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The Honorable Jeff Bingaman
United States Senate
703 Hart Senate Office Building
Washington, DC 20510

December 9, 2008

RE: Loan Guarantee for Renewable Fuel Pipelines

Dear Senator Bingaman:

Magellan Midstream Partners, L.P. owns and operates the longest refined petroleum pipeline in the United States, which crosses thirteen states and over 8,500 miles of pipeline. We have partnered with Buckeye Partners, LP, which owns and operates nearly 5,400 miles of refined petroleum pipeline. Our collective goal is to develop the first ever "dedicated ethanol pipeline," which we call the "Independence Pipeline." The Independence project is a 1,700 mile, $3.5 billion renewable fuel pipeline project, which originates in Iowa and ends in New York Harbor. The project would create hundreds of construction jobs in the next few years and over 100 operating jobs over the life of the project, and would safely and efficiently deliver more than 10 million gallons of ethanol per day to millions of northeastern motorists.

This large-scale renewable fuel pipeline project is dependent on a federal financing option through a new loan guarantee program at the Department of Energy. We would encourage you to consider the inclusion of a renewable fuel pipeline loan guarantee program as you prepare new legislation designed to stimulate our economy. These important infrastructure jobs will peak in 2 - 3 years which will help sustain the economy as other parts of the stimulus package wind down.

This project meets the criteria for new investment that will help build a new clean energy economy and advance the next generation of biofuels and fuel infrastructure.

Congress has indicated renewable fuels will have an increasingly important role in our domestic energy policy and the growing national demand for renewable fuels will create potential opportunities to construct more efficient transportation infrastructure across the United States. We believe the necessary long-term solution for efficient renewable fuel transportation is a large-scale pipeline system.

We urge you to include a new loan guarantee program for a dedicated ethanol pipeline system in the upcoming economic stimulus package. I look forward to discussing this issue with you and other Senators in greater detail. Please contact me accordingly at 918-645 -8989.

Sincerely,

Bruce W. Heine