

LOOP LLC

OOP LLC is a crude oil pipeline and storage company with onshore and offshore facilities in southeastern Louisiana, serving as a vital energy hub with pipeline connections to a significant portion of our nation's refineries. We can store over seventy million barrels of crude in below ground caverns and above ground tanks. Our unique pumping systems can transport crude at rates in excess of one hundred thousand barrels per hour on multiple, interconnected pipelines.



Best Green Reliability <u>Progr</u>am

Since 2011, LOOP has created and followed a new vision of becoming "Market Driven and Operationally Excellent." Related strategies and tactical objectives were developed and implemented. The uptime or availability of assets, along with our environmental stewardship and our energy consumption reduction. are all considered critical components of our business performance to our customers. These initiatives therefore align with our vision. Our proactive programs have changed our culture. We continue to learn every day, on every job, and seek opportunities for continuous improvement.

The results have been rewarding. As we achieved a record 99.75% uptime on our main oil line assets in 2013, we remain over 99% and have now exceeded 98% uptime for over 8 years. LOOP won the Uptime Award for Best Work Execution Management Program in 2014, and we are honored to now receive the 2016 Uptime Award for Best Green Reliability Program. In 2015, LOOP handled 875,646,384

barrels of crude (36.8 billion gallons) at our Clovelly Hub in Galliano, LA: 445,309,410 barrels in and 430,336,974 barrels out. Though we recorded 12 reportable spills last year, as we report every drop of potentially hazardous fluid that enters the water, they only totaled 5 oz. in volume.

By the end of 2015, our energy consumption also decreased over 21.5% when compared to our 2012 usage—an inverse relationship to our increased throughput and equipment uptime. We convert diesel consumed for our offshore platform, support vessels and onshore facilities, as well as helicopter fuel, to a common unit of energy: a kilowatt-hour (kWh). This energy consumption is then added to our electricity usage at our onshore facilities, which is also tracked in kWhs. Then we calculate how many kWhs it takes to move a barrel of oil at LOOP (kWh/barrel). We established a 5-year goal in 2013 to reduce our energy consumption per barrel by 15% when compared to our 2012 baseline numbers. This was accomplished in less than two years. We've continued to decrease energy consumption in 2016 as we are now burning roughly 22.5% less than we did in our benchmark year.

We made a commitment after our first Uptime Award in 2014 to not camp out at success or rest on our laurels. We're now making improvements in our condition based monitoring program for field assets. In addition, we've enhanced our warehousing program to include a barcoding system that will utilize the same handheld PDAs, among many other investments in the growth and betterment of our company. One such investment we recently completed successfully—on budget, ahead of schedule, and without incident was the replacement of our Marine Terminal Living Quarters offshore. This effort included two critical lifts exceeding 700 tons (out with the old) and 800 tons (in with the new) as shown in the below picture. A larger helipad was also installed above the quarters.

This year, we are implementing the recommendations set forth in American Petroleum Institute's RP 1173 regarding our Pipeline Safety Management System. This includes utilizing the Deming model of Plan-Do-Check-Act (or Adjust) for all our processes and programs, starting with risk assessments and mitigation evaluations at all operating facilities. Although this was a recommendation and not a regulatory compliance requirement, we've opted to get ahead of the game by improving where we can as early as we can.

