

# Exhibit 3

**Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

WHEREAS Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company (together, "the Parties") entered into a Settlement Agreement, effective as of December 29, 2003 (the "Effective Date");

WHEREAS, in accordance with Section 4.1(b) thereof, the Settlement Agreement is to continue in full force and effect for five (5) years from the Effective Date, after which it shall continue from year to year subject to termination upon at least one year's notice in advance of the fifth or subsequent anniversary of the Effective Date given by any Party;

WHEREAS, Section 4.1(b) of the Settlement Agreement also authorizes the Parties to change the notice period upon mutual agreement;

AND WHEREAS the requirements for effective notice are set forth in Section 4.9 of the Settlement Agreement;

THE PARTIES HEREBY MUTUALLY AGREE THAT any Party may terminate the Settlement Agreement as of the end of its initial five (5) year term by providing notice to each other Party no later than April 30, 2008, in the manner set forth in Section 4.9 of the Settlement Agreement. All other terms of the Settlement Agreement shall remain in full force and effect.

Being duly authorized, the Parties execute this Amendment, effective as of December 28, 2007.

**Olympic Pipe Line Company**

By: Steven Mausching  
Its: Vice President

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

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WHEREAS, in accordance with Section 4.1(b) thereof, the Settlement Agreement is to continue in full force and effect for five (5) years from the Effective Date, after which it shall continue from year to year subject to termination upon at least one year's notice in advance of the fifth or subsequent anniversary of the Effective Date given by any Party;

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Being duly authorized, the Parties execute this Amendment, effective as of December 28, 2007.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: *[Signature]*  
Its: DIRECTOR BDEL

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

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Being duly authorized, the Parties execute this Amendment, effective as of December 28, 2007.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: *[Signature]* 12/21/07  
Its: SENIOR VICE PRESIDENT, COMMERCIAL

**Second Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

WHEREAS, Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company (together, "the Parties") entered into a Settlement Agreement, effective as of December 29, 2003 (the "Effective Date");

WHEREAS, in accordance with Section 4.1(b) thereof, the Settlement Agreement is to continue in full force and effect for five (5) years from the Effective Date, after which it shall continue from year to year subject to termination upon at least one year's notice in advance of the fifth or subsequent anniversary of the Effective Date given by any Party;

WHEREAS, Section 4.1(b) of the Settlement Agreement also authorizes the Parties to change the notice period upon mutual agreement;

WHEREAS, the requirements for effective notice are set forth in Section 4.9 of the Settlement Agreement;

AND WHEREAS, the Parties executed an Amendment to the Settlement Agreement as of December 28, 2007, which extended the deadline for providing notice of termination until April 30, 2008;

THE PARTIES HEREBY MUTUALLY AGREE THAT any Party may terminate the Settlement Agreement as of the end of its initial five (5) year term by providing notice to each other Party no later than June 15, 2008, in the manner set forth in Section 4.9 of the Settlement Agreement. All other terms of the Settlement Agreement shall remain in full force and effect.

Being duly authorized, the Parties execute this Second Amendment, effective as of April 30, 2008.

**Olympic Pipe Line Company**

By: Steve Maulding  
Its: VICE PRESIDENT

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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WHEREAS, the requirements for effective notice are set forth in Section 4.9 of the Settlement Agreement;

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Being duly authorized, the Parties execute this Second Amendment, effective as of April 29, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: [Signature]  
Its: DIRECTOR BD & L

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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Being duly authorized, the Parties execute this Second Amendment, effective as of April 30, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: Chh Donnan  
Its: President, Supply & Trading

Approved as to Form
<u>H. H. Schmechel</u>
Legal Division

**Third Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

WHEREAS, Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company (together, "the Parties") entered into a Settlement Agreement, effective as of December 29, 2003 (the "Effective Date");

WHEREAS, in accordance with Section 4.1(b) thereof, the Settlement Agreement is to continue in full force and effect for five (5) years from the Effective Date, after which it shall continue from year to year subject to termination upon at least one year's notice in advance of the fifth or subsequent anniversary of the Effective Date given by any Party;

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AND WHEREAS, the Parties executed a Second Amendment to the Settlement Agreement as of April 30, 2008, which extended the deadline for providing notice of termination until June 15, 2008;

THE PARTIES HEREBY MUTUALLY AGREE THAT any Party may terminate the Settlement Agreement as of the end of its initial five (5) year term by providing notice to each other Party no later than August 15, 2008, in the manner set forth in Section 4.9 of the Settlement Agreement. All other terms of the Settlement Agreement shall remain in full force and effect.

Being duly authorized, the Parties execute this Third Amendment, effective as of June 1<sup>st</sup>, 2008.

**Olympic Pipe Line Company**

By: Steve Maulding  
Its: Vice President

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_



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Being duly authorized, the Parties execute this Third Amendment, effective as of June 12, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: Keith Schwaner  
Its: DIRECTOR B D E C

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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Being duly authorized, the Parties execute this Third Amendment, effective as of June \_\_, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: *Clh Donnan*  
Its: *President, Supply & Trading*

**Fourth Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

WHEREAS, Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company (together, "the Parties") entered into a Settlement Agreement, effective as of December 29, 2003 (the "Effective Date");

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AND WHEREAS, the Parties executed a Second Amendment to the Settlement Agreement as of April 30, 2008, which extended the deadline for providing notice of termination until June 15, 2008;

AND WHEREAS, the Parties executed a Third Amendment to the Settlement Agreement as of June 15, 2008, which extended the deadline for providing notice of termination until August 15, 2008;

THE PARTIES HEREBY MUTUALLY AGREE THAT any Party may terminate the Settlement Agreement as of the end of its initial five (5) year term by providing notice to each other Party no later than September 5, 2008, in the manner set forth in Section 4.9 of the Settlement Agreement. All other terms of the Settlement Agreement shall remain in full force and effect.

Being duly authorized, the Parties execute this Fourth Amendment, effective as of August 15, 2008.

**Olympic Pipe Line Company**

By: Steve Maulding  
Its: President

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By:   
Its: DIRECTOR BD&L

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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Being duly authorized, the Parties execute this Fourth Amendment, effective as of August 15, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: Scott McLean  
Its: Manager, Clean Products West Coast

**Fifth Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

WHEREAS, Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company (together, "the Parties") entered into a Settlement Agreement, effective as of December 29, 2003 (the "Effective Date");

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WHEREAS, the requirements for effective notice are set forth in Section 4.9 of the Settlement Agreement;

WHEREAS, the Parties executed an Amendment to the Settlement Agreement as of December 28, 2007, which extended the deadline for providing notice of termination until April 30, 2008;

AND WHEREAS, the Parties executed a Second Amendment to the Settlement Agreement as of April 30, 2008, which extended the deadline for providing notice of termination until June 15, 2008;

AND WHEREAS, the Parties executed a Third Amendment to the Settlement Agreement as of June 15, 2008, which extended the deadline for providing notice of termination until August 15, 2008;

AND WHEREAS, the Parties executed a Fourth Amendment to the Settlement Agreement as of August 15, 2008 which extended the deadline for providing notice of termination until September 5, 2008;

THE PARTIES HEREBY MUTUALLY AGREE THAT any Party may terminate the Settlement Agreement as of the end of its initial five (5) year term by providing notice to each other Party no later than September 15, 2008, in the manner set forth in Section 4.9 of the Settlement Agreement. All other terms of the Settlement Agreement shall remain in full force and effect.

Being duly authorized, the Parties execute this Fifth Amendment, effective as of September 5, 2008.

**Olympic Pipe Line Company**

By: Steve Maudslayi  
Its: President

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Being duly authorized, the Parties execute this Fifth Amendment, effective as of September 5, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: *A. J. Edwards*  
Its: DIRECTOR BOD

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_



**Fifth Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

WHEREAS, Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company (together, "the Parties") entered into a Settlement Agreement, effective as of December 29, 2003 (the "Effective Date");

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WHEREAS, the requirements for effective notice are set forth in Section 4.9 of the Settlement Agreement;

WHEREAS, the Parties executed an Amendment to the Settlement Agreement as of December 28, 2007, which extended the deadline for providing notice of termination until April 30, 2008;

AND WHEREAS, the Parties executed a Second Amendment to the Settlement Agreement as of April 30, 2008, which extended the deadline for providing notice of termination until June 15, 2008;

AND WHEREAS, the Parties executed a Third Amendment to the Settlement Agreement as of June 15, 2008, which extended the deadline for providing notice of termination until August 15, 2008;

AND WHEREAS, the Parties executed a Fourth Amendment to the Settlement Agreement as of August 15, 2008 which extended the deadline for providing notice of termination until September 5, 2008;

**THE PARTIES HEREBY MUTUALLY AGREE THAT** any Party may terminate the Settlement Agreement as of the end of its initial five (5) year term by providing notice to each other Party no later than September 15, 2008, in the manner set forth in Section 4.9 of the Settlement Agreement. All other terms of the Settlement Agreement shall remain in full force and effect.

Being duly authorized, the Parties execute this Fifth Amendment, effective as of September 5, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: *[Signature]* 9-4-08  
Its: *[Signature]*

**Sixth Amendment to the December 2003 Settlement Agreement by and among Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company.**

WHEREAS, Olympic Pipe Line Company, Tesoro Refining and Marketing Company, and Conoco Phillips Company (together, "the Parties") entered into a Settlement Agreement, effective as of December 29, 2003 (the "Effective Date");

WHEREAS, in accordance with Section 4.1(b) thereof, the Settlement Agreement is to continue in full force and effect for five (5) years from the Effective Date, after which it shall continue from year to year subject to termination upon at least one year's notice in advance of the fifth or subsequent anniversary of the Effective Date given by any Party;

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AND WHEREAS, the Parties executed a Second Amendment to the Settlement Agreement as of April 30, 2008, which extended the deadline for providing notice of termination until June 15, 2008;

AND WHEREAS, the Parties executed a Third Amendment to the Settlement Agreement as of June 15, 2008, which extended the deadline for providing notice of termination until August 15, 2008;

AND WHEREAS, the Parties executed a Fourth Amendment to the Settlement Agreement as of August 15, 2008 which extended the deadline for providing notice of termination until September 5, 2008;

AND WHEREAS, the Parties executed a Fifth Amendment to the Settlement Agreement as of September 5, 2008 which extended the deadline for providing notice of termination until September 15, 2008;

THE PARTIES HEREBY MUTUALLY AGREE THAT any Party may terminate the Settlement Agreement as of the end of its initial five (5) year term by providing notice to each other Party no later than September 23, 2008, in the manner set forth in Section 4.9 of the Settlement Agreement. All other terms of the Settlement Agreement shall remain in full force and effect.

Being duly authorized, the Parties execute this Sixth Amendment, effective as of September 11, 2008.

**Olympic Pipe Line Company**

By: Steve Maudlin  
Its: President

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Being duly authorized, the Parties execute this Sixth Amendment, effective as of September 11, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: Keith Edwards  
Its: DIRECTOR BDEL

**Conoco Phillips Company**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Being duly authorized, the Parties execute this Sixth Amendment, effective as of September 11, 2008.

**Olympic Pipe Line Company**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**Tesoro Refining and Marketing Company**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**Conoco Phillips Company**

By: *Scott McE*

Its: *West Coast Supply Manager*

# Exhibit 4

Olympic Pipe Line Company  
 Total Revenue Requirement (Including Net Carryover)  
 (\$000's)

Exhibit No. 1.2(c) and Exhibit 1.4 (a)  
 Schedule 3

Line	No. Description	Source	JAN 1 2009		JULY 1, 2008		VARIANCE
			INTERIM	FILING	AS FILED	AS FILED	
1	Return on Rate Base	Schedule 5, Line 7	\$13,770	\$13,770	\$15,363	\$15,363	(\$1,593)
2	Income Tax Allowance	Schedule 6, Line 14	\$4,796	\$4,796	\$5,348	\$5,348	(\$552)
3	Operating Expenses Excluding Depreciation	Schedule 2, Line 27	\$46,370	\$46,370	\$46,370	\$46,370	\$0
4	Depreciation Expense	Schedule 1, Line 15	\$4,856	\$4,856	\$4,856	\$4,856	\$0
5	Amortization of AFUDC	Schedule 9, Lines (4 + 10)	\$315	\$315	\$315	\$315	\$0
6	Total Revenue Requirement (Excluding Net Carryover)	Sum Lines (1 through 5)	\$70,108	\$70,108	\$72,253	\$72,253	(\$2,144)
7	Net Carryover	Schedule 4 Prior Ln 6	(\$1,487)	(\$1,487)	(\$1,487)	(\$1,487)	\$0
8	Total Revenue Requirement (Including Net Carryover)	Ln (6 + 7)	\$68,621	\$68,621	\$70,766	\$70,766	(\$2,144)
9	Estimated Revenue	2007 Actual	\$80,369	\$80,369	\$80,369	\$80,369	\$0
10	Rate Adjustment	Lines (8 - 9) / Line 9	-14.618%	-14.618%	-11.949%	-11.949%	-2.668%

# Exhibit 5



LAW OFFICES  
**DANIELSON HARRIGAN LEYH & TOLLEFSON LLP**  
999 THIRD AVENUE, SUITE 4400  
SEATTLE, WASHINGTON 98104  
(206) 623-1700

CHRISTOPHER T. WION

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September 30, 2008

Mr. Dave Danner  
Secretary and Executive Director  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
1300 Evergreen Park Drive S.W.  
Olympia, Washington 98504-7250

RE: Olympic Pipe Line Company –  
Notice of Affiliate Transaction re Lease of Bayview Facility

Dear Mr. Danner:

Olympic Pipe Line Company (“Olympic”) hereby provides notice regarding a proposed Lease Storage Agreement (“Lease”), executed on August 11, 2008, by and between Olympic and BP West Coast Products LLC (“BPWCP”). BPWCP is an affiliate of Olympic’s minority shareholder, ARCO Midcon LLC. As such, the Lease is considered an Affiliate Transaction, requiring notice to the Commission pursuant to RCW 81.16.020 and WAC 480-73-190.

The Lease calls for Olympic to provide storage capacity, consisting of approximately 85% of its Bayview facility, to BPWCP for a five-year term. The Lease cannot become effective unless and until the Commission (a) allows the affected portion of the facility to be removed from the rate base for tariff-setting purposes (during the term of the Lease), and (b) approves the Lease as a proper transfer of common carrier property. These issues are addressed separately in the following two petitions, filed contemporaneously with this Notice:

1. Petition of Olympic Pipe Line Company for Approval of Amendment No. 7 to Tariff Settlement Agreement of 2003 (“Petition for TSA Amendment Approval”) (Docket No. TO-031973); and
2. Petition of Olympic Pipe Line Company for Approval of Transfer of Property re Bayview Lease (“Petition for Lease Approval”).

Olympic requests that the two Petitions (and this Notice) be considered together, as the issues raised therein are closely related and interdependent: the Lease is made expressly contingent upon approval of the Petition for TSA Amendment Approval, and Olympic has the right to terminate the Amended TSA if the Lease is disapproved. Accordingly, in order to place the present Notice in its proper context, Olympic provides the following brief summary of the above-referenced petitions.

1. Petition for TSA Amendment Approval

For approximately the last five years, the Bayview facility has been included in the rate base calculations under the methodology established pursuant to the Tariff Settlement Agreement (“TSA”) by and among Olympic, Tesoro Refining and Marketing Company (“Tesoro”), and ConocoPhillips Company (“CP”). The Commission approved the TSA on December 23, 2003, in Docket No. TO-031973.

Olympic has moved to reopen that Docket for the purpose of allowing the Commission to consider its Petition for TSA Amendment Approval, which requests an order (a) approving Amendment No. 7 to the TSA (“Amended TSA”), which was entered into on or about September 23, 2008, by and among Olympic, Tesoro and CP, and (b) allowing the initial rate filing under the terms of the Amended TSA to go into effect by operation of law without suspension on January 1, 2009.

If approved, the immediate impact of the Amended TSA on rates for all shippers will be to reduce rates below those that would apply under the original TSA as of January 1, 2009, primarily as a result of the provision in the Amended TSA that 85% of Olympic’s Bayview facility will be removed from the rate base for the purpose of the tariff calculation called for under the Amended TSA. This reduction in rate base will apply throughout the term of the Amended TSA.

2. Petition for Lease Approval

Separate and apart from the question of whether a portion of the Bayview facility may be removed from the rate base, Olympic is required to obtain Commission approval of the Lease under RCW 81.12.020 because it contemplates a transfer of common carrier property – *i.e.*, the lease of 85% of the Bayview facility to BPWCP. RCW 81.12.020 provides, in pertinent part, that:

No public service company shall sell, lease, assign or otherwise dispose of the whole or any part of its franchises, properties or facilities whatsoever, which are necessary or useful in the performance of its duties to the public ... without having secured from the commission an order authorizing it so to do[.]

With the foregoing as background, Olympic submits the present Notice in accordance with RCW 81.16.020 and WAC 480-73-190 (affiliate transactions). Under that authority, Olympic must show that the transaction is in the public interest and must submit a verified copy of the underlying agreement prior to its effective date.

The terms of the Lease and the Amended TSA are both reasonable and in the public interest. The Lease is made expressly contingent on the Commission’s (and the Federal Energy Regulatory Commission’s) approval of the Amended TSA. The Amended TSA is the result of

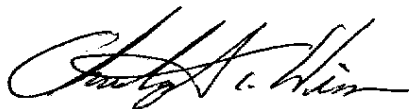
extensive negotiations between and among Olympic, Tesoro, and CP that have taken place over approximately the last nine months. The basic mechanism of the Amended TSA parallels that of the original TSA, which the Commission approved in 2003. The best argument in favor of approval of the Amended TSA is that the basic rate setting methodology of the TSA has worked well, and the parties' experience with it has enabled them to improve upon it in certain respects in the Amended TSA. The Amended TSA, like its predecessor, provides a rational methodology for the continued economic regulation of Olympic based upon agreed criteria that enable Olympic's shippers to understand and to predict the transportation costs associated with transporting their refined products to the marketplace. As in the case of the original TSA, the evolved methodology proposed in the Amended TSA is fundamentally the depreciated original cost method previously approved by this Commission.

During the course of their negotiations over the Amended TSA, Olympic, Tesoro, and CP recognized that the Lease was an important factor in arriving at a mutually acceptable amendment. The Lease is a direct outgrowth of Olympic's agreeing to remove Bayview from the rate base as part of the Amended TSA. Approximately 85% of the Bayview facilities are removed under the Amended TSA, and only that portion of Bayview will be subject to the Lease. It is anticipated that the Lease will provide the revenue necessary for Olympic to be able to accommodate the tariff revenue reduction inherent in Bayview's removal from the rate base. As stated in Section 2.2(h) of the Amended TSA (submitted with the Petition for TSA Amendment Approval), Tesoro and CP agreed to "support all required regulatory approvals of the Lease and amended tariffs required to implement the Lease."

Olympic intends to comply fully with its obligation to submit a verified copy of the Lease. However, because the Lease in its executed form contains trade secret and proprietary information of BPWCP, Olympic has filed a Motion for Protective Order (under Docket No. TO-031973), requesting permission to submit a complete, unredacted copy of the Lease under seal, to prevent unwarranted disclosure of BPWCP's confidential information. Olympic has submitted a redacted version of the Lease in connection with its Petition for Lease Approval. Olympic will submit an unredacted version of the Lease upon issuance of an appropriate order in connection with Olympic's pending motion for a protective order.

Very truly yours,

DANIELSON HARRIGAN LEYH & TOLLEFSON LLP



Christopher T. Wion

# Exhibit 6



September 30, 2008

Dear Shipper,

The purpose of this communication is to inform Olympic Pipe Line Company's (Olympic) shippers of changes to the Tariff Settlement Agreement (TSA), which annually sets product transportation rates. The original TSA is set to expire near the end of 2008. Over the last nine months, Olympic has negotiated an Amended TSA with the Parties (Tesoro and ConocoPhillips), resulting in the changes described below.

The TSA has worked well over the last five years because it facilitates a collaborative relationship among the shippers and the carrier. Olympic believes that the terms reached in the Amended TSA will continue to support a positive relationship with its shippers and regulators.

Simultaneous to this communication, petitions for approval of this Amended TSA are being filed with the Washington Utilities and Transportation Commission (WUTC) and the Federal Energy Regulatory Commission (FERC).

The Amended TSA contains the following substantive changes to the rate-setting elements of the Agreement (the following is a summarization and is not reproduced verbatim):

- Tariffs calculated under the Amended TSA will now exclude the storage tank facilities at Bayview from the rate base (see Sections 1.2 and 2.2), resulting in an immediate tariff reduction of approximately 2.7% on January 1, 2009 (or the effective date).
- Pipeline taxes have been moved from Other Operating Expenses category and are now included in Pass-Through Operating Expenses (see Section 3.3(a))
- Normal right-of-way maintenance has moved from Pass-Through Operating Expense category to Other Operating Expense (see Section 3.3(e)).

- Capital expense for each year is revised to include an estimate of known, measurable and reasonably expected capital expenditures to be made during that year (see Section 3.7(a)).

Other significant provisions of the Amended TSA include the following:

- The Bayview storage tank facilities removed from the rate base will be leased to BP West Coast Products, LLC, an affiliate of the minority owner. Olympic is petitioning for WUTC approval of the tariff reduction and the associated Lease in conjunction with the Amended TSA.
- The termination notice period has been reduced (see Section 4.1(b)).
- Olympic agrees to continue using its best efforts to operate at 100% Maximum Allowable Operating Pressure (see Section 2.1).
- Olympic agrees to seek additional means to enhance throughput capacity in the Renton to Portland segment (see Section 2.1).
- The Parties agree to support WUTC approval of the Lease and of the Amended TSA, including removal of Bayview from the rate base for purposes of tariff-setting under the Amended TSA (see Sections 2.2(h) and 4.1(a)).
- The Amended TSA will automatically terminate if it has not become effective (i.e., if all regulatory approvals are not in place) by February 1, 2009 (see Section 4.1(b)).
- Olympic may terminate the Amended TSA if the WUTC does not approve the Lease (see Sections 4.3 and 4.13(a)).
- Tesoro or CP may terminate the Amended TSA if the WUTC or FERC does not allow Bayview to be removed from the rate base for tariff-setting purposes under the Amended TSA (see Sections 4.3(a) and 4.13(b)).

A copy of the Amended TSA is attached hereto, in addition to a red-lined version comparison to the Original TSA.

If you have any questions, you may contact Mitch Jones (630) 836-3446, or Steve Maulding (425) 235-7736. In addition, feel free to contact the WUTC or the FERC directly.