

F.E.R.C. No. 20.1.0
(cancels F.E.R.C. No. 12)

CONOCOPHILLIPS TRANSPORTATION ALASKA, INC.

LOCAL PIPELINE TARIFF

Containing

RULES AND REGULATIONS

Governing the Transportation of

CRUDE PETROLEUM

Transported by Pipeline from Points in Prudhoe, North Slope Borough, Alaska
to
City of Valdez, Alaska

The matter published herein will have no adverse effect on the quality of the human environment.

[N] This is a baseline tariff filing in compliance with FERC Order No. 714, 124 FERC ¶ 61,270 (2008).

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RULES AND REGULATIONS

ITEM
NO. SUBJECT

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EXPLANATION OF REFERENCE MARKS

- [N] New
- [W] Wording

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1.	Definitions	<p>"Actual Arrival Time" means the time according to Valdez, Alaska, local time that a vessel communicates to the Operator its readiness to commence loading after entering the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.</p> <p>"Available Interstate Capacity" means the volume of space in Carrier's Pipeline available for interstate movement during any Month after accounting for all intrastate nominations accepted.</p> <p>"Average Regular Shipper Volume" means the average volume (measured in Barrels per Day) actually shipped by a Shipper during the Rolling Period.</p> <p>"Barrel" means forty-two United States gallons.</p> <p>"Base Fluctuation" is the daily increase or decrease to Fixed Base Inventory as a result of Pipeline operations resulting from such things as temperature, flow rate or pressure changes.</p> <p>"Base Inventory" as herein used means Fixed Base Inventory adjusted for any increase or decrease in the Base Fluctuation.</p> <p>"Carrier" means ConocoPhillips Transportation Alaska, Inc.</p> <p>"Carrier Work Day" means a regularly scheduled workday for Carrier.</p> <p>"Consignee" means anyone that a shipment, or a portion of a shipment, is consigned to when delivered from the Pipeline.</p> <p>"Day" means the period of time commencing at 0000 hours on one Day and running until 2400 hours on the same Day according to Valdez, Alaska, local time.</p> <p>"Excess Shipper" is a Shipper that has a volume of Petroleum in the custody of the Carrier that exceeds 100 percent of Shipper's Working Tankage Entitlement at the beginning of the Day for which the Carrier is assessed a penalty. The excess is computed by taking the Shipper's share of Total Inventory Barrels less Shipper's share of Base Inventory less Shippers Working Tankage Entitlement.</p> <p>"Fixed Base Inventory" as herein used means the standard total volume of Petroleum in System's Pipeline Base Inventory and terminal tankage Base Inventory that has not been adjusted for any Base Fluctuation and excludes Petroleum in fuel tanks and in Working Capacity.</p> <p>"Month or Monthly" 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.</p> <p>"New Shipper" means any Shipper who does not qualify as a Regular Shipper. A New Shipper becomes a Regular Shipper when it satisfies the conditions to be a Regular Shipper based on documented volumes shipped in prior Months.</p> <p>"100-Barrel Mile Deliveries" as herein used means the number of Barrels of Petroleum delivered out of the System multiplied by the number of miles each such Barrel was transported, divided by 100.</p>

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1.	(Continued) Definitions	<p>"Operator" means the contract Operator of the Trans Alaska Pipeline System.</p> <p>"Operator Business Day" means a regularly scheduled workday for Operator's scheduling department.</p> <p>"Owner(s)" refers to all of the Owners of undivided interests in the Trans Alaska Pipeline System.</p> <p>"Petroleum" means unrefined liquid hydrocarbons including gas liquids.</p> <p>"Pipeline" means Carrier's undivided interest ownership in the Trans Alaska Pipeline System.</p> <p>"Port Information Manual" means the manual governing vessel characteristics, required equipment and operation of vessels arriving to lift Petroleum at Valdez, Alaska. Copies of the Port Information Manual are available upon written request.</p> <p>"Prospective Shipper" means a person nominating Petroleum for transportation through the Pipeline whose nomination has not yet been accepted by Carrier.</p> <p>"Regular Shipper" means a Shipper who has shipped interstate volumes at any time during the period July 1, 2005 through June 30, 2006, or a Shipper who thereafter ships interstate volumes each month during any consecutive twelve (12) Month period; provided, however, that once a Shipper becomes a Regular Shipper, it will lose its Regular Shipper status only if it does not ship interstate volumes at all during a period of twelve (12) consecutive months. Regular Shippers not shipping interstate volumes for any Tender Period will be credited with zero Barrels accepted for that Tender Period in establishing their Average Regular Shipper Volume.</p> <p>"Reserved Capacity" means for any Month in which prorationing applies, the greater of 90 percent of the Available Interstate Capacity or the percentage of Available Interstate Capacity for which no New Shipper nominations have been received.</p> <p>"Rolling Period" means the twelve (12) Month period beginning fourteen (14) Months prior to the Month requiring proration, except that, with respect to nominations for July 2006, the Rolling Period will be July 1, 2005 through April 30, 2006, and with respect to nominations for August, 2006, the Rolling Period will be July 1, 2005 through May 31, 2006.</p> <p>"Scheduled Arrival Day" means the Day stated in a lifting schedule that a vessel is scheduled to enter the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.</p> <p>"Shipper" means anyone who ships Petroleum through the Pipeline.</p> <p>"Shipper's Accepted Tender Percentage" is the ratio (expressed as a percentage to two decimal places, XX.XX%) that the Shipper's daily accepted tender, bears to the total daily accepted tenders for all Shippers.</p> <p>"Shipper's Working Tankage Entitlement" is equal to the Shipper's Accepted Tender Percentage of the Carrier's Working Capacity.</p>

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1.	(Continued) Definitions	<p>"System" means the Trans Alaska Pipeline System.</p> <p>"Tender Period" means the Month in which the Barrels are shipped.</p> <p>"Total Inventory" is all inventories in tanks and Pipeline at any given time including both Base Inventory and Working Inventory.</p> <p>"Working Capacity" is the total capacity of all operational terminal tankage for the handling of Petroleum at Valdez, Alaska, pending delivery out of the System into vessels, between 2'6" above the bottom of each tank shell and 3'9" below the top of each tank shell, less the capacity, as determined by the Operator, required to receive the volume of Petroleum which should be moved out of the System to prevent internal pressure in the Pipeline from exceeding design limits in the event its operation should be shut down.</p> <p>"Working Inventory" means the volume of Petroleum derived by taking Total Inventory less Base Inventory at any given time. It is part of Working Capacity.</p>
2.	Title	<p>The act of delivering Petroleum to Carrier for transportation shall constitute a warranty by Shipper that Shipper or Consignee has unencumbered title thereto and that the Petroleum was produced in accordance with all applicable laws and regulations.</p>
3B.	Quality and Intermixing of Petroleum	<p>This item is cancelled in its entirety. Please see CPTAI's F.E.R.C. No. 14 <u>21.0.0</u> [W] for further information regarding the TAPS Quality Bank.</p>
4.	Nomination Policy and Proration Procedures	<p>I. Nomination of Tenders</p> <p>A. Good-faith nominations will be received and considered for acceptance only if they conform in full to Carrier's requirements. To maintain equity among Shippers and to ensure equitable application of proration when proration shall be required, Carrier does not permit over-nominating. When considering nominations for acceptance and proration, Carrier reserves the right to revise, reduce or reject a nomination if acceptance of Shipper's nomination in the form provided would adversely affect the rights of other Shippers to equitable and fair treatment.</p> <p>Such adverse affect includes, but is not limited to, the following acts or omissions:</p> <ol style="list-style-type: none"> 1. Shipper nominating more Petroleum for transportation than that to which it has title or than it plans to ship. 2. Shipper fails upon request to demonstrate satisfactorily that it currently has unencumbered title to the Petroleum being nominated.

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		<p>IV. Proration Policy</p>
		<p>A. For all months through June 30, 2006 in which proration of interstate volumes is required, each interstate shipper will be pro-rated based on its current interstate nominations for that month divided by the total of all current interstate nominations for that month. Commencing with nominations for July, 2006, the following provisions will apply to all interstate nominations:</p> <p>If the total of all nominations received for a Tender Period is greater than Carrier's Available Interstate Capacity in the Tender Period, acceptance of a nomination for intrastate movement will be limited to a percentage of the total Petroleum being nominated by that Shipper to all System Owners for the specific intrastate movement in accordance with Item 4.III.A, and interstate nominations will be allocated to the balance of the Carrier's Available Interstate Capacity remaining after the intrastate nominations have been finalized, by prorating (i) among Regular Shippers and New Shippers, and (ii) among the Shippers in each category based on volumes nominated for each category. The total of all New Shippers' nominations that may be accepted will be limited to ten percent (10%) of the Available Interstate Capacity remaining for interstate movement in the Tender Period after accounting for intrastate nominations ("New Shipper Available Interstate Capacity") (iii) The Reserved Capacity will be allocated among all Regular Shippers based on the lesser of each such Shipper's Average Regular Shipper Volume or its actual tender for the month and (iv) any remaining Available Interstate Capacity not allocated through the preceding steps will be allocated pro rata among all Shippers whose nominations were not previously accepted in full. To avoid inflated nominations, for all purposes under this rule, a Shipper's nomination will be deemed to be no greater than the Available Interstate Capacity or such Shipper's actual nomination, whichever is less.</p> <p>B. "New Shipper Proration Factor" shall be calculated by dividing each Shipper's nomination for that category by the total of all nominations for the category.</p> <p>C. Upon acceptance of New Shipper nominations, each New Shipper will be allocated space equal to: (i) the New Shipper Available Interstate Capacity multiplied by the New Shipper Proration Factor for that Shipper if the total of all New Shipper nominations is greater than the New Shipper Available Interstate Capacity for that Tender Period; or (ii) the volume nominated by that New Shipper if the total of all New Shipper nominations is less than the New Shipper Available Interstate Capacity for that Tender Period. New Shipper Available Interstate Capacity will be allocated on a current nomination basis among all New Shippers. If Available Interstate</p>

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5.	Scheduling of Receipts	Shippers and Prospective Shippers shall promptly provide Carrier with all essential information, including the origin and delivery points, for Carrier to schedule such proposed shipments of Petroleum; to satisfy Carrier that offers to ship are in good faith; and to satisfy Carrier that shipments can be transported in conformance with Carrier's tariff. Carrier may refuse to receive Petroleum for transportation until such Shipper or Prospective Shipper has provided Carrier with such information. Scheduled receipts from Shipper shall not be subject to change except with written or electronic notice from Shipper at least two (2) Days prior to date of scheduled receipt of Petroleum. Shipper may not assign to any other Shipper or Prospective Shipper, or otherwise alter, a scheduled shipment, if the effect of such action would be to shorten the originally scheduled length of haul, except as provided in Item 19 of this tariff. In the event Shippers offer to ship more Petroleum through the Pipeline during any period of time than can be pumped through the Pipeline during such period, then Carrier shall accept and transport, during such period, only that portion of each good-faith offer to ship which Carrier shall determine to be equitable to all Shippers pursuant to the nomination policy.

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6.	Shipper Receipt and Delivery Facilities	Carrier will determine and advise Shipper of the facilities to be provided by the Shipper at any receipt or delivery location to meet the operating conditions of Carrier's facilities at such location. Carrier will not accept Petroleum for transportation unless such facilities have been provided.
7.	Scheduling and Use of Terminal and Penalty Provisions	<p>A. Schedule for Tanker Lifting</p> <ol style="list-style-type: none">1. Each Thursday by 0800 hours Anchorage, Alaska local time, Shipper shall provide written notice four weeks in advance of the volume of Petroleum to be transported for the ensuing one Month period, and shall promptly notify Carrier of any proposed changes in its shipping schedule. The schedule should clearly reflect destination information for interstate or intrastate deliveries.2. The scheduling of vessels at Valdez, Alaska, will be accomplished by the Operator, taking into account proposed liftings with respect to Petroleum in the custody of Owners, including Carrier. If there are more proposed liftings than can be accommodated and such conflicts cannot be resolved voluntarily between the conflicting Owners, Operator will resolve such conflicts in accordance with the rules provided for in A.2.a. below. After resolution of all conflicts in accordance with these rules, the lifting schedule then established shall be issued to each Owner.<ol style="list-style-type: none">a. Vessels shall be assigned dock space by Operator in the order of Actual Arrival Time. Provided, however, that (1) adequate and appropriate inventories designated for lifting by such vessel have been established, and (2) if in the Operator's prudent judgment such prioritization will optimize System deliveries. Each vessel shall dock when and as instructed by Operator. If any vessel is unable to dock when instructed, Operator shall dock the next vessel waiting to be docked based on the order of dock assignment until the vessel that was unable to dock is able to dock. <p>B. Changes in Lifting Schedule</p> <ol style="list-style-type: none">1. Subject to the scheduling priority rules set forth in A.2.a. above, changes may be made to the lifting schedule by any Shipper upon written notice delivered to Carrier at least seven (7) Days in advance of a scheduled lifting.2. Changes on less than seven (7) Days written notice may be made only in accordance with the following rules:<ol style="list-style-type: none">a. Vessel substitutions may be made by notice to the Carrier provided such substitution will not adversely affect the scheduled liftings of Petroleum in the custody of any Owner, including Carrier, and the substituted vessel complies with the Port Information Manual.b. Any other changes may be made provided:<ol style="list-style-type: none">i. the requested change will not affect the scheduled liftings of Petroleum in the custody of any Owner(s), including Carrier, unless the prior written consent of such Owner(s) is obtained, andii. the requested change will not, based on the lifting schedule, result in a projected Working Inventory in

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7.	(Continued) Scheduling and Use of Terminal and Penalty Provisions	<p>excess of 75 percent of Working Capacity within the next seven (7) Days or aggravate a Working Capacity condition which is already above such inventory level.</p> <p>C. Penalty Charges</p> <ol style="list-style-type: none">1. Carrier is subject to the payment of a penalty, "Penalty Charge", of twenty (20) cents per Day per Barrel on each gross (including sediment and water) Barrel by which Carrier's Working Inventory exceeds Carrier's Working Capacity if, at the beginning of any Day, Working Inventory equals or exceeds 75 percent of Working Capacity. <p>The number of Barrels subject to penalty is reduced by:</p> <ol style="list-style-type: none">a. the number of Barrels scheduled to be lifted by a vessel which has established an Actual Arrival Time at the beginning of any Day the penalty is applied, but is unable to dock because the passage through the Prince William Sound or Valdez Arm is closed to shipping due to an event or condition not within the control of the Owner incurring the penalty, andb. by the number of Barrels scheduled to be lifted by a vessel which has docked but is unable to lift at the beginning of any Day (i) due to any act or omission of Operator or (ii) due to any local event or condition of general application not within the control of Operator, the Owner scheduling such vessel (on behalf of a Shipper) or any person responsible for the operation or control of such vessel which act, omission, event or condition prevents all vessels from loading. <ol style="list-style-type: none">2. For each Day that Carrier is subject to a Penalty Charge as referred to in C.1. above, the Penalty Charge will be allocated to and charged proportionately to each Excess Shipper. The proportion shall be the ratio of the Excess Shipper's net Barrels at the beginning of each Day (0001 hours) bears to the total net Barrels of all other Excess Shippers. After a vessel has been docked, it shall be allowed twenty-four (24) hours if the vessel is of two hundred twenty-five thousand (225,000) dead weight tons or less, or thirty (30) hours if the vessel is of greater than two hundred twenty-five thousand (225,000) dead weight tons, from the time that Operator gives notice of readiness to commence either loading or deballasting within which to complete its lifting and to release its last line from a mooring point at the dock. If any vessel fails to release its last mooring line before a specified departure time contained in a notice from Operator (which specified departure time shall not be earlier than the end of such 24-hour or 30-hour period, not earlier than four (4) hours after Operator transmits such notice to the vessel), the Shipper scheduling such vessel shall thereafter pay a penalty of two thousand dollars (\$2,000) for each hour or part thereof such vessel remains at the dock, while such dock is required to load another vessel which has established an Actual Arrival Time. <p>Any delay due to:</p> <ol style="list-style-type: none">a. any act or omission of Operator, orb. a local event or condition of general application (except mechanical equipment malfunction of the vessel) not within the control of Operator, the Owner scheduling the vessel or any other person responsible for the operation or control of such vessel which act, event

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7.	(Continued) Scheduling and Use of Terminal and Penalty Provisions	<p>or condition prevents the vessel from vacating the docks shall be added to the time until a vessel is required to vacate the dock.</p> <p>3. If, at the beginning of any Day, Shipper has in the Working Inventory of Carrier at Valdez Terminal a quantity of Petroleum that has remained in Carrier's Working Inventory for more than 25 days, Carrier will impose a "Storage Fee" of twenty (20) cents per Day per Barrel on each net Barrel (excluding sediment and water) until the Petroleum is lifted; provided, however, that the Storage Fee shall not be imposed on any Barrel that is already subject to the Penalty Charge under C.1. above on such Day. For purposes of this Item, a quantity of Petroleum shall be deemed to have remained in Carrier's Working Inventory for more than twenty-five (25) Days if there have been no liftings by Shipper during such 25 Day period or if the quantity lifted by Shipper during such period is less than the quantity in Carrier's Working Inventory at the beginning of such period.</p> <p>D. Intrasystem Transfers Intrasystem transfers of custody or ownership of Petroleum will not be permitted.</p> <p>E. Penalties for Non-Compliant Nominations, Tender or Delivery</p> <p>1. A Shipper must nominate and tender all Petroleum bound for ultimate intrastate destination and use as an intrastate shipment in accordance with Item No. 4.III.</p> <p>2. For all intrastate shipments moved by vessel from the Port of Valdez to an intrastate destination, Shipper must provide Carrier with a copy of the independent gauger's report for the vessel documenting such intrastate shipment, including the total volume delivered, the volume delivered that was shipped on Carrier, and the port of destination within thirty (30) Days after the lifting of such Petroleum at the Port of Valdez. In the event a Shipper fails to provide such documentation validating the intrastate delivery of the tendered and certified Petroleum within 30 days of the lifting of such Petroleum at the Port of Valdez, Shipper shall be charged a rate equal to the applicable interstate tariff for such shipment.</p> <p>3. If a shipment was nominated and accepted for interstate delivery and the Shipper changes the ultimate destination to an in-state location and provides the required certification to Carrier, Shipper shall be charged the applicable intrastate tariff, plus a thousand dollar (\$1,000) penalty for that portion of the total volume that should have been nominated and accepted as an intrastate shipment under Item 4.III.A.1. had it been properly identified as an intrastate shipment in the initial nomination and certification. The remainder of the shipment shall be charged the applicable interstate tariff it was initially nominated under.</p> <p>4. If a shipment was nominated and accepted for intrastate delivery and the Shipper either (1) fails to provide the certification required in Item 4.III or (2) changes the ultimate destination to an interstate location and provides the required certification to Carrier, Shipper shall be charged the applicable interstate tariff for such shipment, plus a \$1,000 penalty.</p>

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ITEM NO.	SUBJECT	
8.	Minimum Delivery	Carrier will not make a delivery of less than 1,000 Barrels of any Petroleum at any destination point on its Pipeline except when necessitated by dispatching contingencies.
9.	Measurement	The volume of Petroleum received and delivered by Carrier will be measured in Barrel units by meter or by tank gauges and computations made from correctly compiled tank tables. Corrections will be made for temperature from observed degrees Fahrenheit to sixty (60) degrees Fahrenheit. Carrier will deduct the full measured amount of basic sediment, water and other impurities as the distillation or other test may indicate. Shipper and Consignee shall have the privilege of being present or represented during measuring and testing of shipments by Carrier.
10.	Delivery Adjustments	Any overage or shortage resulting from shrinkage, evaporation, topping plant extractions of fuel requirements for pumping stations and other normal operating losses will be credited to or charged to, and allocated equitably among the Shippers. Accounting for such overages and shortages will initially be made on the basis of estimates and adjusted to actual at the end of each calendar Month on a calendar year-to-date basis in the proportion that the 100-Barrel Mile Deliveries for each Shipper for the Month bears to the total of such 100-Barrel Mile Deliveries by Carrier during the Month. Only such portion of a Shipper's Petroleum as may remain after deduction of its allocated part of such net overages and shortages shall be deliverable from the System.
11.	Applicability of Rates, Charges, Rules and Regulations	The rates and charges which shall apply to the transportation of Petroleum shall be those in effect on the date Petroleum is received by Carrier for transportation. Likewise, the rules and regulations which shall govern the transportation of Petroleum shall be the rules and regulations in effect on the date Petroleum is received by Carrier for transportation.
12.	Vessel Requirements	All vessels scheduled by each Shipper must comply, and the party responsible for vessel operation must comply, with the Port Information Manual.
13.	Liability for Charges and Quality Adjustments	<p>The Shipper and Consignee shall be jointly and severally liable for payment of all transportation charges, fees, interest, penalties in Item No. 7, late charges, Quality Adjustments and other assessments as provided in the Quality Bank Agreement, and other lawful charges (collectively, the "Charges") on Petroleum delivered by Carrier to Shipper or Consignee.</p> <p>Carrier will bill Shipper for transportation for each load promptly following the loading of the vessel. Any applicable penalties under Item 7 shall be billed at the time of initial billing, if known, or as a separate billing if the applicability of such penalties can not be determined at the time of the initial billing. If Carrier does not receive full payment of assessed charges within ten (10) Days after the date thereof, then Shipper and Consignee will become liable for payment to Carrier of a</p>

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ITEM NO.	SUBJECT	
13.	(Continued) Liability for Charges and Quality Adjustments	<p>late charge at an annual interest rate equivalent to 125 percent of the prime rate of interest charged by Citibank N.A. of New York, New York, on ninety (90) Day loans to substantial and responsible commercial borrowers as of the due date, or the maximum rate allowed by the law, whichever is less. Such late charges shall accrue from the date of such bill until payment is made.</p> <p>Carrier reserves the right to require appropriate proof of financial responsibility from a Shipper or Prospective Shipper to assure Shipper's ability to meet Charges prior to acceptance of tender of shipment. In addition, Carrier reserves the right to require any Shipper to pay applicable Charges and fees before delivery of Shipper's Petroleum at destination.</p> <p>Carrier shall have a lien on all Petroleum upon its receipt by Carrier to secure the payment of any and all Charges. Carrier may withhold from delivery any Petroleum of Shipper or Consignee in Carrier's custody until all Charges owed Carrier, or paid by Carrier on behalf of Shipper, have been paid by Shipper or Consignee. Carrier may enforce such lien by any manner referred to in, or consistent with, Alaska Statutes section 45.07.308, provided that Carrier's sale of such Petroleum to another Shipper of Carrier or any other person, after ten (10) Days prior notice to Shipper and the solicitation of three (3) bids thereon, shall be commercially responsible.</p>
14.	Liability for Loss	<p>Carrier will not be liable for failure to receive or deliver Petroleum or any loss of Petroleum while in the possession of Carrier, or for any delay in receiving or delivering Petroleum, if caused in whole or in part by an Act of God, weather, the public enemy, acts of third parties, quarantine, the authority of law, strikes, riots, the act or default of Shipper or Consignee, requisition or other action by any government or governmental agency, or any other conditions not within control of Carrier.</p> <p>If such loss of Petroleum occurs, then each Shipper of Petroleum so lost shall share such loss in the proportion that the amount of such Petroleum then in the custody of Carrier for the account of such Shipper bears to the total amount of Petroleum then in the custody of Carrier.</p> <p>Carrier will be obligated to deliver only that portion of Petroleum remaining after deducting such loss and delivery adjustments (Item 10). Transportation and other Charges will be made only on quantities of Petroleum delivered.</p>

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ITEM NO.	SUBJECT	
15.	Time Limitation of Claims	As a condition precedent to recovery for loss or delay, claims must be filed in writing with Carrier within nine (9) Months and one (1) Day after delivery of the Petroleum, or in case of failure to make delivery, then within nine (9) Months and one (1) Day after a reasonable time for delivery has elapsed; and suits may be instituted against the Carrier only within two (2) years and one (1) Day from the Day when notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any parts thereof specified in the notice. Where claims are not filed or suits not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable and such claims will not be paid.
16.	Use of Excess Capacity of Communications Facilities	If there is excess communications capacity over and above the needs of the Carrier, Shippers may use Carrier's private communications facilities without additional charge for messages incident to their shipments. Carrier will not be liable for non-delivery of messages, errors or delays in transmission, or interruption of the service.
17.	System Liability Fund	The Trans Alaska Pipeline Authorization Act requires the System to maintain a "Liability Fund" for the purpose of having money readily available for damages and cleanup costs in the event of Petroleum discharges from a vessel loaded at the Valdez Terminal. Carrier is required to collect five (5) cents per Barrel for each Barrel delivered to maintain its share of the Liability Fund. Carrier will collect from each Shipper five (5) cents per Barrel for each Barrel delivered from its Pipeline on a vessel at Valdez, Alaska. Carrier will not collect from Shippers the additional (5) cents per Barrel if at any time Carrier is not required to pay the added charge.
18.	Rates Applicable from and to Intermediate Points	Petroleum received from a point on the System which is not named in any rate tariffs making reference to this tariff but which point is intermediate to a point from which rates are published in any rate tariffs making reference to this tariff, will be assessed the rate in effect from the next more-distant point published in any rate tariff making reference to this tariff. Petroleum delivered to a point on the System which is not named in any rate tariffs making reference to this tariff but which point is intermediate to a point to which rates are published in any rate tariffs making reference to this tariff, will be assessed the rate in effect from the next more-distant point published in any rate tariff making reference to this tariff.

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ITEM NO.	SUBJECT	
19.	In Transit Shipments	<p>Petroleum transported through Carrier's facilities from any origin point may be withdrawn from the System by the Shipper at any established delivery point with the privilege of subsequently re-forwarding all or a portion of a like volume through Carrier's facilities to Valdez, Alaska, and loading on vessels, provided:</p> <ol style="list-style-type: none">1. The applicable rate from the initial point of origin of the shipment to Valdez, Alaska shall be paid upon withdrawal of such Petroleum from the System or in advance thereof as required under Item 13.2. The timing of redelivery of Petroleum for further transportation to Valdez, Alaska shall be such that the further transportation of Petroleum occupies but does not exceed the space vacated in Carrier's portion of the System by withdrawal of the Petroleum by the same Shipper under this tariff.3. Custody and possession of the Petroleum upon withdrawal shall be that of the Shipper, not the Carrier.4. Shippers availing themselves of these withdrawal and re-forwarding privileges must keep complete and accurate records and permit inspection of such records by an authorized agent of Carrier or its representative as is necessary for the efficient supervision of such traffic.
20.	Additives	<p>Carrier reserves the right to inject, or approve the injection of, corrosion inhibitors, viscosity or pour point depressants, and drag reducing additives in the Petroleum to be transported.</p>
21.	Liability for Non-Compliance with Tariff	<p>Any Shipper or Consignee who does any act or permits any act to be done which violates the terms of this tariff shall be liable to Carrier for all loss, damage, or injury caused thereby or resulting therefrom.</p>
22.	Connections to The Trans Alaska Pipeline System	<p>Connections to the System will be allowed in accordance with laws and regulations applicable to common carrier pipeline companies and requirements in the instruments granting the right-of-way for the Trans Alaska Pipeline System, for the purpose of transporting Petroleum through the System. All connectors must comply with the Trans Alaska Pipeline System Connection Guidelines. A copy of such Guidelines will be available on request to Carrier.</p>
23.	Base Inventory Requirement	<p>Carrier will require each Shipper to supply its pro rata share of Base Inventory. Changes to pro rata share will be phased up or down over seven (7) Days (1/7th per day). Inventory cannot be lifted until the base requirement is met.</p> <p>Petroleum provided by a Shipper for this purpose may be withdrawn from the System only with the prior approval of Carrier. The Carrier has the option to withhold delivery of line fill pending resolution of outstanding line fill related issues.</p>