

**BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION)	
)	DOCKET NO. TO-011472
Complainant,)	
5.)	
)	
OLYMPIC PIPE LINE COMPANY, INC.)	
)	
Respondent.)	
_____)	

**TESORO REFINING AND MARKETING COMPANY-S
FIRST SUPPLEMENT TO ITS PENDING MOTION TO COMPEL
RESPONSES TO ITS THIRD SET OF DISCOVERY REQUESTS,
DATED FEBRUARY 1, 2002**

1 Tesoro Refining and Marketing Company (ATesoro@), by and through its attorneys, Brena, Bell & Clarkson, P.C., hereby supplements its pending Motion to Compel its Third Set of Discovery Requests dated February 14, 2002, to the Washington Utilities and Transportation Commission (AWUTC@). This first supplement to its pending Motion to compel is intended to help focus Olympic Pipe Line Company-s (AOlympic@) and this proceeding on the outstanding discovery matters which require immediate action.

In accordance with WAC 480-09-420(3), the name and address of the pleading party is set forth below. Please direct all service and correspondence regarding the above-captioned docket to the following:

Robin O. Brena, Esq.
David W. Wensel, Esq.
Brena, Bell & Clarkson, P.C.
310 K Street, Suite 601
Anchorage, AK 99501
(907) 258-2000 ph
(907) 258-2001 fax
rbrena@brenalaw.com
dwensel@brenalaw.com

2 This motion may bring into issue the following rules or statutes: WAC 480-09-420 [Pleadings and briefs--Applications for authority--Protests], WAC 480-09-480 [Methods for obtaining data in adjudicative proceedings], and Washington Civil Rule No. 26.

3 On Friday, February 1, 2002, Tesoro served Olympic with its Third Set of Discovery Requests (first requests in general proceeding), Nos. 100-170, to which responses were due by February 15, 2002. On February 14, counsel inquired of Olympic as to their status and was informed that no responses would be served on a timely basis. Tesoro filed its Motion to Compel on February 14, 2002. Olympic served responses to Tesoro's requests on February 21. Olympic then supplemented/replaced those responses on March 1 by adopting the responses of FERC counsel to FERC requests which were also served on March 1. Counsel consulted with each other on March 2, and little progress was made on resolving the discovery disputes. The parties have scheduled another conference for early morning March 4.

4 The breadth of Tesoro's motion to compel has been narrowed through negotiation and responses. However, there are remaining disputes that must be resolved by the Commission. These disputes are summarized in exhibits attached hereto: Exhibit A outlines the problems with

Olympic's responses; and Exhibit B lists the information that Tesoro requests be the subject of an order to compel.

5 Wash. Admin. Code 480-09-480(7) provides that disputes arising from discovery procedures can be resolved at the prehearing conference or through a motion. The appropriate motion for failure to respond to discovery requests is a motion to compel. See Washington Util. & Transp. Comm'n v. Puget Sound Power & Light Co., Docket No. UE-960299; 1996 WL 601392 (Wash. U.T.C.). Where a party fails to comply with a discovery motion, an appropriate remedy is a continuance. See Re Electric Lightwave, Inc., Docket No. UT-901029 (Dec. 6, 1991).

6 Tesoro needs certain basic financial information to participate meaningfully in this proceeding. Tesoro served these basic requests over a month ago. Responsive discovery on a great many central issues in dispute have yet to be produced by Olympic. At this point in this proceeding, Tesoro respectfully requests that there is no reasonable alternative to going through the outstanding requests one at a time to establish a time within which production must be provided and then to compel its production. Tesoro also respectfully requests the Commission again order Olympic to have personnel available who are familiar with its books and records so that a reasoned discussion on what information is and is not available and when it may be produced is possible. Tesoro has done everything possible to limit its discovery, focus its discovery, prioritize its discovery, coordinate its discovery with other parties and Olympic, and to minimize Olympic's burden. There is no longer any substitute apparent for Olympic's production of information. For this to occur, Tesoro respectfully requests it will require the Commission's involvement.

DATED this 3rd day of March, 2002.

BRENA, BELL & CLARKSON, P.C.
Attorneys for Tesoro West Coast Company

By

Robin O. Brena, ABA #8410089
David A. Wensel, ABA #9306041

CERTIFICATE OF SERVICE

I hereby certify that on March 3, 2002,
a true and correct copy of the foregoing
document was served by fax and email and
that on March 4, 2002, a copy was served
by mail to the following:

OLYMPIC PIPELINE COMPANY, INC.

Steven C. Marshall, Esq.
Patrick W. Ryan, Esq.
Counsel for Olympic Pipe Line Company
Perkins Coie LLP
One Bellevue Center, Suite 1800
411 - 108th Ave. N.E.
Bellevue, WA 98004-5584
Fax: 425-453-7350
Email: marss@perkinscoie.com

William H. Beaver, Esq.
Karr Tuttle Campbell
1021 Third Avenue, Suite 2900
Seattle, WA 98101
Fax: 206-682-7100
wbeaver@karrtuttle.com

WUTC STAFF

Donald Trotter, Assistant Attorney General
Counsel for Commission Staff
Attorney General's Office
Utilities and Transportation Division
1400 S. Evergreen Park Drive S.W.
P.O. Box 40128
Olympia, WA 98504-0128
Fax: 360-586-5522
Email: dtrotter@wutc.wa.gov

TOSCO CORPORATION

Edward A. Finklea, Esq.
Counsel for Tosco Corporation
Energy Advocates LLP
526 N.W. 18th Avenue
Portland, OR 97209-2220
Fax: 503-721-9121
Email: efinklea@energyadvocates.com

Elaine Houchen

**LIST OF PROBLEMS WITH SPECIFIC
HIGHEST PRIORITY REQUESTS**
(Requests we need responses to prior to any other requests)

TESORO'S DATA REQUEST NO. 119:

At (CAH-2), Page 2, line 20 through Page 3, line 1, Ms. Hammer states that she is "personally responsible for overseeing the development and maintenance of Olympic's books and records.@ 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.

PROBLEMS WITH RESPONSES

- (1) No financial statements have been provided for May 1999, January 2002, or February 2002 (if it is available).
- (2) Olympic has made no effort to get copies of external audit workpapers, has impeded our ability to get the external audit workpapers through subpoena, and represents that it has no internal audit workpapers (despite the fact that internal management and operations audits have been conducted)
- (3) Monthly general ledgers were only provided for the period December 1997-June 2000. None were provided for from July 2000 to the present. In addition, the general ledgers provided were coded and we were not presented the information necessary to translate the codes.
- (4) No schedule was provided detailing differences between actual cash expenditures and accrued expenses during the base period.

TESORO'S DATA REQUEST NO. 125:

At (CAH-2), Page 4, line 20 through Page 5, line 8, Ms. Hammer addresses the development of CWIP in the Test Period, as well as the Cross Cascades Project. Please indicate;

- (a) 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.
- (b) 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.

PROBLEMS WITH RESPONSES

- (b) No list was provided by FERC Plant Account of the amounts contained in the FERC Plant Account of Accrued Depreciation, Depreciation Expense, CWIP, AFUDC and Deferred Income Taxes included with respect to Bayview Terminal.

Note: FERC counsel supplement did not respond this request.

TESORO'S DATA REQUEST NO. 127:

At (CAH-2), Page 5, line 9 through Page 9, line 3, Ms. Hammer addresses Operating Expenses. At Page 5, line 17 through Page 6, line 6, she addresses the Whatcom Creek "incident."

- (a) 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.
- (c) Provide the items and amounts that were booked to the casualty and loss account and the Claims Receivable balance sheet account.
- (d) Provide the name of the "Claims Receivable" balance sheet account as that account is actually listed on the balance sheet.
- (e) 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.
- (f) 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.

PROBLEMS WITH RESPONSES

None of the requested information was provided.

Note: FERC counsel's supplement did not respond this request.

TESORO'S DATA REQUEST NO. 128:

At (CAH-2), Page 6, lines 12 - 17, Ms. Hammer addresses the methodology used to develop Test Year Expenses and lists the ten (10) expense areas where adjustments were made. Please list each adjustment to the expense area and identify all one time or extraordinary expense items that were not removed from each account.

PROBLEMS WITH RESPONSES

Olympic's only response was "Deferred-not identified as a Tesoro priority."

Note: FERC request was not identical and FERC counsel's supplemental response objected and did not respond this 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".

PROBLEMS WITH RESPONSES

Olympic provided no response. Olympic supplemental response was to adopt the FERC response below.

Note: FERC counsel's supplemental response was "Olympic cannot locate the requested information. The referenced directory is not a generally accessible company directory."

PRIORITY REQUESTS

(Requests we need responses to before we can prepare our testimony)

TESORO'S DATA REQUEST NO. 108:

Regarding (BCB-9), Page 6, line 20 through Page 8, line 13, please provide;

- (a) 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.
- (b) 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 issued warnings and recommendations mentioned by Mr. Batch at Page 7 of the referenced testimony.

PROBLEMS WITH RESPONSES

The attached excel spreadsheet referenced in Olympic's response was not provided. No detailed accounting information was provided.

FERC counsel's supplemental response was a single page and was illegible.

TESORO'S DATA REQUEST NO. 110:

Regarding (BCB-9), Page 11, lines 8-10, please provide copies of all documents submitted to and received from the OPS since June 1, 1999.

PROBLEMS WITH RESPONSES

Olympic provided no response. Olympic supplemental response was to adopt the FERC response below.

Note: FERC counsel's supplemental response was to object alleging it is unduly broad, burdensome, and unlikely to lead to discovery of admissible evidence. Olympic nevertheless will make such documents available in Seattle, WA for review. Olympic does not indicate how many documents there are or why they cannot be served on Tesoro like other discovery.

TESORO'S DATA REQUEST NO. 112:

Regarding (BCB-9), Page 15, lines 3-17, please;

- (a) 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.
- (b) 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.
- (c) 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 instant proceeding and the similar proceeding before the FERC 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.

Response

- (a) The models used to develop cost of service for 1999 and 2000 are attached (see file "Tesoro data request No. 112-a.zip"). The rate of return used to develop the return allowance in cost of service was 9.08% for 1999 and 11.05% for 2000.
- (b) Olympic objects on grounds of relevancy.
- (c) Olympic objects on grounds of relevancy.

Olympic's supplemental response was to adopt the FERC response below.

Note: Olympic's FERC response was the same for (a) and (c) and (b) was that all expenses related to the Bellingham accident were removed from the cost of service.

PROBLEMS WITH RESPONSES

- (a) The computer model indicated was not produced.
- (b) No list of expenses was ever produced.
- (c) The relevance objection is meritless. The information sought is likely to lead to discovery of admissible evidence.

TESORO'S DATA REQUEST NO. 114(b):

Regarding (BCB-9), Page 16, line 17 through Page 17, line 4, please;

- (b) Provide all reports (such as BCB-21) 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.

PROBLEMS WITH RESPONSES

Olympic provided no response. Olympic's supplemental response was to adopt the FERC response below.

Note: FERC counsel's supplemental response was also blank.

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.

Response

No additions were made to carrier plant for the pipe replacement on the Whatcom Creek accident.

All costs related to the pipe replacement were processed through insurance claims. Olympic objected to Data Request No. 120 to the extent it seeks "all insurance claims" as overly broad and unduly burdensome and not relevant. Olympic adopted the response of FERC counsel. Which was identical.

PROBLEMS WITH RESPONSES

Olympic failed to provide the list requested. Olympic failed to provide copies of the insurance claims requested. Olympic failed to explain which plant additions for which it expected to receive reimbursement.

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 1998 to present.

PROBLEMS WITH RESPONSES

The list provided was illegible.

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.

PROBLEMS WITH RESPONSES

The monthly general ledger provided was illegible. Olympic also didn't identify the projects associated with the amounts included in such CWIP accounts.

TESORO'S DATA REQUEST NO. 123:

At (CAH-2), Page 4, lines 4 - 5 and 9 - 15, Ms. Hammer addresses the sale of the SeaTac Terminal. Please provide all workpapers supporting her 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.

PROBLEMS WITH RESPONSES

No workpapers were provided. Olympic also didn't identify all amounts which related to CWIP, AFUDC and Deferred Income Taxes applicable to such facilities.

TESORO'S DATA REQUEST NO. 131:

For the Base and Test Years, list all service providers that Olympic includes in AOutside 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 AOutside 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.

PROBLEMS WITH RESPONSES

No list of service providers were provided. The general ledger entries are coded and information requested cannot be obtained from the documents provided. No accrual to cash schedule was provided for the base period.

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 DRA adjustments included in the instant filing, as well as the July 30, 2001 filing.

PROBLEMS WITH RESPONSES

The monthly supporting data for Fuel and Power Costs for the years 1996 through 1998 was not provided. No explanation was provided for the difference in Power Costs included in the July 30, 2001 filing with the amount currently used in the Cost-of-service. No calculations supporting the Power Costs and DRA adjustments included in the instant filing, as well as the July 30, 2001 filing were provided.

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 Drag Reduction Agent (DRA) is added.

PROBLEMS WITH RESPONSES

The responses and documents provided do not (1) identify the date that Olympic has projected that the system will be able to return to 100% pressure and capacity, (2) explain the contingencies that could accelerate or delay this date, or (3) state the level of throughput that occurs at %100 operating pressure and the level of throughput that occurs at 100% operating pressure when the Drag Reduction Agent is added.

TESORO'S DATA REQUEST NO.158:

Regarding (BJT- 1T), Page 3, lines 17 - 21, please provide;

- (a) A statement confirming that the pressure limitation imposed by the OPS Corrective Action Order related to the maximum operating pressure of Olympic's pipeline system as opposed to the maximum allowable operating pressure mentioned in the testimony.
- (b) The specification of the present capacity of Olympic's pipeline system, stated in terms of barrels per day.
- (c) The maximum operating pressure 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.
- (d) 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.

PROBLEMS WITH RESPONSES

- (a) No statement was provided confirming that the pressure limitation imposed by the OPS Corrective Action Order related to the maximum operating pressure of Olympic's pipeline system as opposed to the maximum allowable operating pressure mentioned in the testimony.
- (c) The maximum operating pressure was not provided.
- (d) The flow rates were not provided.

TESORO'S DATA REQUEST NO. 164:

Regarding (BJT-1T), Page 14, line 15 through Page 15, line 5, please provide;

- (a) 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.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) 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.
- (f) The costs incurred by Olympic relative to the reviews performed by the Olympic engineer, ESIS, Inc. and Crawford Technical Services, Inc.
- (g) A statement fully explaining whether the costs requested in (g) 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.
- (h) The identities of the ESIS, Inc. and Crawford Technical Services, Inc. personnel who worked on the review processes mentioned in the referenced testimony.

PROBLEMS WITH RESPONSES

Olympic provided no response. Olympic supplemental response was to adopt the FERC response below.

Note: FERC counsel's supplemental response was to object alleging it is overly broad, unduly burdensome, and not relevant. Whatcom Creek costs and reimbursements were excluded from Olympic's cost of service.

TESORO'S DATA REQUEST NO. 168:

For 1997 to the present, please produce copies of all authorizations for expenditures, including any supporting documents, (hereinafter AAFE=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.

PROBLEMS WITH RESPONSES

Olympic represents that it has provided all AFE=s from 1997 to present that are in Olympic=s possession. Are there any in Equilon, ARCO, or BP=s possession? For AFE #4-38501 through 4-38525, Olympic provided a summary of expenditures for each AFE until June 30, 2000. Were there any expenditures after June 30, 2000? Also, the list is stamped as a Adraft@. When can provide a final list? Also, there is a \$3 million difference between the summary and the detail lists. Why?

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.

PROBLEMS WITH RESPONSES

No list was provided.

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.

PROBLEMS WITH RESPONSES

No list was provided.

REQUESTS TO OLYMPIC-S WITNESSES

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.

PROBLEMS WITH RESPONSES

No list has been provided.

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.

PROBLEMS WITH RESPONSES

No list or explanation has been provided. Olympic-s only response was ADeferred-not identified as a Tesoro priority.@ Olympic-s supplemental response was to adopt the response by FERC counsel. FERC counsel objected on the grounds that Tesoro can make its own list by comparing OPL-30 and OPL-31. This completely ignores their duty to provide the explanation requested

TESORO'S DATA REQUEST NO. 138:

Regarding (GRS-2), Page 13, lines 245 - 246, please provide the referenced news reports.

PROBLEMS WITH RESPONSES

The news reports were not provided. Olympic objected to producing them because they are publicly available. Are they? Where? If they have a copy, how hard would it be to produce it?

**REQUESTS NECESSARY TO EVALUATE
TESTIMONY AND EXHIBITS FILED BY OLYMPIC**

TESORO'S DATA REQUEST NO. 107:

Regarding (BCB-9), Page 5, line 12 through Page 6, line 5, 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 were insufficient to cover its cost-of-service. Please produce all documents which are relied upon in responding to this request.

PROBLEMS WITH RESPONSES

Olympic has produced no documents and provided no list. Olympic has only objected on the ground that the request assumes facts not in evidence and requests information that is not relevant@

TESORO'S DATA REQUEST NO. 113:

Regarding (BCB-9), Page 16, lines 1-7, 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.

PROBLEMS WITH RESPONSES

Olympic has provided no schedule and no explanation. Olympic has only objected on the grounds of attorney client privilege and work product. Olympic also objects to the extent Tesoro can compile its own schedule. Tesoro does not have the data available to compile the schedule requested.

TESORO'S DATA REQUEST NO. 115:

Regarding (BCB-9), Page 18, line 20 through Page 19, line 4, 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).

PROBLEMS WITH RESPONSES

Olympic has not provided the analysis requested. Olympic has only objected on the grounds of Tesoro can compile its own schedule.

TESORO'S DATA REQUEST NO. 162:

Regarding (BJT-1T), Page 5, lines 15 - 22, 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.

PROBLEMS WITH RESPONSES

Olympic's only response was ADeferred-not identified as a Tesoro priority.@

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, operations reports that address the Whatcom Creek accident repairs.

PROBLEMS WITH RESPONSES

Olympic's only response was ADeferred-not identified as a Tesoro priority.@

Note: FERC counsel's objected on the grounds of relevance and because it is overly broad and unduly burdensome.

**REQUESTS TO WHICH OLYMPIC SHOULD BE COMPELLED TO PROVIDE
THE FOLLOWING INFORMATION AND DOCUMENTS**

HIGHEST PRIORITY REQUESTS

(Requests we need responses to prior to any other requests)

TESORO'S DATA REQUEST NO. 119:

Produce:

1. Financial statements for May 1999, January 2002, or February 2002 (if it is available).
2. Copies of external and internal audit workpapers.
3. Monthly general ledgers from July 2000 to the present.
4. The Codes that are necessary to translate the general ledgers produced for December 1997-June 2000.
5. A schedule detailing differences between actual cash expenditures and accrued expenses during the base period.

TESORO'S DATA REQUEST NO. 125:

Produce:

6. A list by FERC Plant Account of the amounts contained in the FERC Plant Account of Accrued Depreciation, Depreciation Expense, CWIP, AFUDC and Deferred Income Taxes included with respect to Bayview Terminal.

TESORO'S DATA REQUEST NO. 127:

Produce:

7. 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.
8. A 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.
9. A list the items and amounts that were booked to the casualty and loss account and the Claims Receivable balance sheet account.
10. The name of the "Claims Receivable" balance sheet account as that account is actually listed on the balance sheet.
11. An explanation as to whether or not 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. A list of all safety measures taken or waiting to be taken as a result of any Office of Pipeline Safety Corrective Action Order or any other agency.

TESORO'S DATA REQUEST NO. 128:

At (CAH-2), Page 6, lines 12 - 17, Ms. Hammer addresses the methodology used to develop Test Year Expenses and lists the ten (10) expense areas where adjustments were made.

Produce:

12. A list showing each individual adjustment to the expense area and identify all one time or extraordinary expense items that were not removed in developing Test Year Expenses

TESORO'S DATA REQUEST NO. 166:

Produce:

13. A list of all files in the following directory `Acommon/olympic/project budgets/Olympic@` (See bottom of Exhibit 40, p. 12, for complete path) and electronic copies and hard copies (printout) of the files listed. (As an example, Olympic must list and produce all the electronic and hard copy of the `A2001 Olympic Project Budget@` dated `February 13, 2001`" with a computer pathway as follows `Acommon/olympic/project budgets/Olympic BDGT Feb 13 01.xls@`).

PRIORITY REQUESTS

(Requests we need responses to before we can prepare our testimony)

TESORO'S DATA REQUEST NO. 108:

Produce:

14. The excel spreadsheet referenced in Olympic's response.
15. Revise the schedule provided to incorporate the particular expense or capital account or accounts in Olympic's accounting records in which the costs were recorded.

TESORO'S DATA REQUEST NO. 110:

Produce:

16. Copies of all documents submitted to and received from the OPS since June 1, 1999.

TESORO'S DATA REQUEST NO. 112:

Produce:

17. The computer models identified in the response.
18. A list of all direct and indirect expenses associated with the Bellingham incident and identify which expenses were included in the determination of Olympic's 1999 and 2000 costs-of-service mentioned in the referenced testimony.

TESORO'S DATA REQUEST NO. 114(b):

Produce:

19. All reports (such as BCB-21) which list one-time expenses and capital expenditures.
20. A list identifying which one-time expenses and capital expenditures were incurred after the Whatcom Creek accident in order to implement Olympic's enhanced integrity management program.

TESORO'S DATA REQUEST NO. 120:

Produce:

21. A list of 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. Explain whether or not Olympic expects to receive a reimbursement for any of these costs.
22. All insurance claims submitted by or on behalf of Olympic arising from the Whatcom Creek accident.

TESORO'S DATA REQUEST NO. 121:

Produce:

23. A legible copy of the list produced in the response.

TESORO'S DATA REQUEST NO. 122:

Produce:

24. A legible copy of the monthly general ledger for the CWIP account produced in the response.
25. A list identifying the projects associated with the amounts included in such CWIP accounts.

TESORO'S DATA REQUEST NO. 123:

Produce:

26. All workpapers supporting Ms. Hammer's adjustment of \$3.6 million "made to reflect the expected sale of the SeaTac terminal."
27. A list identifying amounts which related to CWIP, AFUDC and Deferred Income Taxes applicable to the SeaTac terminal.

TESORO'S DATA REQUEST NO. 131:

Produce:

28. A list (For the Base and Test Years only) of all service providers Olympic includes in "Outside Services" and explain the nature of service provided to Olympic.
29. The codes that will allow us to interpret the monthly general ledger account entries for "Outside Services" and determine the payee, the account code, AFE code information, and all explanations for the expenses.
30. An accrual to cash schedule (For the Base and Test Years only) detailing differences between actual cash expenditures in a month and accrued expenses .

TESORO'S DATA REQUEST NO. 132:

Produce:

31. All monthly supporting data for Fuel and Power Costs for the years 1996 through 1998.
32. An explanation for the difference in Power Costs included in the July 30, 2001 filing with the amount currently used in the Cost-of-service.
33. All calculations supporting the Power Costs and DRA adjustments included in the instant filing, as well as the July 30, 2001 filing.

TESORO'S DATA REQUEST NO. 133:

34. Identify the date that Olympic has projected that the system will be able to return to 100% pressure and capacity.
35. Produce an explanation of the contingencies that could accelerate or delay this date.
36. Identify the level of throughput that occurs at %100 operating pressure and the level of throughput that occurs at 100% operating pressure when the Drag Reduction Agent is added.

TESORO'S DATA REQUEST NO.158:

37. Produce an explanation as to whether or not the pressure limitation imposed by the OPS Corrective Action Order related to the maximum operating pressure of Olympic's pipeline system as opposed to the maximum allowable operating pressure mentioned in the testimony.
38. Identify the maximum operating pressure of Olympic's pipeline system prior to its derating by the OPS CAO.
39. Produce a list of flow rates of product transported by Olympic prior to the imposition by the OPS in its CAO imposing the requirement to operate the system at the reduced pressure

TESORO'S DATA REQUEST NO. 164:

40. 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.
41. Produce a statement fully explaining the process by which the engineer separated all projects and expenses related to the Whatcom Creek incident from all the other projects and expenses undertaken by Olympic.
42. Produce an explanation of the procedures followed by ESIS, Inc. in determining the relationship of the billings selected by the Olympic engineer to the Whatcom Creek incident.
43. Produce 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.
44. Produce 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.
45. Produce as list all of the costs incurred by Olympic relative to the reviews performed by the Olympic engineer, ESIS, Inc. and Crawford Technical Services, Inc.
46. Produce a statement fully explaining whether the costs of ESIS, Inc. and Crawford Technical Services, Inc. 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.

47. Identify 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. 169:

48. Produce a list (for 1999 to the present) of all expenditures that have been made to British Petroleum (BP) or any of its affiliates (including the date, amount, and purpose). (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:

49. Produce a list (for 1999 to the present) of all expenditures that have been allocated by BP or any of its affiliates to Olympic and explain the methodology for such allocation.
50. Produce a list of 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.)

REQUESTS TO OLYMPIC-S WITNESSES

TESORO'S DATA REQUEST NO. 100:

- 51.** Produce a list of 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, produce a copy of such testimony.

TESORO-S DATA REQUEST NO. 118:

- 52.** Produce an explanation identifying all items in Case 1 that are different from the same items in Case 2 and explaining in detail the rationale for each revision.

**REQUESTS NECESSARY TO EVALUATE
TESTIMONY AND EXHIBITS FILED BY OLYMPIC**

TESORO'S DATA REQUEST NO. 107:

53. Produce copies of all supporting documents, including workpapers, for each of the cost-of-service amounts identified for 1996 - 1998.
54. Produce a list of all significant reasons why Olympic chose to request rate increases which it now alleges were insufficient to cover its cost-of-service.

TESORO'S DATA REQUEST NO. 113:

55. Produce 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.
56. Produce an explanation discussing in detail 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. 115:

57. Produce an explanation discussing in detail all factors which have caused Olympic's system capacity to have been constrained for at least a decade.
58. Produce a list of the capacity available in Olympic's pipeline system for years 1990 through 1999 and a list of the annual demand for capacity (by shipper).

TESORO'S DATA REQUEST NO. 162:

59. Produce copies of all documents submitted by Olympic to the OPS relating to the investigation of the OPS investigation of the Bellingham accident.

TESORO'S DATA REQUEST NO. 167:

60. Identify the employees of Olympic who are in charge of Whatcom Creek repairs and accounting. Produce all engineering studies, internal operations audits, operations reports that address the Whatcom Creek accident repairs.

RESPONSES THAT NEED TO BE CLARIFIED

TESORO'S DATA REQUEST NO. 168:

61. For 1997 to the present, please produce copies of all authorizations for expenditures, including any supporting documents, (hereinafter AAFE=s).
62. 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.

QUESTIONS ABOUT THE RESPONSES

Olympic represents that it has provided all AFE=s from 1997 to present that are in Olympic=s possession. Are there any in Equilon, ARCO, or BP=s possession? For AFE #4-38501 through 4-38525, Olympic provided a summary of expenditures for each AFE until June 30, 2000. Were there any expenditures after June 30, 2000? Also, the list is stamped as a Adraft@. When can Olympic provide a final list? Also, there is a \$3 million difference between the summary and the detail lists. Why?

TESORO'S DATA REQUEST NO. 138:

Regarding (GRS-2), Page 13, lines 245 - 246, please provide the referenced news reports.

QUESTIONS ABOUT THE RESPONSES

The news reports were not provided. Olympic objected to producing them because they are publicly available. Are they? Where? If they have a copy, how hard would it be to produce it?