



October 28, 2004

630-836-3446

*Executive Secretary  
Washington Utilities and Transportation Commission  
1300 Evergreen Park Dr., S.W.  
Olympia, Washington 98504*

**Re: Docket No. TO-040992 (Please do not Redocketed)**

*Dear Ms. Washburn:*

*The accompanying tariff, WUTC No. 27, filed by Olympic Pipe Line Company (Olympic), is sent to you for filing in compliance with the rules and regulations of the Washington Utilities and Transportation Commission (Commission).*

*Olympic is filing the attached tariff to decrease its intrastate Washington rates from the 18.59% increase filed effective July 1, 2004 to a 0.13% increase over the Initial Rates that went into effect on January 1, 2004 per a Settlement Agreement approved by the Commission in December 2003. This decrease was the result of an arbitrator's decision in accordance with a dispute resolution process as identified in the Settlement Agreement. Tesoro Refining and Marketing Company, one of Olympic's shippers, objected to the July 1, 2004 increase and requested that the arbitration process be implemented. In addition to decreasing its rates, Olympic will refund a portion of the rates it has collected since July 1, 2004; such refunds will be paid with interest at the "Net Carryover Interest Rate" set forth in the Settlement Agreement.*

*Since this rate decrease is scheduled to become effective November 1, 2004, Olympic would appreciate receiving an LSN order from the Commission to allow this short-notice filing.*

*Should you have any questions, please contact me at the address below or telephone number listed above. This letter of transmittal is in duplicate for one copy to be returned in the self-addressed, stamped envelope, showing the date of receipt by the Commission.*

*Respectfully submitted,*

*Mitchell D. Jones  
Manager-Tariffs & Regulatory Affairs  
BP Pipelines (North America) Inc., as Operator for Olympic  
28100 Torch Parkway, Suite 6N  
Warrenville, Illinois 60555*

*Attachments*