

Pipeline and Hazardous Materials Safety Administration

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 30, 2012

Mr. Ralph Grimmer VP, Logistics Tesoro Hawaii Corporation (TX1-023 / 1-2C050) 19100 Ridgewood Parkway San Antonio, TX 78259

CPF 5-2011-6008M

Dear Mr. Grimmer:

On March 30 through April 2, 2011, a representative from the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to chapter 601 of 49 United States Code, conducted an on-site pipeline safety inspection of Tesoro Hawaii Corporation's operation and maintenance procedures in Honolulu, Hawaii. As a result of the inspection, Tesoro Hawaii Corporation was issued a Notice of Amendment on November 21, 2011, which proposed amendment of your operation and maintenance procedures.

Tesoro Hawaii Corporation submitted its amended procedure on January 12, 2012. My staff reviewed the amended procedure, and it appears that the inadequacies outlined in this Notice of Amendment have been corrected.

This letter is to inform you no further action is necessary and this case is now closed. Thank you for your cooperation.

Sincerely,

Director, Western Region

Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry PHP-500 (G Davis, #133324)