

# INLAND PRODUCTS PIPELINE

## LOCAL AND PROPORTIONAL TARIFF

Applying on

### PETROLEUM PRODUCTS

As defined herein

The rates named in this tariff are for the transportation of petroleum products by carrier, subject to the rules and regulations published herein.

#### [I] TABLE OF RATES (Rates in cents per barrel of 42 United States Gallons each)

FROM ORIGIN POINTS IN OHIO	TO DESTINATIONS IN OHIO							
	Dayton	Columbus	Mogadore	Lima	Canton	Tiffin	Medway	Fostoria
Lima	47.12	51.07	-----	-----	-----	41.85	-----	61.28
Toledo	82.08	81.60	-----	48.39	-----	35.58	82.99	51.07
Bradley Road	-----	-----	27.98	-----	36.93	-----	-----	-----
Fostoria	65.54	69.56	-----	35.58	-----	-----	-----	-----
Hudson	-----	-----	21.56	-----	-----	-----	-----	-----

Shipper barrels that utilize Inland leased tanks at Bradley Road may be charged a tank trans shipment fee of [U] 10.0 cents per barrel. For Shipper barrels with a destination of Cleveland\*\*, the Shipper will only be charged the trans shipment fee if the Shipper requests to utilize leased tanks at Bradley Road. All other Shipper barrels that utilize Inland leased tanks at Bradley Road will be charged the tank trans shipment fee, regardless of origin or destination facility.

All Shipper barrels that utilize Inland line facilities from Toledo to Buckeye Jct. will be charged a fee of [U] 1.0 cent per barrel.

(\*\* See Inland's tariff FERC No. 9)

[I] Increase  
[U] Unchanged rate  
[W] Change in Wording only

ISSUED MAY 31, 2006

EFFECTIVE JULY 1, 2006

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		
Petroleum products will be transported through Carrier's facilities only as provided in these rules and regulations.		
ITEM NO.	SUBJECT	RULES AND REGULATIONS
5-A	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.</p> <p>"Barrel" means forty-two United States gallons.</p> <p>"Carrier" means and refers to Inland Products Pipeline.</p> <p>"C.F.R." means the Code of Federal Regulations.</p> <p>"p.m." means a time of day after noon and before midnight.</p> <p>"Petroleum Products" means gasoline and petroleum oil distillates.</p> <p>"RFG" means reformulated gasoline pursuant to 40 C.F.R., Part 80, Subpart D.</p> <p>"Tender" means an application by a shipper to the Carrier for transportation of a stated quantity of petroleum products from a specified origin or origins to a specified destination or destinations in accordance with these rules and regulations.</p> <p>"ULSD" means ultra-low sulphur diesel fuel with sulphur levels 15 parts per million or lower pursuant to 40 CFR, Part 80, Subpart I.</p>
10	COMMODITY	Under this tariff the Carrier is engaged in the transportation of petroleum products by pipe line and will not accept any other commodity for transportation.
15	TENDERS	Petroleum products will be accepted for transportation only on properly executed tenders, as defined in Item 5. Shippers desiring to tender petroleum products for transportation shall make in writing a separate tender for each calendar month on or before the 15th day of the preceding month with weekly updates provided by 2:00 p.m. (CST) on the Monday of the week preceding the shipment. The tender will be accepted only when the total quantity covered by such tender will be made available for transportation within the calendar month.
20	QUANTITIES	Petroleum products will be accepted from facilities to which the Carrier is connected in shipments of not less than 5,000 barrels of the same kind, quality, and characteristics from one point of origin for delivery at one destination unless operating conditions as determined solely by Carrier permit smaller batch sizes.
25-B	QUALITY	<p>(a) No petroleum products will be accepted for transportation except good merchantable petroleum products of acceptable character readily susceptible of transportation through Carrier's existing facilities, and which will not materially affect the quality of shipments being transported, or cause a disadvantage to any other Shipper.</p> <p>(b) Carrier does not have the operational facilities required to transport Methyl Tertiary Butyl Ether (MTBE), Ethyl Tertiary Butyl Ether (ETBE) or Tertiary Amyl Methyl Ether (TAME) and therefore will not accept nominations to transport these products.</p> <p>(c) The current BP Oil Pipeline Company quality policies are provided in the Product Quality Assurance Manual. All tenders must be in compliance with the policies stated in the most current version of this manual. The manual can be obtained from Inland's Oil Movements Manager at the address listed in Item 30.</p>
30-A	ORIGIN AND DESTINATION FACILITIES	<p>(a) Shipper shall furnish pumping facilities of sufficient capacity to move said Petroleum Products to Carrier's origin station at Carrier's full line pumping rate, provided however, that the Carrier may for its convenience operate at pumping rates less than full line rate.</p> <p>(b) No duty to transport will arise until evidence satisfactory to the Carrier has been furnished that Shipper has provided necessary facilities to which Carrier is connected at destination capable of receiving at the full line pumping rate, and has made necessary arrangements for accepting delivery of shipments promptly on arrival at destination.</p> <p>(c) In the event Shipper or Consignee does not have adequate facilities available to receive Petroleum Products from the line without delay at the time any shipment or portion thereof arrives at a destination to which it is consigned, Carrier may reconsign said shipments or any undelivered portion thereof to a destination where facilities are available to receive it and Carrier shall not be liable for any damage, loss in transit, or loss in storage which may occur by reason of such reconsignment. Such reconsignment shall have the same effect as though requested by Shipper and Shipper shall pay transportation charges and all other charges from point of origin to actual final destination.</p> <p>(d) Carrier storage is limited to certain products. Shipper must provide adequate facilities at all origin and destination locations needed to deliver or receive segregated batches of any product at locations that carrier does not normally provide service for that product. Information on the normal products that Inland ships can be obtained by contacting Inland's Oil Movements Manager at the following address: Inland Corporation Oil Movements Manager, c/o BP Oil Pipeline Company (Operator) 4502 E. 41st Street, Suite 300, Tulsa, Oklahoma 74135.</p>
35-A	MEASUREMENT AND DEDUCTIONS	<p>(a) Quantities for receiving, delivering, assessing charges and all other purposes will be corrected to a standard pressure and 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) 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 financial deduction, except as noted below, based on losses will be made to cover evaporation, interface losses, and other normal losses during transportation. The per barrel deduction rate will be</p>

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35-A Cont.	MEASUREMENT AND DEDUCTIONS (Continued)	<p>calculated as stated in the current Inland Corporation Loss Deduction Policy dated February 27, 2004. Copies of the Loss Deduction policy will be made available by Inland Corporation's Oil Movements Office in Tulsa, Oklahoma*, upon request, to any Shipper or potential Shipper, either via U.S. Mail or via facsimile copy.</p> <p>*Inland Corporation Oil Movements Manager, c/o BP Oil Pipeline Company (Operator) 4502 E. 41st Street, Suite 300 Tulsa, Oklahoma 74135</p> <p>(c) The net quantities as determined under paragraphs (a) and (b) of this item will be the amounts accountable at origin.</p> <p>Exception to financial deduction on losses. This deduction will not be applied to the Toledo to Buckeye Junction lateral move.</p>
40	RATES APPLICABLE	Petroleum products transported shall be subject to the rates in effect on date such petroleum products are received by the Carrier.
45	PAYMENT OF TRANSPORTATION AND OTHER CHARGES	<p>The Shipper or Consignee shall pay the transportation and other lawful charges accruing on Petroleum Product tendered for shipment and, if required, shall pay the same in advance of transportation or before delivery, or furnish guaranty of payment satisfactory to Carrier. Payment of such charges shall be made in accordance with invoice terms and these rules and regulations. The Carrier shall have a lien on all Petroleum Products in its possession belonging to the Shipper to secure payment of all unpaid charges due from such Shipper, and may withhold such Petroleum Products from delivery until all such unpaid charges shall have been paid. If said charges shall remain unpaid 30 days after the date set for payment in Carrier's invoice to Shipper, or, in the absence of unpaid charges, when there shall be failure to take the Petroleum Products at the destination point, the Carrier shall have the following options, in its sole discretion.</p> <p>(a) Carrier may store Shipper's Petroleum Products in its possession and charge Shipper the per diem storage rate for whatever storage it can secure until Shipper or Consignee pays all charges and/or takes delivery, whichever is applicable.</p> <p>(b) Carrier may sell Shipper's Petroleum Products in its possession for cash at public auction at its office in Tulsa, OK after giving notice of the time and place of sale and the quantity of Petroleum Products to be sold. The Carrier may be a bidder and a purchaser at such sale. From the sale proceeds, the Carrier may pay itself all charges expense of notice and sale, and storage and maintenance costs, and the balance shall be held for whomsoever may be entitled thereto.</p> <p>(c) In circumstance in which Carrier can secure no storage facilities or other means of holding and maintaining Shipper's Petroleum Products, and inability to deliver Petroleum Products will cause a shutdown of a line segment of the Carrier's transportation facilities, Carrier may, without notice but in the most commercially reasonable manner as is possible under the circumstances, dispose of Shipper's Petroleum Products. If such disposal shall result in proceeds after payment of Carrier's charges and expenses, proceeds shall be held for whomsoever may be entitled thereto. If such disposal does not result in proceeds, Shipper and Consignee shall remain liable for all charges due to Carrier and expenses incurred by Carrier.</p> <p>Carrier will transport and deliver petroleum products with reasonable diligence and dispatch, but will accept no petroleum products to be transported in time for any particular market.</p>
50	LIABILITY OF CARRIER	<p>(a) The Carrier, while in possession of any petroleum products, 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 or Consignee.</p> <p>(b) Any losses of petroleum products will be charged proportionately to each Shipper in the ratio that his petroleum products, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of petroleum products 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 petroleum products remaining after deducting shipper's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.</p> <p>(c) Carrier will not be liable for discoloration, commingling, contamination, or deterioration of petroleum products resulting from the normal operation of a products pipe line system in batching various kinds of products, and the products so commingled or contaminated will be equitably apportioned among and delivered to the Shippers participating in the products cycle or cycles in which the commingling or contamination occurs.</p>
55	TITLE	A tender of petroleum products 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 petroleum products which is in litigation, or as to which a dispute over title may exist, or which is encumbered by any lien of which the Carrier has notice.

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60	TIMELIMITATION 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.
65	RFG COMPLIANCE	<p>By submitting to Carrier a tender of petroleum products for transportation, Shipper certifies to Carrier that, as to any petroleum products which are required to be reformulated gasoline pursuant to 40 C.F.R. Part 80, Subpart D ("RFG Regulations"), the Shipper has a Quality Assurance Program ("QAP") for reformulated gasoline that has been properly designed and implemented pursuant to 40 C.F.R. 80.79(c). In cases in which the Shipper uses one or more connecting carriers prior to transfer of custody to Carrier, the Shipper certifies that its QAP includes appropriate measures to ensure that the product handled by the connecting carriers remains in full compliance with the RFG regulations. Upon Carrier's request, Shipper shall promptly provide Carrier with all pertinent documentation constituting and describing Shipper's QAP, including all pertinent sampling and testing results. Shipper shall cooperate fully with Carrier, with respect to providing documentation and otherwise, in instances in which Carrier seeks to rebut a presumption of liability under the Reformulated Gasoline Regulations. Shipper shall notify Carrier immediately upon learning that petroleum products Shipper has tendered for transportation are not in compliance with the RFG Regulations. Carrier shall be free to refuse tender for transportation any petroleum products which Carrier has reason to believe are not in compliance with the RFG Regulations.</p> <p>With respect to the transfer of custody from Shipper to Carrier, Shipper acknowledges that it retains full responsibility for compliance with all of the product transfer document requirements specified at 40 C.F.R. 80.77 and 80.106. Given that Carrier is the only party in a position to verify the precise volume of product actually shipped, Carrier agrees to generate a document that provides the volume of gasoline which is being transferred to Carrier's custody. Carrier agrees to provide a copy of this document to Shipper. Carrier's agreement to generate a volume document in no way renders Carrier responsible for the generation of the required product transfer document.</p>
70-A	PRORATION PROCEDURES	<p>When there shall be tendered to the Carrier for transportation on the Carrier's pipeline system or any part thereof under applicable tariffs more petroleum products than can be currently transported, the transportation furnished by the Carrier shall be apportioned among Shippers in accordance with Inland Corporation's Proration Policy dated effective February 27, 2004. Copies of this proration policy will be made available by Inland's Oil Movement Office in Tulsa, Oklahoma*, upon request, to any Shipper or potential Shipper, either via the U.S. Mail or via facsimile copy.</p> <p>*Inland Corporation Oil Movements Manager, c/o BP Oil Pipeline Company, (Operator) 4502 E. 41st Street, Suite 300, Tulsa, Oklahoma 74135.</p>
75	[N] ULSD COMPLIANCE	Tenders for the transportation of ULSD products must be in compliance with the current version of the BP Oil Pipeline Company Product Quality Assurance Manual. Copies of this Manual will be made available by Inland's Oil Movement Manager upon request, to any Shipper or potential Shipper, either via the U.S. Mail or via facsimile copy at the address listed above.