

EXHIBIT A

Compilation of Tesoro's Data Requests

Before the Washington Utilities and Transportation Commission and the Federal Energy Regulatory Commission

TESORO'S FIRST SET OF INTERROGATORIES TO OLYMPIC (WUTC)

INTERROGATORY NO. 1. Provide a detailed explanation for each Request for Admission which was denied or qualified.

ANSWER:

INTERROGATORY NO.2. Please explain each and every reason why Olympic is requesting emergency relief.

ANSWER:

INTERROGATORY NO. 3. Please explain whether Olympic's request for emergency relief is based upon Olympic's financial position due solely to its outstanding indebtedness or due solely upon its allegations that is losing money or both. In responding to this interrogatory, if there are reasons other than its financial position due to its outstanding indebtedness or its allegations it is losing money, please explain those additional reasons in detail.

ANSWER:

INTERROGATORY NO. 4. With regard to the capital improvements for 2002 which are set forth on Schedule D of Bob Batch's testimony, please describe in detail each capital improvement; its purpose; its need; its associated cost; whether it is required to be done to comply with the Office of Pipeline Safety's Corrective Action Order, as amended; and whether it is required to be done to comply with any other safety standard. In the event the capital improvement is necessary to improve the safety of the pipeline, please describe for each capital improvement the current risk to operations and how the safety of the pipeline is enhanced by the capital project.

ANSWER:

INTERROGATORY NO. 5. Please identify and describe in detail (by each individual note set forth in the Supplemental Testimony of Bob Batch on page 3 as well as any other indebtedness) the specific purposes and uses for which the loan proceeds were requested and used.

ANSWER:

INTERROGATORY NO. 6. Please identify and describe in detail (by each individual note set forth in the Supplemental Testimony of Bob Batch on page 3 as well as any other indebtedness) the terms for repayment for each of the notes, the amount of the principal and interest payments currently due, and the amount of the principal and interest payments which will accrue during 2001 and 2002.

ANSWER:

INTERROGATORY NO. 7. Please identify and describe in detail (by each individual note set forth in the Supplemental Testimony of Bob Batch on page 3 as well as any other indebtedness) the manner in which the interest rate was determined and the reason for the short maturity dates.

ANSWER:

INTERROGATORY NO. 8. Please identify and describe in detail (by each individual note set forth in the Supplemental Testimony of Bob Batch on page 3 as well as any other indebtedness) whether the note is currently in default. Please identify each term which is currently in default and the amount by principal and interest which is in arrears.

ANSWER:

INTERROGATORY NO. 9. Please identify and describe in detail (by each individual note set forth in the Supplemental Testimony of Bob Batch on page 3 as well as any other indebtedness) whether any entity other than Olympic is obligated for or has guaranteed the repayment of the debt to the lender.

ANSWER:

INTERROGATORY NO. 10. Please describe in detail all steps Olympic has taken to acquire the funds necessary to make the capital improvements listed in Schedule D of Bob Batch's testimony. In responding to this interrogatory, please indicate all steps taken to acquire funds from both affiliated and unaffiliated sources.

ANSWER:

INTERROGATORY NO. 11. Please describe the authorization and budgeting process by which Olympic's shareholders approve Olympic's requests for funds.

ANSWER:

INTERROGATORY NO. 12. Please explain exactly the status of Olympic's request to its shareholders for the capital funds necessary for 2002 (as set forth in Schedule D of Bob Batch's testimony), and list the individuals by name and job title who have the responsibility and authority to authorize the release of those funds to Olympic.

ANSWER:

INTERROGATORY NO. 13. Please explain whether Olympic's shareholders have refused to provide the capital funds necessary for Olympic to safely operate the pipeline.

ANSWER:

INTERROGATORY NO. 14. Please explain whether Olympic's shareholders have refused to provide the capital funds necessary for Olympic to comply with the Office of Pipeline Safety's Corrective Action Letter, as amended.

ANSWER:

INTERROGATORY NO. 15. Please identify and describe in detail any policy by Olympic to raise capital funds through external sources.

ANSWER:

INTERROGATORY NO. 16. Please explain why Olympic's shareholders chose to provide debt financing rather than equity financing to Olympic during 2000 and 2001.

ANSWER:

INTERROGATORY NO. 17. Please explain Olympic's capital structure ratio objectives, its dividend payout policy, and all of its future plans for external financing.

ANSWER:

INTERROGATORY NO. 18. Please detail by year, amount, and shareholder all cash equity contributed into Olympic by its shareholders since January 1, 1990.

ANSWER:

INTERROGATORY NO. 19. Please detail by year, amount, and shareholder all dividends paid by Olympic to its shareholders since January 1, 1990.

ANSWER:

INTERROGATORY NO. 20. Please list monthly throughput in barrels through Olympic's pipeline system by shipper, product, point of origin, point of destination, tariff rate, and interstate or intrastate nature of the shipment from January 1, 2001, to date.

ANSWER:

INTERROGATORY NO. 21. Please detail all the essential terms for BP's purchase of ARCO's ownership interest in Olympic. In responding please detail any term which concerned ARCO's outstanding indebtedness to Olympic.

ANSWER:

INTERROGATORY NO. 22. Please detail all the essential terms for BP's purchase of GATX's ownership interest in Olympic.

ANSWER:

INTERROGATORY NO. 23. Please detail by lender and terms which are in default all indebtedness in which Olympic is in default.

ANSWER:

INTERROGATORY NO. 24. Of the approximately \$8 million in accrued but unpaid interest, please indicate the amount due affiliated companies.

ANSWER:

INTERROGATORY NO. 25. Of the approximately \$9 million in additional interest obligations, please indicate the amount due affiliated companies.

ANSWER:

INTERROGATORY NO. 26. Please identify every document which Olympic is using to support its request for emergency relief. In responding to this interrogatory, please identify each of the "other financial records on file" which is referred to on page 4, item 8, of its Amended Request for Relief.

ANSWER:

INTERROGATORY NO. 27. Please detail Olympic's calculation of its federal income tax liabilities for 2000 and 2001.

ANSWER:

INTERROGATORY NO. 28. Please detail by month the total amount Olympic has paid to BP for operating the pipeline.

ANSWER:

INTERROGATORY NO. 29. Please detail by month the total amount Olympic has paid to its shareholders or affiliates beginning January 1, 2000, to date.

ANSWER:

INTERROGATORY NO. 30. Please state by project, amount, and date all capital improvements made by Olympic from January 1, 1998, to date.

ANSWER:

INTERROGATORY NO. 31. Please reconcile Olympic's claim to have "borrowed" approximately \$72 million from its shareholders in 2000 with its FERC Form 6 report showing capital expenditures of approximately \$12 million.

ANSWER:

INTERROGATORY NO. 32. Please explain how Olympic pays its operating and capital expenditures. In answering this interrogatory, please indicate those expenditures which are paid by its operator or some other affiliate.

ANSWER:

INTERROGATORY NO. 33. Please list total operating expenses by FERC account, by month beginning January 1, 2000, to date. In responding to this interrogatory please indicate what expenses represent actual cash expended and what represent accruals.

ANSWER:

INTERROGATORY NO. 34. Please list capital expenditures by month beginning January 1, 2000, to date. In responding to this interrogatory please indicate the expenditures by individual project and what expenses represent actual cash expended and what represent accruals.

INTERROGATORY NO. 35. Please identify which of the operating and capital expenses listed in Interrogatories 33 and 34 above are associated with the Whatcom Creek accident including those which are associated with compliance with the Office of Pipeline Safety's Corrective Action Order, as amended.

ANSWER:

INTERROGATORY NO. 36. Please detail what efforts have been undertaken to reduce Olympic's operating expenses and the financial impact of those efforts beginning January 1, 2000, to date.

ANSWER:

INTERROGATORY NO. 37. On Page 2 of Olympic's Amended Petition, Olympic alleges that interim rate relief is necessary to "help prevent further deterioration of its financial condition" and "finance safety-related capital expenditures for 2002." (a) Please list by month, beginning January 1, 2002, the amount of both federal and state interim rate relief Olympic projects to spend on "safety-related capital expenditures for 2002." (b) Please identify all documents of which Olympic is aware which concern the "deterioration of its financial condition" including, without limitation, any correspondence, memoranda, or notes of discussion in which this was discussed.

RESPONSE:

INTERROGATORY NO. 38. On Page 5 of Olympic's Amended Petition, Olympic alleges that it "faces an emergent financial situation." (a) Please explain in detail what is meant by an "emergent financial situation" and describe the causes for the "emergent financial situation."

RESPONSE:

INTERROGATORY NO. 39. Please provide a detailed explanation including the amount of the net casualty and other loss included in the 2000 and 2001 income statements.

RESPONSE:

INTERROGATORY NO. 40. On Page 1, lines 22-23, of Bob Batch's supplemental testimony he refers to his belief that "[O]lympic faces a deteriorating financial situation." (a) Please explain when Mr. Batch believes this "deteriorating financial situation" began and list every cause Mr. Batch believes created this "deteriorating financial situation." (b) Please discuss in detail the rationale for his conclusion and define what is meant by "deteriorating financial situation." (c) Please identify all documents Mr. Batch or Olympic is aware of supporting this response.

RESPONSE:

INTERROGATORY NO. 41. On Page 5, lines 5-6, of Bob Batch's supplemental testimony he states that "[W]ithout immediate rate relief, Olympic will not be able to raise sufficient capital from external sources to finance its future capital expenses." (a) Please describe in detail what is meant by "external sources." (b) Please describe and list every potential "internal source" from which Olympic could borrow to finance its future capital expenses. (c) Please identify all documents of which Mr. Batch or Olympic is aware that support this response.

RESPONSE:

INTERROGATORY NO. 42. On Page 3, lines 1-9, of Bob Batch's supplemental testimony, he refers to WUTC v. Washington Natural Gas Company as regulatory support for Olympic's request for interim rate relief. Please discuss in detail the rationale for his conclusion, and list every reason he believes that Olympic's financial situation is similar to that of Washington Natural Gas Company.

RESPONSE:

TESORO'S SECOND SET OF INTERROGATORIES TO OLYMPIC

1. INTERROGATORY NO. Please list by insurer, policy number, and dollar amount all insurance claims Olympic has filed as the result of the Watcom Creek accident. Please also explain whether the losses for which Olympic has filed such insurance claims contributed to the "deteriorating financial condition" that Mr. Batch describes in his testimony.

2. ANSWER:

3.

4. INTERROGATORY NO. Please list by defendant, case number, and dollar amount all losses for which Olympic has filed a legal action for recovery, contribution, or similar claim as the result of the Watcom Creek accident. Please also explain whether the losses for which Olympic has filed such insurance claims contributed to the "deteriorating financial condition" that Mr. Batch describes in his testimony.

5. ANSWER:

6.

7. INTERROGATORY NO. Please indicate the total dollar amount Olympic has expended on the Cross Cascades Pipe Line Project and explain how and in what period Olympic has accounted for these amounts. Please also explain whether the amounts expended on the Cross Cascades Pipe Line Project contributed to the "deteriorating financial condition" that Mr. Batch describes in his testimony.

8. ANSWER:

9.

10. INTERROGATORY NO. Please indicate by dollar amount the total casualty and other loss related to the Watcom Creek accident which Olympic has booked to date. Please also explain whether these amounts are included within the losses that contributed to the “deteriorating financial condition” that Mr. Batch describes in his testimony.

11. ANSWER:

**TESORO'S FIRST SET OF DISCOVERY REQUESTS TO OLMPIC-
FERC**

TESORO'S DATA REQUEST NO. 100: Please list every proceeding in which Mr. Batch, Ms. Hammer, Ms. Omohundro, Mr. Collins, Mr. Talley, and Dr. Schink have provided sworn testimony and, for each proceeding listed, please provide a copy of such testimony.

TESORO'S DATA REQUEST NO. 101:

(a) Please list and describe in detail every reason why Mr. Batch believes that Olympic Pipe Line Company was improperly staffed prior to the Test Year.

(1) List every improper procedure implemented by Olympic Pipe Line Company prior to the Test Year, please include every proper procedure which had been omitted by Olympic Pipe Line Company prior to the Test Year.

(2) Produce any inspection reports, internal operational audits, or other documents which support Mr. Batch's testimony and/or responses to this request.

TESORO'S DATA REQUEST NO. 102: Please list by segment the current “pipeline capacity” of Olympic's pipeline system and list by shipper the current demand for capacity on Olympic's pipeline system. Explain whether the “insufficient capacity” mentioned by Mr. Batch is insufficient systemwide or whether such capacity is limited to isolated segments of Olympic's system. Produce all engineering studies and documents that discuss the design capacity of the pipeline system.

TESORO'S DATA REQUEST NO. 103: Please provide all documents which relate to the approval by the Olympic Board of Directors of the change in operator of Olympic effective July 1, 2000.

TESORO'S DATA REQUEST NO. 104: Please provide a schedule setting forth the details of the calculation of the 1/4 cent a gallon effect of Olympic's requested rate increase.

TESORO'S DATA REQUEST NO. 105: Please produce an electronic copy and paper copy of Olympic's general ledger for 1997 to the present.

TESORO'S DATA REQUEST NO. 106: Please list the date when ARCO first discussed the acquisition of GATX's interest in Olympic, and provide all documents related to ARCO's acquisition of GATX's interest in Olympic.

TESORO'S DATA REQUEST NO. 107: Please provide all supporting documents, including workpapers, for each of the cost-of-service amounts identified for 1996 - 1998 and list every significant reason why Olympic chose to request rate increases which it now claims were insufficient to cover its cost of service. Please produce all documents which are relied upon in responding to this request.

TESORO'S DATA REQUEST NO. 108: Please provide a schedule setting forth the details of the costs of each project undertaken by Olympic following the June 1999 Bellingham incident to comply with the requirements of the Corrective Action Order (CAO), the First Amendment to the CAO, and the Second Amendment to the CAO. In responding to this request, identify each section of the CAO, as amended, for which the costs were incurred and the particular expense or capital account or accounts in Olympic's accounting records in which the costs were recorded. Please include a statement fully explaining the actions taken by Olympic and its operator with respect to the ERW pipe installed in Olympic's pipeline system after the Office of Pipeline Safety (OPS) issued warnings and recommendations.

TESORO'S DATA REQUEST NO. 109: Please indicate whether or not the "revised" regulations issued by the OPS presently apply to Olympic, and explain whether or not Olympic is required to regularly use internal inspection devices on its system and whether or not the OPS regulations currently impose a requirement on Olympic relative to the "high consequence areas." Please identify each regulation relied upon in responding to this request.

TESORO'S DATA REQUEST NO. 110: Please provide copies of all documents submitted to and received from the OPS since June 1, 1999.

TESORO'S DATA REQUEST NO. 111: Please confirm which of the 2001 "forecasted" "one-time" and "capital" expenditures were actually spent and which have been carried over until 2002.

TESORO'S DATA REQUEST NO. 112: Regarding Direct Testimony of Bob Batch at Page 5, line 12, please;

- (1) Produce all supporting documents, including workpapers, relating to each cost-of-service calculation mentioned in the referenced testimony (i.e., \$43,506 MM for 1999 and \$61,227 MM for 2000) and identify the rate of return used to develop the return allowance included in each cost of service.

- (2) List all direct and indirect expenses associated with the Bellingham incident and which expenses were included in the determination of Olympic's 1999 and 2000 costs of service mentioned in the referenced testimony.
- (3) Identify the person(s) who were responsible for making the decision for Olympic to make the rate filings in 2001 that are the subject of the WUTC and FERC proceedings relative to Olympic's intrastate and interstate rates, and produce all documents and studies prepared by Olympic personnel, or for Olympic, relating to obtaining approval by authorized Olympic or operator personnel to make the interstate and intrastate rate filings on behalf of Olympic.

TESORO'S DATA REQUEST NO. 113: Please provide a schedule setting forth in detail the litigation costs and expenses, including attorneys fees and the public affairs expenses, which are included in Olympic's instant intrastate and interstate rate filings. Please explain fully the basis for the inclusion of such items of expense in the rate filings, and indicate the particular expense accounts in which such costs are included.

TESORO'S DATA REQUEST NO. 114:

- (a) Describe each "recent regulatory change concerning pipelines" that Mr. Batch believes would have required Olympic to implement an "enhanced integrity management program" and explain in detail what new operations (operations that Olympic was not already performing prior to the Whatcom Creek accident) Olympic would have had to implement in order to operate an "enhanced integrity management program."
- (b) Provide all reports which list one-time expenses and capital expenditures, please indicate which were incurred after the Whatcom Creek accident in order to implement Olympic's "enhanced integrity management program."

TESORO'S DATA REQUEST NO. 115: Please identify all factors which have caused Olympic's system capacity to have been constrained for at least a decade, and illustrate how the system's capacity was constrained by listing the capacity available in Olympic's pipeline system for years 1990 through 1999 and comparing it to the annual demand for capacity (by shipper).

TESORO'S DATA REQUEST NO. 116: Provide the basis for supporting using a base period and test period that was not used to develop the rates filed on July 30, 2001, and provide all regulatory citations which allow for such substitution.

TESORO'S DATA REQUEST NO. 117: Please list all studies, analyses, and any other workpapers prepared by, or on behalf of, Mr. Batch, Ms. Hammer, Ms. Omohundro, Mr. Collins, and Dr. Schink which support their testimony in this proceeding. Please produce copies of all such studies, analyses, and workpapers in electronic and "hard-copy" paper format.

TESORO'S DATA REQUEST NO. 118: Please list all items in Case 1 that are different from the same items in Case 2, explain in detail the rationale for each revision and indicate the difference.

TESORO'S DATA REQUEST NO. 119: Please provide the following for 1997 to the present: (1) all monthly financial statements including separate balance sheets, income statements, and cash flow statements; (2) all internal and external audit workpapers; (3) all monthly general ledger entries for all expenses by month including the payee, the account code and AFE code information, and all explanations for the expenses; and (4) for the base period only, an accrual to cash schedule detailing differences between actual cash expenditures in a month and accrued expenses.

TESORO'S DATA REQUEST NO. 120: Please list all carrier plant additions made from 1999 through 2002 (identifying the account, amount, and date of those additions) which are included in the rate base reflected in Olympic's rate filing and which were replacements for existing plant damaged by the Whatcom Creek accident. Please explain whether or not Olympic expects to receive a reimbursement for any of these costs, and provide all insurance claims submitted by or on behalf of Olympic arising from the Whatcom Creek accident.

TESORO'S DATA REQUEST NO. 121: Provide a monthly list by project, account, expenditure, and AFE expenditures for capital additions included in Olympic's rate base from 1997 to present.

TESORO'S DATA REQUEST NO. 122: Provide the monthly general ledger for the CWIP account from 1995 to date, and identify the projects associated with the amounts included in such CWIP accounts.

TESORO'S DATA REQUEST NO. 123: Please provide all workpapers supporting Ms. Hammer's adjustment of \$3.6 million "made to reflect the expected sale of the SeaTac Terminal." Please list the original cost of the facility by account that is reflected in the Base Year or historical data, and identify all amounts, on a monthly basis, which related to CWIP, AFUDC and Deferred Income Taxes applicable to such facilities. Also, please state the expected amount of gross proceeds from the sale of the terminal.

TESORO'S DATA REQUEST NO. 124: Please explain Ms. Hammer's rationale for using 13-month-average balances rather than end-of-year balances with regard to Working Capital.

TESORO'S DATA REQUEST NO. 125: In the interim proceeding before the WUTC, Ms. Hammer addresses the development of CWIP in the Test Period, as well as the Cross Cascades Project. Please indicate;

- (1) Whether or not the July 30, 2001, filing, where Olympic developed both interstate and intrastate rates, included amounts related to the Bayview Terminal and/or the

Cross Cascades Project in both CWIP and AFUDC for the Historical, Base and Test Periods contained in that filing.

- (2) Whether or not the current filing removes the Bayview Terminal and/or Cross Cascades Project Costs from all portions of CWIP and AFUDC; if they are not removed, provide a listing by FERC Plant Account of the amounts contained therein and provide the amount of Accrued Depreciation, Depreciation Expense, CWIP, AFUDC and Deferred Income Taxes included.

TESORO'S DATA REQUEST NO. 126: Please list by month all shipments that have been made through the Bayview Terminal and identify the shipper, volume, product, date for each shipment, number of days the product was stored in each tank, and the purpose for the storage. Also, please produce all run tickets and any other batching records.

TESORO'S DATA REQUEST NO. 127: Relating to Operating Expenses and the Whatcom Creek Incident as mentioned by Ms. Hammer in the WUTC proceeding, please;

- (1) Provide a printout and/or electronic version of the monthly items and costs that were tracked through the "project numbering system" from date of inception to the present time.
- (b) Provide the listing of and amounts of the monthly indirect items and costs associated with the incident, including but not limited to, fees to lawyers, public relation firms, or any other consultant or firm that was hired to respond to the incident in any manner.
- (3) Provide the items and amounts that were booked to the casualty and loss account and the Claims Receivable balance sheet account.
- (4) Provide the name of the "Claims Receivable" balance sheet account as that account is actually listed on the balance sheet.
- (5) Indicate if there are any amounts for direct or indirect costs associated with the accident included in any cost or rate-base item for periods outside of the Base and Test Years. Also, please indicate who determines what constitutes a "direct cost" associated with the accident.
- (6) Provide a similar listing of all safety measures taken or waiting to be taken as a result of any Office of Pipeline Safety Corrective Action Order. Include other agencies as well.

TESORO'S DATA REQUEST NO. 128: Please list each adjustment to the expense area as listed by Ms. Hammer, and identify all one-time or extraordinary expense items that were not removed from each account.

TESORO'S DATA REQUEST NO. 129: For the Base and Test Years, please list all employees and identify any employee that is also employed by or performing services for a company other than Olympic.

TESORO'S DATA REQUEST NO. 130: Please identify any allocation of General and Administrative expenses that any third-party, owner, or operator of Olympic's pipeline charged to the company during the Base and Test Years, and provide all calculations of such allocation for the Base and Test Years.

TESORO'S DATA REQUEST NO. 131: For the Base and Test Years, list all service providers that Olympic includes in "Outside Services" and explain the nature of service provided to Olympic. Also, please provide for the Base and Test Years: (1) all monthly general ledger account entries for "Outside Services" by month including the payee, the account code and AFE code information and all explanations for the expenses; and (2) for the base period only, an accrual to cash schedule detailing differences between actual cash expenditures in a month and accrued expenses.

TESORO'S DATA REQUEST NO. 132: Please provide all monthly supporting data for Fuel and Power Costs for the years 1996 through 2001. Please explain the difference in Power Costs included in the July 30, 2001, filing with the amount currently used in the cost of service. Also, please provide all calculations supporting the Power Costs and Drag Reduction Agent ("DRA") adjustments included in the instant filing, as well as the July 30, 2001, filing.

TESORO'S DATA REQUEST NO. 133: Please identify the date that Olympic has projected that the system will be able to return to 100% pressure and capacity and explain any contingencies that could accelerate or delay this date. Please state the level of throughput that occurs at 100% operating pressure and state the level of throughput that occurs at 100% operating pressure when the DRA is added.

TESORO'S DATA REQUEST NO. 134: Please list the citations of the all of the relevant published economic and financial literature which was reviewed by Dr. Schink and was used to form the basis for his opinion. Please provide a copy of the relevant page(s) relied upon by Dr. Schink to form that opinion.

TESORO'S DATA REQUEST NO. 135: Please identify all receipt points and delivery areas that are not served by barges or tankers, and list what Dr. Schink considers to be the "significant volumes" that are referenced in his testimony for the WUTC proceeding.

TESORO'S DATA REQUEST NO. 136: Please provide copies of all studies performed by Dr. Schink with regard to the direct competition faced by the Proxy Oil Pipeline Companies that were relied upon in formulating his recommended common equity cost rate for Olympic Pipe Line.

TESORO'S DATA REQUEST NO. 137: Please provide all supporting data relied upon by Dr. Schink in stating that "prior to Olympic's accident, waterborne movements accounted for about 21.4% of the total local refinery output in Seattle," and "[i]n the Portland area, barge and tanker deliveries amounted to over 25% of total supply in 1998." Also, provide the same information for Olympic for 1999 and 2000 and for each of the companies in The Oil Pipeline Proxy Group Companies relative to their service territories for the years 1998, 1999, and 2000. Please include all supporting data relied upon for each individual company.

TESORO'S DATA REQUEST NO. 138: Please provide copies of all of the news reports referenced by Dr. Schink.

TESORO'S DATA REQUEST NO. 139: Please provide a complete copy of the U.S. Army Corps data referenced by Dr. Schink.

TESORO'S DATA REQUEST NO. 140: Please provide a copy of all studies performed by Dr. Schink of oil pipeline companies, including his Proxy Companies, which measure their business risk, on a relative basis vis-a-vis Olympic Pipe Line. Also, please explain how Dr. Schink distinguishes and quantifies the impact of waterborne competition from any other type of competition.

TESORO'S DATA REQUEST NO. 141: Please provide quantification of the degree of financial risk difference between the capital structure ratios recommended by Dr. Schink for determining Olympic Pipe Line's cost of capital, and those of The Oil Pipeline Proxy Group Companies relied upon for the determination of common equity cost rate. Also, please explain what degree of financial risk difference exists and how it was taken into account in formulating his recommended common equity cost rate for Olympic Pipe Line (either before or after Dr. Schink's adjustment for above-average risk).

TESORO'S DATA REQUEST NO. 142: Please explain whether or not the "rate of return" referred to by Dr. Schink on page 24 of his testimony is the rate of return on common equity or the overall rate of return.

TESORO'S DATA REQUEST NO. 143: Please list and discuss in detail all of the elements that would make an "alternative" investment one of "comparable risk."

TESORO'S DATA REQUEST NO. 144: Please identify every pipeline that Dr. Schink is aware of where the pipeline or pipeline company has a 100% debt capital structure and has a rate of return based upon a capital structure that is less than 100% debt.

TESORO'S DATA REQUEST NO. 145: Please provide all academic and empirical support in Dr. Schink's possession, or of which he is aware, which supports investors' use of a 2/3 and 1/3 weighting to the "expected annual growth rate of earnings-per-share over the upcoming five-year period" and "the expected long-term growth rate in nominal U.S. gross domestic product ("GDP") over the subsequent 15 to 20 year period" in arriving at their estimation of the long-term investor required market appreciation.

TESORO'S DATA REQUEST NO. 146: Please provide all academic and empirical support in Dr. Schink's possession, or of which he is aware, which supports investors' use of "the expected long-term growth rate in nominal U.S. gross domestic product (GDP)" in arriving at their estimation of the long-term investor required appreciation in the market values of common stocks.

TESORO'S DATA REQUEST NO. 147: Please provide a complete copy of the DRI-WEFA, EIA, and SSA long-run forecasts as referenced by Dr. Schink.

TESORO'S DATA REQUEST NO. 148: Please provide the ex-dividend, dividend record, and dividend payment dates of each of The Oil Pipeline Proxy Group Companies.

TESORO'S DATA REQUEST NO. 149: Please provide all academic and empirical support in Dr. Schink's possession, or of which he is aware, that supports investors' use in arriving at their expected dividend yield for common stock securities and the methodology outlined therein by Dr. Schink. Also provide copies of the relevant portions of all regulatory commission orders in Dr. Schink's possession, or of which he is aware, in which such a methodology for deriving the expected dividend yield was adopted.

TESORO'S DATA REQUEST NO. 150: Please indicate if Dr. Schink believes that individual investors would, in addition to normal distribution data, rely upon log-normal distributions data and identify the specific advisory services from which individual investors would obtain such information. Please provide all empirical evidence in Dr. Schink's possession, or of which he is aware, that would confirm that individual investors rely upon log-normal distribution data.

TESORO'S DATA REQUEST NO. 151: Please provide the capital structure ratios, with and without short-term debt, for Olympic and each of The Oil Pipeline Proxy Group Companies for the years 1996 - 2000. Please indicate which of these capital structures and related ratios Dr. Schink reviewed before formulating his recommendations in this proceeding.

TESORO'S DATA REQUEST NO. 152: Please list each transaction where equity capital from each of Olympic's parent companies was provided to Olympic commencing from the dates of ownership by each parent company.

TESORO'S DATA REQUEST NO. 153:

- (1) Please provide all academic and empirical analyses performed by Dr. Schink that demonstrate "it is reasonable to presume that Olympic's parents' actual capital structures are the one(sic) which result in the lowest overall cost of capital "
- (2) Indicate whether or not the prices charged by Olympic's parent companies for their products and services were established in the same manner as the prices charged by Olympic.
- (3) Please explain the answer to part (b) above in detail, elaborating upon any differences in the levels of financial risk that are attributable to differences in business risk and also on the prices charged to their customers (i.e., the parents' vs. subsidiary's (OPL)).

TESORO'S DATA REQUEST NO. 154: Please produce all academic and empirical support in Dr. Schink's possession, or of which he is aware, that supports his opinion that utilizing an 82.92% common equity ratio offsets the above-average business risk which he believes Olympic experiences vis-a-vis the average Proxy Oil Pipeline Company.

TESORO'S DATA REQUEST NO. 155: Please specify the common equity ratios of the five Proxy Oil Pipeline Companies utilized by Dr. Schink in his study by company and group average for the calendar year 2000.

TESORO'S DATA REQUEST NO. 156: Please produce all academic and empirical support in Dr. Schink's possession, or of which he is aware, that supports his opinion that beta is a measure of the business risk faced by a firm.

TESORO'S DATA REQUEST NO. 157: To the extent not provided previously in response to these data requests, please provide a complete copy of all workpapers, source documents, articles referenced or cited, textbook excerpts referenced or cited, etc., including all electronic spreadsheets developed by and relied upon by Dr. Schink in preparing his direct testimony and accompanying exhibits.

TESORO'S DATA REQUEST NO.158:

- (1) Please provide a statement confirming that the pressure limitation imposed by the OPS Corrective Action Order related to the Maximum Operating Pressure (MOP) of Olympic's pipeline system as opposed to the maximum allowable operating pressure mentioned in the testimony.
- (2) Provide the specification of the present capacity of Olympic's pipeline system, stated in terms of barrels per day.

- (3) Provide the MOP of Olympic's pipeline system prior to its derating by the OPS CAO. In responding to this request, in the event the MOP is different for various segments of the system, separately list the MOP for each such segment.
- (4) Provide the flow rates of product transported by Olympic prior to the imposition by the OPS in its CAO the requirement to operate the system at the reduced pressure.

TESORO'S DATA REQUEST NO. 159: Please state whether it is Mr. Talley's position that the OPS was prompted to issue its second amendment to its initial Corrective Action Order solely because of the failure which occurred on September 18 on the portion of Olympic's 16-inch pipeline running through the city limits of the City of Bellingham as that segment was being hydrotested.

TESORO'S DATA REQUEST NO. 160: Please provide a statement confirming that the OPS also issued a letter on March 9, 2000, to Mr. Carl Gast, in care of Olympic, which included an attachment stating, among other things, that there still were uncertainties as to the cause of the failure of Olympic's pipeline on June 10, 1999.

TESORO'S DATA REQUEST NO. 161: Please state whether Olympic took any action to reduce the pressure of its pipeline system following the issuance by the OPS alert letter mentioned in the referenced testimony, in which pressure reduction was one of the recommendations contained in the OPS alert letter. Also, please provide the date of the OPS alert letter.

TESORO'S DATA REQUEST NO. 162: With regard to the March 9, 2000, letter sent to Mr. Gast and the attachment thereto, which is discussed in 161 above, the OPS mentioned several items it had reviewed in its investigation of the failure of Olympic's 16-inch pipeline in Bellingham on June 10, 1999. With regard to the OPS investigation of the Bellingham incident, provide a copy of all documents submitted by Olympic to the OPS relating to the investigation of such incident.

TESORO'S DATA REQUEST NO. 163: Please provide statements;

- (4) Fully explaining whether, in view of the capacity restrictions Olympic claims have existed on its system for at least a decade (see testimony of Bob Batch), parts of the system can be brought back to full operating pressure before the entire system is brought back to such pressure. In responding to this request, provide all documents relied upon and all documents prepared by or for Olympic relating to returning the pipeline operating pressure back to 100%.
- (5) Identifying the particular portions of the OPS directives to Olympic which require that Olympic evaluate its total system using the TFI tool before the OPS will consider granting Olympic approval to return its pipeline system to 100%.

- (6) Identifying the specific section of the 16-inch main line which Mr. Talley refers to as the "north portion."
- (7) Identifying whether Olympic has completed a hydrotest of the entire length of the 16-inch main line.

TESORO'S DATA REQUEST NO. 164:

- (1) Please provide the identity of the Olympic engineer who was selected to manage all Whatcom Creek-related projects and expenses, and a statement fully describing the duties of this Olympic engineer.
- (2) Provide the process by which projects and expenses related to the Whatcom Creek incident were separated before being given to the Olympic engineer for his review. If the costs for those projects and expenses were not separated prior to being given to the Olympic engineer assigned to manage all Whatcom Creek-related projects and expenses, provide a statement fully explaining the process by which the engineer separated all projects and expenses related to the Whatcom Creek incident from all other projects and expenses undertaken by Olympic.
- (3) Provide a statement fully explaining the procedures followed by ESIS, Inc. in determining the relationship of the billings selected by the Olympic engineer to the Whatcom Creek incident.
- (4) Provide a statement fully explaining the procedures followed by Crawford Technical Services, Inc. to adjust all third-party claims for personal injury damages, property damage and business loss.
- (5) Provide all reports and documents prepared by the Olympic engineer, ESIS, Inc. and Crawford Technical Services, Inc. relating to their reviews of records related to the Whatcom Creek incident.
- (6) Provide the costs incurred by Olympic relative to the reviews performed by the Olympic engineer, ESIS, Inc. and Crawford Technical Services, Inc.
- (7) Provide a statement fully explaining whether the costs requested in (f) above have been excluded from Olympic's cost of service in the instant proceeding. If such costs have not been excluded, provide a statement explaining the basis for not excluding such costs and identify the accounts in which such costs are included in such cost of service.

- (8) Provide the identities of the ESIS, Inc. and Crawford Technical Services, Inc. personnel who worked on the review processes mentioned in the referenced testimony.

TESORO'S DATA REQUEST NO. 165: Please produce all correspondence, internal memoranda, notes, and other documents that discuss the repairs or improvements required to be made in order to comply with any governmental regulation, order, plan, or request.

TESORO'S DATA REQUEST NO. 166: Please list all files in the following directory “common/olympic/project budgets/Olympic” (See bottom of Exhibit 40 page 12 for complete path) and produce both an electronic copy and hard-copy printout of the files listed. (As an example, Olympic must list and produce all the electronic and hard copy of the “2001 Olympic Project Budget” dated “February 13, 2001” with a computer pathway as follows “common/olympic/project budgets/Olympic BDGT Feb 13 01.xls”)

TESORO'S DATA REQUEST NO. 167: Regarding Mr. Batch’s testimony in the interim proceeding that other employees of Olympic are in charge of Whatcom Creek repairs and accounting, please identify the engineer(s) and bookkeeper(s) in charge of Whatcom Creek repairs and accounting. Please produce all engineering studies, internal operations audits, and operations reports that address the Whatcom Creek accident repairs.

TESORO'S DATA REQUEST NO. 168: For 1997 to the present, please produce copies of all authorizations for expenditures, including any supporting documents, (hereinafter “AFE’s). Please list (include the date, amount, and purpose) all expenditures that have been made pursuant to AFE# 4-38501 through AFE# 4-38525. If such information is in a general ledger format, then produce both a hard copy and an electronic copy of the listing.

TESORO'S DATA REQUEST NO. 169: For 1999 to the present, please list (including the date, amount, and purpose) all expenditures that have been made to British Petroleum (BP) or any of its affiliates. If such information is in a general ledger format, then produce both a hard copy and an electronic copy of the listing.

TESORO'S DATA REQUEST NO. 170: For 1999 to the present, please list all expenditures that have been allocated by BP or any of its affiliates to Olympic and explain the methodology for such allocation. Also, please list the names of all employees whose salaries or compensation is being allocated by BP or any of its affiliates to Olympic, and indicate the other pipelines or pipeline companies for which those employees perform services. If such information is in a general ledger format, then produce both a hard copy and an electronic copy of the listing.

TESORO’S DATA REQUEST NO. 171: Please produce all documents (including responses to Interrogatories and Requests for Admissions) responsive to any discovery request served on Olympic by any other party in this proceeding, which are hereby incorporated by reference into this set of discovery requests.

