

Filed on:

12:48 pm, Dec 21, 2022

Gas Services Department
Railroad Commission of Texas

Texas Intrastate No. 2.0

AMP NGL PIPELINE, LLC

Containing

RULES, REGULATIONS, AND RATES Governing the Intrastate Pipeline Transportation of

PRODUCT

From:

POINTS IN TEXAS

To:

POINTS IN TEXAS

GENERAL APPLICATION

Rules, Regulations, and Rates published herein apply only under tariffs which make specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

EFFECTIVE: December 12, 2022

Issued and Complied by:

Blayne Dowell
3811 Turtle Creek Boulevard Suite 770
Dallas, Texas 75219
469-305-3978

P-5 No. 020466

T-4 Permit No. 10014

RULES OF GENERAL APPLICATION

Notwithstanding anything in the Railroad Commission of Texas Provisions at 16 Tex. Admin. Code § 3.71 to the contrary, Carrier will receive, transport, and deliver Product through its facilities only as provided in these Rules and Regulations, except that specific Rules and Regulations published in individual tariffs will take precedence over Rules and Regulations published herein or in succeeding reissues of these Rules and Regulations.

Item 5 Definitions

“Barrel” shall mean a volume of forty-two (42) United States gallons. One U.S. gallon shall be equal to two-hundred-thirty-one (231) cubic inches of liquid at sixty degrees Fahrenheit (60°F) and at the equilibrium vapor pressure of the liquid being measured.

“Carrier” shall mean AMP NGL Pipeline, LLC.

“Committed Shipper” means a Shipper with which Carrier has executed a transportation service agreement for priority transportation service.

“Component(s)” means each of the five individual hydrocarbon constituents contained in Product, including ethane, propane, isobutane, normal butane, and natural gasoline (with natural gasoline including all pentane and heavier components), all in accordance with the applicable Product specifications.

“Component Imbalance” means, for a given Component for a given Shipper during a given Month, the difference between (x) the Component Net Volume for such Component actually received for the account of such Shipper at the Origin Point during such Month plus or minus (as applicable) Shipper’s pro rata share of the Pipeline G/L for such Component for such Month (a Shipper’s “Allocated Component Volume”) and (y) the Component Net Volume for such Component which is actually delivered for the account of such Shipper at the Destination Point during such Month (a Shipper’s “Actual Component Volume”). A “Positive Component Imbalance” exists for a Shipper for a given Component when such Shipper’s Allocated Component Volume for such Component exceeds such Shipper’s Actual Component Volume for such Component. A “Negative Component Imbalance” exists for a Shipper for a given Component when such Shipper’s Actual Component Volume for such Component exceeds such Shipper’s Allocated Component Volume for such Component.

“Component Net Volume” means Component volume calculated at 60°F in accordance with the latest edition of GPA 8173.

“Consignee” shall mean the person or entity to whom the Shipper has ordered delivery of Product.

“Daily Maximum Volume Entitlement” means the maximum amount of daily System Capacity to which Committed Shippers shall be entitled, up to 95% of available System Capacity.

“Day” shall mean the period of twenty-four (24) hours between 12:00 AM Central Standard Time of a calendar day and 12:00 AM Central Standard Time of the following calendar day.

“Destination Point” means the fractionation facilities currently owned and operated by Phillips 66 Company or its Affiliate in Sweeny, Texas, whether transported by Carrier or another Person.

“Force Majeure” means an event or occurrence beyond the reasonable control of Carrier that Carrier is unable to prevent or overcome, and which interferes with or prevents Carrier’s performance of any obligation or condition under this tariff and under any transportation service agreement with Carrier, including but not limited to (i) actions, orders, regulations, or requests of any governmental authority having jurisdiction over the Pipeline, Carrier, or this tariff; (ii) insurrections, wars, rebellion, riots, disturbances, sabotage, acts of public enemies, blockades, embargoes, expropriation, condemnation, epidemics, strikes, lockouts or labor disturbances or difficulties (the settlement of strikes, lockouts or labor difficulties being entirely within Carrier’s discretion); (iii) weather conditions or anticipated weather conditions and actions of the elements, including, without limitation, fires, explosions, earthquakes, storms, floods, freezing conditions, washouts, lightning, hurricanes, tornadoes, or landslides; (iv) disruptions to, breakages of, or destruction of all or any portion of Carrier-owned or third party-owned machinery, lines of pipe, or facilities relied upon or contributing to provision of transportation service under this tariff, including the inability to obtain electric power, water, fuel, equipment, parts, repairs or other items or services; (v) scheduled maintenance (vi) fires; explosions; freezing conditions, breakdowns or failure of pipe, plant, machinery or equipment; and (vii) any other similar event outside of the reasonable control of Carrier, despite the exercise of due diligence, that interferes with or prevents Carrier’s performance of its obligations hereunder.

“Linefill” means the quantity of Product required by Carrier needed to occupy the physical space in Carrier’s facilities to provide working stock and storage receptacle bottoms, if applicable, as determined by Carrier.

“Month” means a period of time commencing on the first Day of a calendar Month and ending on the first Day of the next calendar Month.

“Monthly Ratable Basis” means the delivery of Product throughout each Month in daily quantities that are substantially equal to the volume of Product delivered during the Month divided by the number of Days in that Month.

“Nomination” means a written communication (in form and context specified by Carrier) made by a Shipper to Carrier of a quantity of Product for transportation on the Pipeline in accordance with the terms of this tariff.

“OPIS Price Index” means the monthly average of the daily average prices per gallon, for the Month of Receipt, as quoted by OPIS in the OPIS-LP-Gas Report for “Any Current Month” under “Mont Belvieu Spot Gas Liquids Prices” using (i) the non-TET prices for the propane, isobutane, normal butane, and natural gasoline Components; and (ii) the Purity Ethane price for the ethane Component. The OPIS Price Index is not to include any TET, Other, or other categories of Component prices that might be published by OPIS. No value will be given to CO₂ or other impurities.

“Origin Point” means the point where physical custody of Product is transferred from Shipper to Carrier, such point being the inlet delivery connection to Carrier’s facilities from the tailgate of the Aspen Battle Horse gas processing facility in Washington County, Texas.

“Person” means any natural person, corporation, company, partnership (general or limited), limited liability company, trust, joint venture, joint stock company, unincorporated organization, or other entity or association.

“Pipeline” means the natural gas liquids pipeline(s) utilized by Carrier to provide transportation service for Product from the Origin Point to the Destination Point.

“Product” shall mean demethanized mix, including ethane, propane, iso-butane, normal butane and natural gasoline, and mixtures thereof, any incidental methane and any accompanying non-hydrocarbon substances requiring fractionation.

“Proration Month” means the Month for which capacity is to be allocated in accordance with Item 85.

“Shipper” shall mean the party whose Product is accepted by Carrier for transportation of Product under the terms of this tariff.

“System Capacity” means the operational capacity of the Pipeline at any applicable point in time.

“Uncommitted Shipper” means a Shipper that is not a Committed Shipper.

Item 10 Certificate

Carrier reserves the right to require Shipper to furnish a certificate by a licensed petroleum inspector confirming the quality and specifications of the Product tendered for transportation hereunder.

Item 15 Scheduled Shipments

Shippers desiring to transport Product shall furnish a Nomination to Carrier on a form supplied by Carrier specifying the Origin Point, Destination Point, and quantity. Forms may be obtained from Carrier at the address shown on the first page of this tariff. All such forms shall be submitted on or before the fifteenth (15th) day of the month preceding the Month during which the transportation service is to begin. If Shipper does not furnish such notice, Carrier shall be under no obligation to accept Product for transportation. All Product accepted for transportation will be transported at such time and in such quantity as scheduled by Carrier.

Item 20 Minimum Tender and Ratable Delivery

The minimum quantity of Product which will be accepted at the Origin Point shall be 500 barrels/day, as may be adjusted from time to time to meet the requirements of any downstream connection.

Product shall be delivered by Shipper to the Origin Point for transportation service under this tariff on a Monthly Ratable Basis.

Item 25 Facilities at Origin and Destinations

Carrier will provide only such facilities at the Origin Point or Destination Points reasonably necessary for operation of the Pipeline, provided, however, Carrier provides no storage facilities and has no obligation to provide storage facilities pursuant to this sentence or otherwise. Product will be accepted for transportation only when Shipper has provided facilities, including storage, at the applicable Origin Point and Destination Points that are reasonably satisfactory to Carrier and are capable of delivering or receiving Product at pressures and pumping rates required by the Carrier. See additional requirements regarding new facilities in Item 95.

Item 30 Assurance of Delivery at Destination

Upon arrival of Product at the specified Destination Point, such Product will be delivered through metering facilities provided by Carrier or the operator of the receiving facility into such receiving lines and storage facilities as directed by Shipper. In the event Shipper or its Consignee does not have adequate facilities available to receive Product at the Destination Point in accordance with Carrier's schedule, Carrier may store, sell at public auction or otherwise dispose of Product in accordance with Item No. 60.

Item 35 Product Specifications

Carrier is engaged in the transportation of Product as herein defined and will not accept any other commodity for transportation under this tariff.

Carrier reserves the right to refuse to accept any Product for transportation service which does not conform to Carrier's Product specifications ("Specifications"), described below, or which are not good and merchantable Product readily acceptable for transportation service through Carrier's existing facilities and which would materially and adversely affect Carrier's facilities or other Product. Carrier reserves the right to modify its Specifications from time to time in accordance with downstream requirements. In the event Carrier makes modifications to its Specifications, Carrier will provide Shippers with notice of such modifications and provide a copy of, or access to, the modified Specifications no later than ninety (90) days prior to any such modification. As a prerequisite to transportation service, Shipper's Product must also conform to its nominated destination point specifications.

Shipper may be required to furnish Carrier with a certificate of analysis setting forth the composition of each shipment of Product to be transported in Carrier's facilities. Carrier reserves the right to sample and/or test any Product tendered to Carrier prior to acceptance or during receipt, and if there is a variance between Shipper's certificate of analysis and Carrier's test, the latter shall prevail.

If Carrier determines that Shipper has delivered Product that does not meet the Specifications or contaminates the common fungible stream, Carrier may treat or otherwise dispose of all contaminated Product in any reasonable commercial manner at Shipper's sole expense.

If Product received by Carrier does not conform to the Specifications, Carrier reserves the right to bill and Shipper shall pay (i) the costs and expenses incurred to treat or otherwise dispose of all contaminated Product including without limitation any penalties or charges incurred by Carrier as a result of such contamination, and (ii) a \$1.00 per Barrel additional payment assessable on all Product delivered by Shipper for transportation service under this tariff that fails to meet the Specifications.

Shipper shall be liable for and shall defend, indemnify and hold Carrier harmless from and against any and all claims, actions, suits, losses, demands, costs and expenses (including attorney's fees and costs of repairing, inspecting, cleaning, and decontaminating the facilities of Carrier or third parties) of every kind, nature or description resulting from any Product that Shipper has delivered into Carrier's facilities that fails to meet the Specifications.

Product shall be a mixture of component products of natural gas liquids (NGLs) composed predominantly of Ethane, Propane, Butanes & Natural Gasoline (Pentanes & Heavier) meeting the following specifications:

<u>Product Characteristics</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Test Method</u>
<u>Composition (% liquid volume):</u> Methane (See Note 1) Ethane Ethylene (See Note 1) Propylene (See Note 1) C4 Olefins Total Olefins (See Notes 1 and 3) Aromatics	38.00 of Raw Product (see Note 6)	1.50 of Ethane 55.00 of Product (see Note 6) 1.00 of Ethane 5.00 of Propane 0.35 of Butanes 1.0 of Product 10.00 of Hexanes and Heavier	ASTM E-260 GPA 2177 GPA 2177 ASTM D-2163 ASTM D-2163 ASTM D-2163 ASTM D-2163 GPA 2186
<u>Corrosion:</u> Copper Strip @ 100°F (Invalid if additive or inhibitor is used.) Corrosion Additive or Inhibitor, PPM by Weight	1a 1a	1b 1b	ASTM D-1838 Applicable Industry
<u>Sulfur:</u> Total Sulfur PPM by weight in liquid H2S COS		150 None 15 PPM weight of Propane	ASTM D-5623 or ASTM D-6667 ASTM D-5623 ASTM D-5623
<u>Carbon Dioxide:</u> PPM by weight in liquid		1000	GPA 2177
<u>Dryness:</u>		No Free Water @ 34° F	Visual
<u>Pentanes & Heavier:</u> White (See Note 4)		No Color	Visual Using Cup Method
<u>Color:</u> Saybolt No.	Plus 25		ASTM D-156 or ASTM D-6045
<u>Distillation:</u> End Point, °F		375°F	ASTM D-86
<u>Methanol:</u> PPM by weight in liquid		200	ASTM D-7423

<u>Vapor Pressure:</u> Determined at 100°F		500 psia	Peng-Robinson or GPA 2177 Appendix B
<u>Product Temperature:</u>	60°F	120°F	
<u>Deleterious Substances:</u> Ammonia Halides (including Fluorides) (See Note 5)		1 PPM weight in liquid 1 PPM weight of Normal Butane	ASTM D-7359

NOTES:

1. **Product Accounting** - For accounting purposes, methane and ethylene shall be considered ethane, propylene shall be considered propane, and C4 olefins and neopentane shall be considered normal butane, each within the above listed Specification limits.
2. Any excess of these hydrocarbon components above the Specification limits shall not be accounted for.
3. A modified GPA-2177 method may be used in lieu of ASTM D-2163 for determining ethylene, propylene, C4 Olefin and Total Olefin concentrations.
4. Perform the Saybolt color test after weathering sample to 70°F if white cup indicates possible color.
5. Product shall be merchantable, commercially free from sand, entrained water, nitrogen, amine, particulates, brine, olefins, dust, gum, gum-producing substances, oil, glycol, inhibitors, caustics, chlorides, oxygenates, heavy metals, any other contaminants, or any compound added to the Product to enhance the ability to meet these Specifications, and other impurities which may be injurious to storage facilities, terminals, fractionators, measurement facilities, or the property of third parties, or may interfere with its transmission through storage facilities, terminals, or fractionators.
6. Carrier will not refuse to accept Product on the basis of ethane content unless the ethane content of such Product is less than 20.0% of Product (% liquid volume) or greater than 65% of Product (% liquid volume), but reserves any and all other rights and remedies with respect to Product that does not conform to the Specifications provided herein.

Abbreviations:

ASTM = American Society for Testing and Materials

GPA = GPA Midstream Association

PPM = parts per million

psia = pounds per square inch absolute

°F = degrees Fahrenheit

Item 40 Measurement, Testing and Deductions

Product tendered for transportation shall be metered at each Origin Point and Destination Point by Carrier or the operator of the non-Carrier facility to which Carrier's facilities are connected, consistent with the provisions of the applicable agreement governing the interconnection of Carrier's facilities with those of the operator of the applicable non-Carrier facility, prior to or at the time of receipt or delivery. Shipper shall at all times have the privilege of being present or represented during all metering and testing. The volume of Product to be transported shall be determined in accordance with applicable API Manual of Petroleum Measurement Standards and applicable GPA Midstream Association procedures. The net balance after corrections or adjustments for pressure and temperature will be the quantity deliverable by Carrier and the transportation charges will be assessed in accordance therewith.

Item 45 Pipeline Gains, Losses and Loss Adjustments

Shippers are responsible for Pipeline measurement gains or losses, calculated as the difference between measured receipts of Product for the account of all Shippers at the Origin Point ("Total Origin Volume") and measured deliveries of Product for the account of all Shippers at the Destination Point ("Total Destination Volume"). Such gains and losses ("Pipeline G/L") will be apportioned on a Monthly basis amongst all Shippers for a given Month according to each Shipper's pro rata share of the Total Origin Volume for such Month.

Item 50 Integrity of Product

Carrier will transport Product to the specified Destination Point without material contamination. Carrier may commingle Product received for transportation and reserves the right at any time to substitute and deliver a Product of the same specification as the Product tendered by Shipper. Product will be accepted for transportation service only on the condition that it shall be subject to such changes in characteristics (including component changes), while in transit, as may result from the mixture with other Product. Carrier shall be under no obligation to make delivery of the identical Product, but may make delivery out of the common stream and Shippers will be required to accept such delivery. For pipeline protection, Carrier may inject corrosion inhibitor in the Product to be transported, and Shipper will accept delivery of Product at the specified Destination Point containing the corrosion inhibitor.

Item 55 Title to Product, Possession and Control.

(a) The Carrier will refuse any Product for transportation which may be encumbered by a lien or charge of any kind, or which may be involved in litigation, or the ownership of which may be in dispute unless Shipper provides satisfactory evidence of its right of control or unencumbered title or satisfactory indemnity bond to protect Transporter against any and all loss. By nominating Product, the Shipper warrants and guarantees that the Shipper has good title or the right to deliver all Product tendered and delivered hereunder and agrees to hold Carrier harmless for any and all loss, cost, liability, damage and/or expense resulting from failure thereof.

(b) Shipper shall be deemed to be in exclusive possession and control of all Product for which services are provided hereunder upstream of the Origin Point and at and downstream of the

Destination Point. Carrier shall be deemed to be in exclusive possession and control of all Product at and downstream of the Origin Point and upstream of the Destination Point.

Item 60 Payment for Transportation and Lien

(a) Carrier shall bill Shipper monthly for all transportation charges and other charges due hereunder based upon volumes received by Carrier from Shipper. Shipper shall pay for transportation charges and all other charges provided for herein accruing on Products accepted in accordance with Carrier's then current payment policies and procedures at the rates published in the tariff as may be in effect from time to time. Carrier may require that all payments to Carrier for Services pertaining to the transportation of Product be made by wire or ACH transfer in accordance with the instructions on the Carrier's invoice to Shipper.

(b) If Carrier, in its sole judgment, has reasonable grounds for insecurity regarding the ability of Shipper or Shipper's guarantor (if any) to perform its obligations hereunder or make payment of charges and fees when due (including without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor (if any)), Carrier, upon notice to Shipper, may require any of the following prior to Carrier's delivery of Shipper's Product in Carrier's possession or prior to Carrier's acceptance of Shipper's Product:

(i) prepayment of all charges,

(ii) a standby irrevocable letter of credit (in a form, amount, and term, and issued by a financial institution reasonably acceptable to Carrier) at Shipper's expense in favor of Carrier, or

(iii) a guaranty issued on behalf of Shipper in a format, amount and tenor acceptable to Carrier, if the credit of Shipper's guarantor is deemed to be acceptable to Carrier in Carrier's sole judgment. If 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 transportation service pursuant to this tariff until such requirement is fully met.

(c) If any amounts owed by Shipper are not paid by the due date stated on the invoice, Carrier shall have the right to assess a finance charge on the entire past due balance until paid in full at the rate equal to the lesser of (i) the prime rate per annum plus three percent (3%), with the prime rate being the then effective prime rate of interest published under "Money Rates" by The Wall Street Journal or (ii) the maximum interest rate allowed by law.

(d) Carrier shall have a lien on all Product in its possession belonging to Shipper, and may withhold such Product from delivery until all of such unpaid charges shall have been paid. Such lien shall take effect at the point of origin as the Product is received into the Pipeline. Such lien shall secure the payment of any and all charges and fees owed to Carrier by Shipper, including but not limited to penalties, interest and late payment charges, whether or not incurred on the Product in the Pipeline and whether or not invoiced. Such lien shall be in addition to any and all other rights and remedies Carrier has at law or in equity.

(e) If any such charges or fees owed to Carrier by Shipper shall remain unpaid for ten (10) days after the date set for payment in Carrier's invoice to Shipper, or, in the absence of unpaid

charges, when there shall be a failure to take redelivery of the Product at the Destination Point, Carrier shall have the following options, in its sole discretion:

(i) Carrier may sell Shipper's Product in its possession for cash at public auction at its office in Houston, Texas, on any day not a legal holiday, not less than forty-eight (48) hours after publication of a notice in a daily newspaper in Houston, Texas, of the time and place of sale and the specifications and quantity of Product to be sold. Carrier may be a bidder and a purchaser at such sale. From the sale proceeds, Carrier may pay itself all charges, expense of notice and sale, and storage and maintenance costs, and the balance shall be held for whomsoever may be entitled thereto; or

(ii) In circumstances in which Carrier has no storage facilities or other means of holding and maintaining Shipper's Product and inability to deliver (whether caused by Shipper's failure to take redelivery or caused by exercise of Carrier's lien) will cause a shutdown of a line, Carrier may, without notice but in the most commercially reasonable manner as is possible under the circumstances, dispose of Shipper's Product. If such disposal shall result in proceeds after payment of Carrier's charges and expenses, proceeds shall be held for whoever may be entitled thereto. If such disposal does not result in proceeds, Shipper and Consignee shall remain liable for all charges due to Carrier and for all expenses incurred by Carrier.

(f) Carrier reserves the right to set off any amounts owing to Carrier against any monies owed by Carrier to Shipper or any of its affiliates under this tariff, a transportation services agreement, or against any Product of Shipper in Carrier's custody. In addition, Shipper shall pay all documented costs incurred by Carrier to collect any unpaid amounts, including reasonable attorney's fees and costs incurred by Carrier.

Item 65 Application of Rates

Product transported shall be subject to the rates in effect on the date such Product is accepted for transportation by the Carrier as identified in this tariff, as may be in effect from time to time.

For Product accepted for transportation from any point on Carrier's line not named in a particular tariff which is intermediate to a point from which rates are published therein, through such unnamed point, Carrier will apply the rate published therein from the next more distant point specified in such tariff. For Product accepted for transportation to any point on Carrier's line not named in a particular tariff which is intermediate to a point to which rates are published therein, through such unnamed point, Carrier will apply the rate published therein to the next more distant point specified in such tariff pending establishment of new rates.

Item 70 Liability of Carrier

(a) Carrier shall not be liable for any loss of Product as described herein or damage thereto, or delay caused by an event of Force Majeure or any act or default of Shipper or from any other cause not due directly to the negligence of Carrier. Carrier will not be liable for discoloration, contamination, or deterioration of Product transported hereunder unless directly resulting from the negligence of Carrier.

(b) In addition, the Carrier shall not be liable for any injury, disease or death of any person or damage to or loss of any property, fine or penalty, any of which is caused by the negligence, gross negligence or willful misconduct of Shipper, its affiliates or any of their respective employees, representatives, agents or contractors in shipment of Product under this tariff or the handling, storage, transportation or disposal of any of the Product herein described.

(c) In no event shall Carrier be liable to Shipper for consequential, punitive, special, incidental or exemplary damages, or for loss of profits or revenues incurred by Shipper or its affiliates that arise out of or relate to shipments of Product under this tariff, regardless of whether any such claim arises under or results from contract, tort, or strict liability.

Item 75 Liability of Shipper

As a condition precedent to Carrier's acceptance of Product for transportation under this tariff each Shipper agrees to indemnify and save Carrier harmless from any loss, claims, or damages (including but not limited to consequential damages and attorneys' fees and costs) for injury or death of any person and for damage to property of carriers, Shipper, Consignee and/or third party resulting from or arising out of (1) any breach of any provision of this tariff by Shipper, its Consignee, its agents, employees or representatives; (2) the negligence of Shipper, its Consignee, its agents, employees or representatives; (3) the injection of contaminants of any kind by Shipper, its Consignee(s) or consignors, its agents, employees or representatives into the Pipeline, and/or (4) failure of Shipper's Product delivered or accepted for transportation to meet Carrier's specifications.

Item 80 Claims Against Carrier; Time Limitation

As a condition precedent to recovery for loss, damage, delay or mis-delivery, claims must be filed in writing with Carrier within nine (9) Months after delivery of Product, or in case of failure to make delivery, within ten (10) Months after receipt of the Product from Shipper by Carrier, and suits must be instituted against the Carrier within two (2) years from the day when Carrier gives notice to the claimant that Carrier has disallowed the claim or any part thereof specified in the notice of claim. If claims are not filed or suits are not instituted thereon in accordance with these provisions, Carrier will not be liable and claimant may not recover from Carrier for same.

Item 85 Prorationing of Pipeline Capacity

When Carrier receives more Nominations in a Month for transportation of Product on the Pipeline than Carrier is able to transport, Carrier shall allocate the System Capacity under the provisions of this Item 85.

System Capacity will be allocated among Committed Shippers as a class and Uncommitted Shippers as a class; any remaining System Capacity will be allocated in accordance with the provisions of Item 85(C). Such allocation may be based on Nominations exceeding System Capacity at a given Origin Point or Destination Point, and/or a given segment of the Pipeline.

A. Allocation to Committed Shippers.

- (1) Except as provided in Item 85(A)(2), Carrier shall allocate each Committed Shipper an amount of System Capacity equal to the lesser of the Committed Shipper's Nomination for the Proration Month or its Daily Maximum Volume Entitlement multiplied by the number of days of such Month. If a Committed Shipper nominates volumes in excess of its Daily Maximum Volume Entitlement, then the excess incremental volumes shall be subject to prorationing under Item 85(C) below.
- (2) If an event of Force Majeure or other operational issue causes System Capacity to be reduced for the Proration Month, the allocation of System Capacity to each Committed Shipper under this Item 85(A) shall be reduced by the same percentage as the reduction in System Capacity that is caused by the Force Majeure event or operational issue. Carrier will reduce the allocations of System Capacity to each Committed Shipper affected by such Force Majeure event by the same percentage as the reduction in capacity of the affected portion of the System or the reduction in receipt or delivery capability of the affected Origin Point or Destination Point, respectively and as applicable.

B. Allocation to Uncommitted Shippers.

Following the allocation of System Capacity set forth in Item 85(A) above, Carrier shall next allocate at least 5% of the remaining System Capacity on the Pipeline among all Uncommitted Shippers in the following manner:

- (1) Each Uncommitted Shipper shall be allocated an amount of System Capacity in the Proration Month that is equal to:
 - (a) its Nomination, if the total volume Nominated by all Uncommitted Shippers is less than or equal to five percent (5%) of System Capacity on the Pipeline; or
 - (b) its pro rata share, in accordance with its Nomination, of five percent (5%) of the System Capacity on the Pipeline, if the total volume Nominated by all Uncommitted Shippers is greater than five percent (5%) of such System Capacity.

C. Remaining System Capacity.

Any remaining System Capacity not allocated through the application of Items 85(A) or (B) above shall be allocated first, pro rata, among all Committed Shippers having remaining unmet Nominations according to the level of each Committed Shipper's Daily Maximum Volume Entitlement. If allocation to any Shipper pursuant to this Item 85(C) exceeds such Shipper's remaining Nomination or there remains unallocated System Capacity following this additional allocation to Committed Shippers, then the excess volume will be allocated among all other

Shippers having unmet Nominations until the remaining System Capacity is fully allocated or all of the remaining Nominations have been fulfilled.

D. Basis for Allocation.

When prorationing of System Capacity is in effect:

- (1) Carrier shall allocate System Capacity on a Monthly basis; and
- (2) Carrier will use reasonable efforts to notify each Shipper of its allocation no later than the first working day of the Proration Month.

E. Reallocation of Unused Allocated System Capacity.

If a Shipper does not use the portion of System Capacity allocated to it under this Item 85 at the times and in the amounts designated by Carrier, Carrier shall have the right to use Shipper's unused portion of System Capacity to fulfill the unmet Nominations of other Shippers.

F. Failure of Uncommitted Shipper to Use Allocated System Capacity.

- (1) Except as provided in Item 85(F)(2) below, an Uncommitted Shipper that fails to use all of its allocated System Capacity during a Proration Month shall have its allocation of System Capacity reduced in each subsequent Proration Month until the total reductions equal the amount of the deficiency. The amount of any such reduction shall be treated as unused allocated System Capacity and shall be reallocated among other Shippers in accordance with Item 85(E). Any such reduction shall not relieve any Committed Shipper of its obligation to pay deficiency payments pursuant to a transportation services agreement with Carrier.
- (2) Reduction of an Uncommitted Shipper's allocation for failure to use its allocated System Capacity during a Proration Month may be waived, in whole or in part, if Carrier determines that Shipper's failure to use all or some of its allocated System Capacity was due to a Force Majeure.

Item 90 Linefill Requirements

Except as otherwise specified in a transportation service agreement, Shipper will supply its pro-rata share of Product for Linefill as Carrier determines is necessary to maintain efficient operations of Carrier's facilities. Each Month Carrier shall adjust the Linefill so that it provides its pro-rata amount of Linefill equivalent to Shipper's total deliveries to the Origin Points during the preceding Month divided by total deliveries by all Shippers at all Origin Points during the preceding Month. Upon Shipper's payment of all amounts payable under this tariff, any transportation services agreement, and any other agreements between Carrier and Shipper or their affiliates affecting the movement of Product on Carrier's facilities, Product used as Linefill shall be returned to Shipper after such Shipper has provided written notice to Carrier of Shipper's intent to cease delivering Product to the Origin Points and after a reasonable period of time to allow for administrative and operational requirements associated with the withdrawal of such Product.

Item 95 Pipeline Contracts Required

A proposed Shipper may be required to execute a separate transportation services agreement covering further details of the transportation before any duty of transportation shall arise; provided, however, that in the event of any conflict between the provisions of the tariff and the terms of any such contract, the provisions of such contract shall control.

Connections to Carrier’s system will only be considered if made by formal written application to Carrier in the form of agreement required by Carrier. Acceptance of any request for connection will be subject to compliance with governmental regulations and approval of Carrier.

Item 100 Product Component Balancing

As detailed in Item 50 above, Carrier shall be under no obligation to make delivery of identical Product at the Destination Point as the Product received at the Origin Point, and may make deliveries out of the common stream, and Shippers will be required to accept such deliveries. Accordingly, each Shipper’s pro rata share of the Total Destination Volume may not contain Components in the same proportion as the measured receipts of Product for the account of such Shipper at the Origin Point.

Shippers shall be responsible for reconciling their respective Component Imbalances with Carrier. Participation in the Component balancing process is a prerequisite to shipping on the Pipeline.

In conjunction with the invoices Carrier prepares for transportation charges pursuant to Item 60 of this tariff, Carrier shall provide each Shipper with a Monthly statement setting forth (i) the measured receipts of Product for the account of such Shippers at the Origin Point during the applicable Month, (ii) the measured deliveries of Product for the account of such Shipper at the Destination Point during the applicable Month, (iii) Shipper’s pro rata share of the Pipeline G/L for the applicable Month, and (iv) such Shipper’s Component Imbalances for the applicable Month (a “Gatherer Reconciliation Statement”). Amounts due by a Shipper to Carrier or by Carrier to Shipper under a given Gatherer Reconciliation Statement shall be paid by the owing party within six (6) days of delivery of the Gatherer Reconciliation Statement. Carrier reserves the right to net out amounts owing for Positive Component Imbalances and Negative Component Imbalances in the Gatherer Reconciliation Statements.

For any Negative Component Imbalance for a given Component in a given Month, Shipper shall pay Carrier for such imbalance, calculated as follows: (i) the product of such Negative Component Imbalance and (ii) the Component Cash-Out Price for such Component for such Month. For any Positive Component Imbalance, Carrier shall pay Shipper for such imbalance, calculated as follows: (i) the product of such Positive Component Imbalance and (ii) the Component Cash-Out Price for such component for such Month,

WHERE:

“Plant Products Cash-Out Price” means, the price for each Component, using the average of the daily “Avg” prices in the table entitled “OPIS Mont Belvieu Spot Gas Liquids Prices

(cts/gal)” under the heading “Any Current Month” as listed in the OPIS North America LPG Report published by the Oil Price Information Service for each Day during the applicable Month on which the Oil Price Information Service publishes the OPIS North America LPG Report as follows:

<u>Calculated Plant Products Component</u> <u>OPIS Price Heading</u>	<u>OPIS Price Heading</u>
Ethane	“Purity Ethane”
Propane	“Non-TET Propane”
Normal Butane	“Non-TET N. Butane”
Iso-Butane	“Non-TET Isobutane”
Natural Gasoline	“Non-TET N. Gasoline”

Item 105 Rates

The rates published in this tariff are for the intrastate transportation of Product through the Pipeline, in accordance with the Product Specifications applicable thereto. The rates will be charged based on the volume of Products received by Carrier from Shipper or Shipper’s Consignee at the Origin Point.

Committed Tariff Rates

FROM Origin Point, Plant	TO Destination Point	RATE Price Per Gallon
Aspen Battle Horse Processing Facility, Washington County, Texas	Kinder Morgan, Washington County, Texas	\$0.045*
Aspen Battle Horse Processing Facility, Washington County, Texas	Future Connections	TBD

Uncommitted Tariff Rates

FROM Origin Point, Plant	TO Destination Point	RATE Price Per Gallon
Aspen Battle Horse Gas Processing Facility	Kinder Morgan, Washington County, Texas	\$0.09

* Carrier shall have the right to adjust the Committed Tariff Rates annually on or about the same day in each year by the annual adjustment in the oil pricing index factor for the immediately preceding year promulgated by FERC in accordance with the FERC's indexing methodology currently set forth at 18 C.F.R. § 342.3, including future amendments or modifications thereof. If the FERC terminates its indexing methodology during the Term, the Committed Tariff Rates may continue to be adjusted annually each year for the remainder of the Term using the replacement methodology selected by FERC, if any. Notwithstanding anything in the foregoing to the contrary, the Committed Tariff Rates shall never be less than the initial rates set forth in this Tariff.

† For certain Committed Shippers that execute a transportation service agreement with Carrier, the Committed Tariff Rate shall increase two percent (2%) annually, in accordance with the terms of such agreement.