R.C.T. No. 2.3.0
Cancel R.C.T. No. 2.2.0

SEABROOK PIPELINE, LLC

LOCAL AND INCENTIVE PIPELINE TARIFF

APPLYING ON THE TRANSPORTATION OF

RECEIVED
R.R.C. OF TEXAS
AUG 30 2018
GAS SERVICES DIVISION
AUSTIN, TEXAS

CRUDE PETROLEUM

TO POINTS NAMED HEREIN

Governed, except as otherwise provided herein, by rules and regulations published in Seabrook Pipeline, LLC's R.C.T No. 1.1.0, supplements thereto and reissues thereof.

The rates named in this Tariff are expressed in cents a barrel of 42 U.S. Gallons and are subject to change as provided by law.

The matter published herein will have no adverse effect on the quality of the human environment.

T-4 ID: T-09529; P-5 ID: P-521316

EFFECTIVE: September 1, 2018

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TABLE OF RATES All Rates are for pipeline transportation only.

ITEM NO.	FROM (Origin)	TO (Destination)	Local Rate Rate in Cents per barrel of 42 U.S. Gallons
100	Seabrook Terminal, LLC Terminal in Seabrook, TX	Choate Road Jct., TX	[U] 57.42
125	Genoa Jct., TX	Seabrook Terminal in Seabrook, TX [Note 1]	[U] 24.00

[Note 1] Shipper tankage shall be required at Destination point.

[N] ITEM 190	[N] INCENTIVE RATES *(Rates are In Cents Per Barrel)* Rates are for Pipeline Transportation Only.

The rates set forth in this Item will apply to deliveries of Crude from the Incentive Origin to the Incentive Destination, as defined below.

For any Shipper who ships and delivers, in its name, the Average Barrels Per Day Per Month set out in the table below, in any calendar month, Carrier will invoice the Shipper at the Incentive Rates set out in the table below. If Shipper does not meet any of the Average Barrel Per Day Per Month Volume Thresholds, Carrier will invoice the Shipper at the rate set out in Item 125 of this tariff.

FROM *(Incentive Origin)*	**TO** *(Incentive Destination)*	**Volume Thresholds (Average Barrels Per Day Per Month)**	**INCENTIVE RATES** *(Cents Per Barrel)*
[N] Genoa Jct., TX	[N] Seabrook Terminal in Seabrook, TX [Note 1]	[N] 40,000 – 59,999	[N] 18.00
		[N] 60,000 or more	[N] 15.00

[N] [Note 1] Shipper tankage shall be required at Destination point.

ITEM NO.	5-YEAR QUARTERLY INCENTIVE PROGRAM FOR COMMITMENT OF AT LEAST 70,000 BPD **From:** Seabrook Terminal, LLC Terminal in Seabrook, TX **To:** Choate Road Jct., TX
200	See below

1. Rates set forth in this Item apply to deliveries of Crude Petroleum from the Incentive Rate Origin, defined as **Seabrook Terminal, LLC Terminal in Seabrook, TX**, to the Incentive Destination of **Choate Road Jct., TX** as further defined in paragraph 6 of this Item.

   Any Shipper desiring to avail itself of the Incentive Rates, as set forth herein must satisfy all of the following provisions to be a "Participating Shipper"
   - Shipper must enter into a prior written commitment with Carrier.
   - The Commitment Term shall be at least sixty (60) months (the "Initial Term"), but may be extended by Participating Shipper in accordance with Paragraph 3 of this Item. The Initial Term is further defined as twenty (20) Contract Quarters. Each Contract Quarter consists of a three (3) calendar month period, and the first Contract Quarter begins on the Service Commencement Date.
   - The Service Commencement Date will be defined in the commitment agreement between Carrier and Shipper.
   - The commitment agreement will require Shipper to make Minimum Quarterly Payments in the amount as specified in Paragraph 4 of this Item, as adjusted pursuant to the commitment agreement.

2. In addition to the terms and conditions contained in this Item, all applicable rules and regulations in Seabrook Pipeline, LLC's R.C.T. No. **1.1.0**, supplements thereto and reissues thereof, also apply.

3. Participating Shipper may extend participation in this Item for two (2) successive periods of three (3) years each (each, an "Extended Term") by giving Carrier twelve (12) months' notice of such election prior to the end of the Initial Term or the first Extended Term as the case may be. At the end of the second Extended Term, this item shall continue on a month-to-month basis but shall be terminable upon thirty (30) months' notice by either Party.

4. Except as otherwise provided in the commitment agreement, the Participating Shipper agrees to transport a volume of Crude Petroleum from the Incentive Origin to the Incentive Destinations sufficient to generate a minimum quarterly cash payment in an amount set forth in the commitment agreement, as such amount may be adjusted pursuant to the commitment agreement (the "Minimum Quarterly Payment"). The Minimum Quarterly Payment amount is based on the expectation that Participating Shipper will deliver at least **70,000** barrels of Crude Petroleum per day (the "Daily Volume") for transportation hereunder at the applicable Incentive Rates.

5. Except as otherwise provided in the commitment agreement, should Participating Shipper fail to transport a volume of Crude Petroleum and make associated payments so as to satisfy the Minimum Quarterly Payment at the end of any Contract Quarter, Participating Shipper shall make a deficiency payment equal to the applicable Minimum Quarterly Payment amount, excluding payment shortages resulting from force majeure, proration or any other failure of Carrier to accept Crude Petroleum for transportation for any reason other than Shipper's default or failure to perform, less the aggregate amount of the payments received by Carrier with respect to shipments made in the applicable Contract Quarter (the "Deficiency Payment").

6. **Incentive Rates**

FROM (Incentive Origin)	*TO (Incentive Destinations)*	*Incentive Rate (cents per barrel)*
Seabrook Terminal, LLC Terminal in Seabrook, TX	*Choate Road Jct., TX*	**[U]** 25.21

7. Adjustment of the Incentive Rates and Minimum Quarterly Payments will be in accordance with the commitment agreement.

200 Cont'd	8. Payments for transportation of all volumes to which the Participating Shipper holds title in its name and ships from the Incentive Origin for delivery to the applicable Incentive Destinations and for which Participating Shipper pays the Incentive Rate will apply toward the Minimum Quarterly Payment. 9. Carrier will invoice the Shipper at the rates set out in Paragraph 6 of this Item, as such rates may be adjusted pursuant to paragraph 7 of this Item at the time of delivery. Shipper will bear all other applicable charges in the applicable rules and regulations in Seabrook Pipeline, LLC's R.C.T. No. **1.0.0** and any supplements thereto and reissues thereof. 10. In the event that a Deficiency Payment occurs, the Participating Shipper will be credited for prepaid transportation, on a dollar for dollar basis, toward the Participating Shipper's payment obligations for its deliveries of volume applicable to this Item during the two (2) Contract Quarters immediately following the Contract Quarter with respect to which the Deficiency Payment was paid. Such prepaid transportation credits shall only apply to transportation fees in excess of the Minimum Quarterly Payment in the applicable Contract Quarter. If any credits remain six months following the conclusion of the Initial Term or, if applicable the last properly exercised Extended Term, such credit shall expire and be of no further use or effect thereafter. 11. If (i) Carrier does not transport any volumes of Participating Shipper's Crude Petroleum properly nominated for shipment in any given month pursuant to this Item following the Service Commencement Date for any reason, including proration or force majeure, other than as a result of (A) Participating Shipper's failure to properly tender at least the Daily Volume or such lesser amount as Carrier has confirmed to Participating Shipper that Carrier has capacity to transport or (B) Participating Shipper's other default or failure to perform under this Item or the commitment agreement, and (ii) Participating Shipper does not, as a result, meet its Minimum Quarterly Payment commitment, then the Minimum Quarterly Payment commitment for that Contract Quarter will be reduced by a percentage equal to the following calculation: Percentage Reduction = $\{(a-b)/a\} \times 100$ where (a) is the Daily Volume times the number of days in the applicable Contract Quarter and (b) is the volume of Crude Petroleum actually shipped pursuant to this Item and the commitment agreement during the applicable Contract Quarter; provided that, for purposes of such calculation, the amount used for (b) shall be increased to reflect the amounts described in 11(i)(A) and (B) above. 12. Any payment received by Carrier from Participating Shipper for shipments of its Crude Petroleum delivered into the Carrier's facilities at the Incentive Rate Origin for shipment to the Incentive Rate Destination(s) in excess of the Minimum Quarterly Payment will serve as a credit against Deficiency Payments due from Participating Shipper, if any, with respect to the two (2) Contract Quarters immediately following the Contract Quarter with respect to which such excess payments were received. 13. If Carrier or Shipper is prevented from performing its obligations under this Item or the commitment agreement, other than the payment of money due hereunder, due to an event of force majeure then, to the extent that it is so prevented, that party's failure to perform shall not be considered a breach of its obligations, and the affected obligations of that party shall be relieved during the continuance of that party's inability to perform caused by the event of force majeure, but for no longer period, and the term, as extended if applicable, will be extended as follows: (a) if the parties are wholly unable to perform their obligations during such event, the extension shall be for a period of days corresponding to the duration of the event of force majeure (not to exceed 180 days), and (b) if the parties are only partially unable to perform their obligations during such event, the extension shall be for a number of days determined by the following formula: A x B/C = number of days of extension where: A= number of days of the event of force majeure (not to exceed 180); B= average number of barrels per day that could not be shipped as a result of the event of force majeure; and C= the Daily Volume. If a party experiences a force majeure event, that party must give the other party notice and full particulars in writing as soon as practicable after the occurrence of the causes relied on, or give notice by telephone and follow the notice promptly with a written confirmation. The party providing the notice shall use commercially reasonable efforts to ameliorate the force majeure conditions. No Party shall be compelled to resolve any strikes, lockouts, or other industrial disputes other than as it shall determine to be in its best interests.

[U] Unchanged. **[N]** New.