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March 19, 2002

VIA ELECTRONIC, FACSIMILE AND U.S. MAIL

Honorable C. Robert Wallis Administrative Law Judge Washington Utilities and Transportation Commission 1300 S Evergreen Park Drive SW Olympia, WA 98504

Re: WUTC v. Olympic Pipe Line Company, Inc., Docket No. TO-011472

Dear Judge Wallis:

Pursuant to your Order dated, March 13, 2002, Tosco Corporation ("Tosco") hereby responds to Olympic's request to further delay the procedural schedule in the above-captioned proceeding. Tosco has given careful consideration to Olympic's request, but believes it should be denied. At the last prehearing conference, a schedule was set for Olympic to answer the parties' priority data requests, those requests essential for preparing the parties respective cases. Those responses are due on March 22, 2002. If the responses to outstanding discovery are forthcoming in a timely fashion, Tosco believes that all parties, including Staff and Intervenors, should be able to meet testimony deadlines as jointly supported by WUTC Staff and Tosco in their Status Reports of March 1, 2002. Thus, there is no reason at this time to reset the schedule in this proceeding.

Tosco also notes that Olympic's alleged concerns with its ability to respond to WUTC Staff and Intervenors are grossly overstated. The schedule as proposed by WUTC Staff and Tosco has the same intervals between deadlines as was established in the original schedule. Thus, there is no hardship to Olympic in meeting this procedural schedule. Olympic contends that it will need more time to conduct extensive discovery of WUTC Staff and Intervenors' testimony. However, Olympic fails to recognize that it is the entity seeking a rate increase and carries the burden of proof in this proceeding. The WUTC Staff and Intervenors have been struggling to get answers to questions about Olympic's operations, finances and revenues. When WUTC Staff and Intervenors file

their cases, they will be using Olympic's data. Olympic may not agree with the positions taken by WUTC Staff and Intervenors, but it will not have to engage in the type of extensive discovery that has been necessary to determine whether Olympic's proposed rate increase would result in just and reasonable rates. Thus, the reasonable intervals in the WUTC Staff/Tosco proposed schedule protect Olympic's procedural rights and will not unduly burden the company.

Tosco is opposed to Olympic's suggestion that the WUTC schedule be significantly delayed so that the WUTC case goes to hearing after the Federal Energy Regulatory Commission ("FERC") has issued an order. There are no sound reasons for the WUTC to wait until the FERC case is decided. The WUTC must independently exercise its jurisdiction over Olympic. Furthermore, the FERC process will take many months, and in all likelihood more than a year. After the hearings at FERC, first the assigned Presiding Administrative Law Judge ("ALJ") must render an initial decision. Then after receiving briefs on exceptions from the parties regarding the correctness of the Presiding ALJ's decision, the Commission will review the Presiding ALJ's initial decision and issue an Order. It is not uncommon for FERC proceedings to last several years before that Commission makes a binding, final decision.

For the reasons described above, Olympic's request to further postpone the procedural schedule beyond that proposed by WUTC Staff and Tosco should be denied. Olympic has failed to make a persuasive case for delaying this proceeding. Instead, the schedule proposed by WUTC Staff and Tosco should be adopted.

Sincerely,

Edward A. Finklea

Of Attorneys for Tosco Corporation

cc: Robin Brena Steven Marshall Don Trotter