

Cost of Capital Study
2008 Assessment Year

Appendix C

Industry: Liquid Petroleum

		Reference
Equity:		
Yield Capitalization		Page
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Dividend Growth Models		
Value Line, based on Dividends Growth Multi Stage	11.00%	7
Value Line, based on Earnings Growth Multi Stage	8.00%	8
Standard & Poor's based on Earnings Growth Multi Stage	12.50%	9
Yield Equity Component	10.00%	
Debt:		
Debt Rate	6.50%	11a
Industry Market Capital Structure		
Equity	70% x 10.00% = 7.00%	3
Debt	30% x 6.50% x (1-.38) = 1.21%	3
Marginal Tax Rate	38%	
Weighted Average Cost of Capital:		<u>8.21%</u>

Support for Guideline Companies

Liquid Petroleum 2008 Assessment Year

Industry Overall							
Company Name	Ticker	Beta	P/E Ratio	Div'd Yield	Long Term Debt	Pref Stock	Com Stock
BP plc	bp	0.90	11.3	3.6%	9.0%		91.0%
Chevron Corp	cvx	0.90	11.9	2.7%	9.0%		91.0%
ConocoPhillips	cop	0.90	8.8	2.1%	20.0%		80.0%
Exxon Mobil	xom	0.90	12.2	1.7%	5.0%		95.0%
Frontier Oil Corp	fto	1.05	12.2	0.5%	13.0%		87.0%
Hess Corp	hes	0.95	12.5	0.6%	29.0%		71.0%
Holly Corp	hoc	1.00	10.9	1.0%	0.0%		100.0%
Marathon Oil Corp	mro	1.05	9.6	1.7%	25.0%		75.0%
Murphy Oil	mur	0.90	15.1	1.0%	23.0%		77.0%
Occidental Petroleum	oxy	1.05	12.8	1.5%	7.0%		93.0%
Royal Dutch Shell	rds-a	1.00	8.6	3.6%	10.0%		90.0%
Sunoco Inc	sun	1.05	9.1	1.7%	41.0%		59.0%
Tesoro Corp	tso	1.10	15.0	0.8%	33.0%		67.0%
Total S A	tot	1.10	11.0	3.6%	26.0%		74.0%
Valero Energy	vlo	1.00	9.6	0.8%	27.0%		73.0%
Mean		0.99	11.4	1.8%	18%		82%

Selected Comparables							
Company Name	Ticker	Beta	P/E Ratio	Div'd Yield	Long Term Debt	Pref Stock	Com Stock
Buckeye Partners	bpl	0.75	15.9	7.1%	47.0%	0.0%	53.0%
Enbridge Energy Ptnrs *	eep	0.60		7.4%	49.0%	0.0%	51.0%
Kinder Morgan Energy Ptnrs	kmp	0.65	26.1	6.8%	59.0%	0.0%	41.0%
Plains All American	paa	0.70	17.8	7.1%	43.0%	0.0%	57.0%
Teppco Partners	tpp	0.65	19.5	7.1%	57.0%	0.0%	43.0%
Mean		0.67	19.83	7.1%	51%	0%	49%

source: Value Line December 14, 2007

**Support for Capital Structure
(based on Market Value)
Liquid Petroleum
2008 Assessment Year**

Industry Overall										
Company Name	Ticker	\$Stock\$ Average	Common Shares	Common \$ Stock \$	%	Preferred \$ Stock \$	%	Long Term \$ Debt \$	%	\$ Total \$ Debt & Equity
BP plc	bp	74.000	19,061,853,000	1,410,577,122,000	99.1%	-	0.0%	12,500,000,000	0.9%	1,423,077,122,000
Chevron Corp	cvx	89.432	2,127,348,295	190,253,012,718	97.2%	-	0.0%	5,516,000,000	2.8%	195,769,012,718
ConocoPhillips	cop	82.935	1,599,556,644	132,659,230,270	86.1%	-	0.0%	21,500,000,000	13.9%	154,159,230,270
Exxon Mobil	xom	90.345	5,463,625,615	493,611,256,187	98.6%	-	0.0%	6,896,000,000	1.4%	500,507,256,187
Frontier Oil Corp	fto	43.953	105,432,039	4,634,054,410	96.9%	-	0.0%	150,000,000	3.1%	4,784,054,410
Hess Corp	hes	75.450	319,449,308	24,102,450,289	86.0%	-	0.0%	3,939,000,000	14.0%	28,041,450,289
Holly Corp	hoc	55.908	55,312,125	3,092,390,285	100.0%	-	0.0%	nil	nmf	3,092,390,285
Marathon Oil Corp	mro	58.465	710,279,884	41,526,513,418	88.0%	-	0.0%	5,678,000,000	12.0%	47,204,513,418
Murphy Oil	mur	74.920	189,257,665	14,179,184,262	90.5%	-	0.0%	1,496,400,000	9.5%	15,675,584,262
Occidental Petroleum	oxy	70.342	828,596,346	58,285,124,170	97.1%	-	0.0%	1,748,000,000	2.9%	60,033,124,170
Royal Dutch Shell	rds-a	82.875	3,190,650,000	264,425,118,750	95.4%	-	0.0%	12,660,000,000	4.6%	277,085,118,750
Sunoco Inc	sun	70.188	117,582,200	8,252,859,454	82.2%	-	0.0%	1,785,000,000	17.8%	10,037,859,454
Tesoro Corp	tso	52.367	137,157,056	7,182,503,552	82.4%	-	0.0%	1,537,000,000	17.6%	8,719,503,552
Total S A	tot	80.170	2,251,508,080	180,503,402,774	89.4%	-	0.0%	21,446,000,000	10.6%	201,949,402,774
Valero Energy	vlo	68.390	550,436,386	37,644,344,439	84.6%	-	0.0%	6,854,000,000	15.4%	44,498,344,439
Mean:					91.6%		0.0%		9.0%	
Weighted Mean:				2,870,928,566,977	96.5%	-	0.0%	103,705,400,000	3.5%	2,974,633,966,977
Median:					90.5%		0.0%		10.1%	
Estimated:					90%		0%		10%	100%

source: Value Line December 14, 2007

Selected Comparables										
Company Name	Ticker	\$Stock\$ Average	Common Shares	Common \$ Stock \$	%	Preferred \$ Stock \$	%	Long Term \$ Debt \$	%	\$ Total \$ Debt & Equity
Buckeye Partners	bpl	50.937	43,954,660	2,238,903,865	71.8%	-	0.0%	879,200,000	28.2%	3,118,103,865
Enbridge Energy Ptrns	eep	51.353	90,218,797	4,633,035,955	64.6%	-	0.0%	2,541,200,000	35.4%	7,174,235,955
Kinder Morgan Energy	kmp	51.492	231,759,554	11,933,685,701	64.7%	-	0.0%	6,502,000,000	35.3%	18,435,685,701
Plains All American	paa	52.220	115,981,676	6,056,563,121	69.8%	-	0.0%	2,624,200,000	30.2%	8,680,763,121
Teppco Partners	tpp	39.105	89,868,586	3,514,311,056	66.3%	-	0.0%	1,788,000,000	33.7%	5,302,311,056
Mean:					67.4%		0.0%		32.6%	
Weighted Mean:				28,376,499,698	66.4%	-	0.0%	14,334,600,000	33.6%	42,711,099,698
Median:					66.3%		0.0%		33.7%	
Estimated:					70%		0%		30%	100%

Support for Market Multiples
Liquid Petroleum
2008 Assessment Year

Industry Overall														
Company Name	Ticker	\$Stock\$ Average	Rev's	Multiple	Cash Flow	Multiple	Earnings	Multiple	Div'ds Decl'd	Multiple	Cap'l Spend	Multiple	Book Value	Multiple
BP plc	bp	74.000	88.10	0.84	9.20	8.04	5.90	12.54	2.54	29.13	5.70	12.98	29.20	2.53
Chevron Corp	cvx	89.432	104.85	0.85	12.35	7.24	8.35	10.71	2.26	39.57	10.00	8.94	37.90	2.36
ConocoPhillips	cop	82.935	118.15	0.70	12.25	6.77	8.95	9.27	1.64	50.57	9.65	8.59	60.90	1.36
Exxon Mobil	xom	90.345	63.80	1.42	9.50	9.51	7.00	12.91	1.37	65.95	3.15	28.68	22.10	4.09
Frontier Oil Corp	fto	43.953	47.55	0.92	5.50	7.99	4.90	8.97	0.16	274.71	3.00	14.65	10.60	4.15
Hess Corp	hes	75.450	93.10	0.81	9.75	7.74	5.75	13.12	0.40	188.63	11.00	6.86	30.75	2.45
Holly Corp	hoc	55.908	77.75	0.72	6.85	8.16	5.80	9.64	0.46	121.54	2.75	20.33	12.45	4.49
Marathon Oil Corp	mro	58.465	80.85	0.72	8.20	7.13	6.10	9.58	0.92	63.55	5.75	10.17	24.60	2.38
Murphy Oil	mur	74.920	88.65	0.85	6.35	11.80	4.05	18.50	0.67	111.82	6.25	11.99	24.75	3.03
Occidental Petroleum	oxy	70.342	21.90	3.21	7.75	9.08	4.75	14.81	0.91	77.30	4.15	16.95	27.45	2.56
Royal Dutch Shell	rds-a	82.875	105.20	0.79	13.70	6.05	9.50	8.72	2.81	29.49	8.00	10.36	40.40	2.05
Sunoco Inc	sun	70.188	346.75	0.20	12.45	5.64	8.05	8.72	1.08	64.99	8.70	8.07	25.30	2.77
Tesoro Corp	tso	52.367	143.45	0.37	7.25	7.22	5.15	10.17	0.35	nmf	4.80	10.91	23.75	2.20
Total S A	tot	80.170	81.80	0.98	10.50	7.64	7.15	11.21	2.78	28.84	6.50	12.33	46.05	1.74
Valero Energy	vlo	68.390	162.60	0.42	10.90	6.27	7.90	8.66	0.48	142.48	5.60	12.21	34.25	2.00
	Mean:			0.92		7.75		11.17		92.04		12.94		2.68
	Median:			0.81		7.64		10.17		65.47		11.99		2.45
	Estimated:			0.90		7.70		10.00		65.00		12.00		2.50

source: Value Line Investment Survey and Finance.Yahoo.com

Note: Average Stock Price = 4th 1/4 High/Low common stock price averages

Note: Units per share comparisons

Selected Comparables														
Company Name	Ticker	\$Stock\$ Average	Rev's	Multiple	Cash Flow	Multiple	Earnings	Multiple	Div'ds Decl'd	Multiple	Cap'l Spend	Multiple	Book Value	Multiple
Buckeye Partners	bpl	50.937	11.50	4.43	4.05	12.58	2.90	17.56	3.23	15.77	2.05	24.85	19.75	2.58
Enbridge Energy Ptnr	eep *	51.353	83.88	0.61	5.41	9.49	3.62	14.19	3.70	13.88	11.14	4.61	25.72	2.00
Kinder Morgan Energ	kmp	51.492	39.10	1.32	5.25	9.81	1.70	30.29	3.44	14.97	6.85	7.52	18.65	2.76
Plains All American	paa *	52.220	167.40	0.31	4.80	10.88	3.20	16.32	3.28	15.92	5.25	9.95	28.25	1.85
Teppco Partners	tpp	39.105	97.85	0.40	3.60	10.86	2.00	19.55	2.74	14.27	2.60	15.04	15.30	2.56
	Mean:			1.41		10.72		19.58		14.96		12.39		2.35
	Median:			0.61		10.86		17.56		14.97		9.95		2.56
	Estimated:			0.60		10.80		17.50		15.00		10.00		2.50

* Used 2006 data as 2007 info is not available

Support for Yield Capitalization Equity Component Capital Asset Pricing Model

Liquid Petroleum

2008 Assessment Year

Ex Post

$$K_e = R_f + B (R_m - R_f)$$

Ke = Cost of Equity			8.1%
			to page 1
Rf =	risk free rate	4.5%	
Rp =	risk premium	5.2%	
B =	Beta	0.70	page 7

Rp = Risk Premium			5.2%
			to above
Ibbotson SBBI, Market Report Dec 2007, Table 7 page 18			
Ibbotson, SBBI, Large Co.		10.4% Geometric Rm	
	less	5.2% Average Historical Rf Return	

Rf = Risk Free Rate			4.5%
			to above
Ibbotson SBBI, Risk Premia Over Time Report 2008, Table C1 page 5			
Long Term (20 years) US Treasury Bond Yield		4.5%	
Value Line Investment Survey, Selected Yields January 4, 2008, page 4353			
US Treasury Securities year end data			
5 year		3.70%	
10 year		4.28%	
30 year		4.67%	
30 year Zero		4.70%	
Federal Reserve Statistical Release (http://www.federalreserve.gov/Releases/H15/Current/)			
January 7, 2008 as of 12-31-07			
Treasury Constant Maturities			
5 year		3.45%	
10 year		4.04%	
20 year		4.50%	
20 year TIPS		2.00%	
		2.50%	Inflation Indication

Support for Yield Capitalization Equity Component Capital Asset Pricing Model

Liquid Petroleum

2008 Assessment Year

Ex Ante

$$\text{Ke} = \text{Rf} + \text{B} (\text{Rp})$$

Ke = Cost of Equity	8.0%
Rm =	rate of return 9.5%
Rf =	risk free rate 4.5%
Rp =	risk premium 5.0%
B =	Beta 0.70
	to page 1
	page 7

Rp = Risk Premium	5.0%
	to above
Shannon Pratt and Roger Grabowski	3.5 - 6%
Cost of Capital, Applications and Examples, Third Edition, 2008, Page 113.	
Dr. Aswath Damodaran	4.37%
http://pages.stern.nyu.edu/~adamodar/ 2007 Implied Premium	
John Graham and Campbell Harvey	3.21%
The Equity Risk Premium in January 2007:	3.47%
Evidence from the Global CEO Outlook Survey	2.39 - 4.65%
	November 2006 10 year average 10 year average range

Rf = Risk Free Rate	4.5%
	to above
Ibbotson SBBI, Risk Premia Over Time Report 2008, Table C1 page 5	
Long Term (20 years) US Treasury Bond Yield	4.5%
Value Line Investment Survey, Selected Yields January 4, 2008, page 4353	
US Treasury Securities year end data	
5 year	3.70%
10 year	4.28%
30 year	4.67%
30 year Zero	4.70%
Federal Reserve Statistical Release (http://www.federalreserve.gov/Releases/H15/Current/) January 7, 2008 for 12-31-07	
Treasury Constant Maturities	
5 year	3.45%
10 year	4.04%
20 year	4.50%
20 year TIPS	2.00%
	2.50% Inflation Indication

**Beta Calculation for CAPM
Liquid Petroleum
2008 Assessment Year**

Beta =		
Industry Overall		ValueLine
BP plc	bp	0.90
Chevron Corp	cvx	0.90
ConocoPhillips	cop	0.90
Exxon Mobil	xom	0.90
Frontier Oil Corp	fto	1.05
Hess Corp	hes	0.95
Holly Corp	hoc	1.00
Marathon Oil Corp	mro	1.05
Murphy Oil	mur	0.90
Occidental Petroleum	oxy	1.05
Royal Dutch Shell	rds-a	1.00
Sunoco Inc	sun	1.05
Tesoro Corp	tso	1.10
Total S A	tot	1.10
Valero Energy	vlo	1.00
Mean:		0.99
Median:		1.00
Estimated:		1.00

Selected Comparables		ValueLine
Buckeye Partners	bpl	0.75
Enbridge Energy Ptnrs	eep	0.60
Kinder Morgan Energy Pt	kmp	0.65
Plains All American	paa	0.70
Teppco Partners	tpp	0.65
Valero, LP	vli	0.67
Mean:		0.67
Median:		0.66
Estimated:		0.70

Support for Yield Capitalization Equity Component
Liquid Petroleum
2008 Assessment Year

Dividend Growth Model

(based on Value Line Dividends Growth)

$$K_e = D_1 / P_0 + G$$

where:

K_e = Cost of Equity
D₁ = Expected Dividends
P₀ = Current Price
G = Sustainable Growth

Industry Overall							
Company Name	Ticker	Stock Price (P ₀)	Expected Dividend (D ₁)	Dividend Yield (D ₁ /P ₀)	Dividend Growth (G)	K _e	Multi Stage K _e
BP plc	bp	74.000	2.62	3.54%	6.00%	9.54%	9.45%
Chevron Corp	cvx	89.432	2.32	2.59%	6.00%	8.59%	8.69%
ConocoPhillips	cop	82.935	1.68	2.03%	7.00%	9.03%	8.81%
Exxon Mobil	xom	90.345	1.43	1.58%	7.00%	8.58%	8.42%
Frontier Oil Corp	fto	43.953	0.20	0.46%	25.00%	25.46%	19.85%
Hess Corp	hes	75.450	0.40	0.53%	nil	nmf	nmf
Holly Corp	hoc	55.908	0.48	0.86%	19.00%	19.86%	16.11%
Marathon Oil Corp	mro	58.465	0.96	1.64%	11.50%	13.14%	11.67%
Murphy Oil	mur	74.920	0.74	0.99%	9.50%	10.49%	9.28%
Occidental Petroleum	oxy	70.342	1.03	1.46%	14.00%	15.46%	13.24%
Royal Dutch Shell	rds-a	82.875	2.95	3.56%	4.50%	8.06%	9.13%
Sunoco Inc	sun	70.188	1.14	1.62%	8.00%	9.62%	9.18%
Tesoro Corp	tso	52.367	0.40	0.76%	nmf	nmf	nmf
Total S A	tot	80.170	2.90	3.62%	8.50%	12.12%	11.68%
Valero Energy	vlo	68.390	0.52	0.76%	20.50%	21.26%	16.82%
Mean:						13.17%	11.72%
Median:						10.49%	9.45%
Range:						8.06% - 25.46%	8.42% - 19.85%
Estimated:						11.00%	11.00%

source: Value Line and Finance.Yahoo.com
Note: Stock Price = 4th ¼ High / Low average

Selected Comparables						
Company Name	Ticker	Stock Price (P ₀)	Expected Dividend (D ₁)	Dividend Yield (D ₁ /P ₀)	Dividend Growth (G)	K _e
Buckeye Partners	bpl	50.937	3.43	6.73%	5.50%	12.23%
Enbridge Energy Ptnrs	eep	51.353	N/A	nmf	nmf	nmf
Kinder Morgan Energy Ptnr	kmp	51.492	3.65	7.09%	6.50%	13.59%
Plains All American	paa	52.220	3.64	6.97%	11.00%	17.97%
Teppco Partners	tpp	39.105	2.80	7.16%	2.50%	9.66%
Mean:						13.36%
Median:						12.91%
Range:						9.66% - 17.97%
Estimated:						13.00%

**Support for Yield Capitalization Equity Component
Liquid Petroleum
2008 Assessment Year**

Dividend Growth Model

(based on Value Line Earnings Growth)

$$K_e = D_1 / P_0 + G$$

where:

- Ke** = Cost of Equity
- D1** = Expected Dividends
- Po** = Current Price
- G** = Sustainable Growth

Industry Overall							
Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Earnings Growth (G)	Ke	Multi Stage Ke
BP plc	bp	74.000	2.62	3.54%	6.00%	9.54%	9.45%
Chevron Corp	cvx	89.432	2.32	2.59%	5.00%	7.59%	7.97%
ConocoPhillips	cop	82.935	1.68	2.03%	2.50%	4.53%	5.58%
Exxon Mobil	xom	90.345	1.43	1.58%	7.00%	8.58%	8.42%
Frontier Oil Corp	fto	43.953	0.20	0.46%	5.50%	5.96%	6.46%
Hess Corp	hes	75.450	0.40	0.53%	6.50%	7.03%	6.89%
Holly Corp	hoc	55.908	0.48	0.86%	11.00%	11.86%	10.58%
Marathon Oil Corp	mro	58.465	0.96	1.64%	9.00%	10.64%	9.90%
Murphy Oil	mur	74.920	0.74	0.99%	11.00%	11.99%	10.32%
Occidental Petroleum	oxy	70.342	1.03	1.46%	3.50%	4.96%	5.83%
Royal Dutch Shell	rds-a	82.875	2.95	3.56%	3.00%	6.56%	8.00%
Sunoco Inc	sun	70.188	1.14	1.62%	3.50%	5.12%	5.98%
Tesoro Corp	tso	52.367	0.40	0.76%	7.00%	7.76%	7.43%
Total S A	tot	80.170	2.90	3.62%	5.00%	8.62%	9.07%
Valero Energy	vlo	68.390	0.52	0.76%	5.50%	6.26%	6.49%
Mean:						7.80%	7.89%
Median:						7.59%	7.97%
Range:						4.53% - 11.99%	5.58% - 10.58%
Estimated:						8.00%	8.00%

source: Value Line and Finance.Yahoo.com
Note: Stock Price = 4th ¼ High / Low average

Selected Comparables						
Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Earnings Growth (G)	Ke
Buckeye Partners	bpl	50.937	3.43	6.73%	7.00%	13.73%
Enbridge Energy Ptrns	eep	51.353	N/A	nmf	N/A	nmf
Kinder Morgan Energy Ptn	kmp	51.492	3.65	7.09%	5.00%	12.09%
Plains All American	paa	52.220	3.64	6.97%	5.00%	11.97%
Teppco Partners	tpp	39.105	2.80	7.16%	8.00%	15.16%
Mean:						13.24%
Median:						12.91%
Range:						11.97% - 15.16%
Estimated:						13.00%

**Support for Yield Capitalization Equity Component
Liquid Petroleum
2008 Assessment Year**

Dividend Growth Model
(based on S&P Earnings Growth)

$$K_e = D_1 / P_o + G$$

where:

- Ke** = Cost of Equity
- D1** = Expected Dividends
- Po** = Current Price
- G** = Sustainable Growth

Industry Overall								
Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	# of Ests	Earnings Growth (G)	Ke	Multi Stage Ke
BP plc	bp	74.000	2.62	3.54%	15	5.00%	8.54%	8.71%
Chevron Corp	cvx	89.432	2.32	2.59%	20	8.00%	10.59%	10.14%
ConocoPhillips	cop	82.935	1.68	2.03%	20	11.00%	13.03%	11.66%
Exxon Mobil	xom	90.345	1.43	1.58%	21	8.00%	9.58%	9.12%
Frontier Oil Corp	fto	43.953	0.20	0.46%	15	26.00%	26.46%	20.52%
Hess Corp	hes	75.450	0.40	0.53%	19	13.00%	13.53%	11.35%
Holly Corp	hoc	55.908	0.48	0.86%	13	16.00%	16.86%	14.05%
Marathon Oil Corp	mro	58.465	0.96	1.64%	21	12.00%	13.64%	12.02%
Murphy Oil	mur	74.920	0.74	0.99%	17	18.00%	18.99%	15.13%
Occidental Petroleum	oxy	70.342	1.03	1.46%	19	12.00%	13.46%	11.84%
Royal Dutch Shell	rds-a	82.875	2.95	3.56%		n/a	nmf	nmf
Sunoco Inc	sun	70.188	1.14	1.62%	20	19.00%	20.62%	16.92%
Tesoro Corp	tso	52.367	0.40	0.76%	20	17.00%	17.76%	14.31%
Total S A	tot	80.170	2.90	3.62%		n/a	nmf	nmf
Valero Energy	vlo	68.390	0.52	0.76%	21	17.00%	17.76%	14.43%
Mean:							15.45%	13.09%
Median:							13.64%	12.02%
Range:							8.54% - 26.46%	8.71% - 20.52%
Estimated:							13.00%	12.50%

source: Standard & Poors January 2007, Earnings Guide and Finance.Yahoo.com

Note: Stock Price = 4th 1/4 High / Low average

Selected Comparables							
Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	# of Ests	Earnings Growth (G)	Ke
Buckeye Partners	bpl	50.937	3.43	6.73%	11	8.00%	14.73%
Enbridge Energy Ptnrs	eep	51.353	N/A	nmf	13	5.00%	nmf
Kinder Morgan Energy Ptnr	kmp	51.492	3.65	7.09%	16	8.00%	15.09%
Plains All American	paa	52.220	3.64	6.97%	13	6.00%	12.97%
Teppco Partners	tp	39.105	2.80	7.16%	13	5.00%	12.16%
Mean:							13.74%
Median:							13.85%
Range:							12.16% - 15.09%
Estimated:							13.00%

Support for Debt Rating and Debt Yield Rate

Liquid Petroleum 2008 Assessment Year

Industry Overall		---- Ratings -----	
Company	Ticker	Mergent's	S&P
BP plc	bp		AA+
Chevron Corp	cvx	Aa1	AA
ConocoPhillips	cop		A
Exxon Mobil	xom		AAA
Frontier Oil Corp	fto		BB-
Hess Corp	hes		BBB-
Holly Corp	hoc		
Marathon Oil Corp	mro	Baa1	BBB+
Murphy Oil	mur	Baa3	BBB
Occidental Petroleum	oxy		A-
Royal Dutch Shell	rds-a		AA
Sunoco Inc	sun		BBB
Tesoro Corp	tso		BB+
Total S A	tot		AA
Valero Energy	vlo	Baa3	BBB
Overall Average Debt Rating		Baa	A

Mergent's Bond Record, Jan 2008, pg 210

Corporate	Aaa	Aa	A	Baa
October	5.66%	5.94%	6.13%	6.48%
November	5.44%	5.78%	5.97%	6.40%
December	5.49%	5.91%	6.19%	6.65%
Average	5.53%	5.88%	6.10%	6.51%

Public Utilities	Aaa	Aa	A	Baa
October		6.04%	6.11%	6.36%
November		5.87%	5.97%	6.27%
December		6.03%	6.16%	6.51%
Average		5.98%	6.08%	6.38%

Industrials	Aaa	Aa	A	Baa
October	5.66%	5.84%	6.14%	6.60%
November	5.44%	5.67%	5.97%	6.51%
December	5.49%	5.78%	6.22%	6.78%
Average	5.53%	5.76%	6.11%	6.63%

DEBT YIELD RATE
6.50%

Support for Debt Rating and Debt Yield Rate

Liquid Petroleum 2008 Assessment Year

Selected Comparables		---- Ratings -----	
Company	Ticker	Mergent's	S&P
Buckeye Partners	bpl		BBB
Enbridge Energy Ptnrs	eep	Baa3	BBB
Kinder Morgan Energy Ptnr	kmp	Baa2	BBB
Plains All American	paa	Baa3	BBB-
Teppco Partners	tpp		BBB-
Overall Average Debt Rating		Baa	BBB

Mergent's Bond Record, Jan 2008, pg 210

Corporate	Aaa	Aa	A	Baa
October	5.66%	5.94%	6.13%	6.48%
November	5.44%	5.78%	5.97%	6.40%
December	5.49%	5.91%	6.19%	6.65%
Average	5.53%	5.88%	6.10%	6.51%

Public Utilities	Aaa	Aa	A	Baa
October		6.04%	6.11%	6.36%
November		5.87%	5.97%	6.27%
December		6.03%	6.16%	6.51%
Average		5.98%	6.08%	6.38%

Industrials	Aaa	Aa	A	Baa
October	5.66%	5.84%	6.14%	6.60%
November	5.44%	5.67%	5.97%	6.51%
December	5.49%	5.78%	6.22%	6.78%
Average	5.53%	5.76%	6.11%	6.63%

DEBT YIELD RATE
6.50%

**Support for Equity Component of Direct Capitalization Rates
Liquid Petroleum
2008 Assessment Year**

Industry Overall										
Company Name	Ticker	\$Stock\$ Average	Actual		Projected		Actual		Projected	
			Earnings	Ratio	Earnings	Ratio	Cash Flow	Ratio	Cash Flow	Ratio
BP plc	bp	74.000	5.90	8.0%	7.00	9.5%	9.20	12.4%	10.50	14.2%
Chevron Corp	cvx	89.432	8.35	9.3%	8.00	8.9%	12.35	13.8%	12.25	13.7%
ConocoPhillips	cop	82.935	8.95	10.8%	9.40	11.3%	12.25	14.8%	12.90	15.6%
Exxon Mobil	xom	90.345	7.00	7.7%	7.25	8.0%	9.50	10.5%	9.95	11.0%
Frontier Oil Corp	fto	43.953	4.90	11.1%	3.05	6.9%	5.50	12.5%	3.70	8.4%
Hess Corp	hes	75.450	5.75	7.6%	5.85	7.8%	9.75	12.9%	10.00	13.3%
Holly Corp	hoc	55.908	5.80	10.4%	4.40	7.9%	6.85	12.3%	5.60	10.0%
Marathon Oil Corp	mro	58.465	6.10	10.4%	6.25	10.7%	8.20	14.0%	8.70	14.9%
Murphy Oil	mur	74.920	4.05	5.4%	5.45	7.3%	6.35	8.5%	7.90	10.5%
Occidental Petroleum	oxy	70.342	4.75	6.8%	5.00	7.1%	7.75	11.0%	8.50	12.1%
Royal Dutch Shell	rds-a	82.875	9.50	11.5%	9.60	11.6%	13.70	16.5%	13.95	16.8%
Sunoco Inc	sun	70.188	8.05	11.5%	7.85	11.2%	12.45	17.7%	12.45	17.7%
Tesoro Corp	tso	52.367	5.15	9.8%	4.00	7.6%	7.25	13.8%	5.60	10.7%
Total S A	tot	80.170	7.15	8.9%	7.50	9.4%	10.50	13.1%	11.15	13.9%
Valero Energy	vlo	68.390	7.90	11.6%	7.25	10.6%	10.90	15.9%	10.15	14.8%
	Mean:			9.4%		9.1%		13.3%		13.2%
	Median:			9.8%		8.9%		13.1%		13.7%
Estimated:			9.5%		9.0%		13.0%		13.0%	

source: Value Line

Selected Comparables										
Company Name	Ticker	\$Stock\$ Average	Actual		Projected		Actual		Projected	
			Earnings	Ratio	Earnings	Ratio	Cash Flow	Ratio	Cash Flow	Ratio
Buckeye Partners	bpl	45.297	2.65	5.9%	3.15	7.0%	4.05	8.9%	4.40	9.7%
Enbridge Energy Ptnrs	eep	52.670	2.98	5.7%	2.92	5.5%			N/A	nmf
Kinder Morgan Energy Ptnrs	kmp	46.405	2.00	4.3%	2.05	4.4%	5.25	11.3%	5.85	12.6%
Plains All American	paa	48.948	3.41	7.0%	3.00	6.1%	4.80	9.8%	4.65	9.5%
Teppco Partners	tpp	39.338	1.75	4.4%	2.10	5.3%	3.60	9.2%	3.95	10.0%
	Mean:			5.4%		5.7%		9.8%		10.5%
	Median:			5.7%		5.5%		9.5%		9.9%
Estimated:			5.4%		5.4%		9.5%		10.0%	

BP PLC bp

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	72.870	76.500	72.100	73.170	2779400	73.170	Q4 Average 74.000
01-Nov-07	77.990	79.770	69.810	72.740	4153200	72.740	
01-Oct-07	69.220	78.580	67.240	77.990	4761600	77.350	
04-Sep-07	66.810	72.110	66.760	69.350	3592600	68.780	
01-Aug-07	69.890	70.330	61.100	67.360	4595800	66.810	
02-Jul-07	72.950	75.250	68.790	69.400	4181400	68.180	
01-Jun-07	66.750	72.490	65.930	72.140	4569200	70.870	
01-May-07	67.740	69.960	65.690	67.010	3558700	65.830	
02-Apr-07	65.360	69.750	64.420	67.320	3587000	65.530	
01-Mar-07	61.000	65.860	58.620	64.750	4938900	63.030	
01-Feb-07	63.720	64.400	60.970	61.540	4061600	59.910	
03-Jan-07	67.270	67.270	61.290	63.510	5077100	61.210	

Chevron Corp cvx

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	87.100	95.200	86.740	93.330	8344300	93.330	Q4 Average 89.432
01-Nov-07	90.050	91.480	81.920	87.770	11521200	87.770	
01-Oct-07	93.300	94.530	86.720	91.510	9662100	90.900	
04-Sep-07	87.190	95.500	85.910	93.580	10184900	92.950	
01-Aug-07	84.770	89.500	78.250	87.760	13054000	87.170	
02-Jul-07	84.700	95.000	83.600	85.260	11779800	84.090	
01-Jun-07	81.760	85.190	79.120	84.240	9799600	83.090	
01-May-07	77.970	83.560	77.420	81.490	9812500	80.380	
02-Apr-07	74.050	79.070	74.050	77.790	9633600	76.180	
01-Mar-07	67.320	74.980	64.990	73.960	11138600	72.430	
01-Feb-07	73.250	74.960	68.020	68.520	10407300	67.100	
03-Jan-07	72.770	73.440	68.480	72.880	10124600	70.860	

Conocophillips cop

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	79.010	89.890	78.730	88.300	9349800	88.300	Q4 Average 82.935
01-Nov-07	83.600	85.490	74.180	80.040	13950300	80.040	
01-Oct-07	86.770	88.820	80.500	84.960	11388400	84.960	
04-Sep-07	81.710	89.740	80.930	87.770	9898100	87.350	
01-Aug-07	80.140	82.810	73.750	81.890	13225500	81.490	
02-Jul-07	78.890	90.840	78.880	80.840	15239000	80.450	
01-Jun-07	77.910	81.400	74.540	78.500	11317200	77.730	
01-May-07	69.310	77.930	68.700	77.430	13075500	76.670	
02-Apr-07	68.510	71.660	66.240	69.350	10786700	68.280	
01-Mar-07	64.910	70.490	63.830	68.350	12783500	67.290	
01-Feb-07	66.700	68.440	64.010	65.320	10511800	64.310	
03-Jan-07	71.300	71.500	61.590	66.410	17712800	64.990	

Exxon Mobil xom

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	88.970	95.100	87.710	93.690	20007800	93.690	Q4 Average 90.345
01-Nov-07	89.830	90.950	83.370	89.160	27396100	89.160	
01-Oct-07	92.450	95.270	89.670	91.990	23720000	91.630	
04-Sep-07	85.310	93.660	83.880	92.560	24540500	92.200	
01-Aug-07	84.990	87.900	78.760	85.730	30843200	85.400	
02-Jul-07	84.500	93.620	84.120	85.130	28263400	84.460	
01-Jun-07	83.560	86.580	80.850	83.880	25316000	83.220	
01-May-07	79.500	84.320	79.050	83.170	21117100	82.520	
02-Apr-07	75.350	80.880	75.280	79.380	23657200	78.420	
01-Mar-07	70.900	76.350	69.020	75.450	28874700	74.540	
01-Feb-07	74.580	76.100	71.180	71.680	24060100	70.810	
03-Jan-07	76.260	76.270	70.640	74.100	26449100	72.890	

Frontier Oil Corp fto

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	44.600	45.450	40.330	40.580	1419700	40.580	Q4 Average 43.953
01-Nov-07	44.300	49.130	42.260	44.200	1974100	44.150	
01-Oct-07	41.640	47.010	39.540	45.790	1945600	45.730	
04-Sep-07	40.540	47.820	39.390	41.640	2751700	41.590	
01-Aug-07	38.750	41.450	31.610	41.030	3154800	40.930	
02-Jul-07	43.980	49.100	36.540	38.730	2930300	38.640	
01-Jun-07	40.490	45.750	38.670	43.770	2493400	43.670	
01-May-07	35.420	40.540	34.170	40.260	2428700	40.120	
02-Apr-07	32.480	36.330	31.950	35.330	2056900	35.210	
01-Mar-07	29.400	33.750	27.320	32.640	2111900	32.530	
01-Feb-07	28.810	30.960	28.030	29.510	2181300	29.380	
03-Jan-07	28.150	28.680	25.470	28.410	1716600	28.290	

Hess Corp hes

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	71.630	105.850	71.330	100.860	5682100	100.860	Q4 Average 75.450
01-Nov-07	70.680	74.950	64.290	71.220	4102400	71.140	
01-Oct-07	66.600	72.700	63.580	71.610	3454600	71.530	
04-Sep-07	60.780	69.870	59.270	66.530	2869100	66.450	
01-Aug-07	60.250	62.090	53.120	61.370	3114600	61.200	
02-Jul-07	59.300	67.220	58.340	61.200	3420800	61.030	
01-Jun-07	59.690	61.240	54.550	58.960	3502100	58.800	
01-May-07	57.230	61.480	56.080	59.220	3152500	58.950	
02-Apr-07	55.840	59.270	54.980	56.750	2832200	56.490	
01-Mar-07	52.990	58.000	49.050	55.470	3373500	55.220	
01-Feb-07	53.740	56.600	52.030	52.960	3042200	52.620	
03-Jan-07	48.850	54.860	45.960	53.990	4592500	53.640	

Holly Corp hoc

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	50.580	52.840	46.000	50.890	1187200	50.890	Q4 Average 55.908
01-Nov-07	60.840	65.450	45.000	48.450	1245300	48.340	
01-Oct-07	59.420	67.390	58.770	62.800	674800	62.650	
04-Sep-07	66.070	69.000	59.560	59.830	677900	59.690	
01-Aug-07	67.540	68.300	51.610	66.650	1054100	66.370	
02-Jul-07	74.700	80.550	65.030	67.390	913000	67.110	
01-Jun-07	70.750	77.530	66.340	74.190	802300	73.880	
01-May-07	63.850	71.250	62.390	70.090	762300	69.670	
02-Apr-07	59.550	65.350	57.830	63.600	665300	63.220	
01-Mar-07	55.220	61.800	52.000	59.300	772800	58.950	
01-Feb-07	52.800	57.160	52.110	55.470	644300	55.050	
03-Jan-07	50.900	54.550	48.280	52.690	919900	52.290	

Marathon Oil mro

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	55.530	63.070	55.530	60.860	4586700	60.860	Q4 Average 58.465
01-Nov-07	58.000	62.750	51.990	55.900	6511200	55.900	
01-Oct-07	57.020	62.080	55.370	59.130	6662400	58.880	
04-Sep-07	54.060	59.550	52.000	57.020	6997200	56.780	
01-Aug-07	54.250	55.750	46.970	53.890	8930700	53.670	
02-Jul-07	60.400	65.210	53.580	55.200	6756200	54.720	
01-Jun-07	123.900	134.080	58.040	59.960	7204600	59.440	
01-May-07	101.650	124.760	100.480	123.810	8832900	61.370	
02-Apr-07	98.990	104.500	98.000	101.550	7985300	50.110	
01-Mar-07	89.800	103.470	87.550	98.830	8981500	48.770	
01-Feb-07	89.650	94.140	88.680	90.720	6594100	44.770	
03-Jan-07	91.500	91.500	83.000	90.340	8666100	44.390	

Murphy Oil mur

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	71.300	85.940	70.870	84.840	1103900	84.840	Q4 Average 74.920
01-Nov-07	72.880	76.460	66.570	71.520	1731200	71.520	
01-Oct-07	70.060	79.730	69.950	73.630	1714000	73.450	
04-Sep-07	60.380	70.670	59.110	69.890	1460300	69.720	
01-Aug-07	61.290	65.620	56.370	60.940	1840700	60.790	
02-Jul-07	59.600	65.620	59.600	62.040	1791500	61.690	
01-Jun-07	59.250	60.500	56.130	59.440	1571700	59.110	
01-May-07	55.440	61.440	54.640	59.000	1544600	58.670	
02-Apr-07	53.650	58.700	52.870	55.440	1410200	54.980	
01-Mar-07	51.820	54.920	50.010	53.400	1451100	52.960	
01-Feb-07	49.720	53.000	48.860	51.820	1566900	51.390	
03-Jan-07	50.910	50.910	45.450	49.710	1839700	49.160	

Occidental Petroleum oxy

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	69.190	79.250	68.380	76.990	4923800	76.990	Q4 Average 70.342
01-Nov-07	67.900	74.330	65.310	69.770	8275800	69.520	
01-Oct-07	64.120	71.490	63.290	69.050	6749900	68.800	
04-Sep-07	56.700	65.860	56.600	64.080	6020700	63.850	
01-Aug-07	57.000	58.220	50.660	56.690	6431800	56.250	
02-Jul-07	58.490	64.280	55.880	56.720	6419900	56.280	
01-Jun-07	55.660	59.730	54.470	57.880	6274400	57.430	
01-May-07	50.710	55.660	50.250	54.970	5314500	54.330	
02-Apr-07	49.230	52.810	49.070	50.700	5435300	50.110	
01-Mar-07	46.000	50.460	44.850	49.310	6570500	48.740	
01-Feb-07	46.480	48.750	45.600	46.120	6911300	45.370	
03-Jan-07	48.830	48.860	42.060	46.360	8590500	45.600	

Royal Dutch Shell rds-a

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	79.950	84.990	79.650	84.200	1081200	84.200	Q4 Average 82.875
01-Nov-07	86.230	86.300	79.040	81.430	1767600	81.430	
01-Oct-07	82.190	88.310	78.960	87.510	1785400	87.510	
04-Sep-07	78.510	84.450	78.370	82.180	1545900	81.500	
01-Aug-07	77.450	78.160	69.560	77.350	1953000	76.710	
02-Jul-07	82.830	85.480	76.510	77.590	1834600	76.230	
01-Jun-07	74.880	81.620	74.800	81.200	1536400	79.780	
01-May-07	69.760	75.690	69.140	74.300	1729700	73.000	
02-Apr-07	66.990	70.690	65.150	69.350	1376400	67.450	
01-Mar-07	64.630	67.600	62.710	66.300	1788600	64.490	
01-Feb-07	69.180	69.600	64.850	65.010	1680500	63.230	
03-Jan-07	70.880	70.910	65.890	68.250	1560900	65.750	

Sunoco Inc sun

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	66.950	72.620	62.250	72.440	2516400	72.440	Q4 Average 70.188
01-Nov-07	71.140	75.360	62.800	67.100	2635700	67.100	
01-Oct-07	70.780	78.800	69.300	73.600	2332500	73.320	
04-Sep-07	72.690	78.200	70.260	70.780	2340600	70.510	
01-Aug-07	65.500	74.190	60.690	73.140	3390500	72.860	
02-Jul-07	81.500	85.000	65.560	66.720	3369600	66.170	
01-Jun-07	80.130	86.400	76.090	79.680	2934900	79.030	
01-May-07	75.590	79.950	71.870	79.710	3537000	79.060	
02-Apr-07	70.460	79.240	70.030	75.530	3499300	74.640	
01-Mar-07	64.220	71.880	61.800	70.440	3871000	69.610	
01-Feb-07	63.630	67.460	59.770	64.440	3178000	63.680	
03-Jan-07	61.500	63.380	56.680	63.130	3430600	62.130	

Tesoro Corp tso

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	50.060	50.370	44.530	47.700	3456100	47.700	Q4 Average 52.367
01-Nov-07	58.550	60.440	47.480	49.180	5037400	49.180	
01-Oct-07	45.850	65.980	45.400	60.530	5690800	60.410	
04-Sep-07	49.320	52.950	45.450	46.020	5865500	45.930	
01-Aug-07	50.050	51.410	42.640	49.330	3997500	49.230	
02-Jul-07	56.980	62.000	47.470	49.800	4196900	49.590	
01-Jun-07	62.060	64.650	54.090	57.150	4305100	56.910	
01-May-07	121.750	124.390	59.200	61.880	7724100	61.520	
02-Apr-07	100.430	125.870	100.110	121.200	7080200	60.250	
01-Mar-07	91.150	102.790	88.730	100.430	5679300	49.930	
01-Feb-07	83.300	92.920	81.390	91.170	4197800	45.320	
03-Jan-07	66.350	82.530	62.930	82.390	4888600	40.910	

Total S A tot

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	80.540	83.880	77.470	82.600	1596900	82.600	Q4 Average 80.170
01-Nov-07	79.140	84.460	77.140	80.920	3022300	80.920	
01-Oct-07	80.300	81.410	76.660	80.610	2483600	79.230	
04-Sep-07	74.480	82.380	74.380	81.030	1770000	79.640	
01-Aug-07	78.610	79.370	68.010	75.090	2125900	73.800	
02-Jul-07	81.940	87.340	76.500	78.610	2099300	77.260	
01-Jun-07	75.300	81.550	73.340	80.980	1863600	79.590	
01-May-07	73.850	76.850	72.200	75.450	1793700	74.160	
02-Apr-07	70.190	74.680	69.570	73.690	1397700	71.160	
01-Mar-07	66.120	70.440	63.890	69.780	1949900	67.390	
01-Feb-07	68.700	70.970	66.990	67.320	1592000	65.010	
03-Jan-07	72.530	72.650	66.130	68.050	1764700	65.710	

Valero Energy vlo

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	65.200	71.250	63.570	70.030	6058400	70.030	Q4 Average 68.390
01-Nov-07	68.990	73.000	60.800	65.100	8435500	65.100	
01-Oct-07	66.920	75.750	65.970	70.430	9158700	70.310	
04-Sep-07	68.100	72.300	66.380	67.180	7910300	67.060	
01-Aug-07	66.840	69.930	60.000	68.510	11470700	68.390	
02-Jul-07	74.160	78.680	66.020	67.010	12127600	66.760	
01-Jun-07	75.140	77.890	71.850	73.860	10312700	73.590	
01-May-07	70.350	77.240	70.000	74.620	14844500	74.350	
02-Apr-07	64.780	73.100	63.530	70.230	15569400	69.860	
01-Mar-07	57.200	66.020	54.750	64.490	14207800	64.150	
01-Feb-07	55.410	59.670	54.620	57.540	11138800	57.240	
03-Jan-07	50.890	54.460	47.660	54.280	13348200	53.880	

Buckeye bpl

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	48.200	51.060	47.500	49.410	90000	49.410	Q4 Average 50.937
01-Nov-07	54.620	55.260	47.750	48.050	132600	48.050	
01-Oct-07	50.050	55.540	48.510	55.490	86900	54.670	
04-Sep-07	49.600	51.600	48.770	48.940	88600	48.210	
01-Aug-07	53.950	54.500	44.400	49.050	207900	48.320	
02-Jul-07	52.750	55.190	51.800	53.870	93500	52.260	
01-Jun-07	53.100	53.490	48.790	51.320	94100	49.780	
01-May-07	54.750	54.800	49.890	52.100	84800	50.540	
02-Apr-07	49.600	54.750	49.370	53.880	79000	51.500	
01-Mar-07	49.230	50.210	48.510	49.720	73100	47.520	
01-Feb-07	51.750	52.750	48.850	49.150	148400	46.980	
03-Jan-07	46.400	52.210	46.000	51.800	75900	48.770	

Enbridge Energy Partners eep

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	50.950	52.160	49.000	50.540	167600	50.540	Q4 Average 51.353
01-Nov-07	53.280	54.160	50.500	51.190	198000	51.190	
01-Oct-07	48.750	53.590	48.710	53.090	192300	52.150	
04-Sep-07	50.540	52.000	48.380	48.830	155100	47.960	
01-Aug-07	55.050	56.080	48.270	50.990	330200	50.090	
02-Jul-07	55.750	58.470	54.900	55.610	283800	53.710	
01-Jun-07	55.700	56.920	52.300	55.550	216000	53.650	
01-May-07	60.610	60.830	53.690	55.800	297200	53.890	
02-Apr-07	56.470	61.820	55.450	59.810	140100	56.870	
01-Mar-07	53.600	56.430	52.000	55.890	115700	53.150	
01-Feb-07	52.900	54.070	51.600	52.820	111400	50.230	
03-Jan-07	49.280	52.950	48.250	52.910	97200	49.440	

Kinder Morgan Energy Partners kmp

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	50.020	54.710	50.020	53.990	539200	53.990	Q4 Average 51.492
01-Nov-07	52.350	52.470	49.240	50.590	803600	50.590	
01-Oct-07	49.400	54.000	48.510	52.500	435400	52.500	
04-Sep-07	50.110	51.350	49.400	49.400	349300	48.560	
01-Aug-07	52.510	53.290	46.610	50.290	701100	49.440	
02-Jul-07	55.300	56.700	52.550	52.980	374500	52.080	
01-Jun-07	55.140	55.870	52.110	55.190	376600	53.410	
01-May-07	54.740	57.350	53.170	55.200	341900	53.420	
02-Apr-07	52.680	57.000	52.680	55.450	323400	53.660	
01-Mar-07	50.510	53.500	50.310	52.680	255800	50.230	
01-Feb-07	50.370	51.710	49.790	50.670	372700	48.320	
03-Jan-07	47.750	50.780	47.280	50.410	366100	48.070	

Plains All American paa

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	52.400	52.840	48.800	52.000	427100	52.000	Q4 Average 52.220
01-Nov-07	55.150	55.640	46.250	52.290	289900	52.290	
01-Oct-07	54.570	57.090	52.700	55.160	336600	55.160	
04-Sep-07	57.250	57.750	52.760	54.490	209800	53.670	
01-Aug-07	61.800	61.810	52.010	57.550	366300	56.680	
02-Jul-07	63.800	65.240	60.450	62.840	149000	61.070	
01-Jun-07	62.000	64.820	60.700	63.650	280100	61.860	
01-May-07	57.500	62.420	57.240	61.950	235600	60.210	
02-Apr-07	57.550	59.740	56.320	58.990	191500	56.530	
01-Mar-07	55.000	59.330	54.900	57.610	252800	55.210	
01-Feb-07	53.940	55.750	53.580	55.500	211500	53.180	
03-Jan-07	50.950	55.040	49.560	53.850	217500	51.600	

Sunoco Logistics sxl

Date	Open	High	Low	Close	Volume	Adj. Close*	
01-Dec-06	48.400	51.040	48.010	50.560	30355	50.560	Q4 Average 47.522
01-Nov-06	46.500	49.050	45.570	48.540	33419	48.540	
02-Oct-06	44.510	47.750	43.710	46.640	42254	45.850	
01-Sep-06	45.000	45.330	43.500	44.760	34430	44.000	
01-Aug-06	43.090	45.600	42.200	44.900	61347	44.140	
03-Jul-06	40.700	43.040	40.450	43.030	33795	41.560	
01-Jun-06	42.700	42.980	39.490	40.850	52522	39.450	
01-May-06	44.000	44.240	39.890	42.950	136863	41.480	
03-Apr-06	42.120	44.000	40.350	44.000	34789	41.740	
01-Mar-06	42.250	43.470	40.700	41.970	19347	39.820	
01-Feb-06	41.900	43.700	39.630	42.860	24336	40.660	
03-Jan-06	38.800	42.570	38.800	41.700	24470	38.890	

Teppco Partners tpp

Date	Open	High	Low	Close	Volume	Adj. Close*	
03-Dec-07	39.700	39.890	37.170	38.330	180200	38.330	Q4 Average 39.105
01-Nov-07	40.160	40.530	38.820	39.720	209700	39.720	
01-Oct-07	38.020	40.810	37.410	40.260	200400	40.260	
04-Sep-07	39.300	40.490	38.010	38.070	173800	37.420	
01-Aug-07	43.100	43.540	37.040	40.150	230400	39.460	
02-Jul-07	44.370	46.010	42.690	43.570	288100	42.820	
01-Jun-07	43.800	45.000	42.540	44.360	183500	42.940	
01-May-07	45.550	46.200	42.150	43.950	136200	42.540	
02-Apr-07	44.000	46.200	43.590	45.550	128500	44.090	
01-Mar-07	42.640	44.530	42.000	44.400	144700	42.340	
01-Feb-07	41.350	43.600	41.240	42.740	150500	40.760	
03-Jan-07	40.320	41.920	39.880	41.500	151800	39.570	

Washington State Department of Reveue

(instructions: any data entered on this page will flow to the applicable worksheets)

Industry: Liquid Petroleum
 Assessment Year: 2008 Assessment Year

Guideline Companies:		Stock Price (4th 1/4 aver)	Revenues Per Share	Cash Flow Per Share	Earnings Per Share	Dividends Per Share
Name	Ticker					
BP plc	bp	74.000	88.10	9.20	5.90	2.54
Chevron Corp	cvx	89.432	104.85	12.35	8.35	2.26
ConocoPhillips	cop	82.935	118.15	12.25	8.95	1.64
Exxon Mobil	xom	90.345	63.80	9.50	7.00	1.37
Frontier Oil Corp	fto	43.953	47.55	5.50	4.90	0.16
Hess Corp	hes	75.450	93.10	9.75	5.75	0.40
Holly Corp	hoc	55.908	77.75	6.85	5.80	0.46
Marathon Oil Corp	mro	58.465	80.85	8.20	6.10	0.92
Murphy Oil	mur	74.920	88.65	6.35	4.05	0.67
Occidental Petroleum	oxy	70.342	21.90	7.75	4.75	0.91
Royal Dutch Shell	rds-a	82.875	105.20	13.70	9.50	2.81
Sunoco Inc	sun	70.188	346.75	12.45	8.05	1.08
Tesoro Corp	tso	52.367	143.45	7.25	5.15	0.35
Total S A	tot	80.170	81.80	10.50	7.15	2.78
Valero Energy	vlo	68.390	162.60	10.90	7.90	0.48

Selected Comparables		Stock Price (4th 1/4 aver)	Revenues Per Share	Cash Flow Per Share	Earnings Per Share	Dividends Per Share
Name	Ticker					
Buckeye Partners	bpl	50.937	11.50	4.05	2.90	3.23
Enbridge Energy Ptnrs *	eep	51.353	83.88	5.41	3.62	3.70
Kinder Morgan Energy Ptnrs	kmp	51.492	39.10	5.25	1.70	3.44
Plains All American	paa	52.220	167.40	4.80	3.20	3.28
Teppco Partners	tpp	39.105	97.85	3.60	2.00	2.74

* Used 2006 data as 2007 info is not available