

WHEREAS, all conditions and requirements necessary to authorize the execution, acknowledgment and delivery of this Third Supplemental Indenture and duly and legally to effect the supplements to and modifications of the Indenture provided for in this Third Supplemental Indenture and to make the Indenture, as supplemented and modified hereby, a valid, binding and legal instrument for the security of the Bonds of the Company issued and to be issued thereunder, and to make the Bonds of the Second 1977 Series, when duly executed by the Company and authenticated by the Trustee and duly issued, the valid and legally binding obligations of the Company, have been complied with or have been done and performed:

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH:

That Pacific Northwest Pipeline Corporation, in consideration of the premises and of the mutual covenants herein contained and of the sum of One Dollar to it duly paid by the Trustees at or before the enrolling and delivery of these presents, and for other valuable considerations, the receipt whereof is hereby acknowledged, and in order further to secure the payment of the principal of and interest and premium, if any, on all Bonds at any time issued and outstanding under the Indenture, as supplemented and modified by this Third Supplemental Indenture, according to their tenor and effect, and the performance and observance of all the covenants and conditions in the Bonds and the Indenture and herein contained, and to declare the terms and conditions upon and subject to which the Bonds are, and are to be, secured and the Bonds of the Second 1977 Series are to be issued, has executed and delivered this Third Supplemental Indenture and does hereby ratify and confirm its mortgage and pledge to the Trustees of all property (other than excepted property and property heretofore released from the lien of the Indenture) described in the Indenture, and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, hypothecated, pledged, set over and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over and confirm, unto