

F.E.R.C. NO. XX

BP PIPELINES (NORTH AMERICA) INC.

(VIRIDIAN PIPELINE SYSTEM)

LOCAL TARIFF

Applying on

CRUDE PETROLEUM

The rates named in this tariff are for the transportation of Crude Petroleum by Carrier, subject to the rules and regulations published herein.

TABLE OF RATES

TRANSPORTATION RATES FOR COMMITTED¹ SHIPPERS

FROM	TO	TERM	Rates in Cents per Barrel of 42 United States Gallons
See NOTE below*	Cushing, Oklahoma	15 years	\$1.37
		10 years	\$1.57

TRANSPORTATION RATES FOR UNCOMMITTED SHIPPERS

FROM	TO	Rates in Cents per Barrel of 42 United States Gallons
See NOTE below*	Cushing, Oklahoma	\$1.88

¹ The **Committed Rates** apply to volumes nominated by Term Shippers subject to the Rules and Regulations.

*NOTE: Origin to be finalized prior to tariff publication and will be located at either, in Carrier's sole discretion: (i) Griffith, Indiana, or (ii) if the connection between the Pipeline and Enbridge's Lakehead pipeline system is completed and available for service, Manhattan, Illinois; and any other connection points determined by Carrier from time to time in its sole discretion.

ISSUED MM/DD/YYYY

EFFECTIVE MM/DD/YYYY

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

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RULES AND REGULATIONS

Crude petroleum will be transported through carrier's facilities only as provided in these rules and regulations.

ITEM NO.	SUBJECT	RULES AND REGULATIONS
5	ABBREVIATIONS AND DEFINITIONS	<p>As used in these rules and regulations, the following terms have the following meanings:</p> <p>"a.m." means a time of day after midnight and before noon, Central Prevailing Time.</p> <p>"Barrel" means forty-two United States gallons.</p> <p>"Carrier" means and refers to BP Pipelines (North America) Inc.</p> <p>"Crude petroleum" means the direct liquid products of oil wells, oil processing plants, or a mixture of all direct liquid products of oil wells with the indirect liquid products of oil or gas wells, including gasoline and liquefied petroleum gases, as provided in Item 15.</p> <p>"F.E.R.C." means Federal Energy Regulatory Commission.</p> <p>"No." means number.</p> <p>"p.m." means a time of day after noon and before midnight, Central Prevailing Time.</p> <p>"Tender" means an offer by a shipper to the Carrier of a stated quantity of crude petroleum for transportation from a specified origin or origins to a specified destination or destinations in accordance with these rules and regulations.</p>
10	COMMODITY	The Carrier is engaged in the transportation of crude petroleum by pipeline and will not accept any other commodity for transportation.
15	MIXTURES	<p>(a) The indirect liquid products of oil or gas wells, including gasoline and liquefied petroleum gases, hereinafter referred to as indirect products, will be accepted and transported as a mixture with the direct liquid products of oil wells, hereinafter referred to as direct products, provided the vapor pressure of the resulting mixture does not exceed that permitted by Carrier's facilities and operating conditions.</p> <p>(b) The indirect products portion of the mixture will be accepted for transportation at reception points other than the one at which the direct products portion of the same mixture is received, provided that the consignee and destination are the same, and that operating conditions and the Carrier's facilities permit the indirect products portion to be mixed with the direct products of the same consignee. The rate to be assessed on each portion of the mixture shall be the rate applicable from the point at which each is received.</p> <p>(c) The direct and indirect products will be measured and tested separately, and must be shown separately on the tender form.</p> <p>(d) Mixtures will be transported and delivered as crude petroleum. Nothing in this item is to be construed to waive provisions of Item 30 of this tariff or to require the Carrier to receive, transport and deliver unmixed indirect products, except that unmixed indirect products will be gathered for subsequent mixing with direct products in accordance with this rule where facilities exist for performing a gathering service for such products.</p>
20	TENDERS	<p>(a) Crude petroleum will be transported only under a tender accepted by the Carrier, from origins to destinations when a tariff covering the movement is lawfully in effect and on file with the Federal Energy Regulatory Commission.</p> <p>(b) Any Shipper desiring to tender crude petroleum for transportation shall make such tender to the Carrier in writing on or before the twenty-fifth day of the month preceding the month during which the transportation under the tender is to begin. Unless such notification is made, the Carrier will be under no obligation to accept crude petroleum for transportation. However, if operating conditions permit and at the sole discretion of the Carrier, tenders for crude petroleum may be accepted for transportation after the 25th day of the month preceding the month during which the transportation under the tender is to begin.</p>
25	QUANTITIES	<p>(a) A tender will be accepted only when the total quantity covered by such tender will be made available for transportation within the month when the tender is to begin.</p> <p>(b) Any quantity of crude petroleum will be accepted from lease tanks or other facilities to which the Carrier is connected, if such quantity can be so consolidated with other crude petroleum that Carrier can make a single delivery of not less than the minimum volume, and carrier will not be obligated to make any single delivery of less than the minimum volume. The term "single delivery" as used herein means a delivery of crude petroleum in one continuous operation to one or more consignees into a single facility, furnished by such consignee or consignees, to which Carrier is connected.</p>

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30	SEGREGATION AND VARIATIONS IN QUALITY AND GRAVITY	<p>The following rules and regulations covering crude petroleum quality apply to Carrier's crude petroleum system as a whole. Any geographic area to which specific quality requirements apply in addition to these rules and regulations is so identified below.</p> <p>(a) As part of its common stream transportation, Carrier will not accept any crude petroleum which does not meet the quality criteria provided in Item No. 100. Carrier will monitor the quality of its common streams and shall investigate suspected abuses of common stream criteria violations. Monitoring of common streams will include gravity and sulfur testing and could include simulated distillation and other testing to determine quality.</p> <p>(b) If abuses of the common stream quality are determined, the Shipper causing such abuses shall be advised to cease and desist all such actions. Failure to desist or failure to cooperate in ending such practices shall result in that Shipper being barred from shipping in the common stream where such abuses occurred. Before such Shipper is allowed to regain its Shipper status in the common stream where the abuses occurred, the Shipper will be required to provide Carrier with assurances that such abuses will not recur.</p> <p>(c) Carrier will work with connecting carriers regarding Carrier's quality issues and will advise such connecting carriers that any crude petroleum found to be a detriment to Carrier's common stream will be rejected for further transportation on Carrier's system.</p> <p>(d) Since variations in gravity and/or quality of common stream crude petroleum are inherent in common stream operations, Carrier will not be liable for such variations occurring while crude petroleum is in its custody, nor is Carrier under any obligation to deliver the identical crude petroleum received, but will make delivery out of such common stream.</p> <p>(e) When requested by the Shipper and if operationally feasible, Carrier will endeavor to segregate crude petroleum of a kind and/or quality not currently transported through Carrier's facilities. Carrier will, to the best of its abilities, make delivery of such crude petroleum at destination which is substantially the same crude petroleum as that received by Carrier at origin. For such segregated batches, Shipper must provide crude petroleum in such quantities (see Note 1) and at such specified times as may be necessary to permit such segregated movements via Carrier's existing facilities. Further, Carrier will not be liable for failure to deliver the identical crude petroleum or for any variations in the gravity and/or quality of crude petroleum occurring while such segregated crude is in Carrier's custody.</p> <p>Note 1 - The quantity to be accepted and transported under the provisions of this paragraph will be determined by Carrier in accordance with current operations through its existing facilities involved in the segregated movements, but in no event shall the quantity for a single delivery be less than the minimum volume.</p>
35	DESTINATION FACILITIES	<p>No duty to transport will arise until evidence satisfactory to the Carrier has been furnished that consignee has provided necessary facilities to which Carrier is connected and has made necessary arrangements for accepting delivery of shipments promptly on arrival at destination, as provided in these rules and regulations.</p>
40	GAUGING, DEDUCTIONS AND ADJUSTMENTS	<p>(a) Quantities for receiving, delivering, assessing charges and all other purposes will be corrected to a temperature of sixty degrees Fahrenheit, after deduction of impurities shown by tests made by the Carrier prior to receipt and upon delivery. Quantities may be computed from tank tables compiled or accepted by the Carrier.</p> <p>(b) Pursuant to Item 70, crude petroleum quantities transported may be adjusted to allow for inherent losses, including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. A deduction of two-tenths of one percent (0.2%) will be made to cover evaporation, interface losses, and other normal losses during transportation.</p> <p>(c) The net quantities as determined under paragraphs (a) and (b) of this item will be the amounts accountable at destination.</p>
45	DIVERSION OR RECONSIGNMENT	<p>Crude petroleum in transport may be diverted without an additional charge to a destination other than originally specified on the tender, or crude petroleum in transport may be reconsigned without an additional charge to another Shipper at point of destination only, provided such diversion or reconsignment is made in writing by the tendered Shipper prior to delivery at original destination. This will be allowed subject to the rates, rules and regulations applicable from point of origin to point of final destination, upon condition that no out-of-line or backhaul movement will be made.</p>

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50	STORAGE IN TRANSIT	<p>(a) The Carrier has working tanks required in the process of transporting crude petroleum. Provisions for storage in transit in facilities furnished by Shipper at points on Carrier's system will be permitted to the extent authorized under individual transit tariffs lawfully on file with F.E.R.C.</p> <p>(b) Each Shipper will be required to furnish crude oil into inventory for their proportionate share of the line fill in such amount as deemed necessary by Carrier.</p>
55	DELIVERY AND DEMURRAGE	<p>(a) Carrier will transport and deliver crude petroleum with reasonable diligence and dispatch, but will accept no crude petroleum to be transported in time for any particular market.</p> <p>(b) After any shipment has had time to arrive at destination, and on twenty-four hour notice to consignee, Carrier may begin delivery at its current rate of pumping.</p> <p>(c) Commencing after the first seven o'clock a.m. after expiration of said notice, a demurrage charge of one cent per barrel per day of twenty-four hours shall accrue on any part of said shipment offered for delivery and not taken as prescribed in paragraph (b) of this item. After expiration of said notice, Carrier's liability for loss, damage, or delay shall be that of warehouseman only.</p>
60	RATES APPLICABLE	Crude petroleum transported shall be subject to the rates in effect on dates such crude petroleum is received by the Carrier.
65	PAYMENT OF CHARGES	<p>The Shipper shall be responsible for payment of transportation and all other charges applicable to the shipment, and if required, shall prepay such charges or furnish guaranty of payment satisfactory to the carrier. The Carrier will have a lien on all crude petroleum accepted for transportation to secure the payment of all charges, including demurrage charges, and may refuse to deliver crude petroleum until all charges have been paid. If said charges or any part thereof shall remain unpaid five days, computed from the first seven o'clock a.m. after written notice is mailed to Shipper of intention to enforce Carrier's lien as herein provided, or when there shall be failure to take the crude petroleum at the point of destination as provided in Item 55 within five days, computed from the first seven o'clock a.m. after expiration of the notice therein provided, the Carrier shall have the right through an agent, to sell said crude petroleum at public auction for cash, between and not less than twenty-four hours after notice of the time and place of such sale and the quantity, general description, and location of the crude petroleum to be sold has been published in a daily newspaper of general circulation published in the town or city where the sale is to be held, and sent by overnight mail to Shipper. The Carrier may be a bidder and purchaser at such sale. Out of the proceeds of said sale Carrier may pay itself all transportation, demurrage, and other lawful charges, expense of notice, advertisement, sale, and other necessary expense, and of caring for and maintaining the crude petroleum, and the balance shall be held for whomsoever may be lawfully entitled thereto.</p>
70	LIABILITY OF CARRIER	<p>(a) The Carrier, while in possession of any crude petroleum, will not be liable for any loss thereof, or damage thereto, or delay, caused by an act of God, the public enemy, quarantine, the authority of law, or of public authority, strikes, riots, insurrection, inherent nature of the goods, or the act or default of the Shipper consignee.</p> <p>(b) Any losses of crude petroleum will be charged proportionately to each Shipper in the ratio that said petroleum products, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of all crude petroleum then in the custody of the Carrier for transportation via the lines or other facilities in which the loss occurs; and the Carrier will be obligated to deliver only that portion of such crude petroleum remaining after deducting Shipper's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.</p>
75	TITLE	A tender of crude petroleum shall be deemed a warranty of title by the party tendering, but acceptance shall not be deemed a representation by the Carrier as to title. The Carrier may, in the absence of adequate security, decline to receive any crude petroleum which is in litigation as dispute over title may exist, or which is encumbered by any lien of which the Carrier has notice.
80	TIME LIMITATION ON CLAIMS	As a condition precedent to recovery for loss, damage, or delay to shipments, claims must be filed in writing with the Carrier within nine months and one day after delivery of the property, or in case of failure to make delivery, then within nine months and one day after reasonable time for delivery, based on Carrier's normal operations, has elapsed; and suits shall be instituted against the Carrier only within two years and one day from the day when notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, no Carrier hereunder will be liable, and such claims will not be paid.

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85	COMMONSTREAM PETROLEUM-CONNECTING CARRIERS	<p>When both receipts from and deliveries to a connecting Carrier of substantially the same grade of Crude Petroleum are scheduled at the same interconnection, the Carrier reserves the right, with the cooperation of the connecting Carrier, to offset like volumes of such common stream Crude Petroleum in order to avoid the unnecessary use of energy which would be required to physically pump the offsetting volumes. The Carrier will apply to such offsetting of volumes the applicable tariff rate. When this rate is exercised, the Carrier will make the further deliveries for the Shipper involved from its common stream Crude Petroleum.</p>
90	INVENTORY RETENTION FOR NON-SHIPPIERS	<p>Carrier will issue a written notification via certified mail to companies who are no longer shipping (*)on Carrier's system that Shipper's crude oil and/or petroleum products being recorded in an inventory account must be removed by Shipper within the time period and in the manner specified below.</p> <p>(* "A company who is no longer shipping" is being described as: a) a company who has issued a formal notification to Carrier that it will no longer be a Shipper on Carrier's system; or b) a company who is considered "no longer shipping" based on a lack of nominations in the name of the Shipper over a continuous 6-month time period.)</p> <p>The procedure to notify a Shipper who has been designated as "no longer shipping" is as follows.</p> <ol style="list-style-type: none"> Carrier will issue a letter to the Shipper that according to the Carrier's books, Carrier is holding a certain volume of crude oil and/or petroleum products on its books in Shipper's name. Shipper will be advised in such letter that Shipper will have 30 days effective with the date of the letter to provide direction regarding the disposal of Shipper's crude oil and/or petroleum products. If at the end of this 30-day period, Carrier has not been contacted by Shipper, Carrier will assume title to the crude oil and/or petroleum products being held on its books in Shipper's name. If Carrier has been contacted by Shipper within the initial 30-day period, Carrier will grant Shipper an additional 30 days without charge to facilitate the disposal of Shipper's inventory crude oil and/or petroleum products. If at the end of this 60-day period, Carrier continues to retain control of this crude oil and/or petroleum products, Carrier retains the right to initiate a penalty fee of \$.10 per barrel, per month plus any other fees as allowed in accordance with the published tariff; such fees will be required to be paid before the crude oil and/or petroleum products will be released. If, however, Shipper has not disposed of such crude oil and/or petroleum products at the end of a 90-day period, Carrier will assume title to such crude oil and/or petroleum products. If Shipper provides a written request to Carrier after title to crude oil and/or petroleum products has been assumed by Carrier but before Carrier has otherwise disposed of crude oil and/or petroleum products, Carrier agrees to transfer title back to Shipper for a fee of \$5 per barrel. Such fees will be required to be paid before the crude oil and/or petroleum products will be released. Upon transfer of title back to Shipper, Shipper will then be responsible for disposing of crude oil and/or petroleum products within 60 days. Failure of Shipper to dispose of said crude oil and/or petroleum products within 60 days of the transfer of title back to Shipper will result in title being vested back in Carrier without recourse.
95	TERMS	<p>Contract Terms were offered as part of the 2007 open season. Terms are summarized as follows:</p> <ol style="list-style-type: none"> Commitment terms offered included 10 year and 15 year options; Minimum Volume Commitment of 5,000 barrels per day required; Monthly Deficiency Payments: If Actual Shipments total less than the product of Volume Commitment multiplied by number of days in that Month, Shipper will make a payment equal to the Monthly Deficiency Quantity multiplied by the applicable Committed Rate; Deficiency Payments shall be treated as prepaid transportation during the one (1) year period immediately following the expiration of the applicable month during which the deficiency occurred, subject always to there being sufficient Available Capacity. Prepaid transportation credits will be forfeited at the expiration of such one (1) year period, whether or not there was sufficient Available Capacity to permit utilization of credit. The maximum acceptable aggregate Volume Commitments at any given time shall not exceed ninety percent (90%) of the Pipeline's Capacity.

ITEM NO.	SUBJECT	RULES AND REGULATIONS
100	SPECIFICATIONS AS TO QUALITY	<p>(a) A Shipper shall deliver to the Carrier and the Carrier shall transport crude petroleum that, as determined by the Carrier, meets the following specifications: (i) Synthetic Crude Petroleum: A crude petroleum commodity having a sulfur content up to and including 0.4 wt% and an API gravity higher than and including 29 degrees and up to and including 40 degrees API or (ii) Conventional Crude Petroleum: A crude petroleum commodity having a sulfur content up to and including 1.5 wt% and an API gravity higher than and including 34 degrees and up to and including 50 degrees API and (iii) physical or chemical characteristics that render such crude petroleum readily transportable by the Carrier and that may not materially affect the quality of other commodities transported by the Carrier or that may not otherwise cause disadvantage to the Carrier. In addition, the following quality specifications shall apply to both conventional and synthetic crude oils: Viscosity (kinematic) less than and including 10 centistokes at 68 degrees Fahrenheit; Organic Chloride limits of 1 ppm in the crude stream, 5 ppm in the Naptha distillation cut; S&W limit of 0.5 volume %; Hydrogen Sulfide limit of 30 ppm wt; RVP less than 10 psi; and a pour point less than or equal to 35 degrees F in the winter months (Oct-Mar), and less than or equal to 55 degrees F in the summer months (Apr-Sep).</p> <p>(b) A Shipper shall, as required by the Carrier, provide to the Carrier a certificate with respect to the specifications of crude petroleum to be received by the Carrier from such Shipper. If a Shipper fails to provide the Carrier with such certificate, then the Carrier shall not be obligated to accept the Shipper's crude petroleum.</p> <p>(c) If the Carrier determines that a Shipper does not comply with the provisions of paragraph (a) of this Item No. 100, then such Shipper shall remove its crude petroleum from the facilities of the Carrier as directed by the Carrier.</p> <p>(d) If a Shipper fails to remove its crude petroleum from the facilities of the Carrier in accordance with the provisions of this Item No. 100, then the Carrier shall have the right to remove and sell such crude petroleum in such lawful manner as deemed appropriate by the Carrier. The Carrier shall pay from the proceeds of such sale all costs incurred by the Carrier with respect to the storage, removal and sale of such crude petroleum. The remainder of such proceeds, if any, shall be held by the Carrier for the Shipper and any other party lawfully entitled to such proceeds.</p>
110	PRORATION POLICY	<p>A. PRORATION POLICY When there shall be tendered to the Carrier for transportation on the Carrier's pipeline system or any part thereof under applicable tariffs, more crude petroleum or, depending on what service a particular line segment is in, other petroleum products (crude petroleum and other petroleum products referred to collectively as "Products"), than can be currently transported, the transportation furnished by the Carrier shall be apportioned among shippers in a fair and equitable manner so as to avoid discrimination among shippers and so as not to adversely affect the reasonable operation of the Carrier's facilities. Carrier's proration procedures as follows:</p> <p>B. DEFINITIONS</p> <ol style="list-style-type: none"> 1. Base Period - the "Base Period" is the 12-month period commencing on the first day of the month that is 13 months prior to the month during which proration is to occur and extending through the last day of the second month proceeding the prorated month. For example, if proration occurs in February 2010, the Base Period will be January 1, 2009 through December 31, 2009. 2. Regular Shipper - a "Regular Shipper" is any shipper who shipped on the prorated segment for at least 8 months during the Base Period. A shipper will lose its Regular Shipper status when it has not shipped for at least 8 months during the Base Period. 3. New Shipper - a "New Shipper" is any shipper other than a Regular Shipper and/or a Committed Capacity Shipper. 4. Committed Capacity Shipper - a "Committed Capacity Shipper" is a shipper that has signed and returned a Transportation Services Agreement (TSA) with Carrier based on the 2007 Notice of Open Season. 5. Base Capacity - the "Base Capacity" is the uncommitted pipeline capacity remaining following the allocation of Total System Capacity pursuant to the 2007 Open Season process. 6. Committed Capacity - the "Committed Capacity" is the pipeline capacity committed to shippers as a result of the 2007 Open Season process. 7. Total System Capacity - the "Total System Capacity" is Base Capacity plus Committed Capacity. 8. Average Daily Volume - the "Average Daily Volume" is the average of a Regular Shipper's volumes received by Carrier into the Prorated Segment during the Base Period.

ITEM NO.	SUBJECT	RULES AND REGULATIONS
110	PRORATION POLICY (cont.)	<p>9. Prorated Segment – the “Prorated Segment“ of Carrier’s pipeline system, any one or more of which that Carrier declares to be a “Prorated Segment” due to receipt of nominations in excess of available capacity or Force Majeure event, shall be treated as a separate entity with regard to the application of the definitions of a “Regular Shipper, “Committed Capacity Shipper” and “New Shipper” as defined above.</p> <p>C. PRORATION PROCEDURES</p> <ol style="list-style-type: none"> 1. New Shipper Proration – Ten percent (10%) of the Base Capacity will be allocated among all New Shippers, if any, on a pro rata basis of current nominations. 2. Regular Shipper Proration – Ninety percent (90%) of the pipeline’s Base Capacity shall be allocated among Regular Shippers in proportion to their Average Daily Volume until ninety percent (90%) of the Base Capacity has been distributed to the Regular Shippers or all of the Regular Shippers have been allocated a volume equal to their nominations, whichever occurs first. 3. Committed Capacity Shippers Proration – Committed Capacity shall be allocated among Committed Capacity Shippers in proportion to their TSA commitments until the Committed Capacity has been distributed to the Committed Capacity Shippers or all of the Committed Capacity Shippers have been allocated a volume equal to their TSA commitments, whichever occurs first. <p>D. ADDITIONAL PRORATION PROCEDURES</p> <ol style="list-style-type: none"> 1. If any additional Base Capacity exists after the application of Sections C.1 & C.2 such additional capacity shall be first allocated to New Shippers on a pro rata basis or Regular Shippers in proportion to their Average Daily Volume. If any additional Base Capacity remains, such additional capacity shall then be allocated to Committed Capacity Shippers in proportion to their TSA commitments. 2. If any additional Committed Capacity exists after the application of Section C.3, such additional capacity will be allocated to the other class(s) as follows: <ol style="list-style-type: none"> a. In the case of a shortage of nominations by Committed Capacity Shippers, such additional capacity shall be allocated to Regular Shippers in proportion to their Average Daily Volume, b. If any additional capacity remains after application of 2a above such additional capacity shall then be allocated to New Shippers on a pro rata basis. Nothing in this proration policy shall require the Carrier’s total allocations to be less than the available capacity. 3. In addition, if the Prorated Segment is restricted because of a shipper’s inability to meet Carrier’s pumping and delivery rates, a volume equal to the volume of nominated capacity not utilized will be deducted from that shipper’s succeeding month’s allocation. The allocation reductions will not exceed the shipper’s allocation, so any excess reductions will be carried forward to the next proration month. 4. If a Regular Shipper or New Shipper releases or is otherwise unable to use any or all of its allocated volume, Carrier will notify all the remaining shippers of the available space and will redistribute the space on a first-come, first-serve basis.