

LONE STAR NGL MONT BELVIEU PIPELINES LLC

(Operated by Energy Transfer Company)

GENERAL RULES AND REGULATIONS TARIFF

Governing the Intrastate Pipeline Transportation of

ETHANE

FROM ORIGIN AT

The Lone Star NGL Mont Belvieu LP Facility in CHAMBERS COUNTY, TEXAS

TO DESTINATION AT

CHANNEL VIEW, TEXAS

Received, R.R.C. of Texas

APR 16 2019

Gas Services Division, Austin, Texas

General Application

Lone Star NGL Mont Belvieu Pipelines LLC (Carrier) will accept and transport Ethane (as defined below) offered for transportation through Carrier's pipeline system only as provided in this Rules and Regulations tariff and the Service Tariffs (as defined below). Specific provisions published in individual Service Tariffs will take precedence over the General Rules and Regulations published in this tariff.

The General Rules and Regulations, published herein, apply only under tariffs making specific reference by RRC Number to this tariff ("Service Tariffs"); such reference will include supplements thereto and successive issues thereof.

The General Rules and Regulations published herein apply in their entirety to the services covered by this tariff, that is, to the intrastate transportation of Ethane from the origins to the destinations named in the Service Tariffs.

EFFECTIVE AS OF May 1, 2019

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RULES AND REGULATIONS

ITEM 1 DEFINITIONS

“**Anchor Shipper**” means a shipper as defined in Item 75 herein

“**Barrel**” means forty-two (42) United States gallons of two hundred thirty-one (231) cubic inches at sixty degrees Fahrenheit (60°F) and equilibrium vapor pressure.

“**Business Day**” means a Day on which Federal Reserve member banks in New York City are open for business.

“**Carrier**” means Lone Star NGL Mont Belvieu Pipelines LLC.

“**Capacity Projects**” has the meaning set forth in Item 75.

“**Consignee**” means a party to whom Shipper has ordered delivery of Ethane, including Shipper if Shipper has not designated another party to receive delivery.

“**Day**” means a twenty-four (24) hour period commencing 7:00 A.M. Central Clock Time and extending until 7:00 A.M. Central Clock Time on the following Day.

“**Delivery Point**” means the point at destination where physical custody of Ethane is transferred from Carrier to the Consignee, such point being the point of interconnect between Carrier’s pipeline system and the Ethane receiving facilities to which the Carrier’s pipeline system is connected now and in the future.

“**Ethane Specifications**” means specifications for ethane issued by Carrier in the applicable Service Tariff.

“**Ethane**” means ethane meeting the Ethane Specifications.

“**Gallon**” means a U.S. gallon of 231 cubic inches at 60 degrees Fahrenheit (60° F).

“**Indemnifiable Claim**” means claims, losses, demands, expenses, costs, damages, suits, judgments, fines, penalties, liabilities, debts, and causes of action, including without limitation, expenses of investigation, expenses of experts, attorneys’ fees and expenses and all other costs and expenses, whether known or unknown, of whatever kind and whether arising out of contract, tort (including strict liability), or violation of applicable law.

“**Interest Rate**” has the meaning set forth in Item 50.

“**Month**” means a period commencing 7:00 A.M. Central Clock Time on the first day of a calendar month and extending until 7:00 A.M. Central Clock Time on the first day of the following calendar month.

“**Offspec Ethane**” has the meaning set forth in Item 15.

“Receipt Point” means the injection point at origin where physical custody of Ethane is transferred from Shipper to Carrier, such point being the inlet delivery connection on Carrier’s pipeline system where Ethane from an originating facility or an interconnected pipeline is injected into the Carrier’s pipeline system.

“RRC” means Railroad Commission of Texas.

“Service Tariff” means a tariff filed with the RRC for transport that describes the Ethane Specifications for Ethane to which such tariff applies, the Receipt Point and Delivery Point for same and the rates applicable to the services described therein.

“Shipper” means a shipper that holds a contract with Carrier for the transportation of Ethane under the terms of this tariff and the applicable Service Tariff.

ITEM 5 MINIMUM TENDER & SCHEDULING

Ethane shall be offered for transportation in quantities that can be received into Carrier’s pipeline system. Carrier will specify, on a non-discriminatory basis, the quantity to be tendered to Carrier at the Receipt Point.

Any Shipper desiring to tender Ethane for transportation hereunder, shall, at least five (5) Business Days prior to the beginning of each Month, nominate in writing the quantity of Ethane to be tendered during the following Month with the Carrier’s designated scheduling contact, as established by Carrier and provided to Shipper from time to time. Unless such notification has been made, Carrier shall be under no obligation to accept Ethane for transportation.

ITEM 10 TRANSPORTATION SERVICES AGREEMENTS

To the extent permitted by applicable laws, separate agreements in accord with this tariff covering further details may be required by Carrier before any duty for transportation shall arise. Carrier reserves the right to negotiate modifications in such agreements with individual Shippers to the extent permitted by applicable laws.

ITEM 15 ETHANE SPECIFICATION REQUIREMENTS; TESTING

Carrier will either publish its Ethane Specifications for transportation of Ethane through Carrier’s pipeline system in the applicable Service Tariffs or otherwise make them available to prospective and current Shippers as and when such Ethane Specifications are updated from time to time. Carrier reserves the right to modify its Ethane Specifications from time to time; such changes may be made for various reasons determined reasonably by Carrier, including, but not limited to, changes to maintain the integrity of Carrier’s pipeline system and to reflect the current industry accepted specifications for the markets served by Carrier’s pipeline system. In the event Carrier makes modifications to its Ethane Specifications, Carrier

will provide Shippers with notice of such modifications and provide a copy of, or access to, the tariff document and/or Ethane Specifications, as applicable. In all circumstances, it is the Shipper's responsibility to ensure that Ethane tendered for transportation meets the Ethane Specifications.

Shipper may be required to furnish Carrier with a certificate of analysis setting forth the composition of the Ethane from the original source of the Ethane to be transported in Carrier's facilities. Carrier reserves the right to 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.

Carrier reserves the right to refuse to accept any product for transportation which does not meet Carrier's Ethane Specifications or which is not good merchantable Ethane readily susceptible for transportation through Carrier's pipeline system ("**Offspec Ethane**"). Shipper shall be responsible for all costs associated with the return and/or disposal of Offspec Ethane as well as any costs incurred by Carrier and any Consignee in taking steps to mitigate the effects caused by the delivery of Off-Spec Ethane, including special costs of handling or processing any and all Ethane or other products contaminated by any Off-Spec Ethane. Carrier may, at its option, also charge Shipper \$1.00 per Barrel of Offspec Ethane received from Shipper or for Shipper's account. Should Shipper become aware that any product delivered fails at any time to conform to the Ethane Specifications, then Shipper shall promptly notify Carrier of any such failure. The Shipper shall immediately undertake and diligently pursue such acts as may be necessary to correct such failure so as to deliver Ethane conforming to the Ethane Specifications. Nothing contained in this tariff, any other tariff filing, any pipeage contract or transportation services agreement or any other document, nor any temporary receipt of Offspec Ethane by Carrier (either unknowingly or as a temporary accommodation), shall be construed to affect the Carrier's right, at any time and from time to time, to reject any Offspec Ethane and to refuse or suspend receipt of such Offspec Ethane until it is established to such Carrier's reasonable satisfaction that subsequent deliveries of Ethane will conform to the Ethane Specifications.

EXCEPT AS NOTED BELOW, SHIPPER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS CARRIER AND ANY CONSIGNEE FROM AND AGAINST ALL INDEMNIFIABLE CLAIMS ARISING OUT OF, RESULTING FROM, OR CAUSED BY ANY OFFSPEC ETHANE DELIVERED BY OR ON BEHALF OF SHIPPER TO CARRIER, INCLUDING, WITHOUT LIMITATION, THOSE ARISING FROM CONTAMINATION OF OTHER SHIPPERS' ETHANE. SHIPPER ACKNOWLEDGES AND AGREES THAT THE FOREGOING DEFENSE, INDEMNITY AND HOLD HARMLESS OBLIGATION SHALL EXTEND TO ANY INDEMNIFIABLE CLAIM EVEN THOUGH SUCH CLAIM ARISES AS A RESULT OF THE NEGLIGENCE OF THE PARTY INTENDED TO BE INDEMNIFIED BY THE APPLICABLE INDEMNITY PROVISION. Provided, however, Carrier shall nonetheless be liable for any portion of an Indemnifiable Claim that is determined by a final judgment rendered by a court of competent to have arisen as a result of the sole negligence or willful misconduct of one or more of the parties indemnified by the foregoing indemnity provisions of this Item 15.

ITEM 20 ORIGIN AND DESTINATION FACILITIES & RECEIPT AND DELIVERY OBLIGATIONS

Shippers are expected to make deliveries to the Receipt Point generally ratably over each Month, subject to events of Force Majeure and planned and noticed maintenance outages of originating facilities delivering Ethane to the applicable Receipt Point noticed by Shipper or its designee to Carrier reasonably in advance

of such outages. Carrier shall not be liable to Shippers or any third party as a result of delays in receipts or deliveries or any demurrage charges associated therewith. Additionally, Carrier's obligations to receive and deliver Ethane shall be subject to the then-current operating conditions, rates of receipt and delivery, receipt and delivery pressures and capacities of Carrier's pipeline system and the equipment and facilities being used for such Ethane receipts and deliveries by both Carrier and other facilities receiving or delivering Ethane.

In connection with the transportation services, Carrier does not furnish storage facilities or services at the Receipt Point or the Delivery Point, and Ethane will be accepted for transportation only when capacity is available and Shipper and Consignee have provided equipment and facilities, including storage facilities, satisfactory to Carrier for delivering Ethane at the Receipt Point, and for receiving same without delay at the Delivery Point at pressures and pumping rates required by Carrier. Carrier may require satisfactory evidence to be furnished that the necessary facilities are available for delivering shipments to the Receipt Point and for the prompt receiving of shipments at the Delivery Point before Carrier is obligated to accept tenders for transportation.

ITEM 25 IDENTITY OF SHIPMENTS

Ethane accepted for transportation is subject to changes in quality while in transit. Delivery shall be made to Consignee out of commingled Ethane in Carrier's lines at the Delivery Point. Carrier will not be liable for discoloration, contamination or deterioration of Ethane transported, even though such may arise, result from, or be caused by the negligence of Carrier, UNLESS RESULTING FROM THE SOLE NEGLIGENCE OF THE CARRIER.

ITEM 30 DELIVERY AT DESTINATION

Upon arrival at the Delivery Point, the Ethane will be delivered to Consignee through the facilities provided by the Consignee. The Consignee shall receive from Carrier's line without delay the Ethane which has been transported to the Delivery Point for Consignee's account. If Consignee is unable or refuses to receive said Ethane as it arrives at the Delivery Point, Carrier reserves the right to make whatever arrangements for disposition of the Ethane it deems appropriate in order to clear its pipeline system. Carrier shall not be liable for any delay in delivery resulting from such disposition. All expenses incurred by the Carrier in making such arrangements shall be borne by Shipper or Consignee.

ITEM 40 MEASUREMENT & ANALYSES

All Ethane will be measured and sampled at the Receipt Point and the Delivery Point (and samples analyzed) in accordance with the measurement procedures and practices of Carrier, as modified and in effect from time to time, or as to any Receipt Point or Delivery Point that receives or delivers from or into non-Carrier facilities where the non-Carrier facility operator operates and performs measurement for such Receipt Point or Delivery Point, the measurement and analysis of the Ethane received or delivered at any

such Receipt Point or Delivery Point shall be governed by the practices then in effect at such Receipt Point or Delivery Point. If the Shipper and Carrier cannot in good faith agree on measurement or quality test results, or the conformity of the product delivered to the Ethane Specifications, then such determination shall be made (i) by the operator of the custody transfer measurement facilities at the applicable Receipt or Delivery Point, if such operator is not an affiliate of Shipper or Carrier; or, otherwise, (ii) by an independent inspector or lab selected jointly by the Shipper and Carrier, the cost of which shall be borne by the party whose measurements results are not confirmed. Carrier will provide a copy of Carrier's applicable measurement procedures and practices upon request.

ITEM 45 PRORATION OF PIPELINE CAPACITY

Carrier maintains a Proration Policy available to all Shippers and, as applicable, prospective Shippers to address proration of capacity when the Carrier's pipeline system does not have sufficient capacity to ship all volumes available from existing Shippers, either in aggregate or at a particular Receipt Point. As provided for in its Proration Policy, there will be no undue preference or discrimination among similarly-situated Shippers.

ITEM 50 INVOICING AND PAYMENT OF CARRIER CHARGES

Rates charged will be those in effect on the date of delivery at the Delivery Point. Carrier will invoice Shipper for transportation charges on a weekly basis. Shipper shall pay all transportation and other lawful charges accruing on Ethane delivered to and accepted by Carrier for shipment, and, if required, shall pay the same before delivery at the Destination Point. Shipper shall pay all charges within 10 days of the date of invoice from Carrier. All charges that remain unpaid for more than 30 days from the date of Carrier's invoice shall accrue an interest charge of the lesser of (i) two percent (2%) above the per annum rate of interest announced from time to time as the "prime rate" for commercial loans by The Wall Street Journal, as such "prime rate" may change from time to time, or, or (ii) the maximum non-usurious interest rate which may then be charged under Texas law ("Interest Rate").

Carrier shall have a lien on all Ethane in its possession belonging to Shipper, or its Consignee, to secure the payment of any and all unpaid transportation, or any charges that are due Carrier, and reserves the right to withhold such Ethane from Delivery until all unpaid charges have been paid. If said charges remain unpaid 60 days from the date of Carrier's invoice, Carrier, by any agent, shall have the right, after 5 days' written notice to Shipper, to sell such Ethane at public auction at the then current offices of Carrier's operator, Energy Transfer Company, in Houston, Texas, on any day not a Sunday or a legal holiday and not less than forty-eight (48) hours after publication of notice in a daily newspaper of general circulation published in the city where said office is located. Said notice shall give the time and place of the sale and the quantity of Ethane to be sold. From the proceeds of the sale, Carrier shall first pay itself all charges lawfully accruing, including all expenses of said sale, and the net balance shall be held without interest for whomsoever may be lawfully entitled thereto.

In addition to the transportation charges and all other charges accruing on Ethane accepted for transportation, a per Barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against Carrier in connection with such a commodity, pursuant to any Federal, State, or local act or regulation which levies a tax, fee, other charge, on the receipt, delivery, transfer or transportation of such commodities within their jurisdiction.

ITEM 55 LINEFILL

Each Shipper will be required to furnish Shipper's pro rata share of Ethane required for linefill and working inventory for Carrier's pipeline system. The volume will be based on Carrier's receipts by Shipper to total receipts. New Shippers will be required to deliver their pro rata share of Ethane required for linefill before any deliveries to their Consignee(s) will be made.

Shipper shall provide to Carrier and retain title to, and risk of loss for, a volume of Ethane required for linefill. Carrier may, from time to time, increase or decrease the volume of linefill required of Shipper.

ITEM 60 CLEAR TITLE REQUIRED

Carrier may refuse any shipment for transportation which may be encumbered by a lien or charge of any kind or which may be involved in litigation, or the ownership thereof may be in dispute. When any Ethane so encumbered or subject to litigation or dispute is tendered for transportation, Carrier may require of the Shipper satisfactory evidence of its perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any or all loss.

ITEM 65 NOTICE OF CLAIMS

Claims for loss or damage must be made in writing with Carrier within 90 days after Delivery of the property, or in case of a failure to make Delivery, then within 90 days 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 the Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by the Carrier to the claimant that the 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 the Carrier will not be liable.

ITEM 70 LIABILITY OF THE PARTIES

AS A CONDITION TO CARRIER'S ACCEPTANCE OF ETHANE UNDER THIS TARIFF, EACH SHIPPER AGREES TO PROTECT AND INDEMNIFY CARRIER AND ITS AFFILIATES AND THEIR RESPECTIVE AGENTS, EMPLOYEES AND REPRESENTATIVES ("CARRIER GROUP") AGAINST ANY INDEMNIFIABLE CLAIM ASSERTED BY ANYONE RESULTING FROM OR ARISING OUT OF (1) ANY BREACH OF OR FAILURE TO ADHERE TO ANY PROVISION OF THIS TARIFF BY SHIPPER, CONSIGNEE, THEIR AGENTS, EMPLOYEES OR REPRESENTATIVES AND/OR (2) THE NEGLIGENT ACT(S) OR FAILURE(S) TO ACT OF SHIPPER, CONSIGNEE, THEIR AGENTS, EMPLOYEES OR REPRESENTATIVES IN CONNECTION WITH DELIVERY OR RECEIPT OF ETHANE. THIS INDEMNITY OBLIGATION SHALL EXTEND TO ANY INDEMNIFIABLE CLAIM EVEN THOUGH SUCH CLAIM ARISES AS A RESULT OF THE NEGLIGENCE OF THE PARTY

INTENDED TO BE INDEMNIFIED BY THE APPLICABLE INDEMNITY PROVISION, EXCEPT THAT THIS INDEMNITY SHALL NOT EXTEND TO ANY PORTION OF AN INDEMNIFIABLE CLAIM THAT ARISES AS A RESULT OF THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE PARTY INTENDED TO BE INDEMNIFIED BY THIS INDEMNITY PROVISION.

The Carrier, while in possession of Ethane herein described, shall not be liable for any loss; damage; or delay, caused by act of God, war, act of public enemy, quarantine, the authority of law, strikes, riots, civil disorder, requisition or necessity of the Government of the United States in time of war, default of Shipper or Consignee, OR FROM ANY CAUSE NOT DUE TO THE SOLE NEGLIGENCE OF THE CARRIER.

1. In case of loss of any Ethane from any such causes, after it has been received for transportation and before the same has been delivered to Shipper or Consignee, such loss will be charged proportionately to each Shipper in the ratio that such Shipper's Ethane, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of all Ethane then in the custody of the Carrier for transportation via the lines or other facilities in which the loss occurs.
2. Carrier will be obligated to deliver only that portion of such Ethane remaining after deducting Shipper's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.
3. Carrier will compensate Shippers for Ethane losses for which Carrier is liable by paying the value of such Ethane at the Receipt Point therefor where transportation originated, which will be based on monthly average price for Ethane as quoted in Oil Price Information Service, or other industry accepted price service selected by the Carrier, for the Month during which the loss of the Ethane occurred, less the applicable transportation fee that would have otherwise been charged for the transport of same.
4. Carrier will not be liable for delays in transportation of Ethane.

IN NO EVENT SHALL CARRIER OR ANY MEMBER OF THE CARRIER GROUP BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES OR LOST PROFITS ARISING OUT OF, OR RELATING TO, AND/OR IN CONNECTION WITH THIS TARIFF OR THE TRANSPORTATION SERVICES CONTEMPLATED HEREBY, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT SHIPPER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND (C) THE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF CARRIER OR ANY MEMBER OF THE CARRIER GROUP.

ITEM 75 EXPANSION COMMITTED CAPACITY PROGRAMS, INCENTIVE RATES AND ANCHOR SHIPPERS

Carrier, from time to time, based on demand and requests from existing or prospective Shippers, may offer expansion capacity on its pipeline system or capacity on entirely new pipelines. Such expansions and new pipelines ("Capacity Projects") are only constructed based on term contracts entered into with one or more Shippers with sufficient commitments, both as to volumes and term, to make the project in question economically viable for Carrier. In such instances, priority to access to the capacity added by such Capacity

Projects, as well as any necessary application of the prorationing of capacity, is given to the Shippers whose long term contracts provided the economic basis for the Capacity Project (“**Anchor Shipper**”).

Incentive rates are provided for such Anchor Shippers in their applicable pipeage or transport services agreements. Carrier is willing to discuss with any potential or existing Shippers addition of capacity under such Anchor Shipper arrangements and welcomes inquiries regarding potential new capacity projects based on long term commitments for substantial volumes.