

Texas Intrastate No. 205.1.0
(Cancels Texas R.R.C. No. 205)

ExxonMobil Pipeline Company

LOCAL TARIFF

APPLYING ON

CRUDE BUTADIENE
AND
BUTYLENE

RECEIVED
R.R.C. OF TEXAS

JUN 29 2018

GAS SERVICES DIVISION
AUSTIN, TEXAS

The rate named in this tariff is for the transportation of crude butadiene and butylene by pipe line, subject to the rules and regulations published herein.

FROM	TO	Rate in Cents Per Pound of Crude Butadiene and Butylene
OxyChem Chocolate Bayou Plant (Brazoria County)	ExxonMobil Chemical Baytown Plant (Harris County)	[1] 1.95 4-87

RATES TO INTERMEDIATE POINTS: For shipments accepted for transportation to any point not named in this tariff which is intermediate to a point which rates are published herein, through such unnamed point, this carrier will apply to such unnamed point the rate published herein to the next more distant point specified in the tariff.

EFFECTIVE: July 1, 2018

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RULES AND REGULATIONS**1. DEFINITIONS:**

"Petroleum Products," as used in these Rules and Regulations, means crude butadiene and butylene.

"Carrier," as used herein, means ExxonMobil Pipeline Company.

- 2. TANKAGE FACILITIES:** Carrier will not undertake to provide tankage for the receipt of product at receiving points or for delivery of product at destination. Shipments will be accepted for transportation only from tankage provided by shipper at established receiving points for delivery to tankage provided in advance by consignor or consignee at established delivery points or to connecting carriers.
- 3. MINIMUM TENDERS:** Minimum tender quantity of product accepted for shipment will be one million pounds, or such larger quantity as may be required by any connecting carrier into which ExxonMobil Pipeline Company delivers.
- 4. APPORTIONMENT WHEN TENDERS ARE IN EXCESS OF FACILITIES:** When there shall be tendered to Carrier for transportation greater quantities than can be immediately transported, the transportation shall be apportioned among all shippers in proportion to the amounts tendered by each; provided that no tender for transportation shall be considered beyond the amount which the shipper requesting the shipment has on hand available and ready for shipment. Carrier shall be considered as a shipper of quantities tendered by itself and held for shipment through its lines, and its shipment shall be entitled to participate ratably in such apportionment.
- 5. PRODUCT INVOLVED IN LITIGATION:** When any product tendered for transportation hereunder is involved in litigation, or when the ownership thereof may be in dispute, or may be encumbered by a lien or charge of any kind, Carrier may require of shippers an indemnity bond to protect it against all loss.
- 6. PAYMENT OF TRANSPORTATION AND OTHER CHARGES:** The Shipper or Consignee shall pay, as provided below, all applicable gathering, transportation, and all other charges accruing on Petroleum Products handled by Carrier.

All payments are due within 10 days of receipt of the invoice, unless the Carrier determines in a manner not unreasonably discriminatory that the financial condition of Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines in a manner not unreasonably discriminatory it necessary to do so, in which case the payment due date shall be that specified in a written notice to the Shipper.

If any charge remains unpaid after the due date specified in Carrier's invoice, then such amount due may bear interest from the day after the due date until paid, calculated at an annual rate equivalent to the lesser of (1) 125% of the prime rate of interest, as of the date of Carrier's invoice, charged by the Citibank N.A. of New York, New York, for ninety (90) day loans made to substantial and responsible commercial borrowers or (2) the maximum rate allowed by law. In addition Shipper shall pay all documented costs incurred by Carrier to collect any unpaid amounts.

In the event Shipper fails to pay any such charges when due, Carrier shall not be obligated to provide Shipper access to Carrier's facilities or provide services pursuant to Carrier's tariff until such time as payment is received by Carrier and Shipper meets the requirements of the following paragraph. In addition, in the event Shipper fails to pay any such charges when due, Carrier shall have the right to setoff such amounts owed and future amounts owed against those amounts Carrier owes Shipper.

In the event Carrier determines in a manner not unreasonably discriminatory that the financial condition of Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines in a manner not unreasonably discriminatory it is necessary to obtain security from Shipper, Carrier, upon notice to Shipper, may require any of the following prior to Carrier's delivery of Shipper's Petroleum Products in Carrier's possession or prior to Carrier's acceptance of Shipper's Petroleum Products: (1) prepayment of all charges, (2) a letter of credit at Shipper's expense in favor of Carrier in an amount sufficient to ensure payment of all such charges and, in a form, and from an institution acceptable to Carrier, or (3) a guaranty in an amount sufficient to ensure payment of all such charges and in a form and from a third party acceptable to Carrier. In the event, Shipper fails to comply with any such requirement on or before the date supplied in Carrier's notice to Shipper, Carrier shall not be obligated to provide Shipper access to Carrier's facilities or provide services pursuant to this tariff until such requirement is fully met.

Carrier shall have a lien on all Petroleum Products delivered to Carrier to secure the payment of any and all gathering, transportation, or any other charges that are owed Carrier. Such lien shall survive delivery of Petroleum Products to Shipper. Such lien shall extend to all Petroleum Products in Carrier's possession beginning with Shipper's first receipt of transportation or other services from Carrier. The lien provided herein shall be in addition to any lien or security interest provided by statute or applicable law. Carrier may withhold delivery to Shipper of any of Shipper's Petroleum Products in its possession and exercise any other rights and remedies granted under this tariff or existing under applicable law until all such charges have been paid as provided above.

If Shipper fails to pay an invoice by the due date, in addition to any other remedies under this tariff or under applicable law, Carrier shall have the right, either directly or through an agent, to sell at a private sale any and all Petroleum Products of such Shipper in its custody at fair market value at the time of sale. The proceeds of any sale shall be applied to the following order: (A) To the reasonable expenses of holding, preparing for sale, selling, and to the extent allowed by law, reasonable attorney's fees and legal expenses incurred by Carrier; and (B) To the satisfaction of the Shipper's indebtedness including interest herein provided from the date of payment is due. The balance of the proceeds of the sale remaining, if any, shall be paid to Shipper or, if there is a dispute or claim as to entitlement, held for whoever may be lawfully entitled thereto.

- 7. MEASURING, TESTING AND DEDUCTION:** All shipments tendered Carrier for transportation shall be measure and tested by a representative of Carrier prior to, or at the time of receipt from the shipper; but the shipper shall at all times have the privilege of being present or represented at the measuring and testing. Carrier shall measure crude butadiene and butylene received into and delivered from Carrier's pipeline on a mass basis in pounds (lbs.). Volumetric meter output will be corrected to equilibrium pressure and 60°F by a microprocessor using API 1101 Table 2 and ASTM Table 4 for compressibility and temperature corrections respectively. A predetermined density, also at equilibrium pressure and 60°F, will be applied to the compensated volume output of the microprocessor to convert from volumetric measurement to mass measurement. At the time monthly tickets are written for the quantity of crude butadiene and butylene received and delivered, the mass quantity as determined above will be corrected using the density, at equilibrium pressure and 60°F, of a composite sample taken during the month for which the ticket is written. This corrected mass quantity shall be the quantity used in assessing transportation charges and in assessing losses, if any. All meters will be equipped with automatic samplers of standard make and design which will operate in proportion to flow rate. The density of the composite sample used in correcting the mass quantity of the previous month shall be used during the ensuing month to convert the compensated volume output of the microprocessor to mass measurement units.
- 8. SPECIFICATIONS AS TO QUALITY OF SHIPMENTS:** Carrier reserves the right to reject any shipments of crude butadiene not conforming to the following product specifications: propanes, propylenes and lighter exclusive of methyl acetylene, 0.30 max. wt. %; methyl acetylene plus propadiene, 0.25 max. wt. %; vinyl acetylene, 0.7 max. wt. %; total acetylene, 1.0 max. wt. %; pentanes, pentenes and heavier, 0.3 max. wt. %; sulphur, 20 ppm wt. max.; organic chlorides, 5 ppm wt. max.; carbonyls, 200 ppm wt. max.; peroxides, 5 ppm wt. max.; inhibitor, 10 ppm wt. max.; free water at 60°F, none; oxygen in vapor, 300 ppm wt. max.; butadiene 1, 3, 40.0 min wt. %.

Carrier reserves the right to reject any shipments of butylene not conforming to the following product specifications: propanes and lighter, 1.0 max. wt. %; isobutane, 3.0 max. wt. %; normal butane, none; isobutylene, 45 min. wt. %; butene-1, 30 min. wt. %; butene-2, 15 max. wt. %; butadiene, methyl acetylene plus propadiene, 0.5 max. wt. %; pentanes and heavier, 0.4 max. wt. %; sulfur, 1 ppm wt. max.; acrylonitrile, 10 ppm wt. max.; beta methoxy propionitrile, 50 ppm wt. max.; other butadiene extraction solvents, 100 ppm wt. max.; total metals, 50 ppm wt. max.; chlorides, 5 ppm wt. max.

- 9. LIABILITY OF CARRIER:** No risk of fire, storm, flood or act of God, and no risk resulting from explosion, strikes, sabotage, riots, insurrection, rebellion, war or act of the public enemy, or from quarantine or authority of law or any order, requisition or necessity of the government of the United States in time of war, or act or default of the shipper or owner from any other cause not due to negligence of Carrier shall be borne by the Carrier, nor shall any liability accrue to it for any damage or delay thereby occasioned. Losses not due to the negligence of Carrier will be allocated to the shippers as provided in Item 10 of this rule.

Statements of losses, ascertained and computed by Carrier's standard accounting procedure, are to be accepted by shipper as prima facie correct in the distribution of such losses under this rule.

The Carrier will be obligated to deliver only that portion of such petroleum products remaining after deducting shipper's proportion of such losses determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.

- 10. DELIVERY ADJUSTMENT:** The Carrier shall account to each shipper for 100 percent of products received. Any overages or shortages not due to the negligence of the Carrier, including losses for shrinkage and evaporation, in any calendar month, will be allocated on a monthly accrual basis among the shippers in proportion that the total number of pounds delivered from the entire system for each shipper bears to the total number of pounds delivered from the entire system for all shippers.
- 11. NOTICE OF CLAIMS:** Notice of claims for loss, damage or delay in connection with shipments must be made in writing to Carrier within ninety-one (91) day after such shall have accrued; or in case of failure to make delivery, within ninety-one (91) days after a reasonable time shall have elapsed.

12. LINE FILL AND TANK BOTTOM INVENTORY: Either prior to or after the acceptance of Petroleum for transportation through the System, Carrier may, upon reasonable notice, require each Shipper to provide a pro rata part of Volume of Petroleum necessary for pipeline fill, unavailable stocks below tank connections, and reasonable additional minimum quantities required for the efficient operation of the System. Petroleum provided by a Shipper for this purpose may be withdrawn after reasonable written notice of Shipper's intention to discontinue shipment in the system pursuant to Carrier's applicable tariff or tariffs. Carrier may require advance payment of final transportation charges and settlement of any unpaid accounts receivable, before final delivery will be made.

In the event a Shipper's inventory balance drops below its pro rata part of the volume of Petroleum Products necessary for pipeline fill, unavailable stocks below tank connections, and reasonable additional minimum quantities required for the efficient operation of the system, then Carrier will require such Shipper to provide the necessary volume to meet its pro rata part of such volume of Petroleum Products.

In the event that Shipper maintains an inventory balance after Shipper ceases movements on the system or Shipper gives written notice of its intent to cease movements over the system and such Shipper is unable to schedule appropriate shipments to clear the inactive inventory balance, Shipper will be required to settle the inactive inventory balance through Carrier. In the event no such Shipper notice is given, then Carrier may require either an adjustment in Shipper's inventory balance in accordance with the preceding Line Fill and Tank Bottom Inventory provision or settlement of the Shipper's inventory balance at any time after Shipper has ceased making movements over the system for a period of six months. Such settlement will be based upon the fair market value of the **[N] appropriate grade assessment, as published by Platt's, Argus or another industry recognized publication, at the time Shipper informs Carrier in writing to its intention to discontinue shipments on the system pursuant to Carrier's applicable tariff or tariffs or if no such written notice is given, then at such time as Carrier calls for settlement of the Shipper's inventory balance. In the event the grade being settled is not assessed by Platt's, Argus or another industry publication, the assessment for the most similar grade will be used with an appropriate adjustment to determine the fair market value of the grade being settled. Petroleum Products, at the time Shipper informs Carrier in writing of its intention to discontinue shipments on the system pursuant to Carrier's applicable tariff or tariffs or if no such written notice is given, then at such time as Carrier calls for the settlement of the Shipper's inventory balance.**

13. IDENTITY OF SHIPMENTS TENDERED: While Carrier will use due diligence to transport Petroleum Products received hereunder to destination with a minimum of contamination and mixing and will endeavor to maintain the identity of each shipment so far as is practicable, some contamination and mixing of Petroleum Products of the several specifications received is unavoidable. Carrier shall, therefore, be under no obligation to make delivery of the identical Petroleum Products received, but may make delivery of Petroleum Products of approximately the same specifications as that received. Carrier will not be liable for discoloration, commingling, contamination, or deterioration of Petroleum Products resulting from the normal operation of batching various kinds of products.

EXPLANATION OF REFERENCE MARKS

- [I] Increase
- [W] Change in wording only
- [N] New