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Gas Services Department  
Railroad Commission of Texas

**TX No. 1.3.0**  
(Cancels TX No. 1.2.0)

**Energy Transfer Mont Belvieu NGL Pipelines LLC<sup>♦</sup>**  
**RATE AND VOLUME INCENTIVE TARIFF**  
**FOR**  
**THE INTRASTATE TRANSPORTATION**  
**OF**  
**PROPANE**  
**TRANSPORTED BY PIPELINE**  
**FROM**  
**The ET NGL MONT BELVIEU FACILITY**  
**in**  
**CHAMBERS COUNTY, TEXAS**  
**TO**  
**HASTINGS, TEXAS**

Energy Transfer Mont Belvieu NGL Pipelines LLC (Carrier) will accept and transport natural gas liquids "Products" (as defined below) offered for transportation through Carrier's facilities only as provided in this Tariff.

**EFFECTIVE: December 1, 2022**

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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 intrastate transportation of Products between the origin point and destination delivery point named herein.

**ITEM 5 Definitions**

“Barrel” means forty-two United States gallons at 60°F.

“Carrier” means Energy Transfer Mont Belvieu NGL Pipelines LLC.

“Product” or “Products” propane meeting Carrier’s specifications published or otherwise made available from time to time.

“Shipment(s)” represents the transportation of Product under the terms and conditions of this Tariff.

“Shipper(s)” means the party or parties who contract with the Carrier for the transportation of Product under the terms of this Tariff.

**ITEM 10 Allocation**

When there is offered to Carrier Product quantities greater than can be transported between origin and destination, Carrier shall allocate transportation capacity on an equitable basis.

Allocation of capacity will be based on the Shipper’s historical volume. Shipper’s historical volume is the volume of Shipper’s Product movements during the first twelve (12) calendar months commencing thirteen (13) calendar months prior to the first day of the calendar month during which capacity will be allocated.

Allocation will be given as a daily volume, on an equitable basis, and will be calculated for the calendar month.

Allocation shall not be transferred. With agreement of the Shippers concerned, historical volume will be transferred under the following conditions:

- (i) No commercial transaction occurs between the participating Shippers with regard to historical volume.
- (ii) The transfer is irrevocable.
- (iii) The request to transfer must be the result of an unusual situation as may be reasonably determined by the Carrier on an equitable basis.

Shippers that desire to ship but have less than one hundred (100) barrels per day of capacity, are designated “New Shippers”. New Shippers will receive one hundred (100) barrels per day of capacity until the total barrels received by the New Shippers exceeds five percent (5%) of the total capacity of Carrier, at which time all New Shippers shall receive an equal portion of the five percent (5%) of the total capacity of Carrier.

**ITEM 20 Claims, Time for Filing**

As a condition precedent to recovery, claims must be made in writing to Carrier within nine (9) months after receipt of delivery of the Products, or in case of a failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suit against Carrier must be instituted by Shipper or its consignee within two (2) years and one (1) 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 a timely manner in accordance with the foregoing provisions, such claims will not be paid, and Carrier will not be liable therefor.

**ITEM 25 Facilities Required at Origin & Destination**

Shipments will be accepted for transportation hereunder only when: (a) Shipper has provided facilities satisfactory to Carrier capable of delivering Products at the point of origin at pressures and at volumetric flow levels required by Carrier, and (b) Shipper or consignee has provided the necessary facilities at destination for receiving such Shipments without delay at pressures and at volumetric flow levels required by Carrier. Shipments will be accepted for transportation to destination hereunder only when—in Carrier’s judgment—Shipper or its consignee has provided the necessary facilities for matching schedules and line rates or Carrier—in its judgment—has such facilities sufficiently available for Products of the same kind and specification at Hastings, Texas.

**ITEM 30 Identity of Shipments and Commingling**

Carrier will make reasonable efforts to transport common Shipments of Products with a minimum of contamination.

Subject to the foregoing, Carrier will reasonably endeavor to maintain the identity of individual Shipments of Products. However, in view of the impracticability of maintaining the identity of Shipments, Carrier reserves the right at any time to substitute and deliver a Product similar to the Product shipped.

**ITEM 35 Liability of Carrier**

Carrier shall not be liable for any loss or delay of, or damage to Products 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 its 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 common Shipment, the owner of the Products shall stand the loss without any right of recourse. In case the Product involved is part of a common Shipment, the owner shall 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 common Shipment of all other Shippers participating in the common Shipment from which the loss occurs. The owner of such Product shall be entitled to receive only such portion of its common Shipment as is left after deducting the due proportion of the loss as determined above. Carrier shall not be liable for discoloration, commingling, contamination, or deterioration of Products transported unless such discoloration, commingling, contamination or deterioration is caused by the sole negligence of Carrier. Normal commingling which occurs between batches may be divided as equitably as practicable among Shippers participating in the batches causing the commingling. **In no event shall Carrier be liable to Shipper under any provision of this Tariff or the transactions contemplated hereby for any consequential, incidental, indirect, punitive or exemplary damages arising in tort, contract or otherwise.**

**ITEM 40 Measurement and Deductions**

Products shall be measured by meters provided by Carrier in accordance with generally accepted industry standards. Shipper shall have the privilege of being present or represented at the time of measurement. Except as otherwise provided in this item and Item No. 35 of this Tariff, Carrier will be accountable for delivery at destination of one hundred percent (100%) of the original Shipment tendered at the point of origin.

**ITEM 45 Minimum Shipment**

Carrier may delay transportation of a Shipment until it can be combined with Products of the same specifications at origin to make a pipeline batch of at least 30,000 Barrels. Carrier may deliver any Shipment by intermittent pumping.

**ITEM 50 Payment of Transportation and Other Charges**

The transportation charges and all other charges accruing on Products accepted for transportation under this Tariff shall be based on the applicable rates contained in this Tariff. Carrier may require that charges be prepaid by wire transfer at time of acceptance or before release of Products from the custody of Carrier.

Carrier may require that all payments to Carrier for services pertaining to the transportation of Products be wire transferred in accordance with Carrier's then current published payment policy.

Carrier shall have a lien on all Products in its possession belonging to Shipper to secure the payment of charges due by said Shipper and may withhold such Products from delivery until all of such unpaid charges shall have been paid. If such charges shall remain unpaid for ten (10) days after notice of readiness to deliver, Carrier shall have the right to sell said Products at public or private sale. Carrier may be a bidder and purchaser at such sale. From the proceeds of such sale, Carrier may pay itself all charges lawfully accruing and all expenses of such sale, and the balance remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

**ITEM 55 Pipeage Contracts**

In accordance with this Tariff and these General Rules & Regulations, separate pipeage contracts covering further details may be required of any proposed Shipper before any duty of transportation shall arise.

**ITEM 60 Product Disposition if No Facilities Provided at Destination**

In the event Shipper or its consignee does not have adequate facilities available to receive all or any portion of the Shipment at destination in accordance with Carrier's schedules, Carrier shall have the right to make whatever disposition of such undelivered Shipment that is necessary for the efficient operation of its pipeline. Carrier shall not be liable to Shipper or its consignee because of such disposition, and Shipper or its consignee shall pay for all costs thereof, the same as if Shipper or its consignee had requested or authorized such disposition.

**ITEM 65 Products Acceptable**

Carrier reserves the right to reject any Products under this Tariff which would—in Carrier's sole opinion—have a potential adverse effect on any Product Shipments or otherwise disrupt the efficient use of Carrier's facilities. Products tendered by Shipper pursuant to this Tariff shall meet the specifications for the individual Product as set forth in Carrier's applicable rules and regulations.

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

**ITEM 70 Products Involved in Litigation or Encumbered**

Carrier shall have the right to reject any Products, when offered for transportation, which 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 of Shipper satisfactory evidence of perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any and all losses.

**ITEM 80 Tenders**

Carrier shall not be obligated to accept tenders for transportation of Products during any calendar month unless the Shipper shall, on or before the fifteenth day of the preceding calendar month, notify the Carrier in writing of the quantity of such Products which it desires to transport on Carrier's pipeline.

Shipper shall be permitted by Carrier, on forty-eight (48) hours written notice, to change the quantity of Product tendered from Origin to Destination on any day and Carrier shall make commercially reasonable efforts on an equitable basis to accommodate the change.

**ITEM 85 Testing**

Shipper shall furnish Carrier with a certificate setting forth in detail the specifications of each Shipment of Products offered for transportation under this Tariff, and Shipper shall be liable for any contamination or damage to other Products being transported, or to Carrier's pipeline or other facilities in the event the Products tendered and shipped fail to meet the specifications stated in Shipper's certificate. Carrier may—but shall not be required to—sample and/or test any Shipment prior to acceptance or during receipt of Shipment, and in the event of variance between said certificate and Carrier's test, Carrier's test shall prevail as to the specifications of Products received.

**ITEM 90 [Reserved]****ITEM 98 2022 Volume Incentive Program**

- (a) This Volume Incentive Program only applies to Shippers who notify Carrier in writing on or before December 1, 2022 of their intention to use the 2022 Volume Incentive Rates published in Item 100 of this Tariff and/or who execute a Pipeage Contract by that date evidencing such intention. This Volume Incentive Program only applies to volumes delivered by such Shippers from and after December 1, 2022 to and through November 30, 2027.
- (b) Under the provisions of this Volume Incentive Program, a Shipper will pay Carrier the per Barrel tariff rate indicated in Item 100 of this Tariff for transportation commencing on the first day of the following month after written notification to Carrier.
- (c) Shipper guarantees to transport a minimum of 8,395,000 barrels (Minimum Volume) from the Origin to the Destination during each of five (5) consecutive twelve (12) month periods (Commitment Period), each commencing on December 1 of one year and continuing to and through November 30 of the following year.
- (d) Within thirty (30) days after the end of each of the five (5) consecutive twelve (12) month periods within the Commitment Period, Carrier will notify Shipper of the actual volume transported under the provisions of this Volume Incentive Program.
- (e) If at the end of any of the five (5) consecutive twelve (12) month periods within the Commitment Period (each a Commitment Year) the actual volume transported is less than the Minimum Volume, Carrier will invoice Shipper and Shipper will pay Carrier for the deficient volume. The deficient revenue

calculation for each of the five (5) consecutive Commitment Years shall be any amount by which the Actual Revenue is less than the Required Revenue as defined below:

Required Revenue = (8,395,000 Barrels multiplied by the applicable Incentive Rate per Barrel for such Commitment Year)

Actual Revenue = Total Revenue paid to Carrier by Shipper based on actual barrels moved during the Commitment Year

- (f) Carrier shall invoice Shipper within thirty (30) days after the end of any of the five (5) consecutive Commitment Years, and Shipper shall make payment of the deficient revenue to Carrier in accordance with Carrier’s then current published payment policy.
- (g) During the term of the 2022 Volume Incentive Program a Shipper may declare up to 45 days of Turnaround Events with: (i) ninety (90) days or more prior written notice to Carrier; or (ii) with as much notice as reasonably practicable in the event of a Turnaround Event arising due to an emergency. A Turnaround Event is any scheduled shut down of a Shipper’s facility, to which deliveries are made, for maintenance or improvement purposes. A Shipper shall not be required to move any volume from the Origin to the Destination during a noticed Turnaround Event, and in any Commitment Year where a qualifying Turnaround Event occurs, the Volume Commitment for that twelve (12) month period will be reduced by 23,000 Barrels per day times the number of days that a Shipper’s Plant is down for such maintenance or improvements but not to exceed a total of forty five (45) days during the term of the 2022 Volume Incentive Program.
- (h) In the event a Shipper is unable to transport the Minimum Volume of Propane due to an act of God, or of the public enemy, quarantine, authority of law, strikes, riots, fire, floods, or by act of default of the Carrier which is uncontrollable by the Carrier, or due to allocation, or resulting from any other cause which is beyond the control of a Shipper, whether similar or dissimilar to the causes herein enumerated, a Shipper will be released on a ratable basis from the Minimum Volume requirement for each day or portion of a day of loss caused by any of the above stated acts, events or forces; provided, however, the foregoing shall apply only when Carrier’s pipeline is solely in Propane service. To be available for such release, a Shipper must notify Carrier as soon as possible of the full particulars of occurrence and Carrier’s pipeline must be only in Propane service. In the event that Carrier’s pipeline is de-rated for a period of at least 45 consecutive days, and as a result, the nominal available shipping capacity of the pipeline (estimated to be 46,000 BPD of Propane) is decreased by ten percent (10%) or more during the term of this Volume Incentive, then the Minimum Volume will be decreased on a Barrel-for-Barrel basis commencing on the 46<sup>th</sup> day after the pipeline is so de-rated to the extent and for so long thereafter that the capacity is decreased after the initial 45 consecutive days of the ten percent (10%) decrease. Notwithstanding the foregoing, the Minimum Volume cannot decrease below 0, and in the event that the pipeline capacity is increased after a reduction in the Minimum Volume, then the Minimum Volume shall also increase on a Barrel-for-Barrel basis, not to exceed the original Minimum Volume.

**ITEM 100 RATES**

**Rate Table A – Local Rates<sup>†</sup>**

<b>Origin</b>	<b>Destination</b>	<b>Local Rate (cents per barrel)</b>
The ET NGL Mont Belvieu Facility in Chambers Co., TX	Hastings, Brazoria Co., TX	135.00

† The Local Rate in Table A of this Tariff, will be adjusted annually, as of July 1 of each year by the percentage change of the Oil Pipeline Index published by the FERC pursuant to 18 C.F.R. §342.3, as may be amended. (Reference is made to such FERC regulation only for purposes of a price index reference and this reference does not imply that such regulation or any other is applicable to the Carrier’s transportation services, which are wholly intrastate in nature.)

**Rate Table B – 2022 Volume Incentive Rates Program (Item No. 98 of this Tariff)**

<b><u>Origin:</u></b>	The ET NGL Mont Belvieu Facility in Chambers Co., TX				
<b><u>Destination:</u></b>	Hastings, Brazoria Co., TX				
	<b>Volume Incentive Rates</b> (cents per barrel)				
	<b>Year 1*</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
	95.00	Note 1	Note 1	Note 1	Note 1

\* Each year under this program commences on December 1 (the first year being December 1, 2022) and continues to and through November 30 of the following year; with the rate governing being based on the period during which delivery is made.

Note 1: Commencing with Year 2, the Volume Incentive Rate shall automatically increase by 4.5% on each December 1 of the 2022 Volume Incentive Rate Program. The increase shall be calculated by multiplying the prior year’s rate by 1.045 and rounding to nearest cent.

All rates in this tariff are expressed in cents-per-barrel of forty-two (42) U.S. gallons and are governed by the provisions found under the General Rules & Regulations herein.

**ROUTING INSTRUCTIONS: Unless otherwise specified, all rates apply via Energy Transfer Mont Belvieu NGL Pipelines LLC.**

**EXPLANATION OF ABBREVIATIONS:**

- Bbl. Barrel**
- Co. County**
- F Fahrenheit**
- No. Number**
- % Percent**
- & And**
- ° Degrees**

**EXPLANATION OF REFERENCE MARKS:**