GARY A. ZIPKIN
LOUIS R. VEERMAN
JAMES D. LINXWILER
JAMES D. DEWITT
GEORGE R. LYLE
MICHAEL S. MCLAUGHLIN
AISHA TINKER BRAY
GREGORY G. SILVEY
MATTHEW COOPER
CHRISTINA RANKIN
JOSH VAN GORKOM

LAW OFFICES OF
Guess&Rudd
P.C.

510 "L" STREET, SUITE 700
ANCHORAGE, ALASKA 99501-1964
TELEPHONE (907) 793-2200
FACSIMILE (907) 793-2299
www.guessrudd.com

W. EUGENE GUESS 1932-1975
JOSEPH RUDD 1933-1978
FRANCIS E. SMITH, JR. 1941-1991

OFFICES IN
ANCHORAGE & FAIRBANKS

OF COUNSEL
MARGARET S. JONES
ROBYN K. LINXWILER

January 28, 2011

Regulatory Commission of Alaska
701 West 8th Avenue, Suite 300
Anchorage, Alaska99501

Re: TAPS Quality Bank
ConocoPhillips Transportation Alaska, Inc. Tariff Advice No. TL142-301

Dear Commissioners:

This tariff advice refers to the Local Pipeline Tariff containing the TAPS Quality Bank Methodology for ConocoPhillips Transportation Alaska, Inc. ("CPTAI"), FERC No. 21.2.0, canceling FERC No. 21.1.0, issued January 28, 2011, with an effective date of February 1, 2011. The Local Pipeline Tariff was filed electronically today at the Federal Energy Regulatory Commission ("FERC"). Also included for the Commission's approval is CPTAI's 17th Revised Sheet No. 10, canceling 16th Revised Sheet No. 10, which has been updated to reflect current FERC tariff references.

This tariff filing is being made in part to comply with orders issued by the FERC in *Trans Alaska Pipeline System*, 113 FERC ¶ 61,062 (2005) (Opinion No. 481); 114 FERC ¶ 61,323 (2006) (Opinion No. 481-A); 115 FERC ¶ 61,287 (2006) (Opinion No. 481-B), and with orders issued by this Commission in *In re Formal Complaint of Tesoro Alaska Petroleum Co.*, P-89-1(104)/P-89-2(98)/P-94-4(37)/P-96-6(24)/P-98-9(16)/P-99-12(19) (2005); P-89-1(109)/P-89-2(103)/P-94-4(42)/P-96-6(29)/P-98-9(21)/P-99-12(24) (2006); P-89-1(111)/P-89-2(105)/P-94-4(44)/P-96-6(31)/P-98-9(23)/P-99-12(26) (2006). The changes to CPTAI's Tariff Rules and Regulations containing the TAPS Quality Bank methodology are effective as of February 1, 2011, pursuant to these orders. CPTAI is also revising its Local Pipeline Tariff containing the TAPS Quality Bank Methodology to include a definition of "GVEA."

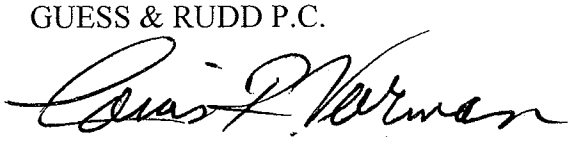
This tariff filing is accompanied by the filing submitted by CPTAI to the FERC. CPTAI will serve a copy of the Local Pipeline Tariff upon each of its intrastate and interstate shippers for the past twelve months, which are included on the accompanying subscriber list.

Special permission has been requested of the FERC for this tariff amendment to become effective on February 1, 2011, which is three days' notice. CPTAI requests a waiver of the usual thirty-day notice requirement for a tariff revision because it is necessary and desirable for the Quality Bank provisions of the TAPS tariffs on file at the FERC and at this Commission to be identical and to have identical effective dates. Therefore, pursuant to 3 AAC 48.300(c)(4), there is good cause for waiver of the statutory notice and an effective date of February 1, 2011.

On behalf of CPTAI, we request that the Commission Staff validate and return a copy of this filing to CPTAI.

Very truly yours,

GUESS & RUDD P.C.



Louis R. Veerman

Enclosure
cc: John E. Kennedy (w/encl.)

RCA No. 301 17th Revised Sheet No. 10
Cancelling
16th Revised Sheet No. 10

Phillips Transportation Alaska, Inc.

SECTION 5
F.E.R.C. TARIFF AND SUPPLEMENTS
RULES AND REGULATIONS

F.E.R.C. Tariff No. 20.1.0. The rules and regulations in F.E.R.C. Tariff No. 20.1.0 and successive issues thereof which are effective February 1, 2011, and as attached hereto, are applicable to the transportation of Petroleum having final destination within the State of Alaska and are incorporated by reference. This tariff includes the following items: C C

ITEM NO.
1 Definitions
2 Title
3 Quality and Intermixing of Petroleum
4 Nomination Policy and Proration Procedures
5 Scheduling of Receipts
6 Shipper Receipt and Delivery Facilities
7 Scheduling and Use of Terminal and Penalty Provisions
8 Minimum Delivery
9 Measurement
10 Delivery Adjustments
11 Applicability of Rates, Charges, Rules and Regulations
12 Vessel Requirements
13 Liability for Charges and Quality Adjustments
14 Liability for Loss
15 Time Limitation of Claims
16 Use of Excess Capacity of Communications Facilities
17 System Liability Fund
18 Rates Applicable from and to Intermediate Points
19 In Transit Shipments
20 Additives
21 Liability for Non-Compliance with Tariff
22 Connections to the Trans Alaska Pipeline System'
*(Connection policy under this tariff is governed by RCA Tariff Sheet 5, as directed by RCA Order P-97-5(10))
23 Base Inventory Requirement

F.E.RC. Tariff No. 21.2.0 F.E.R.C. Tariff No. 21.2.0 and successive issues thereof is attached hereto and is applicable to the transportation of Petroleum having final destination within the State of Alaska and are incorporated by reference. This tariff includes the TAPS Quality Bank Methodology. C

Tariff Advice No. 142-301 Effective February 1, 2011

Issued By: ConocoPhillips Transportation Alaska, Inc.

By: John M. Christal Title: Vice President

[N] **FERC ICA Oil Tariff**

F.E.R.C. No. 21.2.0
(Cancels F.E.R.C. No. 21.1.0)

CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.

LOCAL PIPELINE TARIFF

CONTAINING THE TAPS
QUALITY BANK METHODOLOGY

[C] ~~THIS BASELINE TARIFF IS FILED IN COMPLIANCE WITH THE FEDERAL ENERGY REGULATORY COMMISSION ORDER NO. 714, 124 FERC ¶ 61, 270 (2008).~~

GENERAL APPLICATION

This tariff shall apply only to those tariffs which specifically incorporate this tariff, **[C]** ~~supplements to this tariff~~ and successive issues hereof, by reference.

NOTICES

This tariff is issued in part to comply with the orders issued by the Federal Energy Regulatory Commission in *Trans Alaska Pipeline System*, 113 FERC ¶ 61,062 (2005) (Opinion No. 481); 114 FERC ¶ 61,323 (2006) (Opinion No. 481-A); 115 FERC ¶ 61,287 (2006) (Opinion No. 481-B), and with the orders issued by the Regulatory Commission of Alaska ("RCA") in *In re Formal Complaint of Tesoro Alaska Petroleum Co.*, P-89-1(104)/P-89-2(98)/P-94-4(37)/P-96-6(24)/P-98-9(16)/P-99-12(19) (2005); P-89-1(109)/P-89-2(103)/P-94-4(42)/P-96-6(29)/P-98-9(21)/P-99-12(24) (2006); P-89-1(111)/P-89-2(105)/P-94-4(44)/P-96-6(31)/P-98-9 (23)/P-99-12(26) (2006). Opinion 481-A (adopted by the RCA in Order P-89-1(109)) directs that the effective date for the new methodology is November 1, 2005. Opinion 481-A P 23.

For rules and regulations other than the TAPS Quality Bank Methodology tariff, see F.E.R.C. No. 20.1.0 (ConocoPhillips), **[C]** ~~supplements thereto~~ and reissues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

[N] SPECIAL PERMISSION REQUESTED

[N] Issued on three day's notice under authority of 18 C.F.R. § 341.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.

ISSUED January 28, 2011

EFFECTIVE February 1, 2011

Issued By:
Bij Agarwal, President
CONOCOPHILLIPS TRANSPORTATION
ALASKA, INC.
700 G Street, ATO-2100
Anchorage, Alaska 99501

Compiled By:
John E. Kennedy
1001 Fannin Street
Houston, TX 77002-6760
713.758.2550

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TAPS QUALITY BANK METHODOLOGY

I. GENERAL PROVISIONS

A. Definitions

"Barrel" - as used herein means forty-two (42) U.S. gallons at sixty degrees (60°) Fahrenheit and atmospheric pressure.

"Carrier" – as used herein means either BP Pipelines (Alaska) Inc., ConocoPhillips Transportation Alaska, Inc., ExxonMobil Pipeline Company, Koch Alaska Pipeline Company, L.L.C., Unocal Pipeline Company, the successor to any of them, and/or a pipeline company which may, by proper concurrence, be a party to a joint tariff incorporating this tariff by specific reference.

"Connection" – as used herein means a connection to TAPS (other than at Pump Station No. 1) for the purpose of receiving Petroleum into TAPS.

"Connection Base Petroleum" – as used herein means the Petroleum resulting from the commingling of (1) the Petroleum entering TAPS at a Connection and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection.

"Gravity" – as used herein means the gravity of Petroleum expressed in API degrees at sixty degrees (60°) Fahrenheit.

"Gravity Differential Value Per Barrel" – as used herein means the gravity differential value set forth in Section II, Item No. C(3)(iii), as established from time to time in accordance with Section III, Item E.

[N] "GVEA" - as used herein means Golden Valley Electric Association

"LSR" – as used herein means Light Straight Run.

"Month or Monthly" – as used herein means a calendar month commencing at 0000 hours on the first day thereof and running until 2400 hours on the last day thereof according to Valdez, Alaska, local time.

"OPIS" – as used herein means Oil Price Information Service.

"Petroleum" – as used herein means unrefined liquid hydrocarbons including gas liquids.

"Platts" – as used herein refers to Platts Oilgram Price Report.

"PSVR" – as used herein means the Petro Star Valdez Refinery.

"Pump Station No. 1" – as used herein means the pump station facilities near Prudhoe Bay, Alaska where Petroleum is received into TAPS.

"Pump Station No. 1 Base Petroleum" – as used herein means the Petroleum stream resulting from deliveries into TAPS at Pump Station No. 1 by all Shippers.

"Quality Bank Administrator" – as used herein means the person appointed by the TAPS Carriers to administer the Quality Bank.

"Quality Bank Value" – as used herein means the value of each Petroleum stream as calculated in Section III.

"Shipper" – as used herein means a party who tenders Petroleum to Carrier for transportation and thereafter actually delivers Petroleum to Carrier for transportation.

"State" – as used herein means the State of Alaska.

"STUSCO" – as used herein means Shell Trading (US) Company.

"TAPS" – as used herein means the Trans Alaska Pipeline System.

"TBP" – as used herein means True Boiling Point.

"Valdez Terminal" – as used herein means the TAPS terminal located at Valdez, Alaska.

"Valdez Terminal Base Petroleum" – as used herein means the Petroleum delivered out of the Valdez Terminal.

"Volume" – as used herein means a quantity expressed in Barrels.

"Weighted Average" – as used herein means an average calculated on a Volume weighted basis.

B. Quality Bank Administrator

The TAPS Quality Bank shall be administered by the Quality Bank Administrator, who shall be appointed by the TAPS Carriers, and by those designated by the Quality Bank Administrator to assist the Administrator.

C. Information Furnished to the State of Alaska

The Quality Bank Administrator shall furnish to the State each month copies of the invoices for Quality Bank adjustments and supporting data sent to each shipper. Such information is furnished to the State based upon the State's representation that it will hold such information in confidence and that such information will be used only by officers or agents of the State in the exercise of the officers' or agents' powers.

D. Information Furnished to Carrier by Shipper

Carrier and its designee are authorized by Shipper to receive through measurement,

connecting carriers or otherwise all information and data necessary to make the computations under Section II. Shipper will furnish Carrier or its designated Quality Bank Administrator, and consents to Carrier or its designated Quality Bank Administrator acquiring from other carriers or other persons, any additional information and data necessary to make the computations under Section II. Shipper also consents to Carrier or its agents disclosing to the designated Quality Bank Administrator all information and data necessary to make the computations under Section II. The name and address of Carrier's designated Quality Bank Administrator will be made available upon written request to Carrier.

II. QUALITY ADJUSTMENTS

A. Quality Adjustments

Shippers shall be debited and/or credited for all adjustments as provided for in this Section II with respect to all Petroleum shipped. The calculation of Shipper's debits and credits shall be made for each Month as required herein. The credit and debit balances for each accounting shall be adjusted among Shipper and all Shippers in TAPS by collecting funds from those Shippers (including Shipper, if applicable) having debit balances and by thereafter remitting funds collected to the Shippers (including Shipper, if applicable) having credit balances. In the event of delay in collection or inability to collect from one or more Shippers for any reason, only adjustment funds and applicable interest charges actually collected shall be distributed pro rata to Shippers having credit balances. A Monthly accounting shall be rendered to Shipper after the end of each Month.

B. Methodology

Shipper authorizes Carrier or its designee to compute adjustments among all Shippers in TAPS for quality differentials arising out of TAPS common stream operation. Shipper agrees to pay Carrier or its designee the adjustment due from Shipper determined in accordance with the procedures set out in this Section II.

The procedures for determining quality adjustments among all Shippers are specified in detail in the TAPS Quality Bank Methodology set forth in Section III.

As prescribed in detail in Section III, at the close of each Month, Carrier or its designated Quality Bank Administrator shall compute adjustments calculated as follows:

1. Pump Station No. 1 Adjustment - An adjustment based on the difference between the Quality Bank Value of Pump Station No. 1 Base Petroleum during a Month and the Quality Bank Value of Petroleum received into TAPS at Pump Station No. 1 for a Shipper during the same Month shall be calculated as follows:

    (i) the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during the Month for a Shipper shall be determined by summing the Quality Bank Values of each component of one Barrel of that stream as determined in accordance with the TAPS Quality Bank Methodology.

(ii) the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for the Month shall be determined by multiplying the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during that Month by the number of Barrels of that stream received into TAPS at Pump Station No. 1 during that Month, summing the products so obtained and dividing the total by the number of Barrels of Petroleum received into TAPS at Pump Station No.1 during the Month.

(iii) if the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.

(iv) if the Quality Bank Value per Barrel of Pump Station No. 1 Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.

2. Connection Adjustment - An adjustment based on the difference between the Quality Bank Value of any Connection Base Petroleum during a Month and the Quality Bank Value of a Shipper's Petroleum commingled at that Connection during the same Month shall be calculated as follows:

(i) the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at a Connection during the Month shall be determined by summing the Quality Bank Values of each component of one Barrel of that Petroleum as determined in accordance with the TAPS Quality Bank Methodology.

(ii) the Quality Bank Value per Barrel of any Connection Base Petroleum for the Month shall be the Weighted Average Quality Bank Value of (1) the Petroleum entering TAPS at a Connection during the Month and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection during the Month.

(iii) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

(iv) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is less than the Quality Bank Value per Barrel of Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month.

3. Valdez Terminal Gravity Adjustment - An adjustment based on the difference between the Weighted Average Gravity of the Valdez Terminal Base Petroleum and the Weighted Average Gravity of Petroleum received out of the Valdez Terminal by a Shipper shall be calculated as follows:

(i) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is greater than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.

(ii) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is less than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.

(iii) The Gravity Differential Value Per Barrel is established at $0.0450 for each one-tenth degree API Gravity (0.1° API).

C. Payment Provisions

In addition to the adjustments described in this Section II, Shipper agrees to pay Carrier or its designee a per Barrel charge to reimburse Carrier for the costs of administering the adjustments among Shippers under this Section II.

In the event any payment is made to Shipper hereunder and it is subsequently determined by any Federal or state court, administrative agency or other governmental entity having jurisdiction that no other Shipper was liable for the adjustment for which payment was made, Shipper receiving such payment shall upon receipt of an accounting from Carrier return the same to Carrier or its designee. Carrier shall promptly utilize same to reimburse all Shippers who made such payments.

All payments due from Shipper under this Section II shall be made by Shipper within 20 days of receipt of each accounting and, for any delay in payment beyond such 20 day period, shall bear interest calculated at an annual rate equivalent to 125% of the prime rate of interest of Citibank N.A. of New York, New York, on ninety-day loans to substantial and responsible commercial borrowers as of the date of accounting, or the maximum rate allowed by law, whichever is less.

If Shipper fails to make payment due hereunder within thirty (30) days of issuance of each accounting, Carrier shall have the right to sell at public auction either directly or through an agent at any time after such thirty (30) day period any Petroleum of Shipper in its custody. Such auction may be held on any day, except a legal holiday, and not less than forty-eight (48) hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city or general area where the sale is to be held, stating the time and place of sale and the quantity and location of Petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will deduct all payments due and expenses incident to said sale, and the balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

Adjustment payments and administrative costs in this Section II are not a part of Carrier's transportation tariff rates, and such shall not be an offset or other claim by Shipper against sums due Carrier for transportation or other charges, costs, or fees due or collected under Carrier's tariffs.

III. QUALITY BANK PROCEDURES

A. Overview

A distillation-based methodology shall be implemented at all TAPS Quality Banks (other than the TAPS Valdez Marine Terminal Quality Bank).

This methodology for calculation of the TAPS Quality Bank debits and credits is based on valuations of Petroleum components. This methodology shall apply to the specific Petroleum streams identified in Sections III.B, III.C. and III.D. and also shall be applied to any streams tendered to TAPS through a new connection. The Quality Bank value of each Petroleum stream shall be the volume-weighted sum of the Quality Bank values of its components. The characteristics and volumes of components for each separate Petroleum stream are based on assay information obtained using a defined set of testing procedures as set forth in Section III.F. Quality Bank credits and debits are determined by comparing the Quality Bank value of each Petroleum stream to the appropriate calculated TAPS "reference" stream Quality Bank value.

B. Quality Bank Streams at Pump Station No. 1 Quality Bank

1. The TAPS Pump Station No. 1 Quality Bank assesses the following five streams: (1) PBU IPA;[1] (2) Lisburne; (3) Endicott Pipeline; (4) Kuparuk Pipeline; and (5) Northstar.

[1] PBU IPA is the abbreviation for the Prudhoe Bay Unit Initial Participating Areas.

2. The Pump Station No. 1 Quality Bank reference stream is the blended common stream leaving Pump Station No. 1. The reference stream Quality Bank value is calculated using the volume weighted average of the five Quality Bank streams identified above plus any streams tendered to TAPS through a new Pump Station No. 1 connection.

C. Quality Bank Streams at GVEA Quality Bank

1. The GVEA Quality Bank streams are the combined Flint Hills and Petro Star refinery return stream delivered to TAPS by the GVEA Pipeline and the passing TAPS common stream at the GVEA offtake point, both of which are measured at the GVEA connection.

2. The GVEA Quality Bank reference stream is the blended TAPS stream immediately downstream from the GVEA return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the GVEA Quality Bank streams identified above.

D. Quality Bank Streams at Petro Star Valdez Refinery Connection Quality Bank

1. The TAPS PSVR Connection Quality Bank streams are the refinery return stream delivered to TAPS by Petro Star and the passing TAPS common stream at the PSVR offtake point.

2. The Petro Star Valdez Quality Bank reference stream is the blended TAPS stream immediately downstream from the Petro Star return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the two PSVR Quality Bank streams identified above.

E. Methodology for Valdez Tanker Load Out Quality Bank

1. A gravity-based Quality Bank methodology shall be used to determine the TAPS Quality Bank adjustments for volumes loaded out of the TAPS Marine Terminal at Valdez, Alaska. A Gravity Differential Value Per Barrel shall be calculated as specified in Items E.2 through E.5 below.

2. The daily average six month gravity differentials posted for November 1 - April 30 and May 1 - October 31 for California and West Texas Sour crude oils, applicable to the range(s) of gravity which includes the average API gravity of the TAPS commingled stream at Valdez (sometimes referred to as "ANS"), shall be determined. The postings of the following companies shall be used for West Texas Sour crude oils: Chevron Crude Oil Marketing and STUSCO. The postings of the following companies shall be used for California crude oils: Chevron Crude Oil Marketing, Exxon Mobil Corporation, STUSCO and Union 76. In the event that any of the aforementioned companies is merged or acquired by other companies, sells assets or reorganizes, the postings of any successor companies shall be utilized. As long as at least two companies' gravity differentials are posted in each region (West Texas and California), the postings shall be averaged to determine the gravity differentials for that region.

3. The aforementioned six month average gravity differentials for the specified companies in each region shall be used to derive a simple average West Texas Sour differential and a simple average California differential.

4. The average West Texas Sour differential and the average California differential shall then be weighted by the percentage of ANS which is distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Alaska and Hawaii), respectively, which percentages shall be determined by averaging for the most recent six-month period for which data are available the percentage distributed to each region as reported by the Maritime Administration of the United States Department of Transportation (or any successor government agency). Volumes exported from the United States shall be excluded from the calculation of the percentages distributed to each region.

5. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the weighting of the average differentials shall be adjusted to reflect the percentage of ANS actually distributed to such regions both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available from the Maritime Administration, or any other government agency, the Quality Bank Administrator shall determine the percentage of ANS distributed to such regions, provided, however, that any shipper may protest such determination by filing a complaint with the Quality Bank Administrator and thereafter filing an appropriate pleading with the FERC and RCA if the complaint is not otherwise resolved.

6. The Gravity Differential Value Per Barrel shall be reviewed each November and May, and shall be adjusted to the nearest hundredth of a cent per one-tenth degree API gravity per barrel whenever the amount of any change in the quality adjustment derived above is at least five (5) percent greater or five (5) percent less than the adjustment then in effect. The effective dates of any such adjustments shall be the following January 1 and July 1 respectively.

7. The Gravity Differential Value Per Barrel in effect shall be applied to the difference in gravity (in API degrees @ 60° Fahrenheit) between the weighted average gravity of the Petroleum delivered out of the Terminal during a calendar month and the weighted average gravity of Petroleum received out of the Terminal by an individual shipper during such month.

F. Methodology For Pump Station No. 1, GVEA Connection and PSVR Connection

1. Assay Methodology -- Sampling Procedure

Except as specified below, and except for the reference streams, each of the Quality Bank streams listed above (for Pump Station No. 1, GVEA, and PSVR Quality Banks) will be sampled by the Quality Bank Administrator using continuous monthly composite samplers on a flow rate dependent basis, and assays of these continuously collected samples shall be performed monthly by the Quality Bank Administrator.

2. Assay Analysis Procedure

a. Except as specified in paragraph b. below, the assays will include a TBP distillation and, as applicable, gas chromatograph analysis of each Quality Bank stream. Specifically, the TBP procedure will employ ASTM 2892 up to 650°F and ASTM 5236 for the 650 to 1050+°F range for the Petroleum samples. The light ends (175°F minus) from the Petroleum streams will be subject to a gas chromatograph analysis to determine the volumes of the propane ("C3"), Iso-butane ("iC4"), and normal butane ("nC4"), with the LSR (sometimes referred to as natural gasoline) volume determined by difference between the total of the three components and the measured 175°F minus volume.

b. The specific gravities of C3, iC4, nC4 will be derived from GPA Standard 2145.

3. Assay Data

a. The following volume and quality data will be determined for each stream.

Component	**TBP Boiling Range °F**	**% Vol**	**Specific Gravity**
Propane (C3)		X	X
I-Butane (iC4)		X	X
N-Butane (nC4)		X	X
LSR	C5-175	X	X
Naphtha	175-350	X	X
Light Distillate	350-450	X	X
Heavy Distillate	450-650	X	X
Gas Oil	650-1050	X	X
Resid	1050+	X	X
Full Petroleum Stream			X

b. The total volume must add to 100% and the total component weighted mass must be checked against the mass of the full Petroleum stream. These weight balances must be the same within calculation and assay precision. If the assay fails this threshold test of validity, a second assay shall be performed on the sample. An example of assay data required is presented in Attachment 1. These data are the basis for all calculations in this Quality Bank methodology. The Quality Bank operates on a calendar month basis, with the continuous samples retrieved for analysis on the last day of each month.

c. The Quality Bank Administrator shall investigate the validity of a sample if each of the following two tests is met.

(i) If one or more of an individual stream's reported component percentages for a month varies by more than the ranges indicated in the following table as compared to the prior month's assay.

Component	Variation in % of Stream *Relative to Prior Month*
Propane	± 0.1
I-Butane	± 0.1
N-Butane	± 0.25
LSR	± 0.5
Naphtha	± 1.0
Light Distillate	± 1.0
Heavy Distillate	± 1.0
Gas Oil	± 1.5
Resid	± 1.0

As an example, if a Petroleum stream's heavy distillate volume percent is 23% for the prior month, a heavy distillate volume percent less than 22% or greater than 24% (exceeding the ± 1% range) shall cause the Quality Bank Administrator to check the second test.

(ii) The second test is whether the volume change in the specific component has resulted in a significant change in the stream's relative value when compared to the prior month's relative value using the prior month's prices. If the change results in a price movement of more than ±15¢ per barrel, then the sample's validity must be investigated.

(iii) The Quality Bank Administrator shall ascertain from the tendering shipper(s) possible causes for the change in the stream's assay. The Quality Bank Administrator may have a second assay performed for the sample in question. The Quality Bank Administrator may decide that the first assay is valid, that the second assay is valid, or that the sample is invalid.

(iv) Should the Quality Bank Administrator determine that a sample is invalid, the last assay results accepted and used in the Quality Bank for the stream will be used instead of the invalid sample in the Quality Bank calculation.

G. Component Unit Value Procedure

1. Component unit values for the U.S. Gulf Coast and U.S. West Coast will be weighted by the percentage of ANS which is distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Alaska and Hawaii), respectively. The placement data as reported by the Maritime Administration of the United States Department of Transportation (or any successor government agency), will be updated twice a year (in November and May) based on the most recently available six month history of ANS placements. The effective dates of such updated weighting shall be the following January 1 and July 1 respectively. Volumes exported from the United States shall be excluded from the calculation of the percentages distributed to each region.

2. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the price weighting shall be adjusted to reflect the percentage of ANS actually distributed to each region both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available from the Maritime Administration, or any other government agency, the Quality Bank Administrator shall determine the percentage of ANS distributed to such regions.

3. All the product prices used to calculate the unit values of the components other than the Gulf Coast and West Coast Resid components are taken from Platts and OPIS as set forth in Attachment 2. Prices will be collected for each day markets are open and published prices are available (each "quote day"). The calculated monthly average price will be the average of each quote day mid-point price for the month. These monthly average prices (adjusted as shown in Attachment 2) are used to calculate component unit values each month.

4. The unit value of the West Coast Naphtha component is calculated using the formula given in Attachment 2, page 3.

5. The unit values of the Resid component on the Gulf Coast and the West Coast are calculated using the formulas given in Attachment 2, pages 4 and 5 respectively. The prices for petroleum coke and natural gas are taken from Pace Petroleum Coke Quarterly and Natural Gas Week, respectively. The unit values of all other subcomponents are the same as those specified for that material in Attachment 2. The Quality Bank Administrator shall have the discretion to retest the API gravity, sulfur content and carbon residue of the Resid component of the common stream whenever he believes that there may be a change in the common stream that will significantly affect the Resid component unit values. If the Quality Bank Administrator elects to retest the Resid component of the common stream and is satisfied that the sample is properly taken and tested, the new values for API gravity, sulfur content and carbon residue content shall be used to calculate the multipliers (product yields) in the Resid formulas given in Attachment 2, pages 4 and 5. The calculation of the new multipliers will be done using the spreadsheet depicted in Attachment 2, page 6.

6. In January of each year the adjustments to the prices used to value Light Distillate and Heavy Distillate (shown on Attachment 2 page 2) as well as the Gulf Coast and West Coast coker costs (shown on Attachment 2, pages 4 and 5) shall be revised in accordance with the changes in the Nelson-Farrar Index (Operating Indexes Refinery) published in the Oil & Gas Journal, by multiplying the adjustments or costs for the previous year by the ratio of (a) the average of the monthly indexes that are then available for the most recent 12 consecutive months to (b) the average of the monthly indexes for the previous (*i.e.*, one year earlier) 12 consecutive months.

7. a. In the event that one of the product prices listed in Attachment 2 is no longer quoted in one of the two markets (West Coast or Gulf Coast), the price quoted for the product in the remaining market shall be used to value the entire component.

b. If both of the product prices listed in Attachment 2 for a component are no longer quoted or if the specifications or other basis for the remaining quotation(s) is radically altered, the Quality Bank Administrator shall notify the FERC, the RCA and all shippers of this fact and propose an appropriate replacement product price, with

explanation and justification. Comments may be filed with the FERC and RCA within thirty days of the filing by the Quality Bank Administrator. If the FERC and RCA take no action within sixty days of the filing, the replacement product price proposed by the Quality Bank Administrator will become effective as of the sixtieth day. For the period between the time that quotation of a product price is discontinued or the specifications or other basis for a quotation is radically altered and the time that the Commissions approve the use of a replacement product price, the Quality Bank Administrator shall use as the unit value of the component in question the unit value for the last month for which a product price was available for such component.

8. For any particular month of Quality Bank calculations, the pricing data for the month of shipment will be used (i.e., the prices are current with the volumes and assay data).

H. Quality Bank Stream Component Calculation Procedure

After all volume, quality, and pricing data are collected, the Quality Bank Administrator will establish quality differentials for each stream identified in Sections III.B., III.C., and III.D.

I. Quality Bank Calculations Procedure

The assay data and calculation procedures required by this Methodology are summarized in the Attachments. The Attachments are for reference purposes only and are not intended to predict the impact of this procedure on any specific Petroleum stream or any specific company. In the event of a conflict between the provisions of this Methodology as set forth above and the Attachments, the provisions of this Methodology shall control.

ATTACHMENT 1: Yield Data for Example Streams
ATTACHMENT 2: Component Unit Value Pricing Basis
ATTACHMENT 3: Example Component Unit Values in $/Bbl
ATTACHMENT 4: Example Stream Values in $/Bbl
ATTACHMENT 5: Quality Bank Calculation Example

J. Unanticipated Implementation Issues

This Methodology is intended to contain a comprehensive treatment of the subject matter. However, unanticipated issues concerning implementation of this Methodology may arise. If so, the Quality Bank Administrator is authorized to resolve such issues in accordance with the best understanding of the intent of the FERC and RCA that the Quality Bank Administrator can derive from their orders regarding the Quality Bank methodology. The Quality Bank Administrator's resolution of any such issue shall be final unless and until changed prospectively by orders of the FERC and RCA.

Explanation of Symbols:
[C] — Cancel.
[D]—Decrease.
[I]—Increase.
[N] — New.
[W] — Change in wording only.

[N] ALL INFORMATION IN ATTACHMENT 1 IS NEW

ATTACHMENT 1
YIELD DATA FOR EXAMPLE STREAMS

COMPONENT	DEFINITION BOILING RANGE (°F)	STREAM A	STREAM B	STREAM C
PROPANE (C_3)	--	0.15	0.00	0.10
ISOBUTANE (IC_4)	--	0.10	0.02	0.40
NORMAL BUTANE (nC_4)	--	0.50	0.10	2.00
LSR	C5-175	4.50	3.50	6.00
NAPHTHA	175-350	13.50	11.00	5.50
LIGHT DISTILLATE	350-450	9.00	9.00	2.00
HEAVY DISTILLATE	450-650	21.00	22.00	16.00
GAS OIL	650-1050	31.25	30.38	41.00
RESID	1050+	20.00	24.00	27.00
TOTAL		100.00	100.00	100.00
EXAMPLE VOLUME, Thousands Barrels per Month		34,000	9,000	2,500

[N] ALL INFORMATION IN ATTACHMENT 2 IS NEW

ATTACHMENT 2
COMPONENT UNIT VALUE PRICING BASIS
EFFECTIVE 2/1/2011

PROPANE (C_3)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Propane.	OPIS's (weekly) Los Angeles delivered spot quote for Propane.

ISOBUTANE (iC_4)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Isobutane.	OPIS's (weekly) Los Angeles delivered spot quote for Isobutane.

NORMAL BUTANE (nC_4)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Normal Butane.	OPIS's (weekly) Los Angeles delivered spot quote for Normal Butane.

LIGHT STRAIGHT RUN (C_5 – 175°F)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Natural Non-Targa.	OPIS's (weekly) Bakersfield delivered spot quote for Natural Gasoline.

NAPHTHA (175° – 350°F)

United States Gulf Coast	United States West Coast
Arithmetic average of (1) Platt's U.S. Gulf Coast spot quote for Waterborne Heavy Naphtha and (2) Platt's U.S. Gulf Coast spot quote for Waterborne Heavy Naphtha Barge.	See Attachment 2, page 3.

[N] ALL INFORMATION IN ATTACHMENT 2 IS NEW

ATTACHMENT 2
COMPONENT UNIT VALUE PRICING BASIS

LIGHT DISTILLATE (350° - 450°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Jet Kerosene 54 less 0.7562 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Jet Fuel less 0.7562 cents per gallon.

HEAVY DISTILLATE (450° – 650°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 2 less 3.0241 cents per gallon.	Platt's U.S. West Coast spot quote for Los Angeles Pipeline ULS (EPA) Diesel less 9.7839 cents per gallon.

GAS OIL (650° – 1050°F)

United States Gulf Coast	United States West Coast
OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.	OPIS's U.S. West Coast (Los Angeles basis) spot quote for High Sulfur VGO.

RESID (1050°F and Over)

United States Gulf Coast	United States West Coast
See Attachment 2, page 4.	See Attachment 2, page 5.

[N] ALL INFORMATION IN ATTACHMENT 2 IS NEW

ATTACHMENT 2

U.S. West Coast Naphtha
Component Unit Value Pricing Basis

West Coast Naphtha Component Value, $ per Barrel = 0.744 x Gasoline Price + 0.191 x Jet Fuel Price + 0.324

Where:

Gasoline Price – Platt's West Coast Waterborne Unleaded 87, $ per Barrel
Jet Fuel Price – Platt's West Coast Waterborne Jet Fuel, $ per Barrel
The prices used are the monthly average of the daily high and low prices.

The three constants in the equation were derived from a dual variable regression analysis of Platt's Gulf Coast monthly average prices for waterborne Naphtha,[(1)] unleaded 87 Gasoline, and Jet/Kero 54 over the 10-year period January, 1999 through December, 2008. The Quality Bank Administrator will recompute the constants in the regression equation whenever circumstances require, but not less than once each year.

(1) Through February 2003 – WB Naphtha
March 1, 2003 – August 16, 2003 – WB Heavy Naphtha
Beginning August 17, 2003 – Average WB Heavy Naphtha & Heavy Naphtha Barge

[N] ALL INFORMATION IN ATTACHMENT 2 IS NEW

ATTACHMENT 2

U.S. GULF COAST RESID
COMPONENT UNIT VALUE PRICING BASIS

Resid Component Value, $ per Barrel =

(0.0348) x QB Propane Value, $/Bbl.
+ (0.0040) x QB Isobutane Value, $/Bbl.
+ (0.0264) x QB Normal Butane Value, $/Bbl.
+ (0.0616) x QB LSR Value, $/Bbl.
+ (0.1008) x QB Naphtha Value, $/Bbl.
+ (0.2046) x QB Heavy Distillate Value, $/Bbl.
+ (0.2929) x QB Gas Oil Value, $/Bbl.
+ (0.0631) x Coke Price([1]) - $5.00
+ (0.2989) x Natural Gas Price([2])
- 10.3779

(1) Monthly price quoted in *Pace Petroleum Coke Quarterly* for Gulf Coast high sulfur petroleum coke, >50 HGI, mid point price, $ per metric ton, converted to $ per short ton.

(2) Monthly Henry Hub natural gas spot price quote from *Natural Gas Week*, monthly weighted averages, $ per MMBtu.

(3) Gulf Coast coker and coker product treatment costs, including capital recovery, $ per Barrel.

[N] ALL INFORMATION IN ATTACHMENT 2 IS NEW

ATTACHMENT 2

U.S. WEST COAST RESID
COMPONENT UNIT VALUE PRICING BASIS

Resid Component Value, $ per Barrel =

(0.0348) x QB Propane Value, $/Bbl.

+ (0.0040) x QB Isobutane Value, $/Bbl.

+ (0.0264) x QB Normal Butane Value, $/Bbl.

+ (0.0616) x QB LSR Value, $/Bbl.

+ (0.1008) x QB Naphtha Value, $/Bbl.

+(0.2046) x QB Heavy Distillate Value, $/Bbl.

+ (0.2929) x QB Gas Oil Value, $/Bbl.

+ (0.0631) x Coke Price([1]) - $8.75

+ (0.2989) x Natural Gas Price([2])+ $0.15

- 12.7003 ([3])

(1) Monthly price quoted in *Pace Petroleum Coke Quarterly* for West Coast low sulfur petroleum coke, >2% Sulfur, mid point price, $ per metric ton, converted to $ per short ton.

(2) Monthly California natural gas spot price quote from *Natural Gas Week*, gas price trends, (south, delivered to pipeline), $ per MMBtu.

(3) West Coast coker and coker product treatment costs, including capital recovery, $ per Barrel.

[N] ALL INFORMATION IN ATTACHMENT 2 IS NEW

ATTACHMENT 2

COKER PRODUCT YIELD MULTIPLIERS
68 DEGREE F C5 CUT POINT (1)

Product	Base Yield (per Bbl.)[1]	Yield Impact per +1% MCR (per Bbl.)	Yield Impact per +1 °API (per Bbl.)	Yield Impact per +1% Sulfur (per Bbl.)	Revised Product Yield (per Bbl.)
Propane	0.0348	0.0000	0.0000	0.0000	0.0348
Isobutane	0.0040	0.0000	0.0000	0.0000	0.0040
Normal Butane	0.0264	0.0000	0.0000	0.0000	0.0264
LSR	0.0609	0.0014	0.0008	-0.0003	0.0616
Naphtha	0.0996	0.0023	0.0013	-0.0005	0.1008
Heavy Distillate	0.2080	-0.0078	-0.0039	-0.0013	0.2046
Gas Oil	0.2989	-0.0134	-0.0067	-0.0019	0.2929
Coke	0.0618	0.0030	0.0015	-0.0003	0.0631
Fuel Gas	0.2989	0.0000	0.0000	0.0000	0.2989

	Base	Caleb Brett 2001 Assay
MCR, %	23.00	23.1
°API	5.50	6.2
SULFUR, %	2.50	2.47

[1] From EMT-197 revised to use 68°F cut point for C^5+

[N] ALL INFORMATION IN ATTACHMENT 3 IS NEW

ATTACHMENT 3
EXAMPLE COMPONENT UNIT VALUES IN $/Bbl

COMPONENT NAME	WEST COAST ($/Bbl)	GULF COAST ($/Bbl)	WEIGHTED AVERAGE ($/Bbl)
PROPANE (C_3)	19.7925	15.0442	19.68
ISOBUTANE (iC_4)	24.1238	18.4333	23.99
NORMAL BUTANE (nC_4)	18.1125	18.4800	18.12
LSR (C_5 - 175°F)	18.5850	19.5854	18.61
NAPHTHA (175°F - 350°F)	21.3383	21.3383	21.34
LIGHT DISTILLATE (350°F - 450°F)	25.9817	22.9396	25.91
HEAVY DISTILLATE (450°F - 650°F)	23.0000	22.1112	22.98
GAS OIL (650°F - 1050°F)	20.8133	21.8133	20.84
RESID (1050°F and over)	14.6349	15.0000	14.64
WEIGHTING FACTOR	97.71	2.29	

[N] ALL INFORMATION IN ATTACHMENT 4 IS NEW

ATTACHMENT 4
EXAMPLE STREAM VALUES IN $/Bbl

COMPONENT NAME	STREAM A	STREAM B	STREAM C
PROPANE (C_3)	0.029520	0.000000	0.019680
ISOBUTANE (iC_4)	0.023990	0.004798	0.095960
NORMAL BUTANE (nC_4)	0.090600	0.018120	0.362400
LSR (C5 - 175°F)	0.837450	0.651350	1.116600
NAPHTHA (175°F - 350°F)	2.880900	2.347400	1.173700
LIGHT DISTILLATE (350°F - 450°F)	2.331900	2.331900	0.518200
HEAVY DISTILLATE (450°F - 650°F)	4.825800	5.055600	3.676800
GAS OIL (650°F - 1050°F)	6.512500	6.331192	8.544400
RESID (1050°F and over)	2.928000	3.513600	3.952800
TOTAL	**20.460660**	**20.253960**	**19.460540**

[N] ALL INFORMATION IN ATTACHMENT 5 IS NEW

ATTACHMENT 5
QUALITY BANK CALCULATION EXAMPLE

QUALITY BANK REFERENCE STREAM VALUE CALCULATION

	VOLUME (MBPM)	VALUE ($/Bbl)	TOTAL VALUE M$/Month
STREAM A	34.000	20.460660	$ 695.66
STREAM B	9.000	20.253960	$182.29
STREAM C	2.500	19.460540	$48.65
TOTAL	45.500	20.364823(1)	$926.60
(Reference Stream)			
(1) Total Value Divided by Total Volume			

QUALITY BANK PAYMENT/RECEIPT CALULATIONS

	DIFFERENTIAL(2)	(MBPM)	PAYMENT OR RECEIPT (M$/Month(3)
STREAM A	0.095837	34.000	$3,258.47
STREAM B	(0.110863)	9.000	$ (997.76)
STREAM C	(0.904283)	2.500	$ (2,260.71)
(2) Stream value minus reference value			
(3) Differential times volume			

EXHIBIT A

01/11/2011

TAPS Quality Bank

Index Ratio & Price Adjustments

Effective: February, 2011

Nelson-Farrar Index Ratio

Index Ratio	=	619.6 / 596.3	=	1.0390

Index Date	Issue Date	Index	Index Date	Issue Date	Index
Sep 2008	02/02/2009	709.3	Sep 2009	02/01/2010	576.4
Oct 2008	03/02/2009	642.8	Oct 2009	03/01/2010	592.1
Nov 2008	04/06/2009	607.8	Nov 2009	04/05/2010	610.4
Dec 2008	05/04/2009	602.4	Dec 2009	05/03/2010	618.2
Jan 2009	06/01/2009	597.8	Jan 2010	06/07/2010	644.6
Feb 2009	07/06/2009	578.2	Feb 2010	07/05/2010	638.3
Mar 2009	08/03/2009	568.0	Mar 2010	08/02/2010	635.4
Apr 2009	09/07/2009	562.8	Apr 2010	09/06/2010	620.3
May 2009	10/05/2009	559.2	May 2010	10/04/2010	627.4
Jun 2009	11/02/2009	569.6	Jun 2010	11/01/2010	617.8
Jul 2009	12/07/2009	578.0	Jul 2010	12/06/2010	624.9
Aug 2009	01/11/2010	580.0	Aug 2010	01/03/2011	629.2
	Average	596.3		Average	619.6

Reference Price Adjustments

(This year's Price Adjustments) = (Last year's Price Adjustments) x (Index Ratio)

	Gulf Coast			West Coast	
	(¢/Gal)	($/BBL)		(¢/Gal)	($/BBL)
Light Distillate					
2010	-0.7278	-0.3057	2010	-0.7278	-0.3057
2011	-0.7562	-0.3176	2011	-0.7562	-0.3176
Heavy Distillate					
2010	-2.9106	-1.2224	2010	-9.4166	-3.9550
2011	-3.0241	-1.2701	2011	-9.7839	-4.1092
Resid					
2010	N/A	-9.9883	2010	N/A	-12.2235
2011	N/A	-10.3779	2011	N/A	-12.7003

EXHIBIT B

GC Naphtha, Gasoline, Jet Fuel Monthly Averages

2001-2010

	X1 GC Gasoline ($/bbl)	X2 GC Jet Fuel Gulf Coast ($/bbl)	Y GC Naphtha ($/bbl)
Jan-01	36.158	36.075	35.723
Feb-01	35.111	34.006	31.912
Mar-01	32.886	31.521	30.302
Apr-01	40.816	32.306	36.881
May-01	39.034	34.478	32.051
Jun-01	30.925	32.410	27.370
Jul-01	28.345	29.963	26.563
Aug-01	32.819	32.141	30.706
Sep-01	30.614	30.309	27.474
Oct-01	23.783	26.122	21.598
Nov-01	21.131	22.822	20.270
Dec-01	21.492	21.649	20.166
Jan-02	22.7640	22.4410	20.1240
Feb-02	22.8524	23.2476	21.7521
Mar-02	30.2043	26.5965	27.4801
Apr-02	33.0010	28.2402	30.2309
May-02	31.3625	28.1701	28.8278
Jun-02	31.1829	27.5898	28.1074
Jul-02	31.9595	29.2585	29.2905
Aug-02	31.7668	30.5922	29.7832
Sep-02	33.0031	33.8063	32.3899
Oct-02	34.8102	33.3827	33.9958
Nov-02	29.3232	29.9278	26.2837
Dec-02	33.0040	34.2465	33.0200
Jan-03	37.0835	37.4475	37.5435
Feb-03	42.6095	44.5465	41.2446
Mar-03	40.6295	37.6705	38.5695
Apr-03	34.2430	31.4065	31.1030
May-03	33.2010	30.1495	30.9165
Jun-03	34.9545	31.6490	31.1880
Jul-03	37.3619	32.9280	32.8278
Aug-03	41.4815	34.6739	36.2005
Sep-03	34.1610	31.1695	31.4785
Oct-03	35.5713	34.6961	34.9508
Nov-03	34.7060	35.1213	34.7579
Dec-03	35.9670	37.0335	36.9840

EXHIBIT B

GC Naphtha, Gasoline, Jet Fuel Monthly Averages

2001-2010

	X1 GC Gasoline ($/bbl)	X2 GC Jet Fuel Gulf Coast ($/bbl)	Y GC Naphtha ($/bbl)
Jan-04	41.5728	41.8055	42.3797
Feb-04	43.3739	39.4402	39.1075
Mar-04	46.0334	40.1114	42.9712
Apr-04	48.5790	41.0690	43.3375
May-04	56.4522	46.0766	49.1264
Jun-04	49.3860	43.5295	45.3055
Jul-04	52.1015	48.3660	47.5248
Aug-04	49.6369	51.7407	49.0718
Sep-04	52.2510	57.4615	51.9510
Oct-04	56.8955	64.1895	57.4870
Nov-04	52.2900	56.6013	52.8334
Dec-04	43.8570	51.5145	43.5315
Jan-05	52.5735	56.1188	51.5392
Feb-05	52.1137	56.2021	49.7040
Mar-05	62.6339	65.7820	60.3621
Apr-05	65.0320	66.2435	62.1660
May-05	59.4095	61.9430	58.6635
Jun-05	64.2118	69.6899	59.3730
Jul-05	67.5386	69.9725	63.9802
Aug-05	81.7110	78.9002	76.8518
Sep-05	98.6790	94.1680	86.5792
Oct-05	76.0105	100.4495	68.2390
Nov-05	61.0197	71.2310	60.4684
Dec-05	66.0365	72.9290	65.5140
Jan-06	72.0058	76.6159	70.4243
Feb-06	64.8916	74.0222	62.9364
Mar-06	77.5831	78.9038	73.7922
Apr-06	93.2715	87.4258	82.2957
May-06	88.1623	87.2111	75.3232
Jun-06	90.5954	87.5853	82.2231
Jul-06	96.8332	90.5934	85.5623
Aug-06	85.6165	89.5709	74.1788
Sep-06	65.6329	76.2878	64.3571
Oct-06	63.5866	73.1769	64.1545
Nov-06	65.8371	73.2328	64.9551
Dec-06	67.3328	76.2662	66.8840

EXHIBIT B

GC Naphtha, Gasoline, Jet Fuel Monthly Averages

2001-2010

	X1 GC Gasoline ($/bbl)	X2 GC Jet Fuel Gulf Coast ($/bbl)	Y GC Naphtha ($/bbl)
Jan-07	59.1381	69.4727	59.5240
Feb-07	68.2124	73.4331	67.6753
Mar-07	78.2412	77.6380	76.8476
Apr-07	91.9784	85.4259	89.9010
May-07	98.4862	86.1033	83.9475
Jun-07	92.0200	87.6490	81.1300
Jul-07	90.7690	89.9410	80.8090
Aug-07	84.2817	87.9973	77.4247
Sep-07	88.9494	95.6727	86.3852
Oct-07	89.4059	99.7152	88.2463
Nov-07	99.2979	112.3007	97.7179
Dec-07	95.3656	109.4206	93.2364
Jan-08	97.4908	109.4865	96.4458
Feb-08	101.5051	114.9282	97.3891
Mar-08	108.8302	131.3780	105.3809
Apr-08	119.7404	140.6060	115.5604
May-08	133.1863	156.7739	130.3363
Jun-08	140.5423	163.3243	136.2923
Jul-08	135.1088	163.6058	131.9970
Aug-08	125.7395	137.6084	122.0195
Sep-08	131.3721	139.2707	120.3321
Oct-08	75.0354	97.0613	71.7028
Nov-08	51.2555	79.5501	48.7530
Dec-08	39.6794	58.0795	33.8019
Jan-09	49.1138	62.0651	46.4362
Feb-09	51.1318	53.4008	48.5344
Mar-09	55.1467	53.6623	52.4644
Apr-09	58.7509	57.6213	53.0759
May-09	72.3698	62.8767	66.2273
Jun-09	81.0965	76.3612	75.4074
Jul-09	74.4630	72.2685	70.7499
Aug-09	81.7886	79.3936	75.9036
Sep-09	73.2730	73.6459	69.6130
Oct-09	79.7705	81.9198	76.3532
Nov-09	81.5017	83.6234	79.4680
Dec-09	79.9289	83.5958	79.7427

EXHIBIT B

GC Naphtha, Gasoline, Jet Fuel Monthly Averages

2001-2010

	X1 GC Gasoline ($/bbl)	X2 GC Jet Fuel Gulf Coast ($/bbl)	Y GC Naphtha ($/bbl)
Jan-10	85.1384	86.6016	83.8232
Feb-10	83.1704	83.8636	81.6341
Mar-10	90.9442	88.8908	86.8857
Apr-10	94.9556	94.9437	89.9856
May-10	86.0067	86.9990	82.4682
Jun-10	85.3527	86.7018	83.0570
Jul-10	85.4372	85.3412	80.9872
Aug-10	83.7541	87.9916	78.6377
Sep-10	82.9733	88.8532	81.5133
Oct-10	87.7927	94.4913	87.0227
Nov-10	89.5249	97.5608	89.4199
Dec-10	97.7548	103.0907	96.8666

Quality Bank **EXHIBIT B**

WC Naphtha

2001-2010 Regression

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.995707865
R Square	0.991434153
Adjusted R Square	0.991287729
Standard Error	2.532162337
Observations	120

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	2	86828.54672	43414.27336	6770.947504	1.167E-121
Residual	117	750.1859939	6.411846102		
Total	119	87578.73271			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	0.324139831	0.598956188	0.541174526	0.589416232	-0.862061474	1.510341136	-0.862061474	1.510341136
X Variable 1	0.744489568	0.037089128	20.07298667	1.06556E-39	0.671036496	0.817942639	0.671036496	0.817942639
X Variable 2	0.190895036	0.032249422	5.919332108	3.30195E-08	0.127026749	0.254763324	0.127026749	0.254763324

Effective February 1, 2011	
Gasoline, K_1	0.744
Jet Fuel, K_2	0.191
Intercept, K_3	0.324

2011 Tariff Subscriber List

COMPANY NAME	FIRST NAME	LAST NAME	STREET LINE 1	CITY
ALYESKA PIPELINE SERVICE COMPANY	TIM	CONNOLLY	P.O. BOX 196660	ANCHORAGE
ANADARKO ENERGY SERVICES	STEVE	ABBEY	1201 LAKE ROBBINS DRIVE	THE WOODLANDS
ANADARKO ENERGY SERVICES	ANNA	ANKLAM	P.O. BOX 1330	HOUSTON
ANADARKO ENERGY SERVICES	KENYATTA	JACKSON	1200 TIMBERLOCH PLACE	THE WOODLANDS
BP PIPELINES (ALASKA), INC.	WILLIAM	CLIFTON	P.O. BOX 190848, GMAK 9-2 ASRC BLDG.	ANCHORAGE
BP PIPELINES (ALASKA), INC.	DENNY	VICENTE	28100 TORCH PARKWAY, 616B	WARRENVILLE
BRENA, BELL & CLARKSON, P.C.	ROBIN O.	BRENA	810 N STREET, SUITE 100	ANCHORAGE
CHEVRON — CRUDE SUPPLY AND TRADING	CONNIE	CAMPBELL	1500 LOUISIANA STREET, SUITE 05315C	HOUSTON
CHEVRON	JANET	WUTHRICH	3800 CENTERPOINT DRIVE, ROOM 14148	ANCHORAGE
CONOCOPHILLIPS	JULIE	SALE	315 S. JOHNSTONE, 930G POB	BARTLESVILLE
CONOCOPHILLIPS	DONNA	BYERS	600 N DAIRY ASHFORD, HU 2050D	HOUSTON
CONOCOPHILLIPS	CHRISTY L.	HALL	315 S. JOHNSTONE, 930G POB	BARTLESVILLE
CONOCOPHILLIPS ALASKA, INC.	LESLIE D.	PATE	700 G STREET, ATO 1652	ANCHORAGE
CONOCOPHILLIPS ALASKA, INC.	RAJ	CHOUDHURY	700 G STREET, ATO-1634	ANCHORAGE
CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.	JOHN M.	CHRISTAL	700 G STREET, ATO-900	ANCHORAGE
CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.	LUKE	KISKADDON	700 G STREET, ATO-986	ANCHORAGE
CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.	KAREN D.	FOSTER	700 G STREET, ATO-917A	ANCHORAGE
CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.	JOE	FALCONE	700 G STREET, ATO-906	ANCHORAGE
CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.	RITA	LOVETT, ESQ	700 G STREET, ATO-2004	ANCHORAGE
CONOCOPHILLIPS ALASKA, INC.	SANDY	EDWARDS	700 G STREET, ATO 1654	ANCHORAGE
ENERGY ANALYSTS INTERNATIONAL, INC	ELAINE J.	JOHNSTON	12000 N PECOS STREET, SUITE 310	WESTMINSTER
EXXONMOBIL (SEA RIVER MARITIME)	TIMOTHY R.	YOUNG	800 BELL STREET	HOUSTON
EXXONMOBIL PIPELINE COMPANY	AUTHUR J.	SIGNATER	800 BELL STREET, PL-EMB-673E	HOUSTON
FLINT HILLS RESOURCES, LLC	CINDY	MYERS-PARR	1076 OCEAN DOCK ROAD	ANCHORAGE
FLINT HILLS RESOURCES, LLC	RACHEL	BLACK	4111 E 37TH STREET N	WICHITA
FLINT HILLS RESOURCES, LLC	TRAVIS A.	PEARSON	P.O. BOX 2917	WICHITA
FLINT HILLS RESOURCES CANADA, LP	JOE	BEATTIE	1510, 111-5 AVENUE SW	CALGARY
GRIGGS & ADLER, P.C.	JOHN W.	GRIGGS	12020 SUNRISE VALLEY DRIVE, SUITE 100	RESTON
KEMPPEL, HUFFMAN & ELLIS, P.C.	TINA	GULLEY	255 E. FIREWEED LANE, SUITE 200	ANCHORAGE
KEMPPEL, HUFFMAN & ELLIS, P.C.	DEAN	THOMPSON	255 E. FIREWEED LANE, SUITE 200	ANCHORAGE
KEMPPEL, HUFFMAN & ELLIS, P.C.	PAUL J.	JONES	255 E. FIREWEED LANE, SUITE 200	ANCHORAGE
KOCH ALASKA PIPELINE COMPANY	MIKE	HOOVER	4111 E 37TH STREET N	WICHITA
MORRISON & FOERSTER, LLP	ROBERT H.	LOEFFLER, ESQ	2000 PENNSYLVANIA AVENUE, N.W, SUITE 6000	WASHINGTON
MORRISON & FOERSTER, LLP	BRADLEY S.	LUI, ESQ	2000 PENNSYLVANIA AVENUE, N.W, SUITE 6000	WASHINGTON
PDS ENERGY INFORMATION, INC.	ANGIE	GEITER	P.O. BOX 1606	AUSTIN
PETRO STAR, INC.	TRACEY	STEELMAN	3900 C STREET, SUITE 802	ANCHORAGE
PETRO STAR, INC.	JENNIFER	AVILA	3900 C STREET, SUITE 802	ANCHORAGE

STATE OF ALASKA DEPARTMENT OF LAW	KIM	SCHAFER	P.O. BOX 110300	JUNEAU
STATE OF ALASKA DEPARTMENT OF LAW	JOHN	HUTCHINS	P.O. BOX 110300	JUNEAU
STEPTOE & JOHNSON, LLP	STEVEN	REED	1330 CONNECTICUT AVENUE, NW	WASHINGTON
STEPTOE & JOHNSON, LLP	DANIEL	POYNOR	1330 CONNECTICUT AVENUE, NW	WASHINGTON
STINSON MORRISON HECKER, LLP	DENYSE	ZOSA	1150 18TH STREET, N.W., SUITE 800	WASHINGTON
TESORO CORPORATION	GARY L.	BUTTON	19100 RIDGEWOOD PARKWAY	SAN ANTONIO
TESORO CORPORATION	LETICIA	WEISSLING	19100 RIDGEWOOD PARKWAY	SAN ANTONIO
TESORO REFINING AND MARKETING COMPANY	LYDIA	ROCHA	300 CONCORD PLAZA DRIVE	SAN ANTONIO
TESORO REFINING AND MARKETING COMPANY	VICTORIA	SOMERS	19100 RIDGEWOOD PARKWAY	SAN ANTONIO
TESORO CRUDE INVOICES	MAGDA	PENA	19100 RIDGEWOOD PARKWAY	SAN ANTONIO
US DEPARMENT OF LABOR STATISTICS	JASON	CARNIVAL	20 MASSACHUSETTS AVENUE, NE ROOM 3840	WASHINGTON
WRIGHT & TALISMAN, P.C.	JOSEPH S.	KOURY	1200 G STREET, N.W., SUITE 600	WASHINGTON
WRIGHT & TALISMAN, P.C.	ANDREW T.	SWERS	1200 G STREET, N.W., SUITE 600	WASHINGTON

STATE	ZIP CODE	OFFICE NUMBER	FAX NUMBER	CELL NUMBER	EMAIL ADDRESS
AK	99519-6660	907-787-8433	907-787-8778		ConnollyTJ@alyeska-pipeline.com
TX	77380	832-636-7137	832-636-0491		Steve.Abbey@anadarko.com
TX	77251	832-636-7842	832-636-5216		Anna.Anklam@anadarko.com
TX	77380	832-636-7534	832-636-5172		Kenyatta.Jackson@anadarko.com
AK	99519-0848	907-339-4909	907-339-5085		William.Clifton@bp.com
IL	60555	630-836-3449	630-836-3580		Denny.Vicente@bp.com
AK	99501-2014	907-258-2000	907-258-2001		Rbrena@brenalaw.com
TX	77002	832-854-2940	732-652-1868		Ccon@chevron.com
AK	99503	907-263-7650	866-626-0820	907-229-6634	Jwuthrich@chevron.com
OK	74004	918-661-3523	918-661-0693		Julie.J.Sale@conocophillips.com
TX	70779	281-293-1697	918-662-5607		CommercialPricing@conocophillips.com
OK	74004	918-661-9945	918-661-0693		ChristinaLynn@conocophillips.com
AK	99501	907-263-4538	907-265-1521		Leslie.D.Pate@conocophillips.com
AK	99501	907-265-6490	907-263-4994		Raj.Choudhury@conocophillips.com
AK	99501	907-263-4793	907-263-3748		John.M.Christal@conocophillips.com
AK	99501	907-265-6393	907-263-3748		Luke.Kiskaddon@conocophillips.com
AK	99501	907-263-4042	907-263-3748		Karen.D.Foster@conocophillips.com
AK	99501	907-265-1686	907-263-3748		Joe.Falcone@conocophillips.com
AK	99501	907-265-1445			Rita.H.Lovett@conocophillips.com
AK	99501	907-263-4167	907-265-1521		Sandy.R.Edwards@conocophillips.com
CO	80234	303-469-5115	303-469-4722		EJJohnston@eaiweb.com
TX	77002	713-656-2716	866-573-3389	713-724-9888	Timothy.R.Young@exxonmobil.com
TX	77002-7497	713-656-4968	713-656-9586		Authur.j.signater@exxonmobil.com
AK	99501	907-257-3103	907-743-2955	907-227-4116	Cindy.Myers-Parr@fhr.com
KS	67201	316-828-8847	316-828-9500	785-760-0093	Rachel.Black@fhr.com
KS	67201-2917	316-828-8594	316-828-8245		Travis.Pearson@fhr.com
AB	T2P3Y6	403-716-7567	403-716-7720		Joe.Beattie@fhr.com
VA	20191-2101	703-860-6515	703-716-2865		Griggsandadler@comcast.net
AK	99503	907-277-1604	907-276-2493		Tina@khe.com
AK	99503	907-277-1604	907-276-2493	907-360-6391	DDT@khe.com
AK	99503	907-277-1604	907-276-2493		PJJ@khe.com
KS	67220	316-828-7295	316-828-9078		Mike.Hoover@kochpipeline.com
DC	20006	202-887-1506	202-887-0763		Rloeffler@mofo.com
DC	20006	202-887-8766	202-887-0763		Blui@mofo.com
TX	78767	512-482-9111	866-709-3357		Tariffs@pds-austin.com
AK	99503	907-339-6638	907-339-6653		TLSteelman@petrostar.com
AK	99503	907-339-6643	907-339-6655		JRAvila@petrostar.com

AK	99811	907-465-3600	907-465-2417		Kim.Schafer@alaska.gov
AK	99811	907-465-3600	907-465-2417		John.Hutchins@alaska.gov
DC	20036	202-429-6232	202-429-3902		Sreed@steptoe.com
DC	20036	202-429-6233	202-429-3902		Dpoynor@steptoe.com
DC	20036	202-785-9100	202-785-9163		Dzosa@stinson.com
TX	78259	210-626-4422	866-743-3191		Gary.L.Button@tsocorp.com
TX	78259	210-626-6226	210-579-4577		PRAGroup@tsocorp.com
TX	78216-6999	210-283-2495	210-745-4565		Sat-Crudescheduling@tsocorp.com
TX	78259	210-626-6390			Victoria.R.Somers@tsocorp.com
TX	78259	210-626-6453	210-881-6435		SAT-TSOcrudeinvoices@tsocorp.com
DC	20212	202-691-7734	202-691-7019		Carnival.Jason@bls.gov
DC	20005-3802	202-393-1200	202-292-1240		Koury@wrightlaw.com
DC	20005-3802	202-393-1200	202-292-1240		Swers@wrightlaw.com