

LOOP LLC
VESSEL OFFLOADING SCHEDULING PROCEDURE

This procedure supplements LOOP's Terms and Conditions of Service and provides a method for collecting tankers' anticipated arrival times so that positions in the queue can be established and accurate offloading times determined. Terms as defined in the Terms and Conditions of Service shall have the same meaning here. This procedure will be applied without discrimination among Shippers and may be revised as required.

I. Nominations and Assignment of Arrival Windows

A. Shipper Nomination

1. Not later than the fifteenth day of the month (or if not a business day then on the last business day prior to the fifteenth) prior to the Shipping Month, each Shipper may submit to LOOP a Nomination specifying for such shipping month: (1) volumes of Crude Petroleum by Crude Type; (2) Crude Petroleum specifications as defined by Item 1. of the Terms and Conditions of Service; (3) name of tanker; (4) projected date of arrival; and (5) a preferred schedule for disposition of each Nomination which has been tentatively approved by the receiving pipeline designating weekly deliveries from the System by volume, crude type and receiving pipeline.

B. Assignment of Arrival Windows

1. Not later than the nineteenth day of the month (or if not a business day then on the next business day) prior to the Shipping Month, LOOP will notify each Shipper of the Arrival Window for each I.A.1. Nomination, as may be reduced, and any special conditions under which the Nomination is accepted.
2. Late Nominations may be assigned Arrival Windows after consideration of those Arrival Windows previously established. LOOP will advise Shippers of changes which occur to their Arrival Windows.
3. If more than one Shipper nominates to offload on the same day, the Shipper with the higher Shipper Accuracy Record shall be given priority for window assignments.

II. Disposition Schedule

A schedule for disposition of proposed shipments ("Disposition Schedule") designating deliveries from the System by volume in barrels per day, crude type and receiving pipeline must have been submitted to and approved by LOOP prior to assignment of a Firm Arrival Window as provided for in III below. If Shipper fails to obtain LOOP's approval of its Disposition Schedule, LOOP may withdraw the Arrival Window assigned pursuant to I. B.

III. Assignment of Firm Arrival Windows

On the last business day prior to six (6) days before the start of each tanker's Arrival Window, as revised, Shipper will provide the tanker's name, if not previously given, the Disposition Schedule approved by LOOP, and LOOP will then provide that Shipper with a Firm Arrival Window designating an arrival time span which if met by the tanker will preserve its rights to a position in the queue. The Firm Arrival Window shall be expressed in terms of a three (3) day period and will be changed if: (1) the tanker does not tender its Notice of Readiness to discharge prior to the end of its three (3) day Firm Arrival Window, (2) required by LOOP for operational considerations as described in Paragraph VI below, or (3) requested by the Shipper and if such change will not adversely affect another Shipper.

IV. Late Arrival

If the tanker tenders its Notice of Readiness to Discharge after its three (3) day Firm Arrival Window expires, a new Window shall be established as the first available Window which does not adversely affect another Shipper.

V. Berthing Priority

When a buoy becomes available, the tanker with the earliest Firm Arrival Window will be berthed provided that tanker has issued its Notice of Readiness to Discharge. LOOP may adjust a tanker's position in the queue a maximum of two positions when such adjustment is necessary for optimum operation of the LOOP System. LOOP may also reschedule offloading a Cargo when that Shipper has not removed Crude Petroleum within the scheduled storage time and where offloading will adversely affect the port's operation by delaying the offloading of other tankers.

VI. Notices

Shipper must provide LOOP with the Estimated Time of Arrival (ETA) of tankers at 168 hours (7 days), 72 hours (3 days), 48 hours (2 days) and 24 hours (1 day) in advance of their ETA. Each notice shall be sent to both the Manager Scheduling and the Port Superintendent. The 24 hour ETA shall also be sent to the United States Coast Guard Captain of the Port.

VII. Shipper Accuracy Record

A. A Shipper Accuracy Record shall be determined as follows:

1. A percentage for each Shipper will be calculated each Shipping Month by dividing the total number of Firm Arrival Windows met by Arrival Windows assigned.
2. A second percentage for each Shipper will be calculated each Shipping Month by dividing the total number of barrels shipped by 90 percent of the total number of barrels assigned a Firm Arrival Window. This percentage cannot exceed 100 percent.
3. The two percentages shall be combined and then divided by two. This will provide the Shipper Accuracy for one month.

4. The calculation will be made monthly and the average of the preceding three months' calculation is the Shipper's Accuracy Record.
5. A Shipper who has not been assigned an Arrival Window for a Shipping Month shall have a Shipper Accuracy of 100% for that month. Zero divided by zero in this calculation equals 100 percent.
6. If two Shippers have the same accuracy record, preceding months will be included in the calculation until the tie is broken.
7. The following is an example of a Shipper Accuracy Record calculation for August Nominations:

NOMINATIONS

Tanker Name	Volume (MMBLS)	Date	Window Assigned by LOOP
Alpha	500	August 10	August 9-11
Beta	1,500	August 20	August 19-21
Gamma	750	August 30	August 29-31

ACTIVITY

1. Firmed Alpha window of August 9-11 for 495 MBBLs
2. Alpha arrived on August 11 and discharged 480 MBBLs
3. Changed Beta window to August 21-23 and firmed the window for 1,525 MBBLs
4. Beta arrived on August 22 and discharged 1,300 MBBLs
5. Withdrew August 29-31 window

ACCURACY CALCULATION

2 Firm Arrival Windows met / 3 Windows Assigned equals 66.67%

1,780 MBBLs Shipped / (2,020 MBBLs Firmed x 90%) or 1,818 MBBLs equals 97.91%

$66.67\% + 97.91\% / 2 = 82.29\%$ for August

August 82.29%

July 92.34%

June 100.00%

Accuracy Record for August nominations $274.63\% / 3 = 91.54\%$