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Jun 21 2024

Gas Services Department
Railroad Commission of Texas

**Texas Intrastate No. 1.1.0
Cancels Texas Intrastate No. 1.0.0**

MADRONE PIPELINE LLC

LOCAL PIPELINE TARIFF

FOR

NON-INCENTIVE AND VOLUME INCENTIVE RATES

APPLYING ON THE INTRASTATE TRANSPORTATION WITHIN THE STATE OF TEXAS OF

PETROLEUM PRODUCTS

All rates in this tariff are expressed in cents-per-barrel of 42 U. S. gallons, are subject to change as provided by law, and are governed by the provisions found under the General Rules & Regulations shown herein.

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

Operated by Enterprise Products Operating, LLC (P-5#253368) under T-4 Permit No. 00561

EFFECTIVE: JULY 1, 2024

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GENERAL RULES & REGULATIONS

The General Rules & Regulations published herein apply in their entirety to the services covered by this tariff, i.e., to the transportation and handling of Products between the origins and destinations named herein.

ITEM NO. 5

Definitions

Affiliate	Any entity that directly or indirectly: (i) controls a Shipper; (ii) is controlled by a Shipper; or (iii) is controlled by the same entity that controls a Shipper. For purposes of this definition, the terms “controls” and “controlled by” mean the power to direct or cause the direction of the management of and policies of another entity whether through the ownership of shares, a contract, trust arrangement, or any other means, either directly or indirectly, that results in control in fact, but notwithstanding the foregoing includes, with respect to the control of or by a corporation, partnership, or limited liability company, the ownership of shares or equity interests carrying not less than 50% of the voting rights regardless of whether such ownership occurs directly or indirectly. Without limitation, any one or more of the following will conclusively evidence that entities are Affiliates of each other: (a) use of shared mailing or business addresses; (b) use of shared business telephone numbers; (c) use of common bank accounts in relation to Carrier’s requirements set forth in Item 75; (d) the same or substantially the same management, general partner, or managing member; and/or (e) one Shipper directing or conducting business on behalf of another Shipper.
Allocation Volume	Has the meaning set forth in Item No. 130.
Base Period	The 12-consecutive-Month period ending with the second Month prior to the allocation Month.
Barrel(s)	Forty-two United States Gallons at 60° F.
Batch	<p>A quantity of one type of Product delivered by Shipper to Carrier for transportation as an identifiable unit.</p> <p>A “Segregated Batch” is a quantity of one Product meeting the Product Specifications in Item No. 80 or which has been otherwise pre-approved by Carrier for shipment on Carrier’s System, for which Shipper desires separate identity and segregation so as to deliver, as nearly as reasonably practicable, the identical Product received. Transportation of a Batch as a Segregated Batch is subject to the availability of tankage and the pre-approval of Carrier.</p> <p>A “Fungible Batch” is a quantity of one Product that meets the Product Specifications and may be commingled with other Batches of Product meeting the same Product Specifications for transportation on Carrier’s System.</p>
Carrier	Refers to Madrone Pipeline LLC.
Collateral	Has the meaning set forth in Item No. 75 of this tariff.
CBOB	Conventional Blendstock for Oxygenate Blending that conforms to Carrier’s Product Specifications referenced in Item No. 80.
Day	A period of time commencing at 7:00 A.M. Central Time on one calendar day and ending at 7:00 A.M. Central Time on the following calendar day.
Distillates	Diesel fuel, ULSD, and petroleum distillates subject to Item No. 80 of this tariff.
Financial Assurances	Has the meaning set forth in Item No. 75.
Initial Nomination	Has the meaning set forth in Item No. 130.

Month	A calendar month beginning at 7:00 A.M. Central Time on the first Day of the calendar month and ending at 7:00 A.M. Central Time on the first Day of the next calendar month.
Motor Fuels	Finished and subgrade gasoline grades subject to Item No. 80 of this tariff, including CBOB and PBOB.
New Shipper	Any Shipper that does not qualify as a Regular Shipper.
Nomination	The communication from Shipper to Carrier in accordance with Item No. 130 notifying Carrier of Products Shipper desires to tender for transportation on Carrier's System each month.
Obligations	Has the meaning set forth in Item No. 75.
PBOB	Premium Blendstock for Oxygenate Blending that conforms to Carrier's Product Specifications in Item No. 80 of this tariff.
Product(s)	Petroleum products that conform to Carrier's Product Specifications in Item No. 80 of this tariff, as well as any other petroleum product that Carrier agrees to transport under a waiver in accordance with the requirements set forth in Item No. 80.
Product Specifications	Has the meaning set forth in Item No. 80.
Regular Shipper	Any Shipper that shipped Product on Carrier's System in each Month of the applicable Base Period.
Shipper	A party who contracts with Carrier for transportation of Product under the terms and conditions of this tariff.
System	Carrier's pipeline system, whether owned or leased by Carrier, necessary for Carrier to provide transportation services set forth in this tariff.
Transmix	Has the meaning set forth in Item. No. 35.
ULSD	Ultra-low sulfur diesel subject to Item No. 80.

ITEM NO. 10

Application of Rates for Intermediate Points

For Product accepted for transportation from any origin not named in this tariff to a destination named in this tariff, the rate for shipment of such Product will be the rate specified herein from the closest named origin to such named destination to which such unnamed origin would be an intermediate point.

For Product accepted for transportation from an origin named in this tariff to any destination not named in this tariff, the rate for shipment of such Product will be the rate specified herein from the named origin to the closest named destination to which such unnamed destination would be an intermediate point.

For Product accepted for transportation from an origin not named in this tariff to a destination not named in this tariff, the rate for shipment of such Product will be the rate specified herein from the closest named origin to the closest named destination to which such unnamed origin and unnamed destination are intermediate points.

Carrier will file a tariff publication applicable to the transportation movement within 30 days of the start of the service if the intermediate point is to be used on a continuous basis for more than 30 days.

ITEM NO. 20

Claims, Time for Filing

As a condition precedent to recovery, claims must be made in writing to Carrier within nine Months after receipt of delivery of Product, or in case of a failure to make delivery, within nine Months after a reasonable time for delivery has elapsed. Suit against Carrier must be instituted by Shipper or its consignee within two years and one day from the day when 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 therefor.

ITEM NO. 25**Facilities Required at Origin & Destination**

(A) Shipper shall furnish facilities at the origin that are capable of (i) delivering Products to Carrier's pump suction manifold located at the origin, (ii) at a pumping rate equal to Carrier's then-current pipeline pumping rate at such origin (or injection point if applicable), and (iii) at a minimum pressure of 50 psig, unless a lower pumping rate or pressure is designated. Carrier will not accept a Nomination for transportation on the System unless such facilities have been provided and such facilities conform to the operating requirements of Carrier, in Carrier's sole discretion. The cost of such facilities will be borne solely by Shipper seeking access to Carrier's System.

(B) Shipper or its consignee shall furnish the necessary facilities at the destinations that are capable of receiving Products promptly as they arrive at the full pipeline pumping rate and pressure, unless a lower pumping rate or pressure is designated. Carrier will not accept a Nomination unless such facilities have been provided at the destinations and such facilities conform to the operating requirements of Carrier, in Carrier's sole discretion. The cost of such facilities will be borne solely by Shipper seeking access to Carrier's System.

(C) Carrier does not furnish storage facilities at either the origin or destination. Carrier will require satisfactory evidence that Shipper or its consignee has acquired any necessary facilities, including storage space, at the origin or destination of Carrier's System before Carrier accepts Nominations for transportation to or from such facilities.

ITEM NO. 30**Governing Law and Jurisdiction**

This tariff is governed by, and must be interpreted and construed in accordance with, the laws of the State of Texas, without regard to any of its principles of conflicts of laws that would make applicable the laws of any other jurisdiction. Except for disputes that fall within the jurisdiction of the Texas Railroad Commission, exclusive venue for any suit, action, or proceeding brought in connection with this tariff is in the state and federal courts located in Harris County, Texas. Carrier and Shipper each irrevocably and unconditionally waive, to the fullest extent they may legally and effectively do so, any objection they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or relating to this tariff in the state and federal courts situated in Harris County, Texas. ***Intending to waive and forever relinquish any right under applicable law providing for a right of trial by jury, Carrier and Shipper each knowingly, voluntarily, and intentionally waives, to the fullest extent permitted by applicable law, any and all claims or rights it or its successors and assigns may have to any trial by jury on any issue arising out of any litigation, dispute, suit, action, or proceeding related to this tariff.***

ITEM NO. 35**Identity of Products and Commingling**

All Product will be transported through Carrier's facilities as part of a Fungible Batch unless: (i) Shipper submits a written request to Carrier seeking permission for its Product be moved as part of a Segregated Batch; and (ii) Carrier grants such request, as discussed further below. All Product being moved as part of a Fungible Batch will be intermixed with substantially similar Products and will be subject to changes in quality and other characteristics as may result from such intermixing. Except for Segregated Batches, Shipper will not be entitled to receive the same Product tendered by it to Carrier under this tariff.

With respect to Segregated Batches, Carrier will have the sole right and discretion to decide whether to transport a Shipper's Product as part of a Segregated Batch. If Carrier agrees to move Shipper's Product as part of a Segregated Batch, Carrier will, subject to the foregoing and to the extent permitted by Carrier's System, make delivery to Shipper at the destination of substantially the identical Product received from Shipper at the origin; provided, however, that because it is impractical to maintain absolute identity of each Batch of Product, Carrier is permitted to make reasonable substitution of Products having substantially the same specifications.

Carrier is not required to transport Product except with reasonable diligence, considering the quality of the Product, the distance of transportation, and other material elements, including the operational conditions of the System and any operational storage requirements of Carrier's System. Carrier cannot commit to delivering Product to a particular destination, at a particular time.

It is inherent in the operations of a batched pipeline system that interface mixtures ("**Transmix**") will occur between Batches of different Products. Carrier will divide the Transmix that results from shipments on its System as equitably as possible among the Shippers whose Product was then being moved on the System. Carrier does not offer a Transmix processing service; as such, each Shipper will be responsible for the handling and disposition of its share of Transmix, which Carrier will deliver to Shipper at Shipper's nominated destination.

ITEM NO. 50**Liability of Carrier**

Carrier will not be liable for any loss or delay of, or damage to Product in or formerly in its possession caused by an act of God, public enemy, quarantine, authority of law, strike, riot, fire, flood, or act or default of Shipper or consignee, or for any other cause not due to the sole negligence of Carrier, whether similar or dissimilar to the causes herein enumerated; in such cases, except when Products involved in such loss are part of a Fungible Batch, the owner of the Products will stand the loss without a right to recourse against Carrier. In case the Product involved is part of a Fungible Batch, the owner will stand the loss from Carrier in the same proportion as the amount accepted for transportation and actually in Carrier's custody bears to the whole of the Fungible Batch of all other Shippers participating in the Fungible Batch from which loss occurs. The owner of such Product will be entitled to receive only such portion of its Fungible Batch as is left after deducting the due proportion of the loss as determined above.

Carrier will not be liable for discoloration, commingling, contamination, or deterioration of Product transported unless such discoloration, commingling, contamination, or deterioration is caused by the sole negligence of Carrier.

ITEM NO. 55**Measurement and Deductions**

Quantities of Product received and delivered will be determined by dynamic or static measurement methods in accordance with appropriate API standards, latest revision, and adjusted to base (reference or standard) conditions. The base conditions for the measurement of liquids having a vapor pressure equal to or less than atmospheric pressure at base temperature are as follows: pressure – 14.696 psia and temperature – 60° F. Shipper may have the privilege of being present or represented at the time of measurement.

ITEM NO. 65**Minimum Batch Size**

The minimum quantity of a single Batch that will be accepted by Carrier at the origin at one time is 25,000 Barrels.

Carrier reserves the right to waive, on a nondiscriminatory basis, the applicable minimum quantity if operating conditions permit such waiver. If Carrier agrees to such a waiver, as memorialized in Carrier's waiver form, then Shipper will be deemed in compliance with the requirements of this Item only as to product, minimum quantity, and time period provided in Carrier's waiver form.

ITEM NO. 70**Product Deliverability Requirements and Testing**

Shipper shall furnish Carrier with a certificate setting forth in detail specifications of each Batch of Product offered for transportation under this tariff. Carrier may, but is not required to, sample and/or test any Batch prior to acceptance or during receipt, and in the event of variance between said certificate and Carrier's test, Carrier's test will prevail as to the specifications of Products received.

Carrier reserves the right to refuse to accept, and Shipper will be responsible for, any Product that is delivered to Carrier at any origin that does not meet the certificate requirements as set forth above, or that is not good, merchantable Product readily acceptable to transportation through Carrier's existing facilities. Carrier will elect one of the following options to handle non-compatible Product: (1) Shipper shall remove the non-compatible Product; or (2) Shipper shall pay Carrier actual cost for the disposal, plus handling and maintenance charges associated with the disposal of the non-compatible Product.

Shipper shall hold Carrier harmless from and against all claims, penalties, losses, costs, expenses, liabilities, or damages of any kind or nature whatsoever (including reasonable attorney's fees and court costs associated therewith) whether suffered by Carrier or any third party, arising out of or related to Shipper's delivery to Carrier of off-specification Product, including, without limitation, Carrier's property, the property of others (including other Shippers), or treating or blending fees.

ITEM NO. 75**Payment of Transportation and Other Charges, Lien for Unpaid Charges and Financial Assurances**

Shipper shall pay all charges as provided for in this tariff or otherwise lawfully due to Carrier, and if required by Carrier, shall pay the same before acceptance or delivery by Carrier of Shipper's Product. Carrier will invoice Shipper for charges or other lawfully due amounts on a weekly basis unless otherwise specified in a written agreement between Carrier and Shipper or where operational issues make billing on a weekly basis impractical. Shipper shall pay all invoiced amounts within 10 Days of the date of invoice from Carrier, unless otherwise specified on the invoice from Carrier. If any amounts owed by Shipper are not paid by the due date of Carrier's invoice, Carrier will have the right to assess an interest charge on the entire past due balance until paid in full at the rate equal to the lesser of: (i) 18% per annum; or (ii) the maximum non-usurious interest rate that may then be charged under Texas law. Carrier may require that all payments to Carrier be sent by wire transfer in accordance with the instructions on Carrier's invoice to Shipper.

Carrier will have a lien upon all of the following, whether now or hereafter existing or acquired, as collateral security for the prompt and complete payment and performance of the Obligations (as defined below):

(a) all Product of Shipper in the possession of Carrier or its agents; (b) all of Shipper's prepayments, deposits, balances, and credits with, and any of its claims against, Carrier, at any time existing; and (c) all proceeds of any of the foregoing property in any form (collectively, "**Collateral**"). The foregoing lien and Collateral secures all of the following obligations of Shipper (collectively, the "**Obligations**"): (i) any and all charges owed to Carrier by Shipper under this tariff or otherwise lawfully due to Carrier, including penalties, interest, and late payment charges; (ii) the reimbursement of any costs or amounts Carrier may advance, spend, or incur for the storage, preservation, removal, or sale of the Collateral or otherwise to enforce the lien or these Obligations; and (iii) all amounts owed under any modifications, renewals, or extensions of any such Obligations. The lien provided in this tariff is in addition to any lien or security interest provided by applicable law and any and all other rights and remedies Carrier may have at law or in equity. If any amounts accruing and owed to Carrier remain unpaid for 10 Days after written notice and demand therefor, then Carrier or its agent will have the right, in addition to and not in limitation of its other rights and remedies, to sell any or all of the Collateral at public auction, on any day not a legal holiday. The date for the sale will be at least 48 hours after publication of notice of such sale in a daily newspaper of general circulation published in the town or city where the sale is to be held, stating the time, place of sale, and a description and the location of the Collateral to be sold. At such sale, Carrier or any of its affiliates will have the right to bid, and if the highest bidder, to become the purchaser. Carrier shall apply the proceeds of any such sale to the payment of Obligations accruing or due to Carrier and to the reimbursement of expenses associated with the sale of the Collateral, and the balance remaining, if any, will be paid to or held for whomsoever may be lawfully entitled thereto. Carrier may, with or without notice to Shipper, appoint agents to retain possession of Shipper's Product on behalf of Carrier for the purpose of enforcing this security interest, lien, and assignment. Carrier will have the right to file all such documents as it deems appropriate in order to perfect or maintain the perfection of the security interest, lien, and assignment granted herein, and Shipper shall cooperate and execute all such documents as may be reasonably requested by Carrier.

If Shipper fails to satisfy when due any Obligations to Carrier, then Carrier will have the right, until all such Obligations, including interest thereon, are paid in full to: (i) refuse to provide Shipper access to Carrier's facilities or provide transportation services for Shipper's Product; (ii) set-off (including by set-off, offset, recoupment, combination of accounts, deduction, retention, or counterclaim) any amounts owing to Carrier against any monies owed by Carrier to Shipper or any of Shipper's Affiliates under this tariff, any contract, or against any Product of Shipper in the custody of Carrier or its agents; and (iii) exercise any other rights or remedies under this tariff, under any contract with Shipper, or under applicable law or in equity, provided that Carrier will only exercise its right to refuse to provide Shipper access to Carrier's facilities or provide transportation services if Shipper has not provided Financial Assurances to Carrier sufficient in Carrier's reasonable discretion to satisfy the Obligations, provided further, notwithstanding any such Financial Assurances, if such Obligations have remained unsatisfied for 60 Days past the date due, even if Shipper has provided Financial Assurances, Carrier will have the right to refuse Shipper access to Carrier's facilities or provide transportation services for Shipper's Product until such Obligations have been satisfied. In addition, Shipper shall pay all documented costs incurred by Carrier to collect any unpaid Obligations, including reasonable attorney fees and costs incurred by Carrier.

At any time, upon the reasonable request of Carrier, any prospective or existing Shipper shall provide information to Carrier that will allow Carrier to determine the prospective or existing Shipper's capacity to perform any Obligations that could arise under the terms of this tariff. Carrier will not be obligated to accept Product for transportation from or to provide access to Carrier's facilities to an existing or prospective Shipper if such Shipper or prospective Shipper fails to provide the requested information to Carrier within 10 Days of Carrier's written request, or if Carrier's review of the requested information reveals that the existing or prospective Shipper does not have the capacity to perform the Obligations and such Shipper fails to provide Financial Assurances requested by Carrier.

In the event Carrier determines that:

- (1) the existing or prospective Shipper's financial condition is or has become impaired or unsatisfactory;
- (2) any financial assurances ("**Financial Assurances**") previously provided by a Shipper no longer provide adequate security for the performance of such Shipper's Obligations; or
- (3) Carrier otherwise determines that it is necessary to obtain additional Financial Assurances from Shipper;

then Carrier, upon notice to Shipper, may require one or more of the following Financial Assurances for the payment of the Obligations, to be provided at the expense of Shipper:

- (1) prepayment (which will be held by Carrier without interest accruing thereon) in an amount and in a form satisfactory to Carrier;
 - (2) a standby irrevocable letter of credit in favor of Carrier in an amount and in a form satisfactory to Carrier and issued by a financial institution acceptable to Carrier;
 - (3) a guaranty in an amount and in a form satisfactory to Carrier and provided by a guarantor acceptable to Carrier; or
 - (4) other enforceable collateral security or credit support, in form and substance acceptable to Carrier.
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ITEM NO. 80**Product Acceptable**

Carrier reserves the right to reject any Products tendered by Shipper for transportation on Carrier's System that would have a potential adverse effect on any other Product being moved in Carrier's System or otherwise disrupt the efficient use of Carrier's System. Product tendered by Shipper pursuant to this tariff for movement as parts of a Fungible Batch must meet the specifications for such Product as set forth in Carrier's product specifications, which are available from Carrier upon request ("Product Specifications").

Subject to these General Rules & Regulations, Product will be accepted for transportation at the origins at such time as Product of similar quality and specifications are currently being transported or Carrier is scheduling such Product for shipment from such origins to destination in accordance with Carrier's sequence of pumping.

When Shipper is required under this item to provide buffer material for the shipments of Product, Shipper shall pay the same rate for the transportation of such buffer material as is the tariff rate applicable to the transportation of the Products the buffer material is being utilized to buffer.

Shipper may be required by Carrier to inject oil-soluble corrosion inhibitors acceptable to Carrier in the Product to be transported. Carrier, for corrosion protection, may inject corrosion inhibitors, and Products containing such inhibitors will be accepted by Shipper or consignee of Shipper at destination.

Carrier reserves the right to waive, on a nondiscriminatory basis, its required Product Specifications, if operating conditions permit such waiver. If Carrier agrees, as memorialized in Carrier's waiver form, to accept Product that does not meet Carrier's required Product Specifications, then Shipper will be deemed in compliance with the requirements of this Item No. 80 only as to the product, required specification, and time period provided in Carrier's waiver form.

ITEM NO. 85**Demurrage**

If Carrier has accepted Product for transportation in reliance upon Shipper's representations as to acceptance at destination, and there is failure to take such Product at the destination as provided, then Carrier will have the right, on 24-hour notice to Shipper, to divert, reconsign, or make whatever arrangements for disposition of the Product it deems appropriate to clear its pipeline including the right to sell the Product at a private sale for the best price obtainable. Carrier may be a purchaser at such sale. Out of the proceeds of said sale, Carrier may pay itself: (i) all transportation charges and other necessary expenses of caring for and maintaining the Product; (ii) for any and all costs incurred by Carrier to provide alternative service to other Shippers whose Products were blocked in Carrier's System as a result of Shipper's failure to take its Product; and (iii) for any and all revenues Carrier lost during the time Carrier's System (or portion thereof) was forced to shut down due to Shipper's failure to take its Product. The balance of such proceeds will be held by Carrier for whomsoever may be lawfully entitled thereto.

ITEM NO. 90**Product Involved In Litigation or Encumbered**

Carrier will have the right to reject any Product, when offered for transportation, that may be involved in litigation, or the title of which may be in dispute, or which may be encumbered by lien or charge of any kind, and Carrier may require Shipper to provide satisfactory evidence of perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any and all losses.

ITEM NO. 95**Proration of Pipeline Capacity**

When Product is offered to Carrier in a Month in quantities greater than can be transported between origins and destinations, Carrier shall allocate the available capacity of the System (or the affected line segment, as applicable) among all Shippers who submitted a valid Nomination for the Month in accordance with the following allocation procedures:

- a. Carrier shall first allocate 90% of the available capacity, on a non-discriminatory basis, among all Regular Shippers who have submitted a valid Nomination for the allocation Month. Carrier shall consider the size of each Regular Shipper's shipments during the Base Period compared to the total shipments by all Regular Shippers during the Base Period when determining how much capacity to allocate to a Regular Shipper.
- b. Carrier shall next allocate up to the remaining 10% of available capacity on a pro rata basis to New Shippers. A New Shipper will not be allocated more than 1% of the available capacity in any allocation Month. If the aggregate volumes nominated by all New Shippers are less than 10% of the available capacity, each New Shipper will be allocated its Nomination volume and the remaining available capacity will be allocated to Regular Shippers who have unfilled Nominations using the procedures described above.

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- c. During instances of allocation, a Shipper will be deemed to have submitted a revised Nomination volume equal to its allocation determined by Carrier in accordance with the procedures set forth above.

Allocation will be given as a daily or monthly volume, at Carrier's discretion, and will be calculated for the calendar month. Allocation may not be brokered or transferred. With agreement of the Shippers concerned, historical volume may be transferred under the following conditions:

- no commercial transaction occurs between the participating shippers with regard to historical volumes;
- the transfer is irrevocable; and
- the request to transfer must be the result of an unusual situation as may be reasonably determined by the Carrier on a non-discriminatory basis.

ITEM NO. 110**Separate Pipeline Agreements**

Separate agreements, if applicable, in association with pipeline connections or other facilities ancillary to the Carrier's System and in accordance with this tariff will be required of any Shipper or consignee before any obligation to provide transportation will arise.

ITEM NO. 125**Tax Registration**

Shipper and its consignors and consignees will be required to provide Carrier with proof of registration with or tax exemption from the appropriate federal and/or state tax authorities related to the collection and payment of fuels excise tax or other similar taxes, levies, or assessments. Shipper and its consignors and consignees will further be required to immediately notify Carrier of any changes in their registration or tax exemption status. Any tax, levy, assessment, or other charge imposed by such authority against Carrier as the result of such failure will be collected by Carrier under the provisions of Item No. 75.

ITEM NO. 130**Tenders**

Shippers qualified to ship on Carrier's System desiring to tender Product for transportation hereunder shall submit monthly Nominations via the Estream system (or other system Carrier may identify in the future to provide a similar function), specifying the origin, destination, Product type, quantity of Products to be shipped and, if applicable, whether such Product is being tendered pursuant to a transportation services agreement or incentive program. Shippers shall submit an initial Nomination (an "**Initial Nomination**"), on or before the 15th Day of the month preceding the month of shipment, unless such day falls on the weekend or is a holiday, in which case the due date for an Initial Nomination will be the next business day following the weekend or holiday. Unless such Initial Nomination is made, Carrier will be under no obligation to accept Products from such Shipper.

If it is determined that insufficient capacity is available to accommodate all valid, timely, and properly submitted Nominations, Carrier will notify, via electronic bulletin posting or other appropriate method as selected by Carrier, each Shipper that has tendered an Initial Nomination for an allocated line segment. Carrier will allocate capacity in accordance with Carrier's then-in-effect proration policy, detailed in Item No. 95. On or about two business Days following the Initial Nomination deadline, Carrier will notify any allocated Shipper of such Shipper's allocated capacity. Each allocated Shipper will then have a period of two business Days to adjust its Nomination using Estream (unless otherwise instructed by the Carrier) to the volume equal to its allocated capacity (the "**Allocation Volume**").

Product will be accepted for transportation at such time as Product of the same specifications is currently being transported from the origin to a destination or destinations in accordance with schedules of shipments and consignments to be issued from time to time to each consignor by Carrier. Such schedules may be modified from time to time in the manner and to the extent reasonably desirable to facilitate the efficient and economical use and operation of Carrier's facilities and to reasonably accommodate Shipper's needs for transportation.

Carrier will prepare and furnish to each Shipper schedules showing the estimated time that each shipment will be received for transportation at origins and the estimated time of arrival at destinations. Such schedules may be revised from time to time to the extent reasonably desirable to facilitate the efficient and economical use and operation of Carrier's facilities and to accommodate Shipper's needs for transportation.

ITEM NO. 135**CONNECTION POLICY**

Carrier is not offering connection services on the System.

Rates	
ITEM NO. 100	Destinations
Origin	Hobbs Terminal (Gaines Co., TX)
	<i>Local Rates in Cents-per-Bbl.</i>
Mont Belvieu (Chambers Co., TX)	[I] 518.88

**Incentive rates are available on a non-discriminatory basis to Shippers who enter into an agreement with Carrier.*

ROUTE DIRECTORY

Rates in the tariff apply via all routes made by use of Carrier's System.

EXPLANATION OF ABBREVIATIONS

API	American Petroleum Institute
Bbl.	Barrel
Co.	County
F	Fahrenheit
No.	Number
psia	Pounds per square inch absolute
psig	Pounds per square inch gauge
&	And
°	Degrees
%	Percent

EXPLANATION OF REFERENCE MARKS
