

December 29, 2015

CHRISTOPHER T. WION
(206) 340-9657
cwion@grahamdunn.com

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

**Re: Olympic Pipe Line Company
Notice of Affiliated Interest and Financial Transactions**

Dear Mr. King:

Pursuant to the provisions of RCW 81.16.020 and WAC 480-73-190 as well as RCW 81.08 and WAC 480-73-170, Olympic Pipe Line Company ("Olympic") hereby provides notice of the following agreements between and among Olympic and its two shareholders, Enbridge Holdings (Olympic) L.L.C. ("Enbridge") and Arco Midcon LLC ("ARCO"):

- Second Amendment to Line of Credit Promissory Note, by and between Olympic and ARCO (the "2nd ARCO Note Amendment");
- Second Amendment to Line of Credit Promissory Note, by and between Olympic and Enbridge (the "2nd Enbridge Note Amendment"); and
- First Amendment to Second Amended and Restated Shareholders Loan Agreement (the "Shareholder Loan Amendment").

True and correct verified copies of the 2nd ARCO Note Amendment and the 2nd Enbridge Note Amendment (together, the "2nd Shareholder Note Amendments") and the Shareholder Loan Amendment are attached to the Verification of Noel Dike, Olympic's Secretary and Controller, which is attached hereto as Exhibit 1. The 2nd Shareholder Note Amendments and the Shareholder Loan Amendment are to become effective as of December 30, 2015.

Mr. Steven King
WUTC
December 29, 2015
Page 2

I. Effect of 2nd Shareholder Note Amendments and Shareholder Loan Amendment on Pre-Existing Agreements

The 2nd Shareholder Note Amendments extend, by five years, the deadline for Olympic's repayment of the principal balance on two shareholder notes, from December 31, 2015 to December 31, 2020.

The Shareholder Loan Amendment similarly extends the deadline for Olympic's repayment of a loan extended by its shareholders by five years, from December 31, 2015 to December 31, 2020. In addition, the Shareholder Loan Amendment changes the interest rate on the loan from 5.0% per annum to 5.112% per annum.

II. The Amendments and the Underlying Agreements Are in the Public Interest

The Shareholder Note Amendments and the Shareholder Loan Amendment relate to pre-existing agreements that Olympic previously submitted to the WUTC. These pre-existing agreements and subsequent amendments thereto are detailed in Olympic's Notice of Affiliated Interest and Financial Transactions dated December 26, 2013 (the "12/26/13 Notice") and Olympic's earlier Notice of Affiliated Interest and Financial Transactions dated December 29, 2010 (the "12/29/10 Notice"). The 12/26/13 Notice is attached hereto as Exhibit 2 (the 12/29/10 Notice is attached as Ex. 2 to the 12/26/13 Notice).

A. Background of 2nd Shareholder Note Amendments

As part of Olympic's 12/29/10 Notice, Olympic submitted a verified copy of the Olympic Pipe Line Company Second Amended and Restated Financing Agreement. Among other things, the Second Amended and Restated Financing Agreement extended the maturity date for certain pre-existing lines of credit extended to Olympic by ARCO and Enbridge, evidenced by two Line of Credit Promissory Notes, both dated December 31, 2010 – the "ARCO Note" and the "Enbridge Note."¹ In 2013, the maturity date for these shareholder notes was again extended, as reflected in the verified copies of the shareholder note amendments submitted as part of Olympic's 12/26/13 Notice.

As noted above, the 2nd Shareholder Note Amendments further extend the deadline for repayment of the notes by five years, from December 31, 2015 to December 31, 2020.

¹ The ARCO Note and the Enbridge Note are attached to the Second Amended and Restated Financing Agreement as Exhibit A and Exhibit B, respectively.

Mr. Steven King
WUTC
December 29, 2015
Page 3

B. Background of Shareholder Loan Amendment

As part of Olympic's 12/29/10 Notice, Olympic also submitted a verified copy of the Second Amended and Restated Shareholders Loan Agreement. Among other things, the Second Amended and Restated Shareholders Loan Agreement memorialized the terms of a refinanced loan from Olympic's shareholders, reduced the interest rate on the loan from 7.237% to 5%, and extended the repayment date to December 31, 2015.

As noted above, the Shareholder Loan Amendment that is the subject of this Notice extends the deadline for repayment to December 31, 2020 and increases the interest rate to 5.112% per annum.

C. The Amendments Are in the Public Interest

The financial arrangements between and among Olympic and its shareholders that were the subject of Olympic's 12/26/10 Notice and 12/29/13 Notice have proven over the years to be effective at ensuring Olympic has the means to properly maintain and improve its facilities, finance operations, and provide its common carrier services at reasonable rates, all to the benefit of the public.

The primary effect of the amendments that are the subject of this Notice is to extend the maturity date of the two shareholders notes and shareholder loan by five years. The only other change affected by the amendments is a modest 0.112% increase in the interest rate on the shareholder loan.

With the exception of these changes, the material terms, necessity for, and the benefit to the public flowing from the underlying agreements remain unchanged.

Sincerely,

*for Christopher Wion by Donna
Cauthery
Assistant*

Christopher T. Wion

Exhibit 1

VERIFICATION

I, Noel Dike, am an officer of Olympic Pipe Line Company ("Olympic") and am authorized to make this Verification on its behalf. Filed herewith are true and correct copies of the following agreements, effective as of December 30, 2015:

- Second Amendment to Line of Credit Promissory Note, by and between Olympic and ARCO Midcon LLC ("ARCO");
- Second Amendment to Line of Credit Promissory Note, by and between Olympic and Enbridge Holdings (Olympic), L.L.C. ("Enbridge"); and
- First Amendment to Second Amended and Restated Shareholders Loan Agreement by and between Olympic, ARCO and Enbridge.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct to the best of my knowledge.

Executed on December 29, 2015, at Renton, Washington.



Noel Dike

SECOND AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE

THIS SECOND AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE ("Second Amendment") is made and given as of the 15th day of December, 2015, and effective as of December 30, 2015, by and between OLYMPIC PIPE LINE COMPANY, a Delaware corporation ("Borrower") and ARCO MIDCON LLC, a Delaware limited liability company ("Lender").

RECITALS

A. Borrower, Lender and Enbridge Holdings (Olympic), L.L.C. are parties to that certain Olympic Pipe Line Company Second Amended and Restated Financing Agreement, dated December 29, 2010 (the "Financing Agreement"). Pursuant to the terms of the Financing Agreement, Lender has extended a line of credit to Borrower in the amount of TWO MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,250,000.00) (the "Loan").

B. The Loan is evidenced, in part, by a Line of Credit Promissory Note dated as of December 31, 2010 by Borrower to Lender in the face amount of TWO MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,250,000.00) (the "Note").

C. Lender and Borrower previously entered into a First Amendment to Line of Credit Promissory Note, dated December 20, 2013 and effective as of December 30, 2013, extending the Maturity Date of the Loan to December 31, 2015.

D. Lender and Borrower desire to amend the Note to evidence a further extension of the Maturity Date of the Loan.

E. Capitalized terms used in this Second Amendment but not defined herein shall have the meanings given them in the Note.

AMENDMENT

The terms of the Note are hereby amended as follows:

1. Change in Maturity Date. Paragraph 1.1 of the Note is deleted in its entirety, and the following paragraph is substituted in its place:

1.1 The entire principal balance shall be due and payable on December 31, 2020 (the "*Maturity Date*").

2. Effect of Second Amendment. Except as specifically modified by this Second Amendment, the terms and conditions of the Note remain in full force and effect, without other modification, as originally stated, and are hereby ratified and confirmed. If there is any conflict between any of the terms of this Second Amendment

and any of the provisions of the Note, the provisions of this Second Amendment shall control.

3. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement.

4. Representations and Warranties. As a material inducement to the Lender to execute and deliver this Second Amendment, the Borrower represents and warrants to the Lender that as of the date hereof, both immediately before and after giving effect to this Second Amendment, that: (a) the representations and warranties of Borrower set forth in each Financing Document are true and correct on and as of the date hereof, except to the extent such representations and warranties relate solely to an earlier date, in which case, they are true and correct as of such date; (b) as of the date hereof, at the time of and immediately after giving effect to this Second Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Financing Agreement, this Second Amendment or the consummation of the transactions contemplated hereby or thereby.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

LENDER:

ARCO MIDCON LLC

By: _____

Print Name: _____

Title: _____

BORROWER:

OLYMPIC PIPE LINE COMPANY

By:  _____

Print Name: Jeff Schimmel

Title: President

and any of the provisions of the Note, the provisions of this Second Amendment shall control.

3. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement.

4. Representations and Warranties. As a material inducement to the Lender to execute and deliver this Second Amendment, the Borrower represents and warrants to the Lender that as of the date hereof, both immediately before and after giving effect to this Second Amendment, that: (a) the representations and warranties of Borrower set forth in each Financing Document are true and correct on and as of the date hereof, except to the extent such representations and warranties relate solely to an earlier date, in which case, they are true and correct as of such date; (b) as of the date hereof, at the time of and immediately after giving effect to this Second Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Financing Agreement, this Second Amendment or the consummation of the transactions contemplated hereby or thereby.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

LENDER:

BORROWER:

ARCO MIDCON LLC

OLYMPIC PIPE LINE COMPANY

By: 

By: _____

Print Name: JOHN CHANDLER

Print Name: _____

Title: ATTORNEY-IN-FACT

Title: _____

SECOND AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE

THIS SECOND AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE ("Second Amendment") is made and given as of the 15th day of December, 2015, and effective as of December 30, 2015, by and between OLYMPIC PIPE LINE COMPANY, a Delaware corporation ("Borrower") and ENBRIDGE HOLDINGS (OLYMPIC), L.L.C., a Delaware limited liability company ("Lender").

RECITALS

A. Borrower, Lender and ARCO Midcon LLC are parties to that certain Olympic Pipe Line Company Second Amended and Restated Financing Agreement, dated December 29, 2010 (the "Financing Agreement"). Pursuant to the terms of the Financing Agreement, Lender has extended a line of credit to Borrower in the amount of TWELVE MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$12,750,000.00) (the "Loan").

B. The Loan is evidenced, in part, by a Line of Credit Promissory Note dated as of December 31, 2010 by Borrower to Lender in the face amount of TWELVE MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$12,750,000.00) (the "Note").

C. Lender and Borrower previously entered into a First Amendment to Line of Credit Promissory Note, dated December 20, 2013 and effective as of December 30, 2013, extending the Maturity Date of the Loan to December 31, 2015.

D. Lender and Borrower desire to amend the Note to evidence a further extension of the Maturity Date of the Loan.

E. Capitalized terms used in this Second Amendment but not defined herein shall have the meanings given them in the Note.

AMENDMENT

The terms of the Note are hereby amended as follows:

1. Change in Maturity Date. Paragraph 1.1 of the Note is deleted in its entirety, and the following paragraph is substituted in its place:

1.1 The entire principal balance shall be due and payable on December 31, 2020 (the "*Maturity Date*").

2. Effect of Second Amendment. Except as specifically modified by this Second Amendment, the terms and conditions of the Note remain in full force and effect, without other modification, as originally stated, and are hereby ratified and confirmed. If there is any conflict between any of the terms of this Second Amendment and any of the provisions of the Note, the provisions of this Second Amendment shall control.

3. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement.

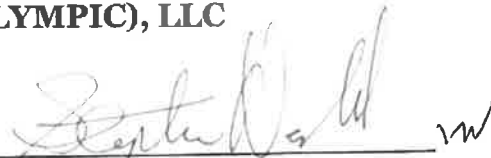
4. Representations and Warranties. As a material inducement to the Lender to execute and deliver this Second Amendment, the Borrower represents and warrants to the Lender that as of the date hereof, both immediately before and after giving effect to this Second Amendment, that: (a) the representations and warranties of Borrower set forth in each Financing Document are true and correct on and as of the date hereof, except to the extent such representations and warranties relate solely to an earlier date, in which case, they are true and correct as of such date; (b) as of the date hereof, at the time of and immediately after giving effect to this Second Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Financing Agreement, this Second Amendment or the consummation of the transactions contemplated hereby or thereby.

This Second Amendment shall be governed by, and construed in accordance with the laws of the State of Washington without reference to choice of law rules.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.


LENDER:

**ENBRIDGE HOLDINGS
(OLYMPIC), LLC**

By:  *SN*
Print Name: Stephen J. Neyland
Title: Vice President, Finance and Accounting

BORROWER:

OLYMPIC PIPE LINE COMPANY

By: 
Print Name: Jeff Schimmel
Title: President

**FIRST AMENDMENT TO
SECOND AMENDED AND RESTATED
SHAREHOLDERS LOAN AGREEMENT**

THIS FIRST AMENDMENT TO SECOND AMENDED AND RESTATED SHAREHOLDERS LOAN AGREEMENT ("Amendment") is made and given as of the 15th day of December, 2015, and effective as of December 30, 2015, by, between and among ENBRIDGE HOLDINGS (OLYMPIC) L.L.C., a Delaware limited liability company, ARCO MIDCON LLC, a Delaware limited liability company (together, "Lenders") and OLYMPIC PIPE LINE COMPANY, a Delaware corporation ("Borrower").

RECITALS

A. Lenders and Borrower are parties to that certain Shareholder Loan Agreement dated May 1, 2006, as modified and amended by that certain Amended and Restated Shareholders Loan Agreement dated as of August 4, 2010 and that certain Second Amended and Restated Shareholders Loan Agreement, dated December 29, 2010 (collectively, the "Loan Agreement"). Pursuant to the terms of the Loan Agreement, Lenders have extended loans to Borrower in the amount of SIXTY SEVEN MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$67,500,000.00) (the "Loan").

B. Lenders and Borrower desire to amend the Loan Agreement to extend the Final Repayment Date of the Loan and to change the Interest Rate.

C. Capitalized terms used in this Amendment but not defined herein shall have the meanings given them in the Loan Agreement.

AMENDMENT

The terms of the Loan Agreement are hereby amended as follows:

1. Change in Final Repayment Date. The definition of "Final Repayment Date" as set forth in Paragraph 1.1 of the Second Amended and Restated Shareholders Loan Agreement, dated December 29, 2010, is deleted in its entirety, and replaced with the following definition:

"Final Repayment Date" means December 31, 2020.

2. Change in Interest Rate. The definition of "Interest Rate" as set forth in Paragraph 1.1 of the Second Amended and Restated Shareholders Loan Agreement, dated December 29, 2010, is deleted in its entirety, and replaced with the following definition:

"Interest Rate" shall be 5.112% per annum.

3. Effect of Amendment. Except as specifically modified by this Amendment, the terms and conditions of the Loan Agreement remain in full force and effect, without other modification, as originally stated, and are hereby ratified and confirmed. If there is any conflict between any of the terms of this Amendment and any of the provisions of the Loan Agreement, the provisions of this Amendment shall control.

4. Counterparts. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement.

5. Representations and Warranties. As a material inducement to the Lenders to execute and deliver this Amendment, the Borrower represents and warrants to the Lenders that as of the date hereof, both immediately before and after giving effect to this Amendment, that: (a) the representations and warranties of Borrower set forth in the Loan Agreement are true and correct on and as of the date hereof, except to the extent such representations and warranties relate solely to an earlier date, in which case, they are true and correct as of such date; (b) as of the date hereof, at the time of and immediately after giving effect to this Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Loan Agreement, this Amendment or the consummation of the transactions contemplated hereby or thereby.

6. Miscellaneous. This Amendment shall for all purposes be construed in accordance with and governed by the laws of the State of New York and applicable federal law. The captions in this Amendment are for convenience of reference only and shall not define or limit the provisions hereof. THE LOAN AGREEMENT (AS AMENDED BY THIS AMENDMENT) AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

| (signatures appear on following page)

LENDERS:

ARCO MIDCON LLC

By: _____

Print Name: _____

Title: _____

**ENBRIDGE HOLDINGS
(OLYMPIC), LLC**

By:  *WN*

Print Name: Stephen J. Neyland

Title: Vice President, Finance and Accounting

BORROWER:

OLYMPIC PIPE LINE COMPANY

By: 

Print Name: Jeff Schimmel

Title: President

LENDERS:

ARCO MIDCON LLC

By: J. H. H. H.
Print Name: John Crawford
Title: Attorney-In-Fact

**ENBRIDGE HOLDINGS
(OLYMPIC), LLC**

By: _____
Print Name: _____
Title: _____

BORROWER:

OLYMPIC PIPE LINE COMPANY

By: _____
Print Name: _____
Title: _____

Exhibit 2

CHRISTOPHER T. WION
(206) 340-9657
cwion@grahamdunn.com

December 26, 2013

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

**Re: Olympic Pipe Line Company
Notice of Affiliated Interest and Financial Transactions**

Dear Mr. King:

Pursuant to the provisions of RCW 81.16.020 and WAC 480-73-190 as well as RCW 81.08 and WAC 480-73-170, Olympic Pipe Line Company ("Olympic") hereby provides notice of the following agreements between and among Olympic and its two shareholders, Enbridge Holdings (Olympic) L.L.C. ("Enbridge") and Arco Midcon LLC ("ARCO"):

- First Amendment to Line of Credit Promissory Note, by and between Olympic and ARCO (the "ARCO Note Amendment"); and
- First Amendment to Line of Credit Promissory Note, by and between Olympic and Enbridge (the "Enbridge Note Amendment").

True and correct verified copies of the ARCO Note Amendment and the Enbridge Note Amendment (together, the "Shareholder Note Amendments") are attached to the Verification of Noel Dike, Olympic's Secretary and Controller, which is attached hereto as Exhibit 1. The Shareholder Note Amendments are to become effective as of December 30, 2013.

The Shareholder Note Amendments relate to pre-existing agreements that Olympic previously submitted to the WUTC, as detailed in Olympic's December 29, 2010 Notice of Affiliated Interest and Financial Transactions, which is attached hereto as Exhibit 2 (the "December 2010 Notice").

As part of the December 2010 Notice, Olympic submitted a verified copy of the Olympic Pipe Line Company Second Amended and Restated Financing Agreement. *See* Exhibit 2. Among other things, the Second Amended and Restated Financing Agreement extended the maturity date for certain pre-existing lines of credit extended to Olympic by ARCO and Enbridge

Mr. Steven King
WUTC
December 26, 2013
Page 2

(the "Shareholder Loans"). The Shareholder Loans are evidenced by two Line of Credit Promissory Notes, both dated December 31, 2010 – the "ARCO Note" and the "Enbridge Note."¹

The effect of the Shareholder Note Amendments that are the subject of this Notice is to extend the maturity date of the existing ARCO Note and the Enbridge Note from December 31, 2013 to December 31, 2015. With the exception of this two-year extension of the maturity date for the ARCO Note and the Enbridge Note, the material terms, necessity for, and the benefit to the public flowing from the Second Amended and Restated Financing Agreement, including the Shareholder Loans (as evidenced by the ARCO Note and the Enbridge Note) remain unchanged.

The financial arrangements between and among Olympic and its shareholders that were the subject of Olympic's December 2010 notice – including the credit facility evidenced by the ARCO Note and the Enbridge Note – have proven over the years to be effective at ensuring Olympic has the means to properly maintain and improve its facilities, finance operations, and provide its common carrier services at reasonable rates, all to the benefit of the public.

Sincerely,

GRAHAM & DUNN PC



Christopher T. Wion

Enclosures

m46753-2085917.docx

¹ The ARCO Note and the Enbridge Note are attached to the Second Amended and Restated Financing Agreement as Exhibit A and Exhibit B, respectively.

Exhibit 1

VERIFICATION

I, Noel Dike, am an officer of Olympic Pipe Line Company ("Olympic") and am authorized to make this Verification on its behalf. Filed herewith are true and correct copies of the following agreements, effective as of December 30, 2013:

- First Amendment to Line of Credit Promissory Note, by and between Olympic and ARCO; and
- First Amendment to Line of Credit Promissory Note, by and between Olympic and Enbridge.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct to the best of my knowledge.

Executed on December 20, 2013, at Renton, Washington.

A handwritten signature in cursive script, appearing to read "Noel Dike", is written over a horizontal line.

Noel Dike

FIRST AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE

THIS FIRST AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE ("Amendment") is made and given as of the 20 day of December, 2013, and effective as of December 30, 2013, by and between OLYMPIC PIPE LINE COMPANY, a Delaware corporation ("Borrower") and ARCO MIDCON LLC, a Delaware limited liability company ("Lender").

RECITALS

A. Borrower, Lender and Enbridge Holdings (Olympic), L.L.C. are parties to that certain Olympic Pipe Line Company Second Amended and Restated Financing Agreement, dated December 29, 2010 (the "Financing Agreement"). Pursuant to the terms of the Financing Agreement, Lender has extended a line of credit to Borrower in the amount of TWO MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,250,000.00) (the "Loan").

B. The Loan is evidenced, in part, by a Line of Credit Promissory Note dated as of December 31, 2010 by Borrower to Lender in the face amount of TWO MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$2,250,000.00) (the "Note").

C. Lender and Borrower desire to amend the Note to evidence an extension of the Maturity Date of the Loan.

D. Capitalized terms used in this Amendment but not defined herein shall have the meanings given them in the Note.

AMENDMENT

The terms of the Note are hereby amended as follows:

1. Change in Maturity Date. Paragraph 1.1 of the Note is deleted in its entirety, and the following paragraph is substituted in its place:

1.1 The entire principal balance shall be due and payable on December 31, 2015 (the "*Maturity Date*").

2. Effect of Amendment. Except as specifically modified by this Amendment, the terms and conditions of the Note remain in full force and effect, without other modification, as originally stated, and are hereby ratified and confirmed. If there is any conflict between any of the terms of this Amendment and any of the provisions of the Note, the provisions of this Amendment shall control.

3. Counterparts. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement.

4. Representations and Warranties. As a material inducement to the Lender to execute and deliver this Amendment, the Borrower represents and warrants to the Lender that as of the date hereof, both immediately before and after giving effect to this Amendment, that: (a) the representations and warranties of Borrower set forth in each Financing Document are true and correct on and as of the date hereof, except to the extent such representations and warranties relate solely to an earlier date, in which case, they are true and correct as of such date; (b) as of the date hereof, at the time of and immediately

after giving effect to this Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Financing Agreement, this Amendment or the consummation of the transactions contemplated hereby or thereby.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

LENDER:

ARCO MIDCON LLC

By: S. Paulk
Print Name: STEVE PAULK
Title: PRESIDENT

BORROWER:

OLYMPIC PIPE LINE COMPANY

By: _____
Print Name: _____
Title: _____

after giving effect to this Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Financing Agreement, this Amendment or the consummation of the transactions contemplated hereby or thereby.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

LENDER:

ARCO MIDCON LLC

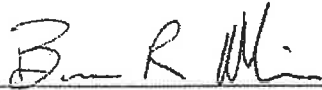
By: _____

Print Name: _____

Title: _____

BORROWER:

OLYMPIC PIPE LINE COMPANY

By:  _____

Print Name: Brian R. Miller

Title: President

FIRST AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE

THIS FIRST AMENDMENT TO LINE OF CREDIT PROMISSORY NOTE ("Amendment") is made and given as of the 17th day of December, 2013, and effective as of December 30, 2013, by and between OLYMPIC PIPE LINE COMPANY, a Delaware corporation ("Borrower") and ENBRIDGE HOLDINGS (OLYMPIC), L.L.C., a Delaware limited liability company ("Lender").

RECITALS

A. Borrower, Lender and ARCO Midcon LLC are parties to that certain Olympic Pipe Line Company Second Amended and Restated Financing Agreement, dated December 29, 2010 (the "Financing Agreement"). Pursuant to the terms of the Financing Agreement, Lender has extended a line of credit to Borrower in the amount of TWELVE MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$12,750,000.00) (the "Loan").

B. The Loan is evidenced, in part, by a Line of Credit Promissory Note dated as of December 31, 2010 by Borrower to Lender in the face amount of TWELVE MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$12,750,000.00) (the "Note").

C. Lender and Borrower desire to amend the Note to evidence an extension of the Maturity Date of the Loan.

D. Capitalized terms used in this Amendment but not defined herein shall have the meanings given them in the Note.

AMENDMENT

The terms of the Note are hereby amended as follows:

1. Change in Maturity Date. Paragraph 1.1 of the Note is deleted in its entirety, and the following paragraph is substituted in its place:

1.1 The entire principal balance shall be due and payable on December 31, 2015 (the "*Maturity Date*").

2. Effect of Amendment. Except as specifically modified by this Amendment, the terms and conditions of the Note remain in full force and effect, without other modification, as originally stated, and are hereby ratified and confirmed. If there is any conflict between any of the terms of this Amendment and any of the provisions of the Note, the provisions of this Amendment shall control.

3. Counterparts. This Amendment may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same agreement.


4. Representations and Warranties. As a material inducement to the Lender to execute and deliver this Amendment, the Borrower represents and warrants to the Lender that as of the date hereof, both immediately before and after giving effect to this Amendment, that: (a) the representations and warranties of Borrower set forth in each Financing Document are true and correct on and as of the date hereof, except to the extent such representations and warranties relate solely to an earlier date, in which case, they are true and correct as of such date; (b) as of the date hereof, at the time of and immediately

after giving effect to this Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Financing Agreement, this Amendment or the consummation of the transactions contemplated hereby or thereby.

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT,
OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT
ENFORCEABLE UNDER WASHINGTON LAW.**

LENDER:

ENBRIDGE HOLDINGS (OLYMPIC), LLC

By: 

Print Name: Terrance L. McGill

Title: President & Chief Operating Officer

BORROWER:

OLYMPIC PIPE LINE COMPANY

By: _____

Print Name: _____

Title: _____

after giving effect to this Amendment, no Event of Default has occurred and is continuing, nor has an event occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default; (c) there has been no material adverse change in the condition, financial or otherwise of Borrower; and (d) no action, proceeding, investigation or legislation has been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit or to obtain damages in respect of or which is related to or arises out of the Financing Agreement, this Amendment or the consummation of the transactions contemplated hereby or thereby.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

LENDER:

ENBRIDGE HOLDINGS (OLYMPIC), LLC

By: _____

Print Name: _____

Title: _____

BORROWER:

OLYMPIC PIPE LINE COMPANY

By:  _____

Print Name: Brian R. Miller

Title: President

Exhibit 2

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

CHRISTOPHER T. WION

E-MAIL: CHRISW@DHLT.COM
FACSIMILE: (206) 623-8717

December 29, 2010

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

Re: Olympic Pipe Line Company's Notice of Affiliated Interest and Financial Transactions

Dear Mr. Danner:

Pursuant to the provisions of RCW 81.16.020 and WAC 480-73-190 as well as RCW 81.08.040 and WAC 480-73-170, Olympic Pipe Line Company ("Olympic") provides notice of the following agreements between and among Olympic and its two shareholders, Enbridge Holdings (Olympic) L.L.C. ("Enbridge") and Arco Midcon LLC ("ARCO"):

- Olympic Pipe Line Company Second Amended and Restated Financing Agreement (the "Second Amended Financing Agreement"); and
- Second Amended and Restated Shareholders Loan Agreement (the "Second Amended Loan Agreement").

True and correct verified copies of the Second Amended Financing Agreement and Second Amended Loan Agreement (together, the "Second Amended Agreements") are attached to the Verification of Noel Dike, Olympic's Secretary and Controller, submitted herewith. The Second Amended Agreements were executed on December 29, 2010 and are to become effective as of December 31, 2010.

The Second Amended Agreements amend pre-existing agreements that Olympic previously has submitted to the WUTC.

On August 4, 2010, Enbridge and ARCO executed an Interest Purchase Agreement pursuant to which Enbridge acquired 5,000 additional shares of Olympic's common stock from ARCO (the "Purchase Agreement"). As a result of the transaction, Enbridge's interest in

Mr. Dave Danner
December 29, 2010
Page 2

Olympic increased from 65% to 85% while ARCO's interest was reduced from 35% to 15%. As part of the Purchase Agreement, which altered the shareholders' relative ownership interests, ARCO, Enbridge, and Olympic contemporaneously executed amendments to certain pre-existing financial agreements between and among those parties (collectively, the "First Amended Agreements").

By letter dated August 6, 2010, Olympic provided the required statutory notice of the Purchase Agreement and First Amended Agreements to the WUTC. At that time, Olympic also re-submitted its prior notices relating to the *original* Financing Agreement and Loan Agreement, which were previously submitted to the WUTC along with narrative explanations setting forth the terms and public benefits resulting from these affiliate transactions, including the financial arrangements reflected therein.¹ The primary purpose and effect of the First Amended Agreements was to adjust the shareholders' rights and obligations under the original agreements commensurate with the shift in their respective ownership interests in Olympic resulting from the share transfer that was the subject of the Purchase Agreement.

The financial arrangements that were the subject of Olympic's August 6, 2010 notice, between and among Olympic and its shareholders, have proven over the years to be effective at ensuring Olympic has the means to properly maintain and improve its facilities, finance operations, and provide its common carrier services at reasonable rates, all to the ultimate benefit of the public.

In summary, the Second Amended Agreements modify the terms of shareholder loans to Olympic and the terms of a shareholder credit facility as follows:

- Refinance the \$7.5 million previously outstanding on Olympic's Line of Credit by increasing Olympic's outstanding amount on the Shareholder Note Payable from \$60 million to \$67.5 million;
- Extend the term of the Shareholder Note from June 15, 2011 to December 31, 2015;
- Change the interest rate for the Shareholder Note from 7.237% to 5%;
- Extend the maturity date under the Line of Credit from December 31, 2010 to December 31, 2013 with funds available for drawdown of \$15 million and no amount outstanding; and

¹ Olympic will re-submit the entire August 6, 2010 notice packet upon request, to the extent that it may be useful for the WUTC's consideration of the present notice.

Mr. Dave Danner
December 29, 2010
Page 3

- Modify the interest rate under the Line of Credit from one month LIBOR plus 300 basis points paid monthly to the three month LIBOR plus 300 basis points paid quarterly.

With the exception of the foregoing changes, the material terms, necessity for, and the benefit to the public flowing from the Second Amended Agreements remain fundamentally unchanged from the pre-existing financial arrangements that they modify.

Very truly yours,

DANIELSON HARRIGAN LEYH & TOLLEFSON LLP



Chris Wion

CW:lb
Enclosures

VERIFICATION

I, Noel Dike, am an officer of Olympic Pipe Line Company ("Olympic"), and am authorized to make this Verification on its behalf. Filed herewith are true and correct copies of the following agreements, effective as of December 31, 2010.

1. Olympic Pipe Line Company Second Amended and Restated Financing Agreement; and
2. Second Amended and Restated Shareholders Loan Agreement.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on December 29, 2010, at Renton, Washington.



Noel Dike

**SECOND AMENDED AND RESTATED
FINANCING AGREEMENT**

Olympic Pipe Line Company

SECOND AMENDED AND RESTATED FINANCING AGREEMENT

THIS SECOND AMENDED AND RESTATED FINANCING AGREEMENT (this "Agreement") is made as of December 29, 2010, and shall be effective as of December 31, 2010, by and among ARCO Midcon LLC ("ARCO"), Enbridge Holdings (Olympic) L.L.C. ("Enbridge"), and Olympic Pipe Line Company ("Olympic") (each a "Party," and collectively, the "Parties"), according to the terms herein.

WHEREAS, ARCO and Enbridge advanced certain sums to Olympic pursuant to the 2007 Financing Agreement by and among ARCO, Enbridge and Olympic dated as of December 31, 2007 and the Amendment and Restatement to the 2007 Financing Agreement dated as of August 4, 2010 (collectively, the "Existing Financing Agreement"); and

WHEREAS, the Parties now desire to modify, amend and restate the Existing Financing Agreement to (i) extend the maturity date hereof, (ii) document the repayment of amounts outstanding under the Existing Financing Agreement immediately prior to the date hereof and (iii) provide for such other terms and conditions as set forth below.

NOW THEREFORE, the Parties agree as follows:

1. Defined Terms. As used in this Agreement, the following terms have the following meanings, which apply to both the singular and plural forms of the terms defined:

"*Advance*" means an advance by a Shareholder to Olympic of cash. Five business days prior written notice from Olympic shall be required for Advances. Each Advance shall be requested by way of delivery of a Line of Credit Promissory Note to ARCO and Enbridge in the form set forth as Exhibit's "A" and "B" hereto.

"*ARCO*" shall have the meaning set forth in the Preamble hereof.

"*ARCO's Commitment*" means ARCO's maximum commitment to advance a portion of the Financing, consisting of two-million two-hundred and fifty-thousand dollars (\$2,250,000.00) of Advances.

"*Budget*" means any Budget approved in accordance with Olympic's organizational documents from time to time.

"*Enbridge*" shall have the meaning set forth in the Preamble hereof.

"*Existing Financing Agreement*" shall have the meaning set forth in the Recitals hereto.

"*Enbridge's Commitment*" means Enbridge's maximum commitment to advance a portion of the Financing, consisting of twelve-million seven-hundred and fifty-thousand dollars (\$12,750,000.00) of Advances.

"*Event of Default*" shall have the meaning set forth in Section 7.1.

"*Financing*" means the total amount of outstanding Advances made by the Shareholders pursuant to this Agreement.

"*Financing Documents*" means this Agreement, the Notes and such other documents as may be required by the Shareholders hereunder from time to time consistent with this Agreement.

"*Notes*" means the promissory notes payable to the order of each of ARCO and Enbridge, respectively, attached hereto as Exhibits A and B.

"*Shareholder(s)*" shall mean ARCO or Enbridge, or all of them, as the case may be.

2. Amendment and Restatement.

Effective upon the execution of this Agreement, and subject to Section 4.1 hereof, this Agreement shall amend and replace in its entirety the Existing Financing Agreement.

3. Shareholders Financing Obligations.

3.1 Commitment to Advance Loans. The Shareholders hereby severally (and not jointly) agree to advance loans from time to time in Olympic's favor subject to and in accordance with this Agreement. Notwithstanding anything in this Agreement to the contrary, ARCO does not have any obligation to make any portion of an Advance if such Advance would result in ARCO's Advance exceeding ARCO's Commitment. Notwithstanding anything in this Agreement to the contrary, Enbridge has no obligation to make any portion of an Advance if such Advance would result in Enbridge's Advance exceeding Enbridge's Commitment. Notwithstanding anything herein to the contrary, neither Enbridge nor ARCO shall have any obligation to make an Advance requested by Olympic to the extent that the requested Advance, when aggregated with all previous Advances made pursuant to the Existing Financing Agreement or this Agreement (without duplication), would exceed FIFTEEN MILLION DOLLARS (\$15,000,000.00).

3.2 Advances.

3.2.1. Advances Generally. Subject to the terms of this Agreement, including the conditions precedent set forth in Section 4 below, Shareholders shall make Advances at the times and in the amounts as contemplated by the Budget. As to any particular Advance, Enbridge shall be responsible for funding eighty-five percent (85.00%) (not to exceed in any event Enbridge's Commitment) of such Advance and ARCO shall be responsible for funding fifteen percent (15.00%) (not to exceed in any event ARCO's Commitment) of such Advance.

3.2.2. Advances in Excess of Budget. Olympic may, from time to time, request Advances in excess of amounts contemplated by the Budget. The Shareholders shall have the obligation to make such an Advance (subject in any event to Section 3.2.1) if (a) the board of directors of Olympic (or the person or persons to whom Olympic may delegate the authority to make such requests) shall have requested such Advance, and (b) such an Advance is used to cover (i) revenue shortfalls Olympic may reasonably determine may occur in comparison to the Budget, (ii) reasonable and actual operating or other expenses in excess of the amounts provided in the Budget, (iii) costs of new capital projects, or (iv) similar matters.

3.3 Repayment.

3.3.1 Repayment of Advances. All Advances made pursuant to the Existing Financing Agreement or this Agreement (without duplication) shall be treated as indebtedness of Olympic. Olympic shall repay to the Shareholders such indebtedness and pay interest on the unpaid balance of such indebtedness outstanding, from time to time, on the terms set forth in the Notes.

3.3.2. Repayment of Principal and Interest. The Parties acknowledge that immediately prior to the effectiveness of this Second Amendment and Restatement, Olympic has repaid all principal outstanding hereunder as of such time, in an amount equal to \$7,500,000. Olympic shall repay all interest outstanding hereunder on such principal amount as of such time on or before January 15, 2011.

4. Conditions.

4.1 Conditions to Initial Advance. The following conditions to each Shareholder's obligations under this Agreement shall have been satisfied or waived in order for the Agreement to be effective.

4.1.1. Financing Documents. Such Shareholder shall have received the Financing Documents, each duly executed and delivered, and in form and substance reasonably satisfactory to such Shareholder in such Shareholder's sole discretion.

4.1.2. Corporate Authority. Such Shareholder shall have received, in form and substance reasonably satisfactory to it, a certified copy of resolutions adopted by the board of directors of Olympic authorizing the execution, delivery and performance of the Financing Documents and the borrowing hereunder.

4.1.3. Budget. Each Shareholder shall have approved the Budget in accordance with the Budget approval process set forth in Olympic's governance documents.

4.1.4. Repayment. The obligations (including any principal and interest outstanding) under the Existing Financing Agreement shall have been paid in full, subject in any event to Section 3.3.2.

4.2 Conditions to All Advances. Each Shareholder's obligation to make its share of all Advances shall be subject to the prior satisfaction or waiver of the following conditions:

4.2.1. No Default. No Event of Default shall have occurred and be continuing, nor shall an event have occurred that, with the passage of time or the giving of notice, or both, would constitute an Event of Default.

4.2.2. Representations and Warranties. All representations and warranties of Olympic set forth in each Financing Document shall be true and correct in all material respects on the date of the Advance in question.

4.2.3. No Material Adverse Change. There shall have been no material adverse change in the condition, financial or otherwise, of Olympic, nor shall there have occurred any event, action or condition of any nature whatsoever that might reasonably be expected to have a material adverse effect on the business, operations, assets or affairs of Olympic.

4.2.4. Litigation. No action, proceeding, investigation, regulation or legislation shall have been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit, or to obtain damages in respect of, or which is related to or arises out of, this Agreement or the consummation of the transactions contemplated hereby.

4.2.5. Other Documents. Olympic shall have delivered to such Shareholder such other certificates and documents as such Shareholder may reasonably request.

5. Representations and Warranties of Olympic. Olympic hereby represents to Shareholders, as of the date hereof and as of the date of each Advance being requested and being made hereunder:

5.1 Commercial Purposes. Olympic intends to use the proceeds of the Advances solely for business or commercial purposes.

5.2 Existence and Power. Olympic is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware, and has full corporate power, authority and legal right to execute, deliver and perform the Financing Documents.

5.3 Corporate Authorization. The execution, delivery and performance by Olympic of the Financing Documents to which it is a party and any borrowing hereunder have been duly authorized by all necessary corporate or other action of Olympic.

5.4 Binding Obligations, Etc. This Agreement has been duly executed and delivered by Olympic, and constitutes, and each of the other Financing Documents to which it is a party when duly executed and delivered will constitute, the legal, valid and binding obligation of Olympic enforceable against Olympic in accordance with their respective terms, except as enforcement may be limited by general principles of equity, contract, and regulatory laws, including, without limitation, those enforced by the Washington State Utilities and Transportation Commission

and/or the Federal Energy Regulatory Commission, and its or their successors, and by bankruptcy and other laws affecting creditors' rights generally.

5.5 Financial Condition. All statements, reports and information provided to Shareholders regarding the financial condition of Olympic fairly present the financial condition of Olympic as of the dates thereof, and, except as disclosed by Olympic to the Shareholders, there has been no material adverse change to Olympic's financial condition as of the date hereof and as of each date on which an Advance is made.

6. Covenants. Until payment in full of the Notes and performance of all other obligations of Olympic under the Financing Documents, Olympic agrees to do all of the following unless each Shareholder shall otherwise consent in writing.

6.1 Use of Proceeds. Olympic will use the proceeds of the Advances, as set forth in the Budget, and for expenses in excess of Budget as permitted in Section 3.2.2.

6.2 Payments. Olympic will pay the principal and interest in accordance with the terms of the Notes and will pay when due all other amounts payable by Olympic under the Financing Documents.

6.3 Visitation Rights. At any reasonable time during business hours, and from time to time, Olympic will permit each Shareholder to examine and make copies of and abstracts from the records and books of account and to visit the properties of Olympic and to discuss the affairs, finances and accounts of Olympic with any of its officers or directors.

6.4 Keeping of Books and Records. Olympic will keep adequate records and books of account in which complete entries will be made, in accordance with generally accepted accounting principles consistently applied, reflecting all financial transactions of Olympic.

6.5 Compliance with Laws. Olympic will comply in all material respects with all laws, regulations, rules, and orders of governmental authorities applicable to Olympic or to its operations or property except any thereof whose validity is being contested in good faith by appropriate proceedings upon stay of execution of the enforcement thereof.

6.6 Liens; Negative Pledge. Olympic shall not voluntarily create, nor permit to be created, any lien, pledge, security interest or charge in excess of (together with any liens, pledges, security interests or charges permitted by Section 6.6 of the Existing Financing Agreement) one million dollars (\$1,000,000.00) upon any property of Olympic without the express prior written consent of the Shareholders. Olympic will pay and discharge before the same shall become delinquent all indebtedness, taxes and other obligations for which Olympic is liable or to which its income or property is subject and all claims for labor and materials or supplies which, if unpaid, might become by law a lien upon assets of Olympic.

6.7 Insurance. Olympic shall keep in force upon all of its properties and operations policies of insurance carried with responsible companies in such amounts and covering all such risks as shall be customary in the industry and satisfactory to the Shareholders. Olympic shall,

on request, furnish to the Shareholders certificates of insurance or duplicate policies evidencing such coverage.

6.8 Financial Information. Olympic will deliver to the Shareholders: (a) as soon as available and in any event within one hundred eighty (180) days after the end of each fiscal year of Olympic, the balance sheet of Olympic as of the end of such fiscal year and the related statements of income and retained earnings and statement of changes in financial position of Olympic for such year, accompanied by the audit report thereon by independent certified public accountants satisfactory to the Shareholders; (b) as soon as available and in any event within thirty (30) days after the end of each fiscal quarter of Olympic, the unaudited balance sheet and statement of income and retained earnings of Olympic as of the end of such fiscal quarter (including the fiscal year to the end of such fiscal quarter), accompanied by a certificate of the chief financial officer of Olympic that such unaudited balance sheet and statement of income and retained earnings have been prepared in accordance with generally accepted accounting principles consistently applied and present fairly the financial position and the results of operations of Olympic as of the end of and for such fiscal quarter; and (c) unless prohibited by law, all other statements, reports and other information as the Shareholders may reasonably request concerning the financial condition and business affairs of Olympic.

6.9 Notification. Promptly after learning thereof, Olympic will notify the Shareholders of (a) any material action, proceeding, investigation or claim against or affecting Olympic instituted before any court, arbitrator or governmental authority or, to Olympic's knowledge, threatened to be instituted; (b) any substantial dispute between Olympic and any governmental authority; (c) any labor controversy which has resulted in or, to Olympic's knowledge, threatens to result in a strike that would materially affect the business operations of Olympic; and (d) the occurrence of any Event of Default.

6.10 Additional Acts. From time to time, Olympic will execute and deliver all such instruments and perform all such other acts as the Shareholders may reasonably request to carry out the transactions contemplated by the Financing Documents.

6.11 Prohibition on Debt. Olympic shall not incur any indebtedness to any party other than to the Shareholders, save for (a) indebtedness for trade obligations incurred in the ordinary course of Olympic's business; (b) debt contemplated in the Budget; or (c) otherwise with the express written consent of the Shareholders.

7. Events of Default.

7.1 Events of Default Defined. The occurrence of any of the following events shall constitute an "Event of Default":

7.1.1. Payment Default. Olympic fails to pay when due any amount of principal or interest under any Note, or any other amount payable by it under any Financing Document; or

7.1.2. Breach of Warranty. Any representation or warranty made or deemed to be made by Olympic under or in connection with any Financing Document proves to have been incorrect in any material respect when made; or

7.1.3. Breach of Covenant. Olympic fails to perform or observe any other covenant, obligation or term of any Financing Document, and such failure is material; or

7.1.4. Cross Default. Olympic fails to pay or perform when due any obligation, which failure has a material adverse effect on Olympic; or

7.1.5. Impairment. The Shareholders shall determine in good faith that, as a result of (a) a material adverse change in the financial condition or operations of Olympic; or (b) any action taken or instituted by any governmental agency or by any court of competent jurisdiction, the prospect of payment or performance of the obligations of Olympic are materially impaired; or

7.1.6. Adverse Actions. Any judgment or order for the payment of money in excess of five million dollars (\$5,000,000.00) shall be rendered against Olympic, which judgment or order is neither timely paid nor appealed and the effect of the judgment or order is not stayed pending the outcome of the appeal; or any of Olympic's assets having a value in excess of one million dollars (\$1,000,000.00) shall be seized, attached, garnished or levied upon and such seizure, attachment, garnishment or levy shall not be dissolved within ten (10) days thereafter; or

7.1.7. Voluntary Bankruptcy. Olympic (a) files a petition seeking relief for itself under the United States Bankruptcy Code, as now constituted or hereafter amended; or (b) fails timely to controvert a petition filed against it seeking relief under Title 11 of the United States Code, as now constituted or hereafter amended; or

7.1.8. Involuntary Bankruptcy. An order for relief is entered against Olympic under the United States Bankruptcy Code, as now constituted or hereafter amended, which order is not stayed; or appointing a receiver, liquidator, or custodian of Olympic or of any substantial part of its property; or upon the expiration of sixty (60) days after the filing of any involuntary petition against it seeking any of the relief specified in Section 7.1.6 or this Section 7.1.8 without the petition being dismissed prior to that time; or

7.1.9. Insolvency. Olympic (a) makes a general assignment for the benefit of its creditors; or (b) consents to the appointment of or taking possession by a receiver, liquidator, or custodian of all or a substantial part of the property of Olympic; or (c) admits its insolvency or inability to pay its debts generally as they become due; or (d) fails generally to pay its debts as they become due; or (e) liquidates or dissolves.

7.2 Consequences of Default. If any Event of Default shall occur and be continuing, without notice or demand, at the option of the holder of any Note (or in the event of bankruptcy of Olympic, automatically) any obligation to make Advances shall terminate, and all principal of and the interest owing under the Notes and all other sums payable by Olympic under the Financing Documents shall become immediately due and payable, whereupon the same shall

become immediately due and payable without protest, presentment, notice or demand, all of which Olympic expressly waives, and the Shareholders may exercise all remedies available to them under law or pursuant to any Financing Document. Olympic agrees to pay on demand all reasonable attorneys' fees, costs and other expenses, and the reasonable fees, costs and other expenses of other professionals, including accountants, appraisers and expert witnesses, incurred in connection with the collection of all principal, interest and other amounts payable hereunder, the enforcement of the Notes and the other Financing Documents (whether in arbitration or in judicial proceedings, including bankruptcy proceedings), the preservation of holder's rights and interests in property, and in investigating Events of Default, and determining relative rights and obligations arising under the Notes and the other Financing Documents upon the occurrence of an Event of Default, and all such reasonable fees, costs and expenses of holder shall become a part of the indebtedness evidenced by the Notes, and shall bear interest at the rate hereunder from time to time.

8. Miscellaneous.

8.1 No Waiver; Remedies Cumulative. No failure by any Shareholder to exercise, and no delay in exercising, any right, power or remedy under any Financing Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy under any Financing Documents preclude any other or further exercise thereof or the exercise of any other right, power, or remedy. The exercise of any right, power, or remedy shall in no event constitute a cure or waiver of any Event of Default nor prejudice the right of any Shareholder in the exercise of any right hereunder or thereunder, unless in the exercise of such right, all obligations of Olympic under the Financing Documents are paid in full. The rights and remedies provided herein and therein are cumulative and not exclusive of any right or remedy provided by law.

8.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington applicable to contracts to be performed entirely within the State of Washington, as supplemented by applicable federal law.

8.3 Consent to Jurisdiction. Each of the Parties hereby irrevocably submits to the jurisdiction of the United States District Courts or the state courts of general jurisdiction sitting in Chicago, Illinois, in any action or proceeding brought to enforce or otherwise arising out of or relating to this Agreement and irrevocably waives to the fullest extent permitted by law any objection which it may now or hereafter have to the laying of venue in any such action or proceeding in any such forum, and hereby further irrevocably waives any claim that any such forum is an inconvenient forum.

8.4 Notices.

- (a) Any notice required or permitted to be given under this Agreement or any other Financing Document will be in writing and may be given by delivering, sending by facsimile transmission or other means of electronic communication capable of producing a printed copy, or sending by prepaid first class mail, the notice to the following address or number:

If to Shareholders:

ARCO

ARCO Midcon LLC
c/o BP Pipelines (North America) Inc.
Attn: John Chandler
501 Westlake Park Blvd.
Houston, TX 77079

Enbridge

Enbridge Holdings (Olympic) L.L.C.
Attn: Senior Counsel, Liquids
1100 Louisiana, Ste. 3300
Houston, TX 77002

If to Olympic:

Olympic Pipe Line Company
c/o BP Pipelines (North America) Inc.,
its operator
Attn: Managing Attorney
4101 Winfield Road
Warrenville, IL 60555

(or to such other address or number as any Party may specify by notice in writing to another Party).

- (b) Any notice delivered or sent by facsimile transmission or other means of electronic communication capable of producing a printed copy on a business day will be deemed conclusively to have been effectively given on the day the notice was delivered, or the transmission was sent successfully to the number set out above, as the case may be.
- (c) Any notice sent by prepaid first class mail will be deemed conclusively to have been effectively given on the fifth (5th) business day after posting.

8.5 Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns, except that Olympic may not assign or otherwise transfer all or any part of its rights or obligations hereunder without the prior written consent of all Shareholders, and any such assignment or transfer purported to be made without such consent shall be ineffective.

8.6 Entire Amendment and Restatement; Amendment. The Financing Documents comprise the entire agreement of the Parties and may not be amended or modified except by written agreement of Olympic and each Shareholder. No provision of any Financing Document

may be waived except in writing and then only in the specific instance and for the specific purpose for which given.

8.7 Counterparts. This Agreement may be executed in any number of counterparts and this shall have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

Remainder of page left blank intentionally.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers or agents thereunto duly authorized as of the date first above written.

OLYMPIC PIPE LINE COMPANY

ARCO MIDCON LLC

By: Steve Maudslig
Its: President

By: _____
Its: _____

ENBRIDGE HOLDINGS (OLYMPIC)
L.L.C.

By: _____
Its: _____

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers or agents thereunto duly authorized as of the date first above written.

OLYMPIC PIPE LINE COMPANY

ARCO MIDCON LLC

By: _____
Its: _____

By: S. Pauler
Its: PRESIDENT

ENBRIDGE HOLDINGS (OLYMPIC)
L.L.C.

By: _____
Its: _____

Signature Page to Second Amendment and Restatement of Existing Financing Agreement

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers or agents thereunto duly authorized as of the date first above written.

OLYMPIC PIPE LINE COMPANY

ARCO MIDCON LLC

By: _____
Its: _____

By: _____
Its: _____

ENBRIDGE HOLDINGS (OLYMPIC)
L.L.C.

By:  _____
Its: _____

Kevin Zuppan

EXHIBIT A

LINE OF CREDIT PROMISSORY NOTE

\$2,250,000.00

December 31, 2010
Seattle, Washington

FOR VALUE RECEIVED, the undersigned (the "*Borrower*") hereby promises to pay to the order of ARCO Midcon LLC ("*Lender*") at 501 Westlake Park Blvd., Houston, TX 77079, or to such other person or at such other place as the holder of this Line of Credit Promissory Note (this "*Note*") may from time to time designate in writing, the principal sum of TWO MILLION TWO HUNDRED FIFTY THOUSAND AND NO/100THS DOLLARS (\$2,250,000.00) (the "*Maximum Loan Amount*") or such lesser amount as may have been advanced and remains outstanding hereunder, together with interest on the unpaid balance and costs, fees and expenses payable hereunder (the "*Line of Credit*") as set forth below. Capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Agreement (referred to in Section 4 below).

1. Repayment. The Borrower may repay all or any portion of the Line of Credit or any advances thereunder at any time without penalty, and notwithstanding anything to the contrary herein:

1.1 The entire principal balance shall be due and payable on December 31, 2013 (the "*Maturity Date*").

1.2 Interest Payments will be paid in arrears on the last day of each Interest Period. Such interest will accrue and be computed daily on the principal balance of each Advance outstanding (together with any overdue and unpaid interest or other amounts payable hereunder in respect of such Advance) for each day in the Interest Period, on the basis of a 360-day year.

1.3 Notwithstanding anything to the contrary herein, all principal, interest and all other amounts arising pursuant to this Note shall be due and payable no later than the Maturity Date.

2. Prepayment. Borrower may prepay this Note at any time, with three (3) days' prior written notice to Lender. Prepayments shall be applied first towards interest and other non-principal charges, and second towards reduction of principal.

3. Interest Rate. All principal outstanding from time to time shall bear interest at a rate equal to the lesser of the highest rate permitted by Washington law or LIBOR plus three hundred (300) basis points. If an Event of Default (as defined in Section 5 hereof) shall have occurred and be continuing, interest shall thereupon accrue daily on the aggregate outstanding principal balance until such amount is paid in full at a fixed rate per annum equal to the lesser of the highest rate permitted by Washington law or LIBOR plus eight hundred (800) basis points (the "*Default Rate*"). Default interest shall be payable from time to time on demand of the Lender. Notwithstanding any other provision of this Note, interest, fees, and expenses payable by reason of the indebtedness evidenced hereby shall not exceed the maximum, if any, permitted by applicable law. As used in this Section 3, "LIBOR" means three month LIBOR quoted daily as a per annum rate in *The Wall Street Journal* on the second business day prior to the first day of such Interest Period for U.S. dollar deposits having a tenor equal to 3 months and "bps" means basis

points, each of which is equal to 0.01%. The interest period for each Advance shall consist of consecutive 90 day periods commencing effective as of the date of issuance of each such Advance (each such period an "Interest Period"). If the last day of any Interest Period as so determined is not a business day, such Interest Period shall be extended so as to expire on the first day thereafter that is a business day.

4. Loan Documents. This Note is subject to the terms and conditions of the Second Amended and Restated Financing Agreement among the Borrower, Enbridge Holdings (Olympic) L.L.C. and ARCO Midcon LLC dated as of December 29, 2010 (the "Agreement"), and is entitled to the benefit thereof, and such other agreements, instruments, documents and certificates as may be executed by the Borrower in connection therewith (the "Financing Documents").

5. Default. If the Borrower otherwise shall become in default hereunder or any Event of Default shall occur pursuant to the Agreement (an "Event of Default"), then the Lender shall enjoy all rights and remedies which may arise at law, in equity or under any Financing Document. The Borrower agrees to pay on demand all reasonable attorneys' fees, costs and other expenses incurred in legal proceedings to collect all sums owing under this Note.

6. Miscellaneous Provisions. Each and every right and remedy given herein or in any other Financing Document or otherwise existing in connection therewith shall be cumulative and shall be in addition to every other right and remedy now or hereafter existing by agreement, at law or in equity, and each and every other right and remedy may be exercised, wholly or in part, from time to time, and as often, and in any order, as holder chooses, and the exercise or the beginning of the exercise of any right or remedy shall not be construed to be an election of rights or remedies, or a waiver of the right to exercise at the same time or thereafter any other right or remedy. Neither holder's acceptance of partial or delinquent payments nor any delay or omission by holder in the exercise of any right, power or remedy hereunder shall be impair any such right, power or remedy or be construed to be a waiver of any right to exercise such right, power or remedy or to constitute a modification of this Note.

7. Waiver. The Borrower and all endorsers and all other persons liable or to become liable on this Note agree that the liability of each of them hereon shall be joint and several, and waive presentment, demand, protest and notice of protest, dishonor and nonpayment, and consent to any and all renewals and extensions of time of payment. The Borrower and the holder of this Note agree that the terms of payment hereof may be modified by their mutual consent without affecting the liability of the Borrower or any endorser or other person liable or to become liable on this Note.

This Note shall be governed by, and construed in accordance with the laws of the State of Washington without reference to choice of law rules.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

OLYMPIC PIPE LINE COMPANY

By: Steve Maudslig
Its: President

EXHIBIT B

LINE OF CREDIT PROMISSORY NOTE

\$12,750,000.00

December 31, 2010
Seattle, Washington

FOR VALUE RECEIVED, the undersigned (the "*Borrower*") hereby promises to pay to the order of Enbridge Holdings (Olympic) L.L.C. ("*Lender*") at 1100 Louisiana, Ste. 3300, Houston, TX 77002, or to such other person or at such other place as the holder of this Line of Credit Promissory Note (this "*Note*") may from time to time designate in writing, the principal sum of TWELVE MILLION SEVEN HUNDRED FIFTY THOUSAND AND NO/100THS DOLLARS (\$12,750,000.00) (the "*Maximum Loan Amount*") or such lesser amount as may have been advanced and remains outstanding hereunder, together with interest on the unpaid balance and costs, fees and expenses payable hereunder (the "*Line of Credit*") as set forth below. Capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Agreement (referred to in Section 4 below).

1. Repayment. The Borrower may repay all or any portion of the Line of Credit or any advances thereunder at any time without penalty, and notwithstanding anything to the contrary herein:

1.1 The entire principal balance shall be due and payable on December 31, 2013 (the "*Maturity Date*").

1.2 Interest Payments will be paid in arrears on the last day of each Interest Period. Such interest will accrue and be computed daily on the principal balance of each Advance outstanding (together with any overdue and unpaid interest or other amounts payable hereunder in respect of such Advance) for each day in the Interest Period, on the basis of a 360-day year.

1.3 Notwithstanding anything to the contrary herein, all principal, interest and all other amounts arising pursuant to this Note shall be due and payable no later than the Maturity Date.

2. Prepayment. Borrower may prepay this Note at any time, with three (3) days' prior written notice to Lender. Prepayments shall be applied first towards interest and other non-principal charges, and second towards reduction of principal.

3. Interest Rate. All principal outstanding from time to time shall bear interest at a rate equal to the lesser of the highest rate permitted by Washington law or LIBOR plus three hundred (300) basis points. If an Event of Default (as defined in Section 5 hereof) shall have occurred and be continuing, interest shall thereupon accrue daily on the aggregate outstanding principal balance until such amount is paid in full at a fixed rate per annum equal to the lesser of the highest rate permitted by Washington law or LIBOR plus eight hundred (800) basis points (the "*Default Rate*"). Default interest shall be payable from time to time on demand of the Lender. Notwithstanding any other provision of this Note, interest, fees, and expenses payable by reason of the indebtedness evidenced hereby shall not exceed the maximum, if any, permitted by applicable law. As used in this Section 3, "LIBOR" means three month LIBOR quoted daily as a per annum rate in *The Wall Street Journal* on the second business day prior to the first day of such Interest Period for U.S. dollar deposits having a tenor equal to 3 months and "bps" means basis points, each of which is equal to 0.01%. The interest period for each Advance shall consist of consecutive

90 day periods commencing effective as of the date of issuance of each such Advance (each such period an "Interest Period"). If the last day of any Interest Period as so determined is not a business day, such Interest Period shall be extended so as to expire on the first day thereafter that is a business day.

4. Loan Documents. This Note is subject to the terms and conditions of Second Amended and Restated Financing Agreement among the Borrower, Enbridge Holdings (Olympic) L.L.C. and ARCO Midcon LLC dated as of December 29, 2010 (the "Agreement"), and is entitled to the benefit thereof, and such other agreements, instruments, documents and certificates as may be executed by the Borrower in connection therewith (the "Financing Documents").

5. Default. If the Borrower otherwise shall become in default hereunder or any Event of Default shall occur pursuant to the Agreement (an "Event of Default"), then the Lender shall enjoy all rights and remedies which may arise at law, in equity or under any Financing Document. The Borrower agrees to pay on demand all reasonable attorneys' fees, costs and other expenses incurred in legal proceedings to collect all sums owing under this Note.

6. Miscellaneous Provisions. Each and every right and remedy given herein or in any other Financing Document or otherwise existing in connection therewith shall be cumulative and shall be in addition to every other right and remedy now or hereafter existing by agreement, at law or in equity, and each and every other right and remedy may be exercised, wholly or in part, from time to time, and as often, and in any order, as holder chooses, and the exercise or the beginning of the exercise of any right or remedy shall not be construed to be an election of rights or remedies, or a waiver of the right to exercise at the same time or thereafter any other right or remedy. Neither holder's acceptance of partial or delinquent payments nor any delay or omission by holder in the exercise of any right, power or remedy hereunder shall be impair any such right, power or remedy or be construed to be a waiver of any right to exercise such right, power or remedy or to constitute a modification of this Note.

7. Waiver. The Borrower and all endorsers and all other persons liable or to become liable on this Note agree that the liability of each of them hereon shall be joint and several, and waive presentment, demand, protest and notice of protest, dishonor and nonpayment, and consent to any and all renewals and extensions of time of payment. The Borrower and the holder of this Note agree that the terms of payment hereof may be modified by their mutual consent without affecting the liability of the Borrower or any endorser or other person liable or to become liable on this Note.

This Note shall be governed by, and construed in accordance with the laws of the State of Washington without reference to choice of law rules.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

OLYMPIC PIPE LINE COMPANY

By: Steve Maudley
Its: President

**SECOND AMENDED AND RESTATED
SHAREHOLDERS LOAN AGREEMENT**

Execution Version

**SECOND AMENDED AND RESTATED SHAREHOLDERS LOAN
AGREEMENT**

DATED

as of December 29, 2010

among

ARCO MIDCON LLC

and

ENBRIDGE HOLDINGS (OLYMPIC) L.L.C.

as Lenders and

OLYMPIC PIPE LINE COMPANY

as Borrower

CONTENTS

1.	DEFINITIONS AND INTERPRETATIONS.....	2
2.	FACILITY	3
3.	DRAWDOWN.....	3
4.	INTEREST.....	3
5.	REPAYMENT AND PREPAYMENT.....	4
6.	PAYMENTS	5
7.	REPRESENTATIONS AND WARRANTIES.....	7
8.	UNDERTAKINGS	8
9.	DEFAULT	8
10.	AMENDMENTS AND WAIVERS	10
11.	MISCELLANEOUS	10
12.	NOTICES.....	11
13.	ASSIGNMENTS AND TRANSFERS	12
14.	LAW AND JURISDICTION.....	13

THIS SECOND AMENDED AND RESTATED SHAREHOLDERS LOAN AGREEMENT (the "Agreement") is dated as of December 29, 2010, and shall be effective as of December 31, 2010.

BETWEEN:

- (1) ARCO MIDCON LLC, a limited liability company formed under the laws of the State of Delaware, United States of America ("ARCO");
- (2) ENBRIDGE HOLDINGS (OLYMPIC) L.L.C., a limited liability company formed under the laws of the State of Delaware, United States of America ("Enbridge"); and
- (4) OLYMPIC PIPE LINE COMPANY, a company formed under the laws of the State of Delaware, United States of America ("Borrower");

Each of ARCO and Enbridge is also sometimes referred to herein as a "Lender" and, collectively, as the "Lenders".

WITNESSETH:

WHEREAS, ARCO and Enbridge advanced the original principal sum of \$60 million to the Borrower pursuant to the Shareholder Loan Agreement dated May 1, 2006 (the "2006 Agreement") and the Amended and Restated Shareholders Loan Agreement dated as of August 4, 2010 (collectively, the "Existing Agreement"); and

WHEREAS, the parties hereto now wish to amend and restate the Existing Agreement to reflect (i) extend the maturity date hereof, (ii) increase the amount of the Loans, and (iii) provide for such other terms and conditions set forth below.

NOW, THEREFORE, in consideration of the provision and mutual covenants and agreements herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Agreement:

"Advance" means the US\$21,000,000 advance made by ARCO to the Borrower under the 2006 Agreement or the US\$39,000,000 advance made by Enbridge to the Borrower under the 2006 Agreement, as the context requires, or, as the case may be, the outstanding principal amount of any such advance.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for business in New York City.

"Default" means any event specified as such in Clause 9.1.

"Dollars" and "\$" means the lawful currency for the time being of the United States of America.

"Facility" means the Dollar loan facility granted to the Borrower under the 2006 Agreement.

"Final Repayment Date" means December 31, 2015.

"Incremental Advance" means the US \$1,125,000 advance made by ARCO to the Borrower (the "ARCO Portion") and the US \$6,375,000 advance made by Enbridge to the Borrower (the "Enbridge Portion"), in each case as set forth in Section 2.1(b) below, or, as the case may be, the outstanding principal amount of any such advance.

"Indebtedness" means, with respect to any person, any amount payable (whether present or future, actual or contingent, secured or unsecured, as principal, surety or otherwise) by such person pursuant to an agreement or instrument involving or evidencing money borrowed or received, the advance of credit, a conditional sale or a transfer with recourse or with an obligation to repurchase.

"Interest Payment Date" means June 30 and December 31 of each year, subject to Clauses 4.1.2 and 4.1.3.

"Interest Period" means each six month period beginning on an Interest Payment Date and ending on the next following Interest Payment Date, subject to Clauses 4.1.2 and 4.1.3.

"Interest Rate" shall be 5.0% per annum.

"Lender" shall mean ARCO or Enbridge or any Permitted Transferee.

"Loan" means, at any time, the aggregate of all Advances plus Incremental Advances outstanding at that time.

"Party" means a party to this Agreement.

"Permitted Transferee" shall have the meaning set forth in Clause 13.2.

"Proceedings" means any legal action or proceedings (including any enforcement, restructuring, work-out or other similar proceeding) arising out of or in connection with this Agreement.

"Pro Rata Loan Share" means, with respect to each Lender, the ratio of the (x) principal amount of outstanding Loans made by such Lender to (y) the total amount of outstanding Loans, expressed as a percentage.

"Financing Agreement" means the Second Amended and Restated Financing Agreement, dated as of the date hereof, between ARCO, Enbridge and the Borrower, collectively with the 2007 Financing Agreement by and among ARCO, Enbridge and the Borrower dated as of December 31, 2007 and the Amendment and Restatement to the 2007 Financing Agreement dated as of August 4, 2010.

"Shareholders Agreement" shall have the meaning set forth in Clause 13.2.

"Taxes" shall have the meaning set forth in Clause 6.6.

1.2 Headings

The headings in this Agreement are for convenience only and shall be ignored in construing this Agreement.

1.3 Interpretation

In this Agreement (unless otherwise provided):

- (a) words importing the singular shall include the plural and vice versa;
- (b) references to this Agreement or any other document shall be construed as references to this Agreement or that other document, as amended, varied, novated or supplemented;
- (c) references to "clauses" shall be construed as references to clauses of this Agreement;
- (d) references to "assets" shall include revenues and the right to revenues and property and rights of every kind, present, future and contingent and whether tangible or intangible (including uncalled share capital);
- (e) the words "including" and "in particular" shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any foregoing words;
- (f) the words "other" and "otherwise" shall not be construed as being restricted to the same genus with any foregoing words where a wider construction is possible;
- (g) references to a "person" shall be construed so as to include that person's assigns, transferees or successors in title and shall be construed as including references to an individual, firm, partnership, joint venture, company, corporation, unincorporated body of persons or any state or any agency of a state; and
- (h) references to time are to New York City time.

2. FACILITY

2.1 Loan Amounts

- (a) Under the Existing Agreement, each Lender agreed to and did lend to the Borrower Advances proportionate to its ownership interest in the Borrower (with ARCO owning 15% of Olympic's issued and outstanding stock and Enbridge owning 85% of Olympic's issued and outstanding stock), in the principal amounts as follows:

ARCO	\$9,000,000
Enbridge	\$51,000,000

- (b) Subject to the terms and conditions of this Agreement and relying upon the representations and warranties set forth herein, each of ARCO and Enbridge agrees, severally and not jointly, that as of the date hereof each of ARCO and Enbridge shall be deemed to have funded the proceeds of a loan to the Borrower in a principal amount that is equal the ARCO Portion and the Enbridge Portion (as applicable) of the Incremental Advance, without any actual funding to the Borrower of such amounts. Proceeds of such loans under this Section 2.1(b) shall be applied to the repayment of obligation of the Borrower outstanding under the "Existing Financing Agreement" as defined in the Financing Agreement.
- (c) After giving effect to the transactions set forth in Sections 2.1(a) and 2.1(b) above, the amount of the Loans outstanding on the date hereof attributable to each Lender are as follows:

ARCO	\$10,125,000
Enbridge	\$57,375,000

2.2 No monitoring

The Lenders shall not be obliged to investigate or monitor the use or application of the proceeds of the Loan.

3. DRAWDOWN

3.1 Conditions to the Advance

The parties hereto acknowledge and agree that all conditions required to satisfy any Loan were satisfied and that the Facility has been fully drawn down as of the date hereof.

3.2 Advances

The Lenders and the Borrower acknowledge and agree that the Facility has been fully drawn down and as a consequence thereof the Lenders have no further obligation to make any Loan to the Borrower under the Existing Agreement or this Agreement.

4. INTEREST

4.1 Interest rate

- 4.1.1 Interest shall accrue from and including the final day of each Interest Period to (but excluding) the next Interest Payment Date at a rate of interest equal to the Interest Rate.
- 4.1.2 If an Interest Payment Date would otherwise fall on a day which is not a Business Day, that Interest Payment Date shall instead occur on the next Business Day, without any adjustment to the interest calculation.
- 4.1.3 If an Interest Payment Date would otherwise extend beyond the Final Repayment Date, it shall be amended so that it falls on the Final Repayment Date.

4.2 Default interest

- 4.2.1 If the Borrower fails to pay any amount payable under this Agreement on the due date, it shall pay default interest on the overdue amount from the due date to the date of actual payment calculated at the Interest Rate plus 200 basis points. If the aforesaid rate is contrary to the maximum rate allowed by law, then the default interest rate shall be the maximum rate permitted by such applicable law. Any unpaid default interest shall be compounded at the end of each successive Interest Period.

4.3 Payment of interest

4.3.1 Interest due from the Borrower under this Agreement shall:

- (a) accrue from day to day for any Interest Period;
- (b) except as otherwise provided in this Agreement, be paid by the Borrower to the Lenders in arrears on each Interest Payment Date and in proportion to each Lenders ownership percentage in Borrower;
- (c) be calculated on the basis of the actual number of days elapsed and a 360 day year; and
- (d) be payable both before and after judgment.

4.4 Lender's Determination

The determination by each Lender of any interest payable under this Clause 4 shall be conclusive and binding on the Borrower in the absence of manifest error.

5. REPAYMENT AND PREPAYMENT

5.1 Repayment

Subject to Clause 5.2, the Borrower shall repay the Loan in full together with all accrued interest on the Final Repayment Date. All payments shall be made to each Lender in proportion to their respective Pro Rata Loan Share.

5.2 Prepayment

The Borrower may, on giving not less than 3 Business Days notice to each Lender, prepay the Loan, in whole or in part, before the Final Repayment Date with the prior written consent of each Lender (such consent not to be unreasonably withheld); provided that any prepayment of the Loan shall be made to each Lender in proportion to their respective Pro Rata Loan Share. Upon any such prepayment, the Borrower shall prepay the principal amount (or portion thereof) of the Loan to be prepaid, together with accrued interest on the amount prepaid, together with any other amounts due and payable under this Agreement. Any such notice of prepayment shall be irrevocable and shall specify the date of prepayment.

6. PAYMENTS

6.1 Place and time

6.1.1 All payments under this Agreement shall be made on the due date no later than 2:00 pm (New York City time) in freely transferable and readily available funds.

6.1.2 Each payment to the Borrower shall be made to

Olympic Pipe Line Company
Citibank Delaware
ABA: 031100209
Acct number: 38682377
Olympic Pipe Line Company
ACH Format: CTX
Swift: CITIUS33

6.1.3 Each payment to any Lender shall be made to

ARCO Midcon LLC (c/o BP International Ltd.)
Citibank Delaware
ABA: 021000089
Acct number: 40550445
Account Name: BP International Ltd.
Swift: CITIUS33
Further Credit Details: FFC IFA BPPL - BP Pipelines (North America)

Enbridge Holdings (Olympic) L.L.C.
Bank of America
100 West 33rd Street
New York, New York 10001
Acct Number: 5801001164
ABA: 026009593
Swift: BOFAUS3N

or as from time to time notified by ARCO or Enbridge to the Borrower in writing.

6.1.4 The Borrower or any Lender may change its receiving account by not less than 5 Business Days' notice to the other.

6.2 Business Days

If a payment under this Agreement is due on a day which is not a Business Day, the due date for that payment shall instead be the next Business Day.

6.3 Currency

All payments under this Agreement relating to costs, losses, expenses or Taxes shall be made in Dollars.

6.4 Accounts as evidence

Each Lender shall maintain an account which shall, as between the Borrower and such Lender, be prima facie evidence of the amounts from time to time advanced by, owing to, and paid to such Lender under this Agreement.

6.5 Set-off and counterclaim

All payments by the Borrower under this Agreement shall be made without set-off or counterclaim.

6.6 Grossing-up

6.6.1 All sums payable by the Borrower hereunder, whether of principal, interest or other moneys, shall be paid in full without any deduction or withholding for or on account of any present or future income, excise, stamp and other taxes, fees, duties or withholdings or other charges of any nature whatsoever imposed by any taxing authority ("Taxes") unless such deduction or withholding is compelled by law in which event the Borrower shall:

(a) ensure or procure that the deduction or withholding is made and that it does not exceed the minimum legal requirement therefore; and

(b) pay, or procure the payment of, the full amount deducted or withheld to the relevant taxation or other authority in accordance with the applicable law.

6.6.2 The Borrower will deliver tax receipts to the Lenders within 30 days after any payment to a Lender in respect of which any Taxes have been deducted or withheld and will further provide all other documents and information reasonably necessary or appropriate to permit a Lender to substantiate its claim for recovery of any such Taxes deducted or withheld.

6.6.3 The Lenders and the Borrower shall use all reasonable endeavours in good faith to agree ways in which the prejudicial effects of a law compelling the deduction or withholding of

Taxes hereunder vis-à-vis the provisions of this Clause 6, may be avoided or mitigated in a lawful and reasonably practicable manner.

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations

The Borrower, hereby represents and warrants to each Lender that:

- (a) The Borrower is a duly incorporated and validly existing corporation under the laws of the State Delaware, in the United States of America;
- (b) this Agreement will upon due execution be a legal, valid and binding obligation of the Borrower, enforceable in accordance with the terms thereof;
- (c) it has the power to enter into, to comply with, and be bound by all obligations expressed on the part of the Borrower and to borrow hereunder and has taken all necessary actions to authorize the execution and delivery of, and the performance or all of its obligations under, this Agreement;
- (d) the execution, delivery and performance of this Agreement will not violate any provisions of any existing law or regulation or statute applicable to the Borrower or of any mortgage, contract or other undertaking to which the Borrower is a party or which is binding upon it;
- (e) all relevant consents or authorizations of any governmental authority or agency required by the Borrower in connection with the execution, validity or enforceability of this Agreement have been obtained and are subsisting;
- (f) no Default applicable to the Borrower has occurred and is continuing;
- (g) the respective payment obligations of the Borrower hereunder constitute unsecured and unsubordinated obligations of the Borrower ranking (subject to such exceptions as from time to time exist under applicable law) *pari passu* with all other unsecured and unsubordinated obligations of the Borrower; and
- (h) save for legal proceedings (if any) disclosed in the 2009 Accounts of the Borrower, the Borrower is not involved in any legal or arbitration proceedings which are likely to have or have had during the twelve (12) months immediately preceding the date of this Agreement, a significant effect on the financial position of the Borrower and its subsidiaries (taken as a whole), nor is the Borrower aware of any such proceedings pending or threatened.

7.2. Repetition

The representations and warranties in Clause 7.1 shall survive the execution of this Agreement and shall be deemed to be repeated by the Borrower on each Interest Payment Date as if made with reference to the facts and circumstances existing at that time.

8. UNDERTAKINGS

8.1 Undertakings of the Borrower

The Borrower undertakes that until all amounts payable to the Lenders under this Agreement have been paid in full, it shall, unless all Lenders otherwise agree:

- (a) obtain and promptly renew from time to time all authorizations, approvals, consents, licenses and exemptions as may be required under any applicable law or regulation to enable the Borrower to perform its obligations under this Agreement or required on its part for the validity or enforceability of this Agreement;
- (b) promptly notify all Lenders in writing of any Default or event which a Lender would be entitled to declare a Default in relation to the Borrower upon the expiry of the grace or analogous periods set out in Clause 9;
- (c) immediately upon becoming aware of the same give to all Lenders notice in writing of all legal or arbitration proceedings of the kind referred to in the first sentence of Clause 7.1(h); and
- (d) comply with the requirements of all applicable laws or regulations and all relevant consents of any governmental authority or agency in connection with the Agreement.

9. DEFAULT

9.1 Default

Each of the following shall be a Default:

- (a) Failure by the Borrower in the payment of principal, interest or other moneys due for payment under this Agreement for more than 10 days after the due date therefor; or
 - (b) the Borrower committing any other material breach of or omitting to observe in any material respect any other of the obligations imposed on it by any of the provisions of this Agreement and such breach or omission continuing for more than 30 days after the date of receipt by the Borrower of written notice from any Lender requiring such breach or omission to be remedied; or
 - (c) any material representation or warranty made or deemed to be made by the Borrower in or pursuant to this Agreement or in any certificate, instrument or statement by the Borrower contemplated hereby or made or delivered pursuant hereto being untrue or incorrect as of the date at which made in any material respect; or
 - (d) The Borrower fails to pay when due any Indebtedness in an aggregate amount in excess of \$5,000,000 when and as the same shall become due and payable (which
-

expression includes any applicable grace period provided for in the original agreement relating thereto), or any event or condition shall occur which results in the acceleration of the maturity of any Indebtedness of an aggregate amount in excess of \$5,000,000; or

- (e) The Borrower becomes insolvent or generally fails to pay, or admits in writing its inability or unwillingness to pay, debts as they become due; or
- (f) a bankruptcy, reorganization, debt arrangement or other case or proceeding under any bankruptcy, reorganization or insolvency law is commenced against Borrower, and, if any such case or proceeding is not commenced by Borrower, such case or proceeding is consented to or acquiesced in by Borrower or results in the entry of an order for relief which remains for 30 days undismissed; or
- (g) an administrative or other receiver or administrator being appointed or an encumbrancer taking possession of all or a major part of the undertaking, property or assets of the Borrower and not being paid out or discharged within 60 days after such appointment or taking possession; or
- (h) the Borrower ceasing to carry on the whole or substantially the whole of its business (except for the purpose of a reconstruction or amalgamation) or the Borrower stopping payment generally or admitting inability to pay generally its debts as they fall due.

9.2 Acceleration

If a Default occurs and remains unremedied any Lender may by notice to the Borrower require the Borrower immediately to repay an Advances together with accrued interest and all other sums payable under this Agreement, whereupon they shall become immediately due and payable. Upon the service or any such notice by a Lender the obligations of all Lenders under this Agreement shall be terminated.

9.3 Expenses

The Borrower shall on demand pay all expenses incurred by any Lender in enforcing, perfecting, protecting or preserving (or attempting so to do) any of their rights, or in suing for or recovering any sum due from the Borrower under this Agreement.

9.4 Documentary Taxes indemnity

- 9.4.1 All stamp, documentary, registration, or other like duties or Taxes, including any penalties, additions, fines, surcharges or interest relating to those duties and Taxes, which are imposed or chargeable on or in connection with this Agreement shall be paid by the Borrower. A Lender shall be entitled but not obliged to pay any such duties or Taxes (whether or not they are its primary responsibility). If a Lender does so the Borrower shall on demand indemnify such Lender against those duties and Taxes and against any costs and expenses incurred by such Lender in discharging them.

9.5 Indemnity payments

Where in this Agreement the Borrower has an obligation to indemnify or reimburse a Lender in respect of any loss or payment, the calculation of the amount payable by way of indemnity or reimbursement shall take account of the likely Tax treatment in the hands of such Lender, as the case may be (as determined by the relevant party's auditors) of the amount payable by way of indemnity or reimbursement and of the loss or payment in respect of which that amount is payable.

10. AMENDMENTS AND WAIVERS

10.1 Amendments

10.1.1 Any term of this Agreement may be amended or waived with the written agreement of the Borrower and all the Lenders.

10.2 No implied waivers; remedies cumulative

The rights of the Lenders under this Agreement:

- (a) may be exercised as often as necessary;
- (b) are cumulative and not exclusive of its rights under the general law; and
- (c) may be waived only in writing and specifically.

Delay in exercising or non-exercise of any such right is not a waiver of that right.

11. MISCELLANEOUS

11.1 Severability

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not effect:

- (a) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or
- (b) the legality, validity or enforceability in any other jurisdiction of that or any other provision of this Agreement.

11.2 Counterparts

This Agreement may be executed in any number of counterparts and this shall have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

11.3 Entire Agreement

This Agreement contains the entire agreement between the parties and supersedes any and all other prior representations, statements and understandings between the parties, whether oral or in writing and whether express or implied, relating to the subject matter of this Agreement (including the Existing Agreement).

12. NOTICES

12.1 Method

Each notice or other communication to be given under this Agreement shall be given in writing in English and, unless otherwise provided, shall be made by telex, fax or letter.

12.2 Delivery

Any notice or other communication to be given by one Party to another under this Agreement shall (unless one Party has by 15 days' notice to the other Party specified another address) be given to that other Party at the respective addresses given in Clause 12.3.

12.3 Addresses

The addresses and fax numbers of the Borrower and the Lenders are:

(a) The Lenders:

ARCO Midcon LLC
501 Westlake Park Blvd.
Houston, TX 77079
Attention: John Chandler

Enbridge Holdings (Olympic), L.L.C.
1100 Louisiana, Suite 3300
Houston TX 77002-5217
Attention: Senior Counsel, Liquids

(b) The Borrower:

Olympic Pipe Line Company
c/o BP Pipelines (North America) Inc., its operator
Attn: Managing Attorney
4101 Winfield Road
Warrenville, IL 60555

12.4 Deemed receipt

Any notice or other communication given by a Party shall be deemed to have been received:

- (a) if sent by telex with the relevant answerback appearing at the beginning and end of the telex, on the day on which transmitted;
- (b) if sent by fax, with a confirmed receipt of transmission from the receiving machine, on the day on which transmitted;
- (c) in the case of a written notice given by hand, on the day of actual delivery; and
- (d) if posted, on the second Business Day or, in the case of airmail, the fifth Business Day following the day on which it was dispatched by first class mail postage prepaid or, as the case may be, airmail postage prepaid;

provided that a notice given in accordance with the above but received on a day which is not a Business Day or after normal business hours in the place of receipt shall only be deemed to have been received on the next Business Day.

13. ASSIGNMENTS AND TRANSFERS

13.1 Benefit of Agreement

This Agreement shall be binding upon and enure to the benefit of each Party and any Permitted Transferee.

13.2 Assignments and transfers

13.2.1 The Borrower shall not be entitled to assign or transfer any of its rights or obligations under this Agreement without the prior written consent of each Lender.

13.2.2 Notwithstanding any provisions to the contrary in Section 3 of that certain Amended and Restated Olympic Pipe Line Company Shareholders Agreement dated as of August 4, 2010 among Borrower and Lenders (the "Shareholders Agreement"), no Lender shall dispose any of its shares of common stock of Borrower unless such disposition is contingent upon the transferee of such shares also assuming an interest in this Agreement (including the Advances and payments by Borrower under this Agreement) proportionate to the ownership interest in Borrower being offered for sale pursuant to Section 3 of the Shareholders Agreement. Any transferee of common stock of Borrower ("Permitted Transferee") shall promptly execute and deliver to Borrower and each Lender a written instrument by which such Permitted Transferee expressly assumes the obligations and rights of a Lender under this Agreement and the Lender transferring an interest in this Agreement to the Permitted Transferee shall thereafter be released from all obligations to, and right to receive payment from, Borrower hereunder in proportion to the interest in this Agreement so transferred.

14. LAW AND JURISDICTION.

14.1 This Agreement shall in all respects be governed by and construed in accordance with the internal laws of the State of New York (excluding the application of any conflict of laws). The parties to this Agreement hereby agree that the state and federal courts in New York

City, New York are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and the Borrower and each Lender irrevocably submits to the jurisdiction of such courts.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.

IN WITNESS whereof this Agreement has been executed by the duly authorized representatives of the parties hereto on the date set out above.

ARCO Midcon LLC

By: S. Dunkel

Enbridge Holdings (Olympic) L.L.C.

By: _____

Olympic Pipe Line Company

By: _____

Second Amended and Restated
Shareholders Loan Agreement

IN WITNESS whereof this Agreement has been executed by the duly authorized representatives
of the parties hereto on the date set out above.

ARCO Midcon LLC

By:

Enbridge Holdings (Olympic) L.L.C.

By:



Olympic Pipe Line Company

By:

IN WITNESS whereof this Agreement has been executed by the duly authorized representatives of the parties hereto on the date set out above.

ARCO Midcon LLC

By: _____

Enbridge Holdings (Olympic) L.L.C.

By: _____

Olympic Pipe Line Company

By: Steve Maulding

