

TERMINAL, TRANSPORT AND RAIL

The Terminal, Transport and Rail (TT&R) division is responsible for MPC's product distribution facilities and operations. This includes light product terminals and asphalt/heavy oil terminals. In both categories, MPC is one of the largest terminal operators in the U.S. Sixty-three light product terminals receive and store products, load trucks and blend products to meet specifications. These light products terminals supply 1.4 million barrels per day (mmbpd). The 21 asphalt/heavy oil terminals, along with 12 leased terminals, not only store products and load trucks, but also blend heavy oils and manufacture emulsions and polymer grades of asphalt. The asphalt terminals supply 45 thousand barrels per day (mbpd) of throughput.

To help meet changing customer demand and support the nation's renewable fuels goals, MPC converted 14 Midwest and nine Southeast terminals to 100 percent ethanol blended fuel (E-10 gasohol) in 2010; for a total of 54 terminals converted to date. Ethanol volumes sold in blended gasoline were approximately 1.05 billion gallons in 2010.

The company has terminal rack blending capability across all of its markets. Rack blending allows MPC to blend ethanol to designated product specification levels. Terminals are equipped with a MPC-developed system that withholds the bill of lading on any load that fails to meet acceptable tolerances for additives or blend components. The effort complements MPC's substantial existing program of screening product samples for quality control.

TT&R also operates a private fleet of trucks for delivering refined products. Most of the units are used to haul transportation fuels such as gasoline, diesel and jet fuel. The group also hauls ethanol, molten sulfur, asphalt and residual fuel oil. TT&R coordinates all "for-hire" carrier transportation for all MPC marketing organizations. The fleet transports an average of 149 mbpd of light products.

TT&R also manages MPC's rail transportation, including coordinating rail car movements, arranging the procurement of new cars, maintenance of rail cars and rail rate negotiations. In summary, MPC's product distribution facilities include:

- 63 owned and operated light product terminals, 21 owned and operated asphalt terminals and 12 leased heavy oil and asphalt terminals in 17 states in the Midwest and Southeast
- Approximately 45 third party terminals used to complete exchange and throughput agreements
- 122 owned transport trucks and 263 transport loading racks (184 light product and 79 asphalt)
- Approximately 1,760 owned or leased railcars

MARINE

Marathon Petroleum's marine transportation group maintains a large private inland petroleum products barge fleet, which is used to ship crude oil, intermediates and refined products to optimize the flexibility of MPC's refining, marketing and transportation system. Marine operations include 14 inland waterway towboats and 168 owned and 8 leased barges.

