BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Washington Utilities and Transportation Commission,	)))	DOCKET NO. TO-011472
Complainant,	))	
v.	))	
Olympic Pipe Line Company, Inc.,	))	
Respondent	))	
_____	)	

EXHIBIT OF

KENNETH L. ELGIN

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

January 4, 2002

Excerpt from Olympic's January 1, 1994 (amended) note to Prudential Insurance Company of America. [It is Staff's understanding that the $30 million of "Shareholder Secured Debt" described in Section 2.3 refers to the June 22, 2001 ARCO note ($30 million credit line), on which $10 million has been drawn]:

"6A(3) Debt of the Company. Except as otherwise provided in this Agreement, the Company shall not create, incur, assume, suffer to exist or otherwise become or remain directly or indirectly liable with respect to any Debt other than (i) the Notes, (ii) up to $30,000,000 owing to The Chase Manhattan Bank, (iii) up to $45,000,000 owing to Equilon so long as it is a stockholder of the Company, (iv) up to $42,000,000 owing to BP Pipelines so long as it is a stockholder of the Company and (v) the Shareholder Secured Debt so long as each such creditor is a stockholder of the Company."

2.3. Paragraph 10B. Other Terms. Paragraph 10B is amended by adding new definitions for "BP Pipelines," "Shareholder Secured Debt," "Shareholder Lien" and "Equilon" in alphabetical order to read as follows:

"'BP Pipelines' shall mean BP Pipelines (North America) Inc., a Maine corporation.

'Equilon' shall mean Equilon Enterprises, LLC, a Delaware limited liability company.

'Shareholder Lien' shall have the meaning specified in clause (vii) of paragraph 6B."

'Shareholder Secured Debt' shall mean in the aggregate up to $30,000,000 of debt secured by the Shareholder Lien and owing by the Company to either BP Pipelines and/or Equilon from time to time.

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