924-	13.9	1,038,108	147,156	8,919
W/TOT					7,245,334		
W/AVG	68,109	64,711	3,623-	13.8	1,035,048	148,007	301
25	44,959	41,402	5,917	13.9	1,034,328	154,881	7,725
26	60,541	57,030	31,210	13.9	1,029,775	145,627	9,254-
27	67,258	63,756	13,443	13.9	1,042,549	148,915	3,288
28	82,709	79,250	30,945	13.8	1,047,764	147,179	1,736-
29	65,434	61,799	34,726-	13.8	1,080,561	154,856	7,677
30	55,411	51,999	19,823-	14.1	1,076,938	148,878	5,978-
31	59,064	55,652	7,306	14.3	1,062,215	143,841	6,037-
W/TOT					7,374,130		
W/AVG	62,197	58,698	4,896	14.0	1,053,447	149,168	474-
M/TOT					32,276,607		
M/AVG	64,947	61,528	1,752-	13.9	1,041,181	151,375	268-
Y/TOT					365,707,875		
Y/AVG					999,202		

DATE: 01/05/01
DATA FOR DECEMBER, 2000

VALDEZ OIL MOVEMENTS
HISTORICAL DATA REPORTING

DATE	VDZ INCOMING BBLS	GRAV	BSEW	VALDEZ WORK INV	LOADED AT BERTH 1	LOADED AT BERTH 3	LOADED AT BERTH 4	LOADED AT BERTH 5	VALDEZ LOADINGS	RECOVERED CRUDE	REC CRU BSEW
01	1,003,493	30.8	0.162	5,038,293	0	0	0	391,768	391,768	0	0.000
02	1,001,365	30.8	0.228	5,353,989	0	0	0	685,391	685,391	1,258	18.500
03	1,015,826	31.0	0.233	5,238,197	0	0	0	1,129,762	1,129,762	0	0.000
W/TOT	3,020,684				0	0	0	2,206,921	2,206,921	1,258	
W/AVG	1,006,895	30.9	0.208	5,210,160	0	0	0	735,640	735,640	419	
04	1,023,704	31.0	0.325	4,935,686	0	0	0	1,319,921	1,319,921	0	0.000
05	965,852	31.2	0.228	4,830,656	0	0	0	1,070,798	1,070,798	0	0.000
06	963,527	31.0	0.190	5,325,684	0	0	0	467,584	467,584	0	0.000
07	958,785	31.2	0.238	5,332,305	0	0	0	953,160	953,160	515	53.500
08	967,439	31.1	0.365	5,014,796	0	0	0	1,283,812	1,283,812	0	0.000
09	954,744	31.1	0.208	5,009,545	625,554	0	0	336,243	961,797	0	0.000
10	932,310	31.1	0.188	5,147,814	0	0	0	800,401	800,401	5,833	16.200
W/TOT	6,766,361				625,554	0	0	6,231,919	6,857,473	6,348	
W/AVG	966,623	31.1	0.248	5,085,212	89,365	0	0	890,274	979,639	907	
11	947,950	31.1	0.182	5,359,555	346,491	0	0	390,136	736,627	1,646	0.250
12	966,401	31.0	0.156	6,323,046	0	0	0	5,785	5,785	0	0.000
13	950,322	30.4	0.175	6,783,176	153,119	0	0	341,741	494,860	0	0.000
14	1,024,376	30.9	0.159	6,630,070	42,284	0	0	1,141,000	1,183,284	1,583	29.500
15	1,009,677	31.2	0.170	6,068,049	833,654	0	0	735,111	1,568,765	0	0.000
16	977,801	31.2	0.170	5,254,681	0	0	517,986	1,270,203	1,788,189	0	0.000
17	914,088	31.1	0.176	5,204,896	0	0	0	964,441	964,441	0	0.000
W/TOT	6,790,615				1,375,548	0	517,986	4,848,417	6,741,951	3,229	
W/AVG	970,088	31.0	0.170	5,946,210	196,507	0	73,998	692,631	963,136	461	
18	912,122	31.2	0.257	6,109,809	0	0	0	0	0	0	0.000
19	931,560	31.4	0.228	6,248,680	0	0	75,921	721,442	797,363	2,507	14.200
20	975,232	31.5	0.175	6,789,460	0	0	264,901	168,575	433,476	0	0.000
21	994,177	31.4	0.180	7,452,120	0	0	333,412	0	333,412	1,831	9.000
22	1,036,750	31.3	0.256	6,784,114	690,683	0	392,657	618,859	1,702,199	0	0.000
23	1,028,978	31.4	0.200	5,556,699	475,944	0	778,714	995,711	2,250,369	0	0.000
24	965,299	31.3	0.190	4,637,762	0	0	689,878	1,194,968	1,884,846	2,457	10.000
W/TOT	6,844,118				1,166,627	0	2,535,483	3,699,555	7,401,665	6,795	
W/AVG	977,731	31.4	0.212	6,225,436	166,661	0	362,212	528,508	1,057,381	971	
25	967,226	31.6	0.183	4,001,807	0	0	820,646	785,932	1,606,578	2,008	5.500
26	972,217	31.5	0.174	4,363,674	0	0	0	611,486	611,486	0	0.000
27	970,738	31.4	0.163	4,479,640	0	0	548,496	306,357	854,853	424	69.000
28	997,446	32.0	0.167	5,312,477	0	0	0	165,682	165,682	0	0.000
29	1,018,907	31.6	0.159	4,898,048	0	0	0	1,431,339	1,431,339	265	69.000
30	1,028,541	31.6	0.159	5,925,536	0	0	0	0	0	0	0.000
31	1,012,900	31.3	0.160	5,734,049	0	0	307,654	897,095	1,204,749	2,183	26.000
W/TOT	6,967,975				0	0	1,676,796	4,197,891	5,874,687	4,880	
W/AVG	995,425	31.6	0.166	4,959,319	0	0	239,542	599,699	839,241	697	
M/TOT	30,389,753				3,167,729	0	4,730,265	21,184,703	29,082,697	22,510	
M/AVG	980,315	31.2	0.200	5,520,765	102,185	0	152,589	683,378	938,152	726	
Y/TOT	338,506,301				12,660,930	3,261,713	99,838,420	222,835,981	338,297,044	342,798	
Y/AVG	924,881				34,593	8,912	272,783	608,022	924,309	937	

RCA Tariff Materials

ExxonMobil Pipeline Company
800 Bell Street, Room 795K
Houston, Texas 77002
(713) 656-6885 Telephone
(713) 656-9586 Facsimile
Confidential

Jeff Ray
TAPS Coordinator
Business Development & Joint Interest Department

ExxonMobil
Pipeline

November 30, 2000

Tariff Advice No. 93-304

Commissioners
Regulatory Commission of Alaska
1016 West Sixth Avenue, Suite 400
Anchorage, Alaska 99501

The tariff filing described below is transmitted to you for filing in accordance with the Pipeline Act and 3 AAC 48.200 -3 AAC 48.430.

Tariff Sheet No.	Cancels Sheet No.
Thirty-Six Revision of Sheet No. 10	Thirty-Fifth Revision of Sheet No. 10

This tariff advice, which is ExxonMobil Pipeline Company's (EMPCo's) Thirty-Six Revision of Regulatory Commission of Alaska Sheet No. 10, addresses EMPCo's Rules and Regulations for the Trans Alaska Pipeline System. The referenced Supplement No. 2 to FERC Tariff No. 6 is being submitted to modify Supplement No. 1 to FERC No. 6 and is part of this filing.

Supplement No. 2 to FERC Tariff No. 6 is filed in compliance with the TAPS Quality Bank. It cancels Supplement No. 1 to FERC Tariff No. 6 and decreases the gravity differential included in Item No. 160-B effective January 1, 2001. Enclosed as part of this filing is a copy of the Mitchell & Mitchell report, which is available to shippers upon request, that includes calculations and supporting data for the gravity differential revision.

Notice of this filing and a copy of the tariff were sent to all those parties listed on the enclosed schedule which includes all of EMPCo's intrastate TAPS shippers for the past 12 months.

A copy of the tariff will be available for public inspection in the offices of Guess & Rudd, 510 L Street, Suite 700, Anchorage, Alaska 99501.

Please acknowledge receipt of this transmittal by date-stamping the attached copy.

AJS
Enclosures

Jeff Ray

EXXON PIPELINE COMPANY

FERC Tariff

All the rules and regulations in FERC Tariff No. 6 (TAPS Rules and Regulations) effective March 2, 2000, Supplement No. 2 to FERC Tariff No. 6 effective January 1, 2001, and FERC Tariff No. 7 (TAPS Quality Bank Methodology) effective March 2, 2000 and applicable to the intrastate transportation of petroleum are incorporated by reference in RCA Tariff No. 1. C

C - To denote a changed condition or regulation

Tariff Advice No. 93-304 Effective: January 1, 2001

Issued By: EXXON PIPELINE COMPANY

By: J. M. Ray Title: TAPS Coordinator

MITCHELL & MITCHELL

SUITE 800
8300 DOUGLAS AVENUE
DALLAS, TEXAS 75225

214-692-5775

RECEIVED
NOV 16 2000
E. K. KING

November 14, 2000

Mr. Mark W. Davis
BP Pipelines (Alaska)
P.O. Box 190848
Anchorage, Alaska 99519-0848

Dear Mark:

Section III.E.6 of the TAPS Quality Bank Methodology requires a review of the gravity differential to be used in the calculation of the Quality Bank adjustments for the Valdez Marine Terminal twice each year, in May and November. The current review has been concluded and the gravity differential for the six-month period beginning January 1, 2001 will be adjusted to $0.0167 per 0.1° API.

Table 1 provides a summary of the calculation of the distribution of ANS crude oil to the West Coast and East of the Rockies. The calculation is based on data from the U.S. Department of Transportation Maritime Administration. These percentages will also be used for calculation of the weighted average component prices for January, 2001 – June, 2001.

Table 2 summarizes the posted gravity differentials taken from the crude oil bulletins published by the companies specified in the methodology. In accordance with the new methodology, a weighted average of the differentials over the six-month period May, 2000 – October, 2000 was used.

Table 3 shows the calculation of the overall gravity differential and illustrates that the differential changed by more than 5% and, therefore, an adjustment to the differential is required.

This report is being mailed to the persons on the attached distribution list. Copies are also being sent to Vinson & Elkins, Guess & Rudd, KPMG LLP, and the State of Alaska, as well as interested shippers.

Very truly yours,

J.T. Mitchell

J.T. Mitchell
Quality Bank Administrator

TAPS Quality Bank

Alaskan North Slope Crude Oil Distribution

(Thousands of Barrels per Day)

Shipment Location	2000						Six Month Average	Percent
	March	April	May	June	July	August		
ANS Pipeline Shipment	0	0	0	0	0	0	0	0.0000
U.S. East Coast	0	0	0	0	0	0	0	0.0000
U.S. Gulf Coast	0	0	0	0	0	0	0	0.0000
Panama	0	0	0	0	0	0	0	0.0000
Puerto Rico	0	0	0	0	0	0	0	0.0000
Virgin Islands	0	0	0	0	0	0	0	0.0000
Gulf Coast Sub-Total	0	0	0	0	0	0	0	**0.00**
Alaska	11	0	0	0	5	0	3	0.2967
ANS Pipeline Shipment	0	0	0	0	0	0	0	0.0000
Hawaii	31	0	72	36	40	20	33	3.6907
West Coast Delivered	798	957	931	834	841	816	863	96.0126
West Coast Sub-Total	840	957	1,003	870	886	836	899	**100.00**
TOTAL:	840	957	1,003	870	886	836	899	100.00

Report Date: 11/14/2000

Lesa Horn 11/14/00
Price Analyst Date

J. T. Mitchell 11/14/00
Reviewed By Date

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages summary for West Texas Sour (Gulf Coast) and California (West Coast) crude oils

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Coast	Company	Weighted Average Differential Amount	Period Postings
GULF	Amoco Production Company	1.50000	7
	Chevron Products Company	0.00000	7
	Equiva Trading Company	1.50000	7
	Exxon Mobil Corporation	1.50000	7

Simple average gravity differential for Gulf Coast crude oils: 1.125

Coast	Company	Weighted Average Differential Amount	Period Postings
WEST	Chevron Products Company	1.65217	56
	Equiva Trading Company	1.70380	10
	Exxon Mobil Oil Corporation	1.65217	62
	Union 76	1.66576	53

Simple average gravity differential for West Coast crude oils: 1.668

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for West Texas Sour crude oils (Gulf Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount		Date Posted
Amoco Production Company	1.500		10/31/2000
	1.500		09/30/2000
	1.500		08/31/2000
	1.500		07/31/2000
	1.500		06/30/2000
	1.500		05/31/2000
	1.500		04/29/2000
	1.50000	Wt. avg.	
Chevron Products Company	0.000		10/31/2000
	0.000		09/29/2000
	0.000		08/31/2000
	0.000		07/31/2000
	0.000		06/30/2000
	0.000		05/31/2000
	0.000		04/28/2000
	0.00000	Wt. avg.	
Equiva Trading Company	1.500		10/31/2000
	1.500		09/29/2000
	1.500		08/31/2000
	1.500		07/31/2000

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for West Texas Sour crude oils (Gulf Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount		Date Posted
Equiva Trading Company (continued)	1.500		06/30/2000
	1.500		05/31/2000
	1.500		04/28/2000
	1.50000	Wt. avg.	
Exxon Mobil Corporation	1.500		10/31/2000
	1.500		09/29/2000
	1.500		08/30/2000
	1.500		07/31/2000
	1.500		06/29/2000
	1.500		05/31/2000
	1.500		04/30/2000
	1.50000	Wt. avg.	

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount	Date Posted
Chevron Products Company	2.500	10/27/2000
	2.000	10/23/2000
	2.000	10/16/2000
	2.000	10/12/2000
	2.000	10/10/2000
	2.000	10/09/2000
	2.000	10/05/2000
	2.000	10/02/2000
	2.000	09/28/2000
	2.000	09/25/2000
	2.000	09/22/2000
	2.000	09/21/2000
	2.000	09/18/2000
	2.000	09/15/2000
	2.000	09/12/2000
	2.000	09/11/2000
	1.500	09/08/2000
	1.500	09/07/2000
	1.500	09/06/2000
	1.500	09/05/2000
	1.500	08/30/2000

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount	Date Posted
Chevron Products Company (continued)	1.500	08/28/2000
	1.500	08/23/2000
	1.500	08/22/2000
	1.500	08/21/2000
	1.500	08/14/2000
	1.500	08/10/2000
	1.500	08/09/2000
	1.500	08/04/2000
	1.500	07/31/2000
	1.500	07/24/2000
	1.500	07/21/2000
	1.500	07/20/2000
	1.500	07/18/2000
	1.500	07/13/2000
	1.500	07/10/2000
	1.500	07/06/2000
	1.500	07/05/2000
	1.500	06/21/2000
	1.500	06/20/2000
	1.500	06/19/2000
	1.500	06/14/2000

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount		Date Posted
Chevron Products Company (continued)	1.500		06/13/2000
	1.500		06/12/2000
	1.500		06/02/2000
	1.500		05/31/2000
	1.500		05/25/2000
	1.500		05/22/2000
	1.500		05/18/2000
	1.500		05/12/2000
	1.500		05/11/2000
	1.500		05/09/2000
	1.500		05/08/2000
	1.500		05/05/2000
	1.500		05/02/2000
	1.500		04/26/2000
	1.65217	Wt. avg.	
Equiva Trading Company	2.500		10/27/2000
	2.500		10/12/2000
	2.000		09/28/2000
	2.000		09/07/2000
	1.500		08/30/2000
	1.500		07/31/2000

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount		Date Posted
Equiva Trading Company (continued)	1.500		07/24/2000
	1.500		06/29/2000
	1.500		05/31/2000
	1.500		04/26/2000
	1.70380	Wt. avg.	
Exxon Mobil Oil Corporation	2.500		10/27/2000
	2.000		10/23/2000
	2.000		10/16/2000
	2.000		10/13/2000
	2.000		10/12/2000
	2.000		10/10/2000
	2.000		10/09/2000
	2.000		10/05/2000
	2.000		10/02/2000
	2.000		09/28/2000
	2.000		09/25/2000
	2.000		09/22/2000
	2.000		09/21/2000
	2.000		09/20/2000
	2.000		09/18/2000
	2.000		09/15/2000

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount	Date Posted
Exxon Mobil Oil Corporation (continued)	2.000	09/12/2000
	2.000	09/11/2000
	1.500	09/08/2000
	1.500	09/07/2000
	1.500	09/06/2000
	1.500	09/05/2000
	1.500	08/30/2000
	1.500	08/28/2000
	1.500	08/23/2000
	1.500	08/22/2000
	1.500	08/21/2000
	1.500	08/14/2000
	1.500	08/10/2000
	1.500	08/09/2000
	1.500	08/07/2000
	1.500	08/04/2000
	1.500	08/03/2000
	1.500	07/31/2000
	1.500	07/21/2000
	1.500	07/18/2000
	1.500	07/17/2000

TABLE 2

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount	Date Posted
Exxon Mobil Oil Corporation (continued)	1.500	07/13/2000
	1.500	07/12/2000
	1.500	07/10/2000
	1.500	07/06/2000
	1.500	07/05/2000
	1.500	06/30/2000
	1.500	06/29/2000
	1.500	06/21/2000
	1.500	06/20/2000
	1.500	06/19/2000
	1.500	06/14/2000
	1.500	06/13/2000
	1.500	06/12/2000
	1.500	06/01/2000
	1.500	05/31/2000
	1.500	05/24/2000
	1.500	05/22/2000
	1.500	05/18/2000
	1.500	05/12/2000
	1.500	05/11/2000
	1.500	05/09/2000

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount		Date Posted
Exxon Mobil Oil Corporation (continued)	1.500		05/08/2000
	1.500		05/05/2000
	1.500		05/02/2000
	1.500		04/26/2000
	1.65217	Wt. avg.	
Union 76	2.500		10/27/2000
	2.000		10/23/2000
	2.000		10/16/2000
	2.000		10/13/2000
	2.000		10/12/2000
	2.000		10/10/2000
	2.000		10/09/2000
	2.000		10/05/2000
	2.000		10/02/2000
	2.000		09/28/2000
	2.000		09/25/2000
	2.000		09/22/2000
	2.000		09/21/2000
	2.000		09/18/2000
	2.000		09/15/2000
	2.000		09/12/2000

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount	Date Posted
Union 76 (continued)	2.000	09/11/2000
	2.000	09/08/2000
	2.000	09/06/2000
	1.500	08/30/2000
	1.500	08/28/2000
	1.500	08/23/2000
	1.500	08/22/2000
	1.500	08/21/2000
	1.500	08/14/2000
	1.500	08/10/2000
	1.500	08/09/2000
	1.500	08/07/2000
	1.500	08/04/2000
	1.500	08/02/2000
	1.500	07/31/2000
	1.500	07/24/2000
	1.500	07/21/2000
	1.500	07/20/2000
	1.500	07/18/2000
	1.500	07/12/2000
	1.500	07/10/2000

TAPS Quality Bank

Gravity Differentials Report

Postings averages detail for California crude oils (West Coast)

Units for differential amounts : $\frac{¢}{(.1°API)(BBL)}$

Weighted averages based on period: 05/01/2000 - 10/31/2000, inclusive

Company	Differential Amount	Date Posted
Union 76 (continued)	1.500	07/06/2000
	1.500	07/05/2000
	1.500	06/21/2000
	1.500	06/13/2000
	1.500	06/12/2000
	1.500	06/01/2000
	1.500	05/31/2000
	1.500	05/24/2000
	1.500	05/22/2000
	1.500	05/18/2000
	1.500	05/12/2000
	1.500	05/09/2000
	1.500	05/08/2000
	1.500	05/05/2000
	1.500	05/02/2000
	1.500	04/27/2000
	1.66576 Wt. avg.	

TAPS Quality Bank

Quality Differential Review Report

Review Month: November, 2000

Distribution Location	Gravity Differential (¢ / .1°API / BBL) for MAY 2000 - OCT 2		Geographic Distribution Percentages for MAR 2000 - AUG 2		Weighted Differential (¢ / .1°API / BBL)
West Coast	1.668	×	1.0000	=	1.668
Gulf Coast	1.125	×	0.0000	=	0.000
			Calculated Quality Differential		1.668

Allowable range based on current Quality Differential:

Current Differential (¢ / .1°API / BBL) Effective: JUL 2000		(5%) Allowed Range		Range Upper Bound	Range Lower Bound
1.94	×	1.05	=	2.037	
1.94	×	0.95	=		1.843

The calculated Quality Differential equals or exceeds the 5 percent tolerance. Therefore, the current Quality Differential must be adjusted on January 1, 2001 to 1.67 cents per one tenth degree API per barrel of oil.

TAPS	Owner Contacts	Accountants	Attorneys
Amerada Hess	Mr. Donald C. Lutken, Jr. Amerada Hess Corporation One Allen Center 500 Dallas Street, Level 2 Houston, TX 77002 Tel: 713/609/4000 Fax: 713/609-4906 dlutkenjr@hess.com	Ms. Kimberly Pesek Amerada Hess Pipeline Corp. P. O. Box 2040 Houston, TX 77252-2040 Tel: 713/609/4916 Fax: 713/609/4966	Mr. David G. Stevenson Amerada Hess Pipeline Corp. One Allen Center 500 Dallas Street, Level 2 Houston, TX 77002 Tel: 713/609/4100 Fax: 713/609/4463 dstevenson@hess.com
BP Pipelines (Alaska) Inc.	Mr. Albert N. Bolea BP Pipelines (Alaska) Inc. P. O. Box 190848 Anchorage, AK 99508 Tel: 907/564-5757 Fax: 907/564-5556 boleaaln@bp.com	Mark W. Davis BP Pipelines (Alaska) Inc. 900 E. Benson Anchorage, AK 99508 Tel: 907/564-5532 Fax: 907/564-5588 davismw@bp.com	Mr. Graeme D.A. Brebner BP Pipelines (Alaska) Inc. P. O. Box 199612 Anchorage, AK 99519-6612 Tel: 907/564-5535 Fax: 907/564-4031 brebnegd@bp.com
ExxonMobil Pipeline Company	Mr. Richard A. Rabinow ExxonMobil Pipeline Company 800 Bell Street Houston, TX 77002 Tel: 713/656-5056 Fax: 713/656-9579 richard.a.rabinow@Exxon.com	Mr. Mark R. Harris ExxonMobil Pipeline Company 800 Bell Street Houston, TX 77002 Tel: 713/656-4841 Fax: 713/656-1580 mark.r.harris@Exxon.com	Ms. E. Kim King ExxonMobil Pipeline Co. 800 Bell Street Houston, TX 77002 Tel: 713/656-8243 Fax: 713/656-5593 kim.k.king@Exxon.com
Phillips Transportation Alaska, Inc.	Ms. Margaret A. Yaege Phillips Transportation Alaska, Inc. 700 G Street, 2100 Anchorage, AK 99501 Tel: 907/263-3710 Fax: 907/263-6339 myaege@ppco.com	Mr. Edward R. Hendrickson Phillips Transportation Alaska, Inc. 700 G Street Anchorage, AK 99501 Tel: 907/263-4980 Fax: 907/263-3748 ehendri@ppco.com	Ms. Antoinette M. Tadolini Phillips Transportation Alaska, Inc. P. O. Box 100360, ATO 2100 Anchorage, AK 99510-0360 Tel: 907/263-3720 Fax: 907/263-6998 atadoli@ppco.com
laska Pipeline Corp.	Mr. James W. Konst Phillips Petroleum Co. 6330 West Loop South Bellaire, TX 77401 P. O. Box 1967 Houston, TX 77251 Tel: 713/669-3496 Fax: 713/669-7091 jkw@ppco.com	Mr. Craig Wyant Phillips Alaska Pipeline Corp. 1211 Adams Building Bartlesville, OK 74004 Tel: 918/661/3659 Fax: 918/662-5163 cawyant@ppco.com	Mr. Steven G. Cooper Phillips Alaska Pipeline Corp. 1211 Adams Building Bartlesville, OK 74004 Tel: 918/661-5639 Fax: 918/662-1081 sgcoope@ppco.com
Unocal Pipeline Company	Mr. Joe Monroe Unocal Pipeline Company 14141 Southwest Freeway Sugar Land, TX 77478 Tel: 281/287-7775 Fax: 281/287-7331 joe.monroe@unocal.com	Mr. John Gotaas Unocal Pipeline Company 14141 Southwest Freeway Sugar Land, TX 77478 Tel: 281/287-7775 Fax: 281/287-7331	Mr. Larry W. Krug Unocal Pipeline Company 14141 Southwest Freeway Sugar Land, TX 77478 Tel: 281/287-7694 Fax: 281/287-7116 lkrug@unocal.com
Williams Energy Services	Mr. Mike Mears Williams Energy Services P.O. Box 3448 MD 35-80 Tulsa, OK 74101-3448 Tel: 918/573-3211 Fax: 918/573-6865	Ms. Paula Viseur Williams Energy Services One Williams Center P.O. Box 3448 MD 35-80 Tulsa, OK 74101-3448 Tel: 918/573-3460 Fax: 918/573-3371 paula.viseur@williams.com	Ms. Barbara Mangrum One Williams Center Suite 4100 Tulsa, OK 74172 Tel: 918/573-4002 Fax: 800/320-8075 barbara.mangrum@williams.com

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Jeff Ray
TAPS Coordinator
Business Development & Joint Interest Department

ExxonMobil
Pipeline

November 30, 2000

Tariff Advice No. 94-304

Commissioners
Regulatory Commission of Alaska
1016 West Sixth Avenue, Suite 400
Anchorage, Alaska 99501

The tariff filing described below is transmitted to you for filing in accordance with the Pipeline Act and 3 AAC 48.200 -3 AAC 48.430.

Tariff Sheet No.	Cancels Sheet No.
Thirty-first Revision of Sheet No. 7	Thirtieth Revision of Sheet No. 7

This tariff advice, which is the Thirty-first Revision of Sheet No. 7 of ExxonMobil Pipeline Company's (EMPCo) Regulatory Commission of Alaska Tariff No. 1, contains increased tariff rates for pipeline transportation of Sadlerochit Petroleum, Kuparuk Petroleum, Lisburne Petroleum, and Endicott Petroleum through TAPS from Prudhoe Bay to North Pole, Alaska, Petro Star Refinery Connection at Valdez, Alaska, and Valdez Marine Terminal, Alaska effective January 1, 2001.

This tariff is filed in compliance with the TAPS Settlement Agreement. By separate cover, a TAPS Settlement Methodology computer disk with supporting data is being submitted to you. Also, costs for the Cooperative Corrosion Program are included in that submission.

Notice of this filing and a copy of the tariff were sent to all those parties listed on the enclosed schedule which includes all of EMPCo's intrastate TAPS shippers for the past 12 months.

A copy of the tariff will be available for public inspection in the offices of Guess and Rudd, 510 L Street, Suite 700, Anchorage, Alaska 99501.

Please acknowledge receipt of this transmittal by date-stamping the attached copy.

ajs
Enclosures

Jeff Ray

EXXON PIPELINE COMPANY

	From	To	Temporary Rate in Dollars & Cents Per Barrel Non-Incentive Rate
3.1	Prudhoe Bay, Alaska	North Pole, Alaska	
	Sadlerochit Petroleum*		$2.19 (1) I
	Kuparuk Petroleum*		$2.19 (1) I
	Lisburne Petroleum*		$2.19 (1) I
	Endicott Petroleum*		$2.19 (1) I
3.2	Prudhoe Bay, Alaska	Valdez Marine Terminal, Alaska	
	Sadlerochit Petroleum*		$3.59 (1) I
	Kuparuk Petroleum*		$3.59 (1) I
	Lisburne Petroleum*		$3.59 (1) I
	Endicott Petroleum*		$3.59 (1) I
3.3	Prudhoe Bay, Alaska	Petro Star Refinery Connection, Valdez, Alaska	
	Sadlerochit Petroleum*		$3.57 (2) I
	Kuparuk Petroleum*		$3.57 (2) I
	Lisburne Petroleum*		$3.57 (2) I
	Endicott Petroleum*		$3.57 (2) I

I - To denote an increase

*Note: Sadlerochit Petroleum is any petroleum delivered to Carrier from the Sadlerochit Formation in the Prudhoe Bay Unit. Lisburne Petroleum is any petroleum delivered to Carrier from the Lisburne Formation in the Prudhoe Bay Unit. Kuparuk Petroleum is any petroleum delivered to Carrier from the Kuparuk Pipeline. Endicott Petroleum is any petroleum delivered to Carrier from the Endicott Pipeline

The foregoing rates were prepared in part through the use of Pumpability Factors of 1.000.

In the event that the Pumpability Factor methodology used to calculate Exxon Pipeline Company rates is overturned or modified, Exxon Pipeline Company expressly reserves the right to seek surcharges equal to the difference between what shippers should have paid under the methodology ultimately approved by the Commission and any reviewing courts and the amount shippers actually paid under the rates set fourth herein.

The rates indicated above are exclusive of any demurrage or other charges shown in Exxon Pipeline Company's FERC Tariff (see Sheet No. 10) and any amounts that Carrier is required by any applicable law or regulation to collect. No gathering service will be performed by Carrier.

(1) These rates are filed in accordance with and in reliance on the Commission's Order No. 14 in Docket No. P-86-2, Order No. 16 in Docket No. P-86-2, Order No. 2 in Docket No. P-87-1, and Order No. 3 in Docket No. P-87-2. These rates are accepted by the Commission as temporary and subject to refund of the difference between the temporary and final rates pending resolution of the issues in Docket No. P-86-2.

(2) These rates are filed as temporary rates and subject to refund of difference between the temporary and final rates pending resolution of the issues in Docket No. P-86-2.

Tariff Advice No. 94-304 Effective: January 1, 2001

Issued By: EXXON PIPELINE COMPANY

By: J.M. Ray Title: TAPS Coordinator

EXXONMOBIL PIPELINE COMPANY'S

INTRASTATE TAPS SHIPPERS

BP Oil Supply Attn: Ms. Liz Wozniak	P.O. Box 5774 Cleveland, OH 44101
Chevron USA, Inc. Attn: Suzie Bermudez	575 Lennon Lane, Suite N2000 Walnut Creek, CA 94598
Petro-Star Inc. Attn: Ms. Brenda Moser	P. O. Box 56239 North Pole, AK 99705
Phillips Petroleum Co. Attn: Ms. Charlote Turowski	9-B3 Adams Building Bartlesville, OK 74004
Tesoro Alaska Petroleum Attention Ms. Lois Downs	8700 Tesoro Drive San Antonio, Texas 78217
U. S. Oil & Refining Attn: Barbara Miles	2121 Rosecranz El Segundo, CA 90245
Williams Alaska Petroleum, Inc. Attn: Ms. Angie Pingley	1150 H&H Lane North Pole, AK 99705

FERC Tariff Materials

ExxonMobil Pipeline Company
800 Bell Street, Room 795K
Houston, Texas 77002
(713) 656-6885 Telephone
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Jeff Ray
TAPS Coordinator
Business Development & Joint Interest Department

ExxonMobil
Pipeline

November 30, 2000

TRANSMITTAL NO. 18

Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Oil Pipeline Tariffs

The accompanying tariff issued by ExxonMobil Pipeline Company (EMPCo) is sent to you for filing in accordance with the requirements of the Interstate Commerce Act, to be effective January 1, 2001, and bearing:

F.E.R.C. Tariff No. 71

FERC Tariff No. 71 is filed in compliance with the TAPS Settlement Agreement and cancels FERC Tariff No. 32. On November 30, 2000, by separate cover, the supporting data for the revised rates in FERC Tariff No. 71 was sent to you for filing pursuant to Section I-7 of the TAPS Settlement Agreement.

Please call Mr. A. J. Signater, (713) 656-4968 or Mr. Jeff Ray (713) 656-6885, if you have any questions or require additional information. Pursuant to 18CFR, Part 343.3(a), EMPCo requests that any protests or complaints which affect this publication in any way be transmitted to Mr. Ray concurrent with their filing/issuance via facsimile at (713) 656-9586.

I hereby certify that I have on or before this day sent one copy of each publication listed hereon to each subscriber thereto by first-class mail, or by other means of transmission requested by the subscriber.

This filing is being hand-delivered to FERC. Please acknowledge receipt of this transmittal on the duplicate copy enclosed and our courier will pick up the date-stamped duplicate copy at the time of filing.

ajs
Enclosures

Jeff Ray

F.E.R.C. No. 71
(Cancels F.E.R.C. No. 32)

ExxonMobil Pipeline Company

LOCAL TARIFF

Containing

RATES

Applying on the Transportation of Petroleum by ExxonMobil Pipeline Company Through the Trans Alaska Pipeline System and Loading on Vessels Bound for Destinations Outside Alaska

Governed, except as otherwise provided herein, by rules and regulations shown in ExxonMobil Pipeline Company's F.E.R.C. Tariff No. 6, supplements thereto or successive issues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

ISSUED: DECEMBER 1, 2000 **EFFECTIVE: JANUARY 1, 2001**

Issued by:
R. A. RABINOW, President
ExxonMobil Pipeline Company
P. O. Box 2220
Houston, Texas 77252-2220

Compiled by:
[W] R. C. Luckner
P. O. Box 2220
Houston, Texas 77252-2220
(713) 656-5419

From	To	Rate in Dollars and Cents per Barrel
Prudhoe Bay, Alaska	Valdez Marine Terminal, Alaska	
Sadlerochit Petroleum*		3.59 [I]
Kuparuk Petroleum*		3.59 [I]
Lisburne Petroleum*		3.59 [I]
Endicott Petroleum*		3.59 [I]

*NOTE: Sadlerochit Petroleum is any petroleum delivered to Carrier from the Sadlerochit Formation in the Prudhoe Bay Unit. Lisburne Petroleum is any petroleum delivered to Carrier from the Lisburne Formation in the Prudhoe Bay Unit. Kuparuk Petroleum is any petroleum delivered to Carrier from the Kuparuk Pipeline. Endicott Petroleum is any petroleum delivered to Carrier from the Endicott Pipeline.

The foregoing rates were prepared in part through the use of Pumpability Factors of 1.000.

The rates indicated above are exclusive of any demurrage or other charges shown in ExxonMobil Pipeline Company F.E.R.C. No. 6, supplements thereto or successive issues thereof and any amounts that Carrier is required by an applicable law or regulation to collect. No gathering service will be performed by Carrier.

EXPLANATION OF REFERENCE MARKS

[I] Increase

[W] Change in wording only

ExxonMobil Pipeline Company
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Confidential

Jeff Ray
TAPS Coordinator
Business Development & Joint Interest Department

ExxonMobil
Pipeline

November 30, 2000

Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Oil Pipeline Tariffs

Re: **TRANSMITTAL NO. 17**

The accompanying ExxonMobil Pipeline Company (EMPCo) tariff is sent to you for filing in accordance with the requirements of the Interstate Commerce Act, to be effective January 1, 2000, and bearing:

Supplement No. 2 to F.E.R.C. Tariff No. 6

In compliance with the TAPS Quality Bank Methodology, Supplement No. 2 to FERC Tariff No. 6 decreases the Gravity Differential Value Per Barrel in Item No. 160-B to $0.0167 for each one-tenth degree API Gravity effective January 1, 2001. A copy of the Mitchell & Mitchell report that includes calculations and supporting data for the determination of the revised gravity differential is enclosed.

Please call A. J. Signater at (713) 656-4968 or Jeff Ray at (713) 656-6885 if you have any questions or require additional information. Pursuant to 18 CFR, Part 343.3(a), EMPCo requests that any protests or complaints which affect this publication in any way be transmitted to Mr. Ray concurrent with their filing/issuance via facsimile at (713) 656-9586.

I hereby certify that I have on or before this day sent one copy of each publication listed hereon to each subscriber thereto by first-class mail, or by other means of transmission requested by the subscriber.

This filing is being hand-delivered to FERC. Please acknowledge receipt of this transmittal on the duplicate copy enclosed and our courier will pick up the date-stamped duplicate copy at the time of filing.

Sincerely,

Jeff Ray

Enclosures

ExxonMobil Pipeline Company
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Houston, Texas 77002
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Confidential

Jeff Ray
TAPS Coordinator
Business Development & Joint Interest Department

ExxonMobil
Pipeline

November 30, 2000

Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Oil Pipeline Tariffs

Re: **TRANSMITTAL NO. 17**

The accompanying ExxonMobil Pipeline Company (EMPCo) tariff is sent to you for filing in accordance with the requirements of the Interstate Commerce Act, to be effective January 1, 2000, and bearing:

Supplement No. 2 to F.E.R.C. Tariff No. 6

In compliance with the TAPS Quality Bank Methodology, Supplement No. 2 to FERC Tariff No. 6 decreases the Gravity Differential Value Per Barrel in Item No. 160-B to $0.0167 for each one-tenth degree API Gravity effective January 1, 2001. A copy of the Mitchell & Mitchell report that includes calculations and supporting data for the determination of the revised gravity differential is enclosed.

Please call A. J. Signater at (713) 656-4968 or Jeff Ray at (713) 656-6885 if you have any questions or require additional information. Pursuant to 18 CFR, Part 343.3(a), EMPCo requests that any protests or complaints which affect this publication in any way be transmitted to Mr. Ray concurrent with their filing/issuance via facsimile at (713) 656-9586.

I hereby certify that I have on or before this day sent one copy of each publication listed hereon to each subscriber thereto by first-class mail, or by other means of transmission requested by the subscriber.

This filing is being hand-delivered to FERC. Please acknowledge receipt of this transmittal on the duplicate copy enclosed and our courier will pick up the date-stamped duplicate copy at the time of filing.

Sincerely,

Jeff Ray

Enclosures

Supplement No. 2 to F. E. R. C. No. 6
(Cancels Suppl. No. 1 to F.E.R.C. No. 6)

ExxonMobil Pipeline Company

LOCAL TARIFF

Containing

RULES AND REGULATIONS

Governing the Transportation of Petroleum by ExxonMobil Pipeline Company Through the Trans Alaska Pipeline System and Loading on Vessels Bound for Destinations Outside Alaska

The rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

ISSUED: DECEMBER 1, 2000 **EFFECTIVE: JANUARY 1, 2001**

Issued by:
R. A. RABINOW, President
ExxonMobil Pipeline Company
P. O. Box 2220
Houston, Texas 77252-2220

Compiled By:
R. C. Luckner
P. O. Box 2220
Houston, Texas 77252-2220
(713) 656-5419

Item No. 160-B cancels Item No. 160-A QUALITY ADJUSTMENTS. Shippers shall be debited and/or credited for all adjustments as provided for in this Item with respect to all Petroleum shipped. The calculation of Shipper's debits and credits shall be made for each Month as required herein. The credit and debit balances for each accounting shall be adjusted among Shipper and all shippers in TAPS by collecting funds from those shippers (including Shipper, if applicable) having debit balances and by thereafter remitting funds collected to the shippers (including Shipper, if applicable) having credit balances. In the event of delay in collection or inability to collect from one or more shippers for any reason, only adjustment funds and applicable interest charges actually collected shall be distributed *pro rata* to shippers having credit balances. A Monthly accounting shall be rendered to Shipper after the end of each Month.

(a) **Methodology.**

Shipper authorizes Carrier or its designee to compute adjustments among all shippers in TAPS for quality differentials arising out of TAPS common stream operation. Shipper agrees to pay Carrier or its designee the adjustment due from Shipper determined in accordance with the procedures set out in this Item.

The procedures for making Quality Bank calculations and determining Quality Bank adjustments among shippers are specified in detail in this Item, as supplemented by the TAPS Quality Bank Methodology set forth in Carrier's FERC Tariff No. 7, supplements thereto, and successive issues thereof, which is incorporated herein by reference. This Item and the TAPS Quality Bank Methodology are filed in compliance with the Order on Rehearing issued February 11, 1994, by the Federal Energy Regulatory Commission in Docket Nos. OR89-2-004 *et al.* and in the Order Adopting with Changes Federal Energy Regulatory Commission Order on Rehearing issued February 16, 1994, by the Alaska Public Utilities Commission in Docket Nos. P-89-1 *et al.*

At the close of each Month, Carrier or its designated Quality Bank Administrator shall compute adjustments calculated as follows:

1. **Pump Station No. 1 Adjustment** — An adjustment based on the difference between the Quality Bank Value of Pump Station No. 1 Base Petroleum during a Month and the Quality Bank Value of Petroleum received into TAPS at Pump Station No. 1 for a Shipper during the same Month shall be calculated as follows:

   (i) the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during the Month for a Shipper shall be determined by summing the Quality Bank Values of each component of one Barrel of that stream as determined in accordance with the TAPS Quality Bank Methodology.

   (ii) the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for the Month shall be determined by multiplying the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during that Month by the number of Barrels of that stream received into TAPS at Pump Station No. 1 during that Month, summing the products so obtained and dividing the total by the number of Barrels of Petroleum received into TAPS at Pump Station No. 1 during that Month.

   (iii) if the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.

(iv) if the Quality Bank Value per Barrel of Pump Station No. 1 Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.

2. **Connection Adjustment** — An adjustment based on the difference between the Quality Bank Value of any Connection Base Petroleum during a Month and the Quality Bank Value of a Shipper's Petroleum commingled at that Connection during the same Month shall be calculated as follows:

   (i) the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at a Connection during the Month shall be determined by summing the Quality Bank Values of each component of one Barrel of that Petroleum as determined in accordance with the TAPS Quality Bank Methodology.

   (ii) the Quality Bank Value per Barrel of any Connection Base Petroleum for the Month shall be the Weighted Average Quality Bank Value of (1) the Petroleum entering TAPS at a Connection during the Month and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection during the Month.

   (iii) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

   (iv) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

3. **Valdez Terminal Gravity Adjustment** — An adjustment based on the difference between the Weighted Average Gravity of the Valdez Terminal Base Petroleum and the Weighted Average Gravity of Petroleum received out of the Valdez Terminal by a Shipper shall be calculated as follows:

   (i) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is greater than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a

Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the Gravity Differential Value per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.

(i) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is less than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the Gravity Differential Value per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper

(ii) Beginning **[W]** JANUARY 1, 2001, the Gravity Differential Value Per Barrel is established at **[D]** $0.0167 for each one-tenth degree API Gravity (0.1° API).

(b) **General Provisions.**

In addition to the adjustments described in this Item, Shipper agrees to pay Carrier or its designee a per Barrel charge to reimburse Carrier for the costs of administering the adjustments among shippers under this Item.

In the event any payment is made to Shipper hereunder and it is subsequently determined by any Federal or state court, administrative agency or other governmental entity having jurisdiction that no other Shipper was liable for the adjustment for which payment was made, Shipper receiving such payment shall upon receipt of an accounting from Carrier return the same to Carrier or its designee. Carrier shall promptly utilize same to reimburse all shippers who made such payments.

All payment due from Shipper under this Item shall be made by Shipper within 20 days of receipt of each accounting and, for any delay in payment beyond such 20-day period, shall bear interest calculated at an annual rate equivalent to 125% of the prime rate of interest of Citibank N.A. of New York, New York, on ninety-day loans to substantial and responsible commercial borrowers as of the date of accounting.

If Shipper fails to make payment due hereunder within 30 days of issuance of each accounting, Carrier shall have the right to sell at public auction either directly or through an agent at any time after such 30-day period any Petroleum of Shipper in its custody. Such auction may be held on any day, except a legal holiday, and not less than 48 hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city or general area where the sale is to be held, stating the time and place of sale and the quantity and location of Petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will deduct all payments due and expenses incident to said sale, and the balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

Carrier and its designee are authorized by Shipper to received through measurement, connecting carriers or otherwise all information and data necessary to make the computations under this Item. Shipper will furnish Carrier or its designated Quality Bank Administrator, and consents to Carrier or its designated Quality Bank Administrator acquiring from other carriers or other persons, any additional information and data necessary to make the computations under this Item. Shipper also consents to Carrier or its agents disclosing to the designated Quality Bank Administrator all information and data necessary to make the computations under this Item. The name and address of Carrier's designated Quality Bank Administrator will be made available upon written request to Carrier.

Adjustment payments and administrative costs in this Item are not a part of Carrier's transportation tariff rates, and such shall not be an offset or other claim by Shipper against sums due Carrier for transportation or other charges, costs, or fees due or collected under Carrier's tariffs.

EXPLANATION OF REFERENCE MARKS

[W] Change in wording only

[D] Decrease

F. E. R. C. No. 6
(Cancels F.E.R.C. No. 489,
Exxon Pipeline Company Series)

ExxonMobil Pipeline Company

LOCAL TARIFF

Containing

RULES AND REGULATIONS

Governing the Transportation of Petroleum by ExxonMobil Pipeline Company Through the Trans Alaska Pipeline System and Loading on Vessels Bound for Destinations Outside Alaska

The rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

All rates, rules, and regulations have been brought forward unchanged from Exxon Pipeline Company's F.E.R.C. No. 489, as supplemented, as per ExxonMobil Pipeline Company's Adoption Notice F.E.R.C. No. 1.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

ISSUED: JANUARY 31, 2000 **EFFECTIVE: MARCH 2, 2000**

Issued by:
R. A. RABINOW, President
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TABLE OF CONTENTS

SUBJECT	ITEM NO.	PAGE NO.
Additional Charges To Be Incurred By Shipper	67	5
Application of Rates	60	5
Claims, Suits, and Time for Filing	85	5
Commodity	10	4
Connections to the Trans Alaska Pipeline System	170	10
Deductions From Quantities Deliverable	45	4
Definitions	5	3
Docks	130	7
Evidence of Receipts and Deliveries	75	5
Gauging, Measurements, and Tests	40	4
Identity of Petroleum	30	4
Inhibitors	165	10
In Transit Shipments	155	9
Liability of Carrier	80	5
Line Fill and Tank Bottom Inventory	55	5
Oil Record Book	145	8
Origin and Destination Facilities	70	5
Payment of Tariff Charges	65	5
Port Information Manual	140	8
Procedures For Tendering, Scheduling & Revising Monthly Nominations	90	6
Pumpability Factors	100	7
Quality Adjustments	160	9
Rates Applicable From and To Intermediate Points	150	8
Revision of Lifting Schedule	125	7
Scheduling of Vessels and Liftings	120	7
Shipper's Petroleum Used for Fuel	50	4
Specifications as to Quality	15	4
Tankage at Valdez	135	8
Tendering New Grade of Petroleum	20	4
Tenders Greater Than System Capacity	95	6
Tenders Less Than Carrier Capacity	92	6
Tenders Less Than Carrier System Capacity	110	7
Title, Petroleum Involved in Litigation	25	4
Transfer of Title	35	4
Under Nominations	120	7
Valid Tenders	105	7

RULES AND REGULATIONS

Item No. 5. DEFINITIONS.

"Actual Arrival Time" -- the time according to Valdez, Alaska, local time that a Vessel communicates its readiness to commence loading after entering the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.

"Barrel" -- 42 United States standard gallons of Petroleum at a temperature of 60° Fahrenheit provided that, unless otherwise specifically stated, Barrel shall be a volumetric measure, with no adjustment for characteristics of Petroleum that affect throughput (such as gravity and viscosity).

"Business Day" -- a Day that is Monday through Friday of any week excluding observed holidays.

"Carrier" -- ExxonMobil Pipeline Company.

"Carrier Business Day" -- a regularly scheduled work Day for Carrier's scheduling department.

"Connection" -- a connection to the System (other than at Pump Station No. 1) for the purpose of receiving Petroleum into the System.

"Connection Base Petroleum" -- the Petroleum resulting from the commingling of (1) the Petroleum entering the System at a Connection and (2) the Petroleum in the System just upstream of the point of entry into the System at that Connection.

"Date of Commissioning" -- July 31, 1977.

"Day" -- the period of time commencing at 0000 hours of one day and running until 2400 hours on the same day according to Valdez, Alaska, local time.

"Decreased Nomination" -- a Nomination that reduces the number of Barrels previously nominated to Carrier by a Shipper.

"Gravity" -- the gravity of Petroleum expressed in API degrees at 60° Fahrenheit.

"Gravity Differential Value Per Barrel" -- the gravity differential value as established or revised under Item No. 145.

"Increased Nomination" -- a Nomination that increases the number of Barrels previously nominated to Carrier by a Shipper.

"Lifting Schedule" -- the schedule of Vessels and liftings as established under Item No. 125 or revised pursuant to Item No. 130.

"Month or Monthly" -- a calendar month commencing at 0000 hours on the first day thereof and running until 2400 hours on the last day thereof according to Valdez, Alaska, local time.

"Nomination" -- See definition of "Tender" below.

"Operator" -- Alyeska Pipeline Service Company.

"Operator Business Day" -- a regularly scheduled work Day for Operator's scheduling department.

"Petroleum" -- unrefined liquid hydrocarbons including gas liquids. Any references to crude oil shall mean Petroleum as defined herein.

"Pump Station No. 1" -- the pump station facilities near Prudhoe Bay, Alaska, where Petroleum is received into the System.

"Pump Station No. 1 Base Petroleum" -- the Petroleum stream resulting from deliveries into the System at Pump Station No. 1 by all shippers in the System.

"Scheduled Arrival Day" -- the Day, stated in the Lifting Schedule, that a Vessel is scheduled to enter the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.

"Shipper" -- a party who tenders Petroleum to Carrier for transportation and thereafter actually delivers Petroleum to Carrier for transportation.

"System" -- the Trans Alaska Pipeline System.

"System Capacity" -- the capacity in the System to be allocated by Operator to the TAPS Carriers in accordance with the Amended and Restated Agreement for the Operation and Maintenance of the Trans Alaska Pipeline System, a copy of which will be provided upon request to any Shipper.

"Tender" or "Nomination" -- a written offer (in form and content specified by Carrier) made by a Shipper to Carrier of a stated quantity of Petroleum for transportation from a specified origin to a specified destination and supplemental information related to receipt or lifting of same at destination, all in accordance with Carrier's applicable tariff or tariffs.

"Valdez Terminal" -- the System terminal at Valdez, Alaska.

"Valdez Terminal Base Petroleum" -- the Petroleum delivered out of Valdez Terminal.

"Vessel(s)" -- any tanker, tank ship or vessel scheduled to call or calling at Valdez, Alaska, to load Petroleum transported through the System.

"Volume" -- quantity expressed in Barrels.

"Week" or "Weekly" -- seven consecutive days commencing on Monday at 0000 hours and running until 2400 hours on the next succeeding Sunday according to Valdez, Alaska, local time.

"Weighted Average" -- an average calculated on a Volume weighted basis.

"Working Capacity" -- the total capacity of all operational tanks at Valdez, Alaska, for the handling of Petroleum pending delivery out of the system into Vessels, between the top of the suction/fill tank nozzle and 3 feet 9 inches below the top of each tank, less the capacity, as determined by Carrier, required to move Petroleum out of the pipeline to prevent the internal pressure in the pipeline from exceeding design limits in the event of a shutdown. Reference to Carrier's Working Capacity means only Carrier's owned share.

Item No. 10. COMMODITY. Carrier will transport Petroleum exclusively and will not accept any other commodity for transportation.

Item No. 15. SPECIFICATIONS AS TO QUALITY. Carrier reserves the right to reject any Petroleum for transportation if (a) it contains more than thirty-five one hundredths of 1% (0.35%) by volume of sediment and water, (b) its temperature exceeds 142° Fahrenheit, (c) its hydrogen sulfide (H_2S) content in solution exceeds fifty (50) parts per million by weight, and (d) the hydrogen sulfide (H_2S) content, in solution in the calculated combined stream of Petroleum of any Shipper at any given entry point in the System, at any given time exceeds ten (10) parts per million by weight or (e) the vapor pressure in the calculated combined stream of Petroleum of any Shipper at any given entry point in the System at any given time exceeds the greater of atmospheric pressure or 14.7 psia at receipt temperature. The limits specified in (d) and (e) above shall only apply when at the same time and same entry point, either the hydrogen sulfide (H_2S) content in solution or the vapor pressure of the calculated combined stream of Petroleum in the custody of Carrier in the System would exceed the limits specified in (d) and (e) above. In calculating each such characteristic of the calculated combined stream of Petroleum at any given entry point in the System, only Petroleum delivered into the System at that point and all points upstream shall be considered. In no event will Petroleum be accepted for transportation unless its gravity, viscosity, pour point, vapor pressure, temperature, and all other characteristics are such that it is suitable for refining or use as a fuel and is readily susceptible to safe and efficient transportation through the System. Carrier reserves the right to reject any and all Petroleum shipments whose gravity, viscosity, and/or other characteristics are such that it will damage the quality and/or value of other shipments unless, at the time such Petroleum is tendered, just and reasonable monetary adjustments for differences in the quality or value of such Petroleum and the Petroleum then being transported in the System are provided for in this tariff.

Item No. 20. TENDERING NEW GRADE OF PETROLEUM. A Shipper tendering Petroleum to Carrier from a producing reservoir or processing plant from which Petroleum has not previously been accepted for transportation in the System, shall notify Carrier of the date shipments will commence and shall furnish an assay of such Petroleum to Carrier at least sixty (60) days prior to the date the Shipper desires to commence shipment of such Petroleum. If Petroleum offered for transportation differs materially in character from that being transported in Carrier's pipeline, then it will be transported, if at all, only under such terms as the Carrier and Shipper may agree.

Item No. 25. TITLE, PETROLEUM INVOLVED IN LITIGATION. By tendering Petroleum, the Shipper warrants and guarantees that the Shipper has good title thereto and agrees to hold Carrier harmless from any and all loss, cost, liability, damage, and/or expense resulting from disputes, encumbrances or failure of title thereto; but Carrier's acceptance of Petroleum for transportation shall not be deemed a representation by Carrier as to the title of the Petroleum accepted. Shipper further warrants that all Petroleum tendered to Carrier has been produced and handled in accordance with the laws of the State in which produced and of the United States and the orders, rules, and regulations of all regulatory agencies, State and Federal, having jurisdiction. Carrier shall have the right to reject any Petroleum tendered for transportation which may be involved in litigation or the title of which may be in dispute, or which may be encumbered by lien or charge of any kind. In the alternative and at Carrier's option, Carrier may either require of the Shipper satisfactory evidence of its perfect and unencumbered title or a satisfactory indemnity bond to protect Carrier.

Item No. 30. IDENTITY OF PETROLEUM. All Petroleum transported through the System will be subject to intermixing with other Petroleum in the System. Petroleum accepted for transportation shall be subject to such changes in gravity, quality, or other characteristics as may result from its mixture with other Petroleum in the System. Carrier will be under no obligation to deliver the identical Petroleum received and reserves the right to make deliveries out of common stock.

Item No. 35. TRANSFER OF TITLE. Carrier will not recognize, nor account for, transfers of title to Petroleum while in the System.

Item No. 40. GAUGING, MEASUREMENTS, AND TESTS. Petroleum accepted for transportation through the System and Petroleum delivered from the System will be measured and tested by Carrier or its representative prior to, or at the time of its receipt or delivery. Its Volume will be determined at Carrier's option either by meters, by tank gauges, or other methods acceptable in the industry. The Volumes so determined will be corrected by calculation from observed temperatures to sixty degrees (60°) Fahrenheit and reduced by the full amount of sediment, water, and other impurities as ascertained from tests in accordance with accepted API and ASTM practices.

Item No. 45. DEDUCTIONS FROM QUANTITIES DELIVERABLE. Carrier shall account to each Shipper for Petroleum received. Any loss in excess of 4,000 barrels from the working tanks at Valdez due to a single identifiable event, to the extent experienced by Carrier, will be allocated to Shippers in the proportion that each Shipper's Petroleum then in custody of Carrier in such working tanks bears to all Shippers' Petroleum in the custody of Carrier in such working tanks at the beginning of the Day the loss occurs. Any other shortages or losses and any gains experienced by Carrier will be allocated among the Shippers in the proportion that the total Barrels delivered by Carrier from the System for each Shipper bears to the total number of Barrels delivered by Carrier from the System for all Shippers during the calendar Month the loss, shortage, or gain occurs. Only such portion of a Shipper's Petroleum as may remain after deduction of its allocated part of such net losses and shortages shall be deliverable from the System. Deductions for such losses and shortages and additions for any gains will initially be made on the basis of estimates and adjusted to actual at the end of each calendar Month. Carrier will not be liable for any such net losses and shortages except as provided in Item No. 85.

Item No. 50. SHIPPER'S PETROLEUM USED FOR FUEL. A Shipper's Tender of Petroleum to Carrier and Carrier's acceptance of such Petroleum for transportation through the System shall be on the condition that Carrier may without payment or liability to Shipper withdraw such Volumes from each Shipper's Petroleum, or make extractions therefrom as may be required for Carrier's use as fuel in the operation of the System. Any withdrawals of or extractions from Shipper's Petroleum by Carrier for such purpose will be allocated to all Shippers in the proportion that the total Barrels delivered by Carrier from the System for each Shipper bears to the total number of Barrels delivered by Carrier from the System for all Shippers during the calendar Month the Volumes are withdrawn or extracted. Only such portion of a Shipper's Petroleum as may remain after deduction of its allocated part of such withdrawals or extractions shall be deliverable from the System to the Shipper or any consignee. Deductions for such withdrawals or extractions will initially be made on the basis of estimates and adjusted to actual at the end of each calendar Month.

Item No. 55. LINE FILL AND TANK BOTTOM INVENTORY. Either prior to or after the acceptance of Petroleum for transportation through the System, Carrier may, upon reasonable notice, require each Shipper to provide a pro rata part of the Volume of Petroleum necessary for pipeline fill, unavailable stocks below tank connections, and reasonable additional minimum quantities required for the efficient operation of the System. Petroleum provided by a Shipper for this purpose may be withdrawn from the System only with the prior approval of Carrier or after reasonable notice of such Shipper's intention to discontinue shipment in the System pursuant to Carrier's applicable tariff or tariffs.

Item No. 60. APPLICATION OF RATES. Petroleum accepted by Carrier for transportation shall be subject to Carrier's rates in effect on the date of the receipt of the Petroleum by Carrier into the System, irrespective of the date of the Tender. The withdrawal of Petroleum provided by a Shipper for line fill and tank bottoms shall be subject to the payment of Carrier's applicable rates from the initial point of origin in effect on the date of its withdrawal.

Item No. 65. PAYMENT OF TARIFF CHARGES. The Shipper shall pay all applicable transportation charges and all other lawful charges and fees accruing under Carrier's applicable tariff or tariffs or as required by law on the net Volumes of Petroleum delivered at destination by Carrier. All such charges and fees shall be due upon delivery at destination; however, Carrier reserves the right to require any Shipper to pay such charges and fees before delivery of Shipper's Petroleum at destination. Carrier shall have a lien on all Petroleum tendered to Carrier for transportation through the System to secure the payment of any and all unpaid transportation charges and other lawful charges and fees that are due on any Petroleum and any amounts paid by Carrier on behalf of Shipper that are unpaid by Shipper. Carrier may withhold from delivery any Petroleum of Shipper in Carrier's custody until all unpaid charges, fees, and other amounts owed Carrier have been paid. If said charges remain unpaid ten (10) days after the due date specified in Carrier's invoice, such amounts shall, from the due date until paid, bear interest calculated at an annual rate equivalent to 125% of the prime rate of interest as of the date of delivery charged by the Citibank N.A. of New York, New York, on ninety (90) day loans to substantial and responsible commercial borrowers. If the invoice is not paid within thirty (30) days from the due date specified in Carrier's invoice, Carrier shall have the right, either directly or through an agent, at any time after such thirty (30) day period to sell any Petroleum of such Shipper in its custody at public auction, on any day not a legal holiday, not less than 48 hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city, or general area where the sale is to be held, stating the time and place of sale and the quantity and location of Petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will deduct all transportation charges, other charges, fees, interest, and all other amounts due to Carrier, including expenses incident to said sale, and the balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

Item No. 67. ADDITIONAL CHARGES TO BE INCURRED BY SHIPPER. Carrier shall have no responsibility for costs or expenses incurred by or related to Shipper's vessels, including without limitation, port dues, tug charges, pilotage expenses and any demurrage charges assessed by the owner of any vessel scheduled by Shipper, which is delayed at the Valdez Terminal or elsewhere, irrespective of the cause of the delay. No vessel owner or Shipper will have any claim on Carrier for such costs, expenses or charges.

Item No. 70. ORIGIN AND DESTINATION FACILITIES. Carrier will accept Petroleum only at designated points and from facilities acceptable to Carrier and only when the Shipper or any consignee has provided, or made arrangements satisfactory for Carrier to provide, without cost to Carrier, the necessary facilities for Carrier to receive the Petroleum into the System and the necessary Vessels or facilities for receiving the Petroleum as it arrives at destination and, if appropriate, accumulates at destination in sufficient Volumes for delivery to Shipper or any consignee. Petroleum accepted for transportation to destinations other than for loading on Vessels at Valdez, Alaska, will be delivered only into pipelines, tanks, or other facilities which are provided or arranged for by Shipper. Carrier will determine and advise Shippers of the size and capacity of pipelines, tanks, or other facilities to be provided at point of delivery to meet the operating conditions of the System at such point. If a Shipper, any consignee or a connecting Carrier is not able for any reason to receive Petroleum from Carrier at any such destination at the time when Carrier has scheduled a delivery, then Carrier shall have the right at Shipper's expense, to transport such Petroleum to Valdez, Alaska. If the Shipper of any such Petroleum is unable to accept delivery of any such Petroleum at Valdez, Alaska, within fifteen (15) days, Carrier, either directly or through an agent, shall have the right upon seventy-two (72) hours notice to Shipper to sell such Petroleum to the first available purchaser at the best price obtainable; to deduct from the proceeds thereof transportation charges and other charges, fees, the expenses incurred in making the sale and other amounts which are due or would be due had delivery been made to Shipper; and to hold the balance of such proceeds for whomsoever may be entitled thereto.

Item No. 75. EVIDENCE OF RECEIPTS AND DELIVERIES. Petroleum received from or delivered to a Shipper or any consignee shall, in each instance, be documented by tickets showing volumes, temperature, sediment and water, and any other data essential to the determination of quantity and quality. Unless waived, such tickets shall be jointly signed by representatives of Carrier and the Shipper or any consignee, as appropriate, and shall be conclusive evidence of the Petroleum received or of the Petroleum delivered, as the case may be. Failure of the Shipper or any consignee to have a representative present shall constitute a waiver and the Shipper shall be bound by the information and data on such tickets.

Item No. 80. LIABILITY OF CARRIER. Carrier shall not be liable for any loss or shortage of Petroleum in its custody; damage thereto; or delay caused by fire, storm, flood, epidemics, Act of God, riots, strikes, insurrection, rebellion, war, act of the public enemy, quarantine, the authority of law, requisition or necessity of the Government of the United States in time of war, or default of Shipper or Shipper's consignee, or any other cause not due to the sole negligence of Carrier.

Item No. 85. CLAIMS, SUITS, AND TIME FOR FILING. As a condition precedent to recovery of any losses or damages suffered by Shipper for which Carrier may be responsible, the Shipper's claims must be filed in writing with Carrier within nine (9) months and one (1) day after delivery of shipment, or in case of failure of Carrier to make delivery, within nine (9) months and one (1) day after delivery should have been made based upon operating conditions and transit times or in accordance with the Lifting Schedule; and suits will be instituted against Carrier only within two (2) years and one (1) day from the day when notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. If claims are not filed or suits are not instituted thereon, in accordance with the foregoing provisions, Carrier shall not be liable and such claims will not be paid.

Item No. 90. PROCEDURES FOR TENDERING, SCHEDULING AND REVISING MONTHLY NOMINATIONS.

1. a. No later than 2400 hours Valdez, Alaska time on the fifth (5th) Carrier Business Day of each Month, a Shipper shall furnish to Carrier the written Tender of the daily Volumes of shipments that Shipper desires to ship in Carrier's System Capacity during the next succeeding Month. Tenders may be submitted by facsimile or other written means of communication and will be valid when received. Carrier may consider for acceptance an Increased Nomination or Decreased Nomination submitted by Shipper after 2400 hours Valdez, Alaska time on the fifth (5th) Carrier Business Day of each Month.

   b. To the extent practicable, Carrier will notify Shipper of the extent to which its Nomination has been accepted by noon Valdez, Alaska time on the latter of (a) the sixth (6th) Carrier Business Day of the Month prior to the Month in which the Nomination is to be effective, or (b) the next successive Carrier Business Day following receipt of Nomination.

   c. Prior to the fifth (5th) Carrier Business Day of each Month, Carrier will notify Shipper of the Carrier's System Capacity that is estimated by Operator to be available to Carrier for the next succeeding Month. Any prospective Shipper seeking such information may obtain it upon request to Carrier's products movements coordinator at (713) 656-2044.

2. Beginning as of 2400 hours Valdez, Alaska time on the fifth (5th) Carrier Business Day of the Month and ending as of 2400 hours Valdez, Alaska time on the fifteenth (15th) Day of the Month prior to the Month in which the Nomination is to be effective (or, if the fifteenth (15th) Day is not an Operator Business Day, then on the next succeeding Operator Business Day), any Increased Nomination or Decreased Nomination accepted by Carrier will become effective when Carrier notifies Shipper of Carrier's acceptance of such Increased Nomination or Decreased Nomination.

3. Beginning as of 2400 hours Valdez, Alaska time on the fifteenth (15th) Day of the Month prior to the Month in which the Nomination is to be effective (or, if the fifteenth (15th) Day is not an Operator Business Day, then on the next succeeding Operator Business Day), the following procedures will apply. An Increased Nomination accepted by Carrier will be effective at 0000 hours Valdez, Alaska time on the latter of (a) the Day Shipper proposes in its Nomination, (b) a Day that begins after four (4) Operator Business Days have elapsed since Carrier accepted the Increased Nomination, and c) the Day Operator determines that the Barrels Shipper proposes to Tender are not nominated to another carrier. A Decreased Nomination accepted by Carrier will be effective at 0000 hours Valdez, Alaska time on the latter of a) the Day Shipper proposes in its Nomination, (b) a Day that begins after six (6) Operator Business Days have elapsed since Carrier accepted the Decreased Nomination, and c) the Day Operator determines that the Barrels Shipper proposes not to Tender to Carrier are properly nominated to another carrier.

Item No. 95. TENDERS GREATER THAN SYSTEM CAPACITY.

1. Apportionment of Carrier's System Capacity

When there shall be offered to Carrier more Petroleum than can be transported, Carrier's available System Capacity shall be apportioned among all Shippers so as to avoid discrimination. Each Month or other applicable Tender period for which the total Volume of all Shippers' validated schedules of shipments exceed Carrier's System Capacity, each Shipper will initially be allotted a share of Carrier's estimated System Capacity, subject to adjustment upward or downward when actual System Capacity is determined, in the same percentage by which actual System Capacity varies from previously estimated System Capacity. Each Shipper's share will be determined by multiplying Carrier's estimated System Capacity by a fraction, the numerator of which is the Volume of that Shipper's validated schedules of shipments and the denominator of which is the total Volume of all Shipper's validated schedules of shipments. (See special provision regarding intrastate Shippers in next paragraph hereafter.)

Carrier will not recognize for apportionment purposes: (1) the Volume of any schedule of shipments which exceeds Carrier's estimated System Capacity or its capacity in any portion of the System to be utilized in handling the Volumes scheduled or (2) the Volume of any schedule of shipments which Carrier is unable to validate (as described in Item No. 105).

2. Percentage Limitation of Intrastate Barrels

Any Shipper tendering for intrastate shipment to Carrier is required to advise the total volume being tendered to all TAPS carriers for each intrastate movement for the Month being tendered. Carrier may limit its obligation to transport crude oil tendered as part or all of a specific intrastate movement at any origin point on the System to a percentage of the total Volume of that movement tendered to all carriers owning an interest in the System. Such percentage may not be less than Carrier's then undivided interest in the System. Carrier is not prohibited from transporting more than said percentage by this rule. Any apportionment of Carrier's System Capacity pursuant to Item No. 95(1) must be applied to the entire Tender before the percentage limitation in Item No. 95 (2) is applied. If the applicable percentage Volume of the Tender resulting from the procedure in Item No. 95(2) is a larger Volume than the Volume resulting from apportionment under Item No. 95(1), the smaller Volume may be transported.

A. If the total Volume of interstate and intrastate barrels tendered to Carrier is greater than Carrier's estimated System Capacity, then Carrier may prorate intrastate Tenders to equal Carrier's percentage of ownership in the System multiplied by the total of all intrastate volumes tendered to all carriers by a Shipper. The intrastate Tenders thus prorated will be accepted by Carrier.

B. B. The intrastate Tender Volumes as determined in A. above will be added together and the total subtracted from Carrier's estimated System Capacity to determine portion of estimated System Capacity to be allotted to interstate Shippers.

C. C. The System Capacity allotted to interstate Shippers, as determined in B. above, will be prorated to interstate Shippers in the usual manner.

Item No. 100. PUMPABILITY FACTORS. Shippers are advised that Carrier, when prorating its allotment of System Capacity to each Shipper for each grade of crude tendered, will utilize relative Pumpability Factors. The Volumes for each grade of crude transported in TAPS by Carrier will be converted to Volumes of equivalent "standard crude" before proration calculations are made. After the proration calculations are made, the allotted Volume of standard crude equivalent will be converted back to actual Volumes of individual crude grades in reports and accounting to the Shipper.

"Standard Crude" is defined as petroleum having the same characteristics which affect throughput as is calculated to result from aggregating the petroleum transported by all TAPS Carriers during the Month for which the calculation is made. Alternatively, a specific crude transported in the system during the Month may be designated as a standard crude.

Item No. 105. VALID TENDERS. Carrier does not permit over-tendering. In order that estimated System Capacity may be prorated among all Shippers without discrimination, Shippers shall submit valid and realistic Tenders and schedules of shipments which do not exceed either the volume of petroleum expected to be available for shipment or Carrier's estimated System Capacity. Carrier reserves the right to take any of the following actions if Carrier reasonably believes that a Shipper: a) Has tendered an amount of Petroleum that exceeds the Volume of Petroleum which will actually be available at the point of origin, b) Does not have unencumbered title to the Petroleum being tendered, c) Has previously withdrawn all or part of an accepted Tender from Carrier without acceptance by Carrier of such Decreased Nomination, d) Has, individually or through the use of multiple entities, tendered Petroleum in excess of Carrier's estimated System Capacity, e) Has tendered the same Petroleum to Carrier and to one or more other carriers, f) Has failed to comply with Carrier's Rules and Regulations, or g) Has failed to provide Carrier with required information in a timely manner:

A. Require an affidavit from Shipper stating under oath that the tender is valid.

B. Reduce Shipper's Tender to an amount Carrier believes to be the amount of Petroleum which will actually be available at the point of origin for the Tender.

C. Reduce Shipper's Tender by the number of Barrels that Carrier accepted that were also tendered to another Carrier.

D. Reject the entire Tender for the Tender Period.

Item No. 110. TENDERS LESS THAN CARRIER SYSTEM CAPACITY. If the total of all Tenders received is less than Carrier's estimated System Capacity, all Tenders are accepted in full, except that the acceptance of a Tender for intrastate movement may be limited to a percentage (equal to Carrier's ownership percentage in the System) of the total oil being tendered by the Shipper to all TAPS Owners for the specific intrastate movement in accordance with Item No. 95. After acceptance of Tenders, Carrier will advise Shippers of the amount of remaining System Capacity available ("Remaining System Capacity"). Remaining System Capacity will be allocated as follows:

A. If Remaining System Capacity on Carrier's System is less than 100,000 barrels per day, Carrier will accept Tenders on a first come, first serve basis until all System Capacity is fully scheduled. Thereafter, no further Tenders will be accepted.

B. If Remaining System Capacity on Carrier's System is 100,000 barrels a day or greater, carrier will accept Tenders for such Remaining System Capacity for a 24-hour period to commence upon notification by Carrier of such Remaining System Capacity to shippers.

Item No. 115. UNDER NOMINATIONS. No person or entity may deliver to the System Petroleum that has not been nominated to and accepted by Carrier or another carrier. If by 2400 hours of the fifteenth (15th) Day of a Month (or, if that Day is not a an Operator Business Day, then of the first Operator Business Day thereafter) there is Petroleum scheduled to be delivered to the System in the coming Month that has not been nominated and accepted by Carrier or another carrier, Operator will notify the owner of such Petroleum at least one Operator Business Day before the deadline by which such owner must nominate the Petroleum to Carrier or to another carrier that has available System Capacity through a revised nomination. If, notwithstanding Operator's notice, the Petroleum is not nominated but is delivered to the System, such Petroleum shall be deemed to be the property of Carrier and the other carriers, and the prior owner shall have no further ownership interest in the Petroleum.

Item No. 120. SCHEDULING OF VESSELS AND LIFTINGS. Any Shipper expecting to commence lifting at the Terminal for the first time shall provide a one-Week notice prior to submitting the four-Week schedule required by this section. In addition to the requirements imposed by the immediately preceding sentence, each Shipper will advise Carrier of the schedule of Vessels it expects to call at the Terminal during the ensuing four-Week period, specifying for each Vessel scheduled for the first Week of such four-Week schedule and to the extent possible for the last three Weeks, the Volume to be lifted, name, Scheduled-Arrival Day, and such other information as required by the Port Information Manual. Any conflicts in the Lifting Schedule will be resolved as required for the most efficient operation of the System.

Item No. 125. REVISION OF LIFTING SCHEDULE. Any changes or Vessel substitution may be made to the Lifting Schedule by any Shipper upon written notice to the Carrier at least seven (7) days in advance of a scheduled lifting subject to dock assignments and scheduling priorities. Changes or vessel substitution with less than seven (7) days' written notice may be made provided such changes or Vessel substitution will not adversely affect any other Shipper's scheduled lifting, unless such other Shipper's prior written consent is obtained, and the changes or substituted Vessel complies with the Port Information Manual.

Item No. 130. DOCKS. Vessels will be assigned dock space by the Operator to the extent practicable in the order of Actual Arrival Time; provided, however that adequate and appropriate inventories designated for lifting by such Vessel have been established, and if in the prudent judgment of Operator such prioritization of dock assignment will optimize System deliveries, consistent with Environmental Protection Agency Regulation 40 C.F.R. Part 63, Subpart Y (Marine Vessel Loading Operations). Prioritization of dock assignment may cause Vessel delays. Each Vessel shall dock when and as instructed. If any Vessel is unable to dock when instructed, the next Vessel waiting to be docked based on the order of dock assignment will be docked until the Vessel that was unable to dock is able to dock. After a Vessel has been docked, it shall be allowed 24 hours, if the Vessel is of two hundred twenty-five thousand (225,000) dead weight tons or less, or 30 hours, if the Vessel is of greater than two hundred twenty-five thousand (225,000) dead weight tons, from the time that Operator gives notice of readiness to commence either loading or deballasting within which to complete its lifting and to release its last line from a mooring point at the dock. If any Vessel fails to release its last mooring line before

a specified departure time contained in a notice from Operator (which specified departure time shall not be earlier than the end of such twenty-four (24) hour or thirty (30) hour period, nor earlier than four (4) hours after such notice is transmitted to the Vessel) the Shipper or consignee scheduling such Vessel shall thereafter pay a demurrage charge of Two Thousand Dollars [U] ($2,000) for each hour or part thereof such Vessel remains at the dock, while such dock is required to load another Vessel which has established an Actual Arrival Time. Any delay due to any act or omission of Operator, or a local event or condition of general application (except mechanical equipment malfunction on the Vessel) not within the control of Operator, the Shipper or any consignee scheduling the Vessel or any other person responsible for the operation or control of such Vessel which act, event or condition prevents the Vessel from vacating the docks, shall be added to the time until the Vessel is required to vacate the dock. All Vessels scheduled by Shipper and the operators of such Vessels shall conform to and comply with all Federal, State and local laws and regulations applicable to such Vessel's use of the terminal.

Item No. 135. TANKAGE AT VALDEZ. Carrier has available working tankage at Valdez, Alaska, that is incident to and necessary for the transportation and delivery of Petroleum on Vessels. Carrier will not offer to store Petroleum in Carrier's tanks for Shippers other than in the minimum Volumes reasonably required to load Vessels properly sized in consideration of the Volume of its shipments. If at the beginning of any Day, the amount of Petroleum in Carrier's custody in Working Capacity exceeds Carrier's Working Capacity and the Petroleum in Working Capacity exceeds seventy-five percent (75%) of such Working Capacity, a demurrage charge of [U] twenty cents (20¢) per Day per Barrel on each Barrel in excess of Carrier's Working Capacity will be applied. In such event, the demurrage charge will be charged to the Shippers having Petroleum in Carrier's custody in Working Capacity for the greatest number of Days starting with the oldest Barrel and continuing with the next oldest Barrel until the Barrels assessed demurrage are equal to the number of Barrels in Working Capacity in Carrier's custody in excess of Carrier's Working Capacity ("Excess Barrels"). For purposes of identifying the Petroleum in Carrier's custody in Working Capacity, for the greatest number of Days, receipts and deliveries for each Shipper will be accounted for on a first in- first out (FIFO) basis determined by volume data presented on tickets (excludes partial loading/delivery if loading/delivery has not been completed by end of day). If the last of the Barrels of the same age to be charged demurrage exceed the number of remaining Excess Barrels, the remaining demurrage charges shall be allocated proportionately to the Barrels of that same age. In calculating the Excess Barrels under this Item No. 135, the number of Excess Barrels at the beginning of any Day shall be reduced by:

1. the number of Barrels scheduled to be lifted by a Vessel which has established an Actual Arrival Time at the beginning of such Day but is unable to dock because the passage through Prince William Sound or Valdez Arm is closed to shipping due to an event not within the control of the Carrier, and
2. the number of Barrels scheduled to be lifted by a Vessel which has docked but which is unable to lift at the beginning of the Day due to any act or omission of Carrier or due to any local event of general application not within the control of Carrier or the Shipper or any consignee scheduling such Vessel or any party responsible for the operation or control of such Vessel which does or would prevent all Vessels from loading.

If a Shipper allows its Petroleum to accumulate in Working Capacity at Valdez, Alaska, for (a) more than fifteen (15) days without lifting and that fact is determined by Carrier to be causing or significantly contributing to excessive fill of Carrier's Working Capacity, or (b) a continuous period of six (6) Months or more, Carrier, either directly or through an agent, shall have the right upon seventy-two (72) hours' notice to Shipper to sell such Petroleum to the first available purchaser at the best price obtainable; to deduct from the proceeds thereof transportation charges and other charges, fees, the expenses incurred in making the sale and other amounts which are due or would be due had delivery been made to Shipper; and to hold the balance of such proceeds for whomsoever may be entitled thereto.

Item No. 140. PORT INFORMATION MANUAL. All Vessels calling at Valdez, Alaska, to load Petroleum transported through the System must comply with the Trans Alaska Pipeline System Port Information Manual. A copy of such manual will be available on request to Carrier.

Item No. 145. OIL RECORD BOOK. Prior to the commencement of loading Petroleum on any Vessel, the master thereof will be required to provide the Carrier or its representative with a legible copy, certified under oath by the master as being true and correct, of:

1. in the case of Vessels of United States registry, that part of the Oil Record Book of such Vessel that pertains to the voyage of the Vessel to Valdez, Alaska, from its last oil discharge port;
2. in the case of Vessels of foreign registry that may now or hereafter be required to maintain an Oil Record Book, or similar records, that part of the Oil Record Book, or said similar records, that pertains to voyage of the Vessel to Valdez, Alaska, from its last oil discharge port; and
3. in the case of any Vessel of foreign registry that is not required to maintain an Oil Record Book, or similar records, an affidavit provided and duly sworn to and signed by the master, stating any and all facts bearing upon or relating to any discharge of oil or oily water from the Vessel during its voyage to Valdez, Alaska, from its last oil discharge port.

If the said record book entries or affidavit, as provided by the master, disclose:

(i) that the Vessel has discharged any oil or oily water from its fuel tanks, cargo tanks, bilge, or otherwise, and
(ii) that such discharge was not necessary for the safety of the Vessel or its crew,

the Carrier or its representative shall immediately notify the Department of Interior representative of the pertinent facts. Vessels discharging oil or oily water may be subject to fines under applicable Federal and State laws and regulations.

Item No. 150. RATES APPLICABLE FROM AND TO INTERMEDIATE POINTS. Petroleum received from a point on the System which is not named in tariff making reference to this tariff but which point is intermediate to a point from which rates are published in tariffs making reference to this tariff, will be assessed the rate in effect from the next more-distant point published in the tariff making reference to this tariff. Petroleum delivered to a point on the System which is not named in tariffs making reference to this tariff but which point is intermediate to a point to which rates are published in tariffs making reference to this tariff, will be assessed the rate in effect to the next more-distant point published in the tariff making reference to this tariff.

Item No. 155. IN TRANSIT SHIPMENTS. Petroleum transported through Carrier's facilities from any origin point may be withdrawn from the System by the Shipper at any established delivery point other than Valdez, Alaska, with the privilege of subsequently reforwarding all or a portion of a like Volume through Carrier's facilities to Valdez, Alaska, and loading on Vessels, provided:

1. The applicable rate from the initial point of origin of the shipment to Valdez, Alaska, shall be paid upon withdrawal of such Petroleum from the System or in advance thereof as required under Item No. 65.
2. Petroleum is redelivered to Carrier at the same point of withdrawal within a period thirty (30) days from the date of withdrawal for further transportation to Valdez, Alaska.
3. The Carrier shall have the right to limit the rate at which Petroleum is redelivered to the Carrier to an hourly rate no greater than the simultaneous hourly rate of withdrawal of Petroleum by such Shipper at such withdrawal point.
4. Custody and possession of the Petroleum upon withdrawal shall be that of the Shipper, not of the Carrier.
5. Shippers availing themselves of these withdrawal and reforwarding privileges must keep complete and accurate records and permit inspection of such records by an authorized agent of Carrier or its representative as is necessary for the efficient supervision of such traffic.

Item No. 160. QUALITY ADJUSTMENTS. Shippers shall be debited and/or credited for all adjustments as provided for in this Item with respect to all Petroleum shipped. The calculation of Shipper's debits and credits shall be made for each Month as required herein. The credit and debit balances for each accounting shall be adjusted among Shipper and all shippers in TAPS by collecting funds from those shippers (including Shipper, if applicable) having debit balances and by thereafter remitting funds collected to the shippers (including Shipper, if applicable) having credit balances. In the event of delay in collection or inability to collect from one or more shippers for any reason, only adjustment funds and applicable interest charges actually collected shall be distributed *pro rata* to shippers having credit balances. A Monthly accounting shall be rendered to Shipper after the end of each Month.

(a) **Methodology.**

Shipper authorizes Carrier or its designee to compute adjustments among all shippers in TAPS for quality differentials arising out of TAPS common stream operation. Shipper agrees to pay Carrier or its designee the adjustment due from Shipper determined in accordance with the procedures set out in this Item.

The procedures for making Quality Bank calculations and determining Quality Bank adjustments among shippers are specified in detail in this Item, as supplemented by the TAPS Quality Bank Methodology set forth in Carrier's FERC Tariff No. 420, supplements thereto, and successive issues thereof, which is incorporated herein by reference. This Item and the TAPS Quality Bank Methodology are filed in compliance with the Order on Rehearing issued February 11, 1994, by the Federal Energy Regulatory Commission in Docket Nos. OR89-2-004 *et al.* and in the Order Adopting with Changes Federal Energy Regulatory Commission Order on Rehearing issued February 16, 1994, by the Alaska Public Utilities Commission in Docket Nos. P-89-1 *et al.*

At the close of each Month, Carrier or its designated Quality Bank Administrator shall compute adjustments calculated as follows:

1. **Pump Station No. 1 Adjustment** — An adjustment based on the difference between the Quality Bank Value of Pump Station No. 1 Base Petroleum during a Month and the Quality Bank Value of Petroleum received into TAPS at Pump Station No. 1 for a Shipper during the same Month shall be calculated as follows:

   (i) the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during the Month for a Shipper shall be determined by summing the Quality Bank Values of each component of one Barrel of that stream as determined in accordance with the TAPS Quality Bank Methodology.

   (ii) the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for the Month shall be determined by multiplying the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during that Month by the number of Barrels of that stream received into TAPS at Pump Station No. 1 during that Month, summing the products so obtained and dividing the total by the number of Barrels of Petroleum received into TAPS at Pump Station No. 1 during that Month.

   (iii) if the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.

   (iv) if the Quality Bank Value per Barrel of Pump Station No. 1 Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.

2. **Connection Adjustment** — An adjustment based on the difference between the Quality Bank Value of any Connection Base Petroleum during a Month and the Quality Bank Value of a Shipper's Petroleum commingled at that Connection during the same Month shall be calculated as follows:

   (i) the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at a Connection during the Month shall be determined by summing the Quality Bank Values of each component of one Barrel of that Petroleum as determined in accordance with the TAPS Quality Bank Methodology.

(ii) the Quality Bank Value per Barrel of any Connection Base Petroleum for the Month shall be the Weighted Average Quality Bank Value of (1) the Petroleum entering TAPS at a Connection during the Month and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection during the Month.

(iii) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

(iv) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

3. **Valdez Terminal Gravity Adjustment** — An adjustment based on the difference between the Weighted Average Gravity of the Valdez Terminal Base Petroleum and the Weighted Average Gravity of Petroleum received out of the Valdez Terminal by a Shipper shall be calculated as follows:

(i) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is greater than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the Gravity Differential Value per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.

(ii) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is less than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the Gravity Differential Value per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.

(iii) Beginning January 1, 2000, the Gravity Differential Value Per Barrel is established at **[U]** $0.018 for each one-tenth degree API Gravity (0.1° API).

(b) **General Provisions.**

In addition to the adjustments described in this Item, Shipper agrees to pay Carrier or its designee a per Barrel charge to reimburse Carrier for the costs of administering the adjustments among shippers under this Item.

In the event any payment is made to Shipper hereunder and it is subsequently determined by any Federal or state court, administrative agency or other governmental entity having jurisdiction that no other Shipper was liable for the adjustment for which payment was made, Shipper receiving such payment shall upon receipt of an accounting from Carrier return the same to Carrier or its designee. Carrier shall promptly utilize same to reimburse all shippers who made such payments.

All payment due from Shipper under this Item shall be made by Shipper within 20 days of receipt of each accounting and, for any delay in payment beyond such 20-day period, shall bear interest calculated at an annual rate equivalent to 125% of the prime rate of interest of Citibank N.A. of New York, New York, on ninety-day loans to substantial and responsible commercial borrowers as of the date of accounting.

If Shipper fails to make payment due hereunder within 30 days of issuance of each accounting, Carrier shall have the right to sell at public auction either directly or through an agent at any time after such 30-day period any Petroleum of Shipper in its custody. Such auction may be held on any day, except a legal holiday, and not less than 48 hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city or general area where the sale is to be held, stating the time and place of sale and the quantity and location of Petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will deduct all payments due and expenses incident to said sale, and the balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

Carrier and its designee are authorized by Shipper to received through measurement, connecting carriers or otherwise all information and data necessary to make the computations under this Item. Shipper will furnish Carrier or its designated Quality Bank Administrator, and consents to Carrier or its designated Quality Bank Administrator acquiring from other carriers or other persons, any additional information and data necessary to make the computations under this Item. Shipper also consents to Carrier or its agents disclosing to the designated Quality Bank Administrator all information and data necessary to make the computations under this Item. The name and address of Carrier's designated Quality Bank Administrator will be made available upon written request to Carrier.

Adjustment payments and administrative costs in this Item are not a part of Carrier's transportation tariff rates, and such shall not be an offset or other claim by Shipper against sums due Carrier for transportation or other charges, costs, or fees due or collected under Carrier's tariffs.

Item No. 170. CONNECTIONS TO THE TRANS ALASKA PIPELINE SYSTEM. Connections to the System will be allowed, in accordance with laws and regulations applicable to common carrier pipeline companies and requirements in the instruments granting the right of way for the System, for the purpose of transporting Petroleum through the System. All connectors must comply with the Trans Alaska Pipeline System Connection Guidelines. A copy of such Guidelines will be available on request to Carrier.

EXPLANATION OF REFERENCE MARKS

[U] Unchanged rate

Quality Bank Tariff Materials

Supplement No. 1 to F.E.R.C. No. 52 (Amerada)
Supplement No. 1 to F.E.R.C. No. 23 (BP)
Supplement No. 1 to F.E.R.C. No. 69 (ExxonMobil)
Supplement No. 1 to F.E.R.C. No. 47 (Phillips)
Supplement No. 1 to F.E.R.C. No. 4 (Phillips Transportation)
Supplement No. 1 to F.E.R.C. No. 206 (Unocal)
Supplement No. 1 to F.E.R.C. No. 4 (Williams)

AMERADA HESS PIPELINE CORPORATION (AMERADA)
BP PIPELINES (ALASKA) INC. (BP)
EXXONMOBIL PIPELINE COMPANY (EXXONMOBIL)
PHILLIPS ALASKA PIPELINE CORPORATION (PHILLIPS)
PHILLIPS TRANSPORTATION ALASKA, INC. (PHILLIPS TRANSPORTATION)
UNOCAL PIPELINE COMPANY (UNOCAL)
WILLIAMS ALASKA PIPELINE COMPANY, L.L.C. (WILLIAMS)

LOCAL PIPELINE TARIFF

CONTAINING THE TAPS
QUALITY BANK METHODOLOGY

GENERAL APPLICATION

This tariff shall apply only to those tariffs which specifically incorporate this tariff, supplements to this tariff and successive issues hereof, by reference.

SPECIAL PERMISSION REQUESTED

Issued on nine days' notice under authority of 18 C.F.R. § 341.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.

NOTICES

[W] The decreases noted in Attachment 2A are made to comply with this Commission's Order Adopting Contested Settlement in Docket No. OR89-2-007, *et al.*, *Trans Alaska Pipeline System*, 81 F.E.R.C. ¶ 61,319 (1997), and the Alaska Public Utilities Commission's Order Adopting Federal Energy Regulatory Commission Order Approving Contested Settlement in Docket Nos. P-89-1, *et al.*, *In re Formal Complaint of Tesoro Alaska Petroleum Co.*, Order P-89-1(87) (1998).

For rules and regulations other than the TAPS Quality Bank Methodology tariff, see F.E.R.C. No. 41 (Amerada), F.E.R.C. No. 17 (BP), F.E.R.C. No. 6 (ExxonMobil), F.E.R.C. No. 35 (Phillips), F.E.R.C. No. 2 (Phillips Transportation), F.E.R.C. No. 189 (Unocal), F.E.R.C. No. 2 (Williams), supplements thereto and reissues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

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Attachment 2A cancels Attachment 2

ATTACHMENT 2A

COMPONENT UNIT VALUE PRICING BASIS

PROPANE (C_3)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Propane.	OPIS's (weekly) Los Angeles delivered spot quote for Propane.

ISOBUTANE (iC_4)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Isobutane.	OPIS's (weekly) Los Angeles delivered spot quote for Isobutane.

NORMAL BUTANE (nC_4)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Normal Butane.	OPIS's (weekly) Los Angeles delivered spot quote for Normal Butane.

LIGHT STRAIGHT RUN (C_5 - 175°F)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Natural Non-Dynegy.	OPIS's (weekly) Bakersfield delivered spot quote for Natural Gasoline.

NAPHTHA (175° - 350°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.	Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.

LIGHT DISTILLATE (350° - 450°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Jet Kerosene 54 less 0.5283 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Jet Fuel less 0.5283 cents per gallon.

[D] [D]

HEAVY DISTILLATE (450° - 650°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 2 less 2.1126 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Gasoil for October, 1999 less 0.9973 cents per gallon.

[D]

GAS OIL (650° - 1050°F)

United States Gulf Coast	United States West Coast
OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.	OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.

RESID (1050°F and Over)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 6 Fuel Oil 3.0% Sulfur less 4.7534 cents per gallon.	Platt's U.S. West Coast spot quote for Pipeline 380 cst at Los Angeles converted to $/Bbl using 6.37 Bbl/MT less 4.7534 cents per gallon.

[D] [D]

Explanation of symbols: **[D]** Decrease
[W] Change in wording only

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F.E.R.C. No. 52 (Amerada)
(Cancels F.E.R.C. No. 51)
F.E.R.C. No. 23 (BP)
(Cancels F.E.R.C. No. 22)
F.E.R.C. No. 69 (ExxonMobil)
(Cancels F.E.R.C. No. 7)
F.E.R.C. No. 47 (Phillips)
(Cancels F.E.R.C. No. 45)
F.E.R.C. No. 4 (Phillips Transportation)
(Cancels F.E.R.C. No. 19 ARCO Transportation Alaska, Inc. series)
F.E.R.C. No. 206 (Unocal)
(Cancels F.E.R.C. No. 190)
F.E.R.C. No. 4 (Williams)
(Cancels F.E.R.C. No. 30 Mobil Alaska Pipeline Company series)

AMERADA HESS PIPELINE CORPORATION (AMERADA)
BP PIPELINES (ALASKA) INC. (BP)
EXXONMOBIL PIPELINE COMPANY (EXXONMOBIL)
PHILLIPS ALASKA PIPELINE CORPORATION (PHILLIPS)
PHILLIPS TRANSPORTATION ALASKA, INC. (PHILLIPS TRANSPORTATION)
UNOCAL PIPELINE COMPANY (UNOCAL)
WILLIAMS ALASKA PIPELINE COMPANY, L.L.C. (WILLIAMS)

LOCAL PIPELINE TARIFF

CONTAINING THE TAPS
QUALITY BANK METHODOLOGY

GENERAL APPLICATION

This tariff shall apply only to those tariffs which specifically incorporate this tariff, supplements to this tariff and successive issues hereof, by reference.

SPECIAL PERMISSION REQUESTED

Issued on less than one day's notice under authority of 18 C.F.R. § 341.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.

NOTICES

[W] This tariff is issued in part to comply with orders issued by the Regulatory Commission of Alaska ("RCA"), *In re Joint Application of Atlantic Richfield Co. and Phillips Petroleum Co.*, P-00-12(1) (July 26, 2000); *In re Application for Transfer of Certificate*, P-00-08(1) (June 20, 2000).

[W] For rules and regulations other than the TAPS Quality Bank Methodology tariff, see F.E.R.C. No. 41 (Amerada), F.E.R.C. No. 17 (BP), F.E.R.C. No. 6 (ExxonMobil), F.E.R.C. No. 35 (Phillips), F.E.R.C. No. 2 (Phillips Transportation), F.E.R.C. No. 189 (Unocal), F.E.R.C. No. 2 (Williams), supplements thereto and reissues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

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TABLE OF CONTENTS

I. GENERAL PROVISIONS 4
A. Quality Bank Administrator 4
B. Information Furnished to the State of Alaska 4

II. QUALITY BANK MONETARY ADJUSTMENTS ATTRIBUTABLE TO SHIPMENTS DURING THE TRANSITION PERIOD 4

III. QUALITY BANK PROCEDURES 4
A. Overview 4
B. Quality Bank Streams at Pump Station No. 1 Quality Bank 4
C. Quality Bank Streams at GVEA Quality Bank 4
D. Quality Bank Streams at Petro Star Valdez Refinery Connection Quality Bank ... 5
E. Methodology for Valdez Tanker Load Out Quality Bank 5
F. Methodology For Pump Station No. 1, GVEA Connection and PSVR Connection 6
1. Assay Methodology -- Sampling Procedure 6
2. Assay Analysis Procedure 6
3. Assay Data 6
G. Component Unit Value Procedure 7
H. Quality Bank Stream Component Calculation Procedure 8
I. Quality Bank Calculations Procedure 8
J. Unanticipated Implementation Issues 8

ATTACHMENT 1 - Yield Data for Example Streams

ATTACHMENT 2 - Component Unit Value Pricing Basis

ATTACHMENT 3 - Example Component Unit Values in $/Bbl

ATTACHMENT 4 - Example Stream Values in $/Bbl

ATTACHMENT 5 - Quality Bank Calculation Example

TAPS QUALITY BANK METHODOLOGY

I. GENERAL PROVISIONS

A. Quality Bank Administrator

The TAPS Quality Bank shall be administered by the Quality Bank Administrator, who shall be appointed by the TAPS Carriers, and by those designated by the Quality Bank Administrator to assist the Administrator (hereinafter collectively referred to as the "Quality Bank Administrator").

B. Information Furnished to the State of Alaska

The Quality Bank Administrator shall furnish to the State of Alaska ("State") each month copies of the invoices for Quality Bank adjustments and supporting data sent to each shipper. Such information is furnished to the State based upon the State's representation that it will hold such information in confidence and that such information will be used only by officers or agents of the State in the exercise of the officers' or agents' powers.

II. QUALITY BANK MONETARY ADJUSTMENTS ATTRIBUTABLE TO SHIPMENTS DURING THE TRANSITION PERIOD. This Section is cancelled.

III. QUALITY BANK PROCEDURES

A. Overview

A distillation-based methodology shall be implemented at all Trans Alaska Pipeline System ("TAPS") Quality Banks (other than the TAPS Valdez Marine Terminal Quality Bank).

This methodology for calculation of the TAPS Quality Bank debits and credits is based on valuations of petroleum components. This methodology shall apply to the specific petroleum (as defined in the tariffs) streams identified in Sections III.B, III.C. and III.D. and also shall be applied to any streams tendered to TAPS through a new connection. The Quality Bank value of each petroleum stream shall be the volume-weighted sum of the Quality Bank values of its components. The characteristics and volumes of components for each separate petroleum stream are based on assay information obtained using a defined set of testing procedures as set forth in Section III.F. Quality Bank credits and debits are determined by comparing the Quality Bank value of each petroleum stream to the appropriate calculated TAPS "reference" stream Quality Bank value.

B. Quality Bank Streams at Pump Station No. 1 Quality Bank

1. The TAPS Pump Station No. 1 Quality Bank assesses the following four streams: (1) PBU IPA;[1] (2) Lisburne; (3) Endicott Pipeline; and (4) Kuparuk Pipeline.

2. The Pump Station No. 1 Quality Bank reference stream is the blended common stream leaving Pump Station No. 1. The reference stream Quality Bank value is calculated using the volume weighted average of the four Quality Bank streams identified above plus any streams tendered to TAPS through a new Pump Station No. 1 connection.

C. Quality Bank Streams at GVEA Quality Bank

1. The GVEA Quality Bank streams are the combined [W] Williams and Petro Star refinery return stream delivered to TAPS by the GVEA Pipeline and the passing TAPS common stream at the GVEA offtake point, both of which are measured at the GVEA connection.

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[1] PBU IPA is the abbreviation for the Prudhoe Bay Unit Initial Participating Areas.

2. The GVEA Quality Bank reference stream is the blended TAPS stream immediately downstream from the GVEA return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the GVEA Quality Bank streams identified above.

D. **Quality Bank Streams at Petro Star Valdez Refinery Connection Quality Bank**

1. The TAPS Petro Star Valdez Refinery ("PSVR") Connection Quality Bank streams are the refinery return stream delivered to TAPS by Petro Star and the passing TAPS common stream at the PSVR offtake point.

2. The Petro Star Valdez Quality Bank reference stream is the blended TAPS stream immediately downstream from the Petro Star return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the two PSVR Quality Bank streams identified above.

E. **Methodology for Valdez Tanker Load Out Quality Bank**

1. A gravity-based Quality Bank methodology shall be used to determine the TAPS Quality Bank adjustments for volumes loaded out of the TAPS Marine Terminal at Valdez, Alaska.

2. The daily average six month gravity differentials posted for November 1 - April 30 and May 1 - October 31 for California and West Texas Sour crude oils, applicable to the range(s) of gravity which includes the average API gravity of the TAPS commingled stream at Valdez (sometimes referred to as "ANS"), shall be determined. The postings of the following companies shall be used for West Texas Sour crude oils: Amoco Production Company, Chevron Products Company, [W] Exxon Mobil Corporation, and [W] Equiva Trading Company. The postings of the following companies shall be used for California crude oils: [W] Equiva Trading Company, [W] Exxon Mobil Oil Corporation, Union 76 (Tosco Refining Company) and Chevron Products Company. In the event that any of the aforementioned companies is merged or acquired by other companies, sells assets or reorganizes, the postings of any successor companies shall be utilized. As long as at least two companies' gravity differentials are posted in each region (West Texas and California), the postings shall be averaged to determine the gravity differentials for that region.

3. The aforementioned six month average gravity differentials for the specified companies in each region shall be used to derive a simple average West Texas Sour differential and a simple average California differential.

4. The average West Texas Sour differential and the average California differential shall then be weighted by the percentage of ANS which is distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Hawaii), respectively, which percentages shall be determined by averaging for the most recent six-month period for which data are available the percentage distributed to each region as reported by the Maritime Administration of the United States Department of Transportation (or any successor government agency). Volumes exported from the United States shall be excluded from the calculation of the percentages distributed to each region.

5. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the weighting of the average differentials shall be adjusted to reflect the percentage of ANS actually distributed to such regions both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available from the Maritime Administration, or any other government agency, the Quality Bank Administrator shall determine the percentage of ANS distributed to such regions, provided, however, that any shipper may protest such determination by filing a complaint with the Quality Bank Administrator and thereafter filing an appropriate pleading with the FERC and [W] RCA if the complaint is not otherwise resolved.

6. The quality adjustment shall be reviewed each November and May, and shall be adjusted to the nearest hundredth of a cent per one-tenth degree API gravity per barrel whenever the amount of any change in the quality adjustment derived above is at least five (5) percent greater or five (5) percent less than the adjustment then in effect. The effective dates of any such adjustments shall be the following January 1 and July 1 respectively.

7. The quality differential in effect shall be applied to the difference in gravity (in API degrees @ 60° Fahrenheit) between the weighted average gravity of the petroleum delivered out of the Terminal during a calendar month and the weighted average gravity of petroleum received out of the Terminal by an individual shipper during such month.

F. Methodology For Pump Station No. 1, GVEA Connection and PSVR Connection

1. Assay Methodology -- Sampling Procedure

Except as specified below, and except for the reference streams, each of the Quality Bank streams listed above (for Pump Station No. 1, GVEA, and PSVR Quality Banks) will be sampled by the Quality Bank Administrator using continuous monthly composite samplers on a flow rate dependent basis, and assays of these continuously collected samples shall be performed monthly by the Quality Bank Administrator.

2. Assay Analysis Procedure

a. Except as specified in paragraph b. below, the assays will include a true boiling point ("TBP") distillation and, as applicable, gas chromatograph analysis of each Quality Bank stream. Specifically, the TBP procedure will employ ASTM 2892 up to 650°F and ASTM 5236 for the 650 to 1050+°F range for the petroleum samples. The light ends (175°F minus) from the petroleum streams will be subject to a gas chromatograph analysis to determine the volumes of the propane ("C3"), Iso-butane ("iC4"), and normal butane ("nC4"), with the light straight run ("LSR") (sometimes referred to as natural gasoline) volume determined by difference between the total of the three components and the measured 175°F minus volume.

b. The specific gravities of C3, iC4, nC4 will be derived from GPA Standard 2145.

3. Assay Data

a. The following volume and quality data will be determined for each stream.

Component	TBP Boiling Range °F	% Vol	Specific Gravity
Propane (C3)		X	X
I-Butane (iC4)		X	X
N-Butane (nC4)		X	X
LSR	C5-175	X	X
Naphtha	175-350	X	X
Light Distillate	350-450	X	X
Heavy Distillate	450-650	X	X
Gas Oil	650-1050	X	X
Resid	1050+	X	X
Full Petroleum Stream			X

b. The total volume must add to 100% and the total component weighted mass must be checked against the mass of the full petroleum stream. These weight balances must be the same within calculation and assay precision. If the assay fails this threshold test of validity, a second assay shall be performed on the sample. An example of assay data required is presented in Attachment 1. These data are the basis for all calculations in this Quality Bank methodology. The Quality Bank operates on a calendar month basis, with the continuous samples retrieved for analysis on the last day of each month.

c. The Quality Bank Administrator shall investigate the validity of a sample if each of the following two tests is met.

(i) If one or more of an individual stream's reported component percentages for a month varies by more than the ranges indicated in the following table as compared to the prior month's assay.

Variation in % of Stream
Relative to Prior Month

Component	
Propane	± 0.1
I-Butane	± 0.1
N-Butane	± 0.25
LSR	± 0.5
Naphtha	± 1.0
Light Distillate	± 1.0
Heavy Distillate	± 1.0
Gas Oil	± 1.5
Resid	± 1.0

As an example, if a petroleum stream's heavy distillate volume percent is 23% for the prior month, a heavy distillate volume percent less than 22% or greater than 24% (exceeding the ± 1% range) shall cause the Quality Bank Administrator to check the second test.

(ii) The second test is whether the volume change in the specific component has resulted in a significant change in the stream's relative value when compared to the prior month's relative value using the prior month's prices. If the change results in a price movement of more than ±15¢ per barrel, then the sample's validity must be investigated.

(iii) The Quality Bank Administrator shall ascertain from the tendering shipper(s) possible causes for the change in the stream's assay. The Quality Bank Administrator may have a second assay performed for the sample in question. The Quality Bank Administrator may decide that the first assay is valid, that the second assay is valid, or that the sample is invalid.

(iv) Should the Quality Bank Administrator determine that a sample is invalid, the last assay results accepted and used in the Quality Bank for the stream will be used instead of the invalid sample in the Quality Bank calculation.

G. **Component Unit Value Procedure**

1. Component unit values for the U.S. Gulf Coast and U.S. West Coast will be weighted by the percentage of ANS which is distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Hawaii), respectively. The placement data as reported by the Maritime Administration of the United States Department of Transportation (or any successor government agency), will be updated twice a year (in November and May) based on the most recently available six month history of ANS placements. The effective dates of such updated weighting shall be the following January 1 and July 1 respectively. Volumes exported from the United States shall be excluded from the calculation of the percentages distributed to each region.

2. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the price weighting shall be adjusted to reflect the percentage of ANS actually distributed to each region both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available from the Maritime Administration, or any other government agency, the Quality Bank Administrator shall determine the percentage of ANS distributed to such regions.

3. The product prices used to calculate component unit values are taken from the Platt's Oilgram Price Report ("Platt's") and the Oil Pricing Information Service ("OPIS") as set forth in Attachment 2. Prices will be collected for each day markets are open and published prices are available (each "quote day"). The calculated monthly average price will be the average of each quote day mid-point price for the month. These resulting monthly average prices (adjusted as shown in Attachment 2) are used to calculate component unit values each month.

4. [W] In January of each year the adjustments to the prices for Light Distillate, Heavy Distillate, and Resid shall be revised in accordance with changes in the Nelson-Farrar Index (Operating Indexes Refinery) published in the Oil & Gas Journal, by multiplying the adjustments in effect for the previous year by the ratio of (a) the average of the monthly indexes that are then available for the most recent 12 consecutive months to (b) the average of the monthly indexes for the previous (i.e., one year earlier) 12 consecutive months.

5. a. In the event that one of the product prices listed in Attachment 2 is no longer quoted in one of the two markets (West Coast or Gulf Coast), the price quoted for the product in the remaining market shall be used to value the entire component.

b. If both of the product prices listed in Attachment 2 for a component are no longer quoted or if the specifications or other basis for the remaining quotation(s) is radically altered, the Quality Bank Administrator shall notify the FERC, the [W] RCA and all shippers of this fact and propose an appropriate replacement product price, with explanation and justification. Comments may be filed with the FERC and [W] RCA within thirty days of the filing by the Quality Bank Administrator. If the FERC and [W] RCA take no action within sixty days of the filing, the replacement product price proposed by the Quality Bank Administrator will become effective as of the sixtieth day. [W] For the period between the time that quotation of a product price is discontinued or the specifications or other basis for a quotation is radically altered and the time that the Commissions approve the use of a replacement product price, the Quality Bank Administrator shall use as the unit value of the component in question the unit value for the last month for which a product price was available for such component.

6. For any particular month of Quality Bank calculations, the pricing data for the month of shipment will be used (i.e., the prices are current with the volumes and assay data).

H. Quality Bank Stream Component Calculation Procedure

After all volume, quality, and pricing data are collected, the Quality Bank Administrator will establish quality differentials for each stream identified in Sections III.B., III.C., and III.D.

I. Quality Bank Calculations Procedure

The assay data and calculation procedures required by this Methodology are summarized in the Attachments. The Attachments are for reference purposes only and are not intended to predict the impact of this procedure on any specific petroleum stream or any specific company. In the event of a conflict between the provisions of this Methodology as set forth above and the Attachments, the provisions of this Methodology shall control.

ATTACHMENT 1: Yield Data for Example Streams
ATTACHMENT 2: Component Unit Value Pricing Basis
ATTACHMENT 3: Example Component Unit Values in $/Bbl
ATTACHMENT 4: Example Stream Values in $/Bbl
ATTACHMENT 5: Quality Bank Calculation Example

J. Unanticipated Implementation Issues

This Methodology is intended to contain a comprehensive treatment of the subject matter. However, unanticipated issues concerning implementation of this Methodology may arise. If so, the Quality Bank Administrator is authorized to resolve such issues in accordance with the best understanding of the intent of the FERC and [W] RCA that the Quality Bank Administrator can derive from their orders regarding the Quality Bank methodology. The Quality Bank Administrator's resolution of any such issue shall be final unless and until changed prospectively by orders of the FERC and [W] RCA.

ATTACHMENT 1
YIELD DATA FOR EXAMPLE STREAMS

COMPONENT	DEFINITION BOILING RANGE (^{O}F)	STREAM A	STREAM B	STREAM C
PROPANE (C_3)	---	0.15	0.00	0.10
ISOBUTANE (iC_4)	---	0.10	0.02	0.40
NORMAL BUTANE (nC_4)	---	0.50	0.10	2.00
LSR	C5-175	4.50	3.50	6.00
NAPHTHA	175-350	13.50	11.00	5.50
LIGHT DISTILLATE	350-450	9.00	9.00	2.00
HEAVY DISTILLATE	450-650	21.00	22.00	16.00
GAS OIL	650-1050	31.25	30.38	41.00
RESID	1050+	20.00	24.00	27.00
TOTAL		100.00	100.00	100.00
EXAMPLE VOLUME, Thousand Barrels per Month		34,000	9,000	2,500

ATTACHMENT 2

COMPONENT UNIT VALUE PRICING BASIS

PROPANE (C_3)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Propane.	OPIS's (weekly) Los Angeles delivered spot quote for Propane.

ISOBUTANE (iC_4)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Isobutane.	OPIS's (weekly) Los Angeles delivered spot quote for Isobutane.

NORMAL BUTANE (nC_4)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Normal Butane.	OPIS's (weekly) Los Angeles delivered spot quote for Normal Butane.

LIGHT STRAIGHT RUN (C_5 - 175°F)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Natural Non-Dynegy.	OPIS's (weekly) Bakersfield delivered spot quote for Natural Gasoline.

NAPHTHA (175° - 350°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.	Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.

LIGHT DISTILLATE (350° - 450°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Jet Kerosene 54 less 0.4906 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Jet Fuel less 0.4906 cents per gallon.

HEAVY DISTILLATE (450° - 650°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 2 less 1.9620 cents per gallon.	**[W]** Platt's U.S. West Coast spot quote for Waterborne Gasoil for October, 1999 less 0.9973 cents per gallon. See note below.

GAS OIL (650° - 1050°F)

United States Gulf Coast	United States West Coast
OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.	OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.

RESID (1050°F and Over)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 6 Fuel Oil 3.0% Sulfur less 4.4145 cents per gallon.	Platt's U.S. West Coast spot quote for Pipeline 380 cst at Los Angeles converted to $/Bbl using 6.37 Bbl/MT less 4.4145 cents per gallon.

Explanation of symbols: **[N]** New
[W] Change in wording only

[N] Note -- The West Coast Heavy Distillate unit value is effective November 1, 1999 pursuant to the FERC and RCA orders referenced on the cover.

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ATTACHMENT 3
EXAMPLE COMPONENT UNIT VALUES IN $/Bbl

COMPONENT NAME	WEST COAST ($/Bbl)	GULF COAST ($/Bbl)	WEIGHTED AVERAGE ($/Bbl)
Propane (C_3)	19.7925	15.0442	19.68
Isobutane (iC_4)	24.1238	18.4333	23.99
Normal Butane (nC_4)	18.1125	18.4800	18.12
LSR (C_5 - 175°F)	18.5850	19.5854	18.61
Naphtha (175°F - 350°F)	21.3383	21.3383	21.34
Light Distillate(350°F - 450°F)	25.9817	22.9396	25.91
Heavy Distillate(450°F - 650°F)	23.0000	22.1112	22.98
Gas Oil (650°F - 1050°F)	20.8133	21.8133	20.84
Resid (1050°F and over)	14.6349	15.0000	14.64
WEIGHTING FACTOR	97.71	2.29	

ATTACHMENT 4
EXAMPLE STREAM VALUES IN $/Bbl

COMPONENT NAME	STREAM A	STREAM B	STREAM C
Propane (C3)	0.029520	0.000000	0.019680
Isobutane (iC4)	0.023990	0.004798	0.095960
Normal Butane (nC4)	0.090600	0.018120	0.362400
LSR (C5 - 175°F)	0.837450	0.651350	1.116600
Naphtha (175°F - 350°F)	2.880900	2.347400	1.173700
Light Distillate(350°F - 450°F)	2.331900	2.331900	0.518200
Heavy Distillate(450°F - 650°F)	4.825800	5.055600	3.676800
Gas Oil (650°F - 1050°F)	6.512500	6.331192	8.544400
Resid (1050°F and over)	2.928000	3.513600	3.952800
TOTAL	20.460660	20.253960	19.460540

ATTACHMENT 5
QUALITY BANK CALCULATION EXAMPLE

QUALITY BANK REFERENCE STREAM VALUE CALCULATION

	VOLUME (MBPM)	VALUE ($/Bbl)	TOTAL VALUE M$/Month
STREAM A	34,000	20.460660	$ 695.66
STREAM B	9,000	20.253960	$ 182.29
STREAM C	2,500	19.460540	$ 48.65
TOTAL: (REFERENCE STREAM)	45,500	20.364823 (1)	$ 926.60

(1) Total value divided by total volume.

QUALITY BANK PAYMENT/RECEIPT CALCULATIONS

	DIFFERENTIAL (2)	(MBPM)	PAYMENT OR RECEIPT (M$/Month) (3)
STREAM A	0.095837	34,000	$ 3,258.47
STREAM B	(0.110863)	9,000	$ (997.76)
STREAM C	(0.904283)	2,500	$ (2,260.71)

(2) Stream value minus reference value.
(3) Differential times volume.