

CANCELLATION NOTICE

VALERO TERMINALING AND DISTRIBUTION COMPANY

Containing the Rates, Rules and Regulations
Governing the Interstate Transportation by Pipeline

Of

PETROLEUM PRODUCTS
(As Defined Herein)

FROM	TO	RATE In Dollars Per Barrel
McKee-DS El Paso Station, Moore County, Texas	El Paso Station, El Paso County, Texas	\$1.3023

* Effective December 3, 2013, this tariff publication is hereby cancelled. For further rates and routing see Valero Partners EP, LLC's R.R.C. of Texas No. 1.

ISSUED: December 2, 2013

EFFECTIVE: December 1, 2013

The provisions published herein will, if effective, not result in an effect on the quality of human environment.

Issued By:

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PIPELINE SAFETY DIVISION
AUSTIN, TEXAS

**Supplement No. 2 to Texas R.R.C. No. 3
(Cancels Texas R.R.C. No. 3)**

[C]GENERAL RULES AND REGULATIONS		
Carrier will receive Petroleum products for transportation only to the established Terminal Points on its line under the following conditions		
Item No.	Subject	Rules and Regulations
5	Description of Terms	As used in these rules and regulations, the following terms have the following meanings: "Barrel" means forty-two (42) United States gallons. "Carrier" means and refers to Phillips Texas Pipeline Company, Ltd. "Consignee" means and refers to the party having ownership of Petroleum Products transferred to them. "Consignor" means and refers to the party which transferred Petroleum Products to Carrier. "Petroleum Products" shall mean Gasolines, Jet A Turbine Fuel, Diesel Fuels, and Propane. "Shipper" means the party who contracts with the Carrier for transportation of Petroleum Products pursuant to the terms of this tariff.
10	Minimum Tender	Petroleum Products of the required specifications may be tendered for transportation in quantities of not less than ten thousand (10,000) barrels.
15	Scheduling of Shipments	Nominations of all tenders to Carrier must be received by 2:00 p.m. on the 15th day of the calendar month preceding the calendar month during which transportation is to begin. Petroleum Products will be accepted for transportation at such times as Petroleum Products of the same quality and specifications are currently being transported in accordance with schedules of shipments established by the Carrier. Products shall be available in Shipper's tankage for shipment 24 hours prior to the scheduled date for movement into Carrier's pipeline.
20	Identity of Shipment	Carrier will not maintain the identity of Petroleum Products shipments and will commingle Petroleum Products received from the origin shown herein into a common fungible stream. Petroleum Products shall be accepted for transportation only on condition same will be subject to changes in gravity, color, quality or characteristics while in transit or as may result from unavoidable contamination and Carrier shall not be obligated to make delivery of the identical Petroleum Products received for transportation. Carrier reserves the right at any time to substitute and deliver Petroleum Products of the same character as the Petroleum Products shipped.
25	Acceptance Free From Liens and Charges	Petroleum Products will be accepted for transportation only when free from all liens and charges.
30	Origin and Destination Facilities	Carrier does not furnish storage facilities or services at origin or destination points. Carrier does not provide tankage for the receipt of Petroleum Products at receiving point, or for the delivery of Petroleum Products at destination. Petroleum Products will be accepted for transportation only from tankage provided by Shipper at the established receiving point, at pumping rates equal to the current rate of pumping of the pipeline for delivery to tankage provided in advance by Consignor or Consignee at the established delivery point for receiving Petroleum Products with adequate available capacity capable of receiving deliveries upon arrival at the delivery point at pumping rates and pressures sufficient to avoid delay. Satisfactory evidence of the availability of such facilities may be required by Carrier before any obligation to furnish transportation shall arise.
35	Pipeage Contracts	Separate pipeage contracts in accordance with this tariff and these regulations covering further details may be required of the proposed Shipper before any duty to transport shall arise.
40	Gauging, testing and Deductions	Shipper may be required to furnish Carrier with a certificate from a licensed petroleum inspector setting for the final tests showing the specifications of each shipment of Petroleum Products to be transported in Carrier's pipeline. Carrier may sample and/or test any such shipment prior to acceptance or during receipt, and in the event of variance between Shipper's certificate and Carrier's test, the latter shall prevail. Petroleum Products will be tested and preliminarily gauged by Carrier's representative in Shipper's tanks prior to the acceptance thereof. Carrier will adjust overage or shortage of Petroleum Products with Shippers to allow for inherent losses or gains, including but not limited to shrinkage, evaporation, interface mixture, product measurements and other physical losses not due to negligence of Carrier. The adjustments for losses or gains will be allocated monthly among the Shippers in the proportion that the total number of Barrels delivered out of the system for each Shipper bears to the total number of Barrels delivered out of the system for all Shippers.
45	Temperature Corrections	Petroleum Products will be received and delivered on the basis of volume correction for temperature from observed temperatures to sixty degrees (60°) Fahrenheit in accordance with Table 7 of ASTM-IP Petroleum Measurement Tables, ASTM Designation D1250. The net quantities so determined for acceptance will be the net quantities deliverable.
50	Payment of Transportation and Other Costs	The transportation and all other charges accruing on Petroleum Products accepted for shipment, based on the rate applicable to the terminal point at which delivery is made, if required by the Carrier, will be paid before release of Petroleum Products from the custody of Carrier, or if required by Carrier, will be prepaid at point of origin. Petroleum Products accepted for such transportation shall be subject to a lien for all lawful charges.
55	Reconsignment	If no out-of-line movement is required reconsignment may be made without charge subject to the rates, rules and regulations contained herein, to any point of final delivery, as provided herein.

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Item No. 60 — Product Specifications

Petroleum Products will only be accepted for transport from the origin point to the destination point when storage facilities for the particular commodity offered for transportation are available at such origin and destination points and only at such time as Petroleum Products of the same quality and specifications are currently being transported from origin point to the destination point.

Petroleum Products, before tender, shall be dehydrated sufficiently to prevent the deposition of free water in the pipeline and said products shall be free of suspended aqueous chemical solutions and solid matter in suspension. No alcohol/gasoline blends will be shipped. Consignor and Shipper warrant to Carrier that any Petroleum Products tendered to Carrier will conform with the specifications stated in this Item No. 60 for such Petroleum Products.

If, upon investigation, Carrier determines that a Shipper has delivered to Carrier's facilities Petroleum Products that are not fungible with, or that has contaminated the common fungible stream being transported, rendering all or a portion of the fungible Petroleum Products stream undeliverable, Carrier reserves the right to treat or otherwise dispose of the contaminated Petroleum Products in any reasonable commercial manner within regulatory guidelines all at such Shipper's sole expense.

Petroleum Products accepted for transportation shall meet the following minimum specifications issued by Carrier and any additional specifications that may be promulgated by Carrier from time to time:

Product/Specification	Minimum	Maximum	Standard Procedure
Gasolines			
Octane Number, (RON + MON)/2			ASTM-D-4814
Regular Unleaded (only) MON	81.3		ASTM-D-2700
Premium Unleaded	91.0		ASTM-D-4814
Regular Unleaded	86.3		ASTM-D-4814
Regular Unleaded-CBOB (For ethanol blending)			ASTM-D-4814
10%	83.8		
8%	84.0		
Vapor Pressure: @ 100°F (psig) — April 1 to September 15	6.4	7.0	ASTM-D-5191
Sulfur, Wt. ppm			
Conventional		1,000	ASTM-D-2622-92
RFG		500	ASTM-D-2622-92
Lead, Unleaded only, g/US Gal		0.03	ASTM-D-3237
Diesel Fuels			
Gravity, @ API	30		ASTM-D-975, D-396
Distillation, °F			ASTM-D-1298
90% Recovered	540	640	ASTM-D-86
End point		690	
Flash, PM, °F	140		ASTM-D-93
Sulfur, Wt. %		0.05	ASTM-D-2622
Color		2.5	ASTM-D-1500
Cetane Index, Calculated	42		ASTM-D-976
Cloud Point, °F			ASTM-D-2500
March 1 – October 15		+20	
October 16 – February 29		+10	
Pour Point, °F			ASTM-D-97
March 1 – October 15		+10	
October 16 – November 30		-5	
December 1 – February 29		-5	
Propane — HD-5 Grade			
Flourine Wt. PPM		100	GPA — 2140
Dryness Test (Freeze Value), seconds	60		UOP — 6-19-83
			GPA — Method; ASTM-D-2713

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Carrier reserves the right to refuse to accept any Petroleum Products that do not meet the foregoing acceptance requirements.

Item No.	Subject	Rules and Regulations
70	Liability Of Carrier	Carrier will deliver at the destination point with reasonable diligence, the quantity of Petroleum Products received for transportation. Carrier shall not be liable for any delay or loss of products occasioned by war, invasion, hostilities, rebellion, insurrection, seizure or destruction under quarantine of customs regulations, or confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade. In the event of such loss, each Shipper's share of the loss shall be in the same proportion as its share of the total quantity of the shipments involved in the loss, and each such Shipper shall be entitled to receive only so much of its share remaining after its due proportion of the loss is deducted. Carrier shall compute the quantities of loss, and shall prepare and submit a statement to the owners showing the apportionment of the loss among the owners involved. Carrier will not be liable for discoloration, contamination, or deterioration of Petroleum Products transported, unless such discoloration, contamination, or deterioration results from negligence of the Carrier in movement or handling of the product through the facilities of Carrier. In the event of such damages, each owner's share of the damaged product shall be in the same proportion as its share of the total quantity of shipments involved, and each such owner shall be allocated only its proportionate share of damaged product. Carrier shall prepare and submit a statement to the owners showing the apportionment of the damaged product among the owners involved.
80	Claims Time for Filing	Except where property is lost or damaged in transit by carelessness or negligence of the Carrier, claims for loss or damage must be made in writing to the Carrier within nine (9) months after delivery of the property, or in case of a failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after delivery of the property, or in case of a failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and Carrier will not be liable.
85	Proration	<p>a) As used in this Item No. 85, the following additional definitions apply:</p> <p>"Proration Month" is the calendar month for which space is being allocated.</p> <p>"Calculation Month" is the calendar month preceding the Proration Month, during which allocations for the Proration Month will be determined.</p> <p>"Base Period" is the 12 consecutive calendar month period immediately preceding the Calculation Month.</p> <p>A "New Shipper" is a Shipper who is not a Regular Shipper.</p> <p>A "Regular Shipper" is any Shipper who has a record of movements within the pipeline during each calendar month of the Base Period.</p> <p>(b) All nominations will be used by Carrier to determine if total nominations exceed the operating capacity. When the total volumes so nominated for a calendar month exceed operating capacity, operating capacity will be allocated among Shippers by the following procedure:</p> <p>When the total volume of Petroleum Products tendered for the month exceed the capacity of the pipeline system or a portion of the pipeline system, the carrier in its sole discretion will prorate injection and/or withdrawal capacity. The proration will be divided between Regular Shippers and New Shippers. The proration will be based on historical movements during the twelve months preceding the month for which proration is being determined. Ninety five percent (95%) of the total available capacity will be divided between all Regular Shippers and the remaining five percent (5%) of capacity will be divided between all New Shippers. (Details of the proration policy will be provided upon request).</p>
90	Services Performed	The rates published in this tariff cover only the transportation of Petroleum Products by pipeline and include no other services.

EXPLANATION OF ABBREVIATION AND REFERENCE MARKS

Abbreviation or Reference Mark	Explanation
R.R.C. of T.	Railroad Commission of Texas
A.S.T.M.	American Society for Testing Materials

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I.P.	The Institute of Petroleum
G.P.A.	Gas Processors Association
U.O.P.	Universal Oil Products
E	Degree
F	Fahrenheit
No.	Number
PPM	Parts Per Million
RON	Research Octane Number
MON	Motor Octane Number
CBOB	Conventional Blend Stock for Oxygenate Blending
RFG	Reformulated Gasoline

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