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July 28, 2006

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Room 700
Washington, DC 20423

**PUBLIC VERSION
CONFIDENTIAL INFORMATION
REDACTED**

Re: *CF Indus. Inc. v. Kaneb Pipe Line Partners, L.P. and Kaneb Pipe Line Operating P'ship, L.P.*, Docket No. NOR-42084
Final Accounting Report

Dear Secretary Williams:

Pursuant to the decision issued by the Surface Transportation Board ("Board") on May 30, 2006,¹ Valero L.P. provides the final accounting report of its acquisition of Kaneb Pipe Line Partners, L.P. and Kaneb Pipeline Operating Partners, L.P. (collectively, "Kaneb"), including its ammonia system ("Final Report"). On July 11, 2006, Kaneb filed a motion for adoption of amended protective order. The amended protective order, issued in this proceeding on July 14, 2006, provides for "Highly Confidential" protection of "material containing shipper-specific or cost data or other competitively sensitive information." Pursuant to the amended protective order in the captioned proceeding, Valero L.P. is filing the Final Report under seal as containing "Highly Confidential" protected material. According to the amended protective order, review of Highly Confidential protected material is restricted to "outside counsel of record in this proceeding, and to those individuals working with or assisting such counsel who are not regular employees of the party and have a need to know, review, or handle the Highly Confidential material for purposes of the proceeding...." As noted in the motion, Thomas Carlton is the limited exception to this restriction. He will receive a copy of the report with shipper-specific information redacted once he has signed an undertaking. In accordance with the amended protective order, Valero L.P. is simultaneously serving on CF Industries, Inc. a "Highly Confidential" version of the Final Report and a "Confidential" version of the Final Report that has the Highly Confidential material redacted.

¹ *CF Indus. Inc. v. Kaneb Pipe Line Partners, L.P. and Kaneb Pipe Line Operating P'ship, L.P.*, STB Docket No. 42084 (STB served May 30, 2006).

Because the entire Final Report is confidential, this cover letter serves as the filed public version.

Pursuant to 49 C.F.R. § 1104.3, enclosed for filing in the captioned proceeding are an original and ten copies of the Highly Confidential and Public versions of the Final Report, as well as CD-ROMs containing an electronic copy of the Highly Confidential version. All paper and electronic copies are marked either "Highly Confidential," which should not be made public, or "Public – Confidential Materials Redacted." Please acknowledge receipt of the enclosed by stamping and returning the enclosed receipt copies of this filing.

Respectfully submitted,



Albert S. Tabor, Jr.

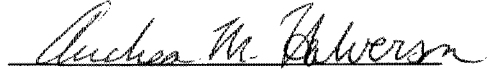
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Partners, L.P. and Kaneb Pipe Line
Operating Partnership, L.P.

CERTIFICATE OF SERVICE

I certify that I have this day served copies of this document upon all parties of record in these proceedings by hand delivery.

Dated in Washington, D.C. this 28th day of July 2006.

A handwritten signature in cursive script, reading "Andrea M. Halverson", written over a horizontal line.

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