FERC ICA Oil Tariff

FERC No. 1.1.0 (cancels FERC No. 1.0.0)

LONE STAR NGL PIPELINE LP

LOCAL TARIFF

RULES AND REGULATIONS

Governing the Interstate Transportation of

NATURAL GAS LIQUIDS

by

PIPELINE

From Points in New Mexico [N] and Texas

to

Points in Texas

The Rules and Regulations published herein apply only under tariffs making specific reference by FERC number to this tariff; such reference will include subsequent reissues hereof. Specific Rules and Regulations published in individual tariffs will take precedence over the rules and regulations published herein.

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

[N] <u>Issued on ten (10) days notice under authority of 18 CFR 341.14</u>. This tariff publication is conditionally accepted subject to refund pending a 30 day review period.

ISSUED: November 2, 2015

EFFECTIVE: November 12, 2015

Issued and Compiled by: [W] Danny Nichols Mark McKee Lone Star NGL Pipeline LP 1300 Main Street Houston, Texas 77002 Phone: 713-989-7000 [W] Fax: 713-989-1188 1201 [W] danny.nichols mark.mckee@energytransfer.com

LONE STAR NGL PIPELINE LP

Rules and Regulations

Applying to Natural Gas Liquids

TABLE OF CONTENTS

ITEM 5	DEFINITIONS
ITEM 10	MINIMUM TENDER & SCHEDULING
ITEM 15	TRANSPORATION SERVICES AGREEMENT
ITEM 20	Y-GRADE SPECIFICATION REQUIREMENTS AND TESTING
ITEM 25	ORIGIN AND DESTINATION FACILITIES & RECEIPT AND DELIVERY OBLIGATIONS
ITEM 30	IDENTITY OF SHIPMENTS7
ITEM 35	DELIVERY AT DESTINATION
ITEM 40	MEASUREMENT & ANALYSES8
ITEM 45	Y-GRADE COMPONENT BALANCING
ITEM 50	ALLOCATION OF PIPELINE CAPACITY9
ITEM 55	INVOICING AND PAYMENT OF CARRIER CHARGES
ITEM 60	OTHER CHARGES
ITEM 65	CLEAR TITLE REQUIRED
ITEM 70	NOTICE OF CLAIMS
ITEM 75	LIABILITY OF PARTIES
ITEM 80	CONNECTION POLICY
ITEM 85	INTERMEDIATE POINTS
ITEM 90	INCENTIVE RATES

ITEM 5 DEFINITIONS

<u>Term</u>	Definition
Barrel	volume of Forty-two (42) United States gallons of two hundred thirty-one (231) cubic inches at sixty degrees Fahrenheit (60°F) and equilibrium vapor pressure.
Business Day	a Day on which Federal Reserve member banks in New York City are open for business.
Carrier	Lone Star NGL Pipeline LP.
Components	each of the five individual hydrocarbon constituents contained in Y-Grade, including ethane, propane, isobutane, normal butane, and natural gasoline (with natural gasoline including all pentane and heavier hydrocarbon components), all in accordance with the applicable Product Specifications.
Component Net Volume	Component volume calculated at 60°F in accordance with the latest edition of Gas Processors Association (GPA) 8173.
Consignee	a party to whom Shipper has ordered delivery of Y-Grade, including Shipper if Shipper has not designated another party to receive delivery.
Day	a twenty-four (24) hour period commencing 7:00 A.M. Central Clock Time and extending until 7:00 A.M. Central Clock Time on the following Day.
Delivery Point	the point at destination where physical custody of Y-Grade is transferred from Carrier to the Consignee, such points are set out in the Rates Tariff.
FERC	Federal Energy Regulatory Commission or any successor governmental agency.
Force Majeure	an event or occurrence beyond the reasonable control of Carrier that interferes with or prevents Carrier's performance of any obligation or condition under this tariff, under a Transportation Services Agreement, interconnect agreement, or other agreement affecting Carrier or Carrier's facilities, including but not limited to (i) actions, orders, regulations, or requests of any governmental authority having jurisdiction over Carrier's 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 or (vi) fires; explosions; freezing conditions, breakdowns or failure of pipe, plant, machinery or equipment. An event similar to the foregoing that interferes with or prevents Carrier's performance of its obligations shall be deemed an event of Force Majeure.
Incentive Rate	means the rates set out in the Rates Tariff paid by an Incentive Shipper pursuant to a Transportation Services Agreement that has a Volume Commitment.
Incentive Shipper	has the meaning set out in Item 90.
Indemnifiable Claims	claims, losses, demands, expenses, costs, damages, suits, judgments, fines, penalties, liabilities, debts, and causes of action, including without limitation, expenses of investigation, expenses of experts, attorneys' fees and expenses and all other costs and expenses, whether known or unknown, of whatever kind and whether arising out of contract, tort (including strict liability), or violation of applicable law.
In Transit Inventory	Y-Grade in Carrier's custody to be delivered to a Consignee after receipt and before delivery.
Nomination	an offer by a Shipper to Carrier of a stated quantity of Y-Grade to receive transportation service from a specified Receipt Point to a specified Delivery Point pursuant to the terms and conditions of this tariff.
Offspec Product	as defined in Item 20.
Product Specifications	specifications for Y-Grade transported by Carrier (available upon request).
Rates Tariff	Carrier's FERC No. [W] 2.0.02.3.0 or subsequent reissues thereof.
Receipt Point	the injection point at origin where physical custody of Y-Grade is transferred from Shipper to Carrier, such points are set out in the Rates Tariff.
Shipper	a party who contracts with Carrier for the transportation of Y-Grade under the terms of this tariff.
Total Net Volume	aggregate Component Net Volume of all Components identified for a given volume of Y-Grade.

Transportation Services Agreement	a transportation services agreement made by and between Carrier and a Shipper for the provision of service under this tariff.
Uncommitted Rate	means the rates set out in the Rates Tariff paid by a Shipper that is not an Incentive Shipper.
Volume Commitment	is the volume of Y-Grade that an Incentive Shipper has committed or dedicated to transport for a number of years as mutually agreed upon in Shipper's Transportation Services Agreement.
Y-Grade	a mixture of Components (also commonly referred to as demethanized mix), meeting the Product Specifications.

ITEM 10 MINIMUM TENDER & SCHEDULING

Unless otherwise agreed to be Carrier, Y-Grade will be accepted for transportation only where there has been tendered by the Shipper a quantity of Y-Grade of no less than fifteen thousand (15,000) Barrels in the applicable month consigned to one Consignee, provided, however, Carrier may for its convenience, transport same by intermittent pumpings.

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

ITEM 15 TRANSPORATION SERVICES AGREEMENT

A Transportation Services Agreement may be required by Carrier, in a manner that is not unduly discriminatory, before any duty for transportation shall arise.

ITEM 20 Y-GRADE SPECIFICATION REQUIREMENTS AND TESTING

Carrier is engaged in the transportation of Y-Grade and will not accept any other commodity for transportation under this tariff. The Product Specifications for transportation of Y-Grade by Carrier are available upon request. Carrier reserves the right to modify its Product Specifications from time to time; such changes may be made for various reasons determined by Carrier, including, but not limited to, changes to maintain the integrity of the pipeline facilities and to reflect the current industry accepted specifications for the markets served by Carrier's pipeline system. In the event Carrier makes modifications to its Product Specifications, Carrier will provide Shippers with notice of such modifications and provide a copy of, or access to, the Product Specifications. In all circumstances, it is the Shipper's responsibility to ensure that Y-Grade tendered for transportation meets the Product Specifications.

Shipper may be required, in a manner that is not unduly discriminatory, to furnish Carrier with a certificate of analysis setting forth the composition of the Y-Grade from the original source of the Y-Grade to be transported in Carrier's facilities. Carrier reserves the right to

sample and/or test any such shipment prior to acceptance or during receipt, and in the event of variance between Shipper's certificate and Carrier's test, the latter shall prevail.

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

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

ITEM 25 ORIGIN AND DESTINATION FACILITIES & RECEIPT AND DELIVERY OBLIGATIONS

Shippers are expected to make deliveries to Receipt Points generally ratably over each month, subject to events of Force Majeure and planned and noticed maintenance outages of originating facilities delivering Y-Grade to the applicable Receipt Points noticed by Shipper or its designee to Carrier reasonably in advance of such outages. Carrier shall not be liable to Shippers or any third party as a result of delays in receipts or deliveries or any demurrage charges associated therewith. Additionally, Carrier's obligations to receive and deliver Y-Grade shall be subject to the then-current operating conditions, rates of receipt and delivery, receipt and delivery pressures

and capacities of Carrier's pipeline and the equipment and facilities being used for such Y-Grade receipts and deliveries by both Carrier and other facilities receiving or delivering Y-Grade.

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

ITEM 30 IDENTITY OF SHIPMENTS

- (1) Y-Grade accepted for transportation is subject to changes in quality while in transit. Delivery shall be made to Consignee out of commingled Y-Grade in Carrier's lines at Delivery Point.
- (2) Carrier will not be liable for discoloration, contamination or deterioration of Y-Grade transported, even though such may arise, result from, or be caused by the negligence of Carrier, unless resulting from the sole negligence of Carrier.
- (3) No Y-Grade will be accepted for shipment unless Shipper and Delivery Point are specified and unless the Shipper agrees in writing to require Shipper's Consignee to reconcile with other Consignees any Component imbalances within 20 Business Days after receipt of Carrier's statement setting forth such imbalances pursuant to Item No. 45 hereof. Shipper agrees to furnish Carrier with such agreement at Carrier's request.

ITEM 35 DELIVERY AT DESTINATION

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

In addition to any remedy available to Carrier under this tariff, Shipper will pay a daily demurrage charge if Shipper fails to remove the Y-Grade from Carrier's facilities and that failure prevents or threatens the movement of succeeding shipments. The daily demurrage charge will be calculated by multiplying the applicable Uncommitted Rate in the Rates Tariff times the daily average of the previous month's deliveries of the impacted shipments.

ITEM 40 MEASUREMENT & ANALYSES

All Y-Grade will be measured and sampled at the Receipt and Delivery Points (and samples analyzed) in accordance with the measurement procedures and practices of Carrier, as modified and in effect from time to time, or as to any Receipt or Delivery Point that receives or delivers from or into non-Carrier facilities where the non-Carrier facility operator operates and performs measurement for such Receipt or Delivery Point, the measurement and analysis of the Y-Grade delivered at any such Delivery Point shall be governed by the practices then in effect at that Delivery Point. If the Shipper and Carrier cannot in good faith agree on measurement or quality test results, or the conformity of the Y-Grade delivered to the Product Specifications, then such determination shall be made (i) by the operator of the custody transfer measurement facilities at the applicable Receipt or Delivery Point, if such operator is not an affiliate of Shipper and Carrier; or, otherwise, (ii) by an independent inspector or lab selected jointly by the Shipper and Carrier, the cost of which shall be borne by the party whose measurements results are not confirmed. Carrier will provide a copy of Carrier's applicable measurement procedures and practices upon request.

ITEM 45 Y-GRADE COMPONENT BALANCING

The following are applicable to all Y-Grade transported on the Carrier's pipeline system:

- (1) Consistent with available capacity, Carrier will transport Y-Grade with reasonable diligence considering the quality of the Y-Grade, the distance of transportation, and other material elements.
- (2) Carrier will deliver a volume of Y-Grade to the Consignee designated by Shipper equal to the Total Net Volume of Y-Grade received. The composition of the Y-Grade can vary at origin, and volumes received from all Shippers will be commingled In Transit Inventory. Due to said commingling, Carrier cannot deliver Y-Grade for a Shipper's account containing Components in the same proportion as contained in Y-Grade volumes received at Receipt Points.

(3) Carrier will:

- Notify each Consignee in writing each month of the Total Net Volume and Component Net Volumes of Y-Grade received from Shipper, for delivery to that Consignee.
- (ii) Notify Shipper in writing within 5 Business Days subsequent to the month of delivery of Total Net Volume and Component Net Volumes of Y-Grade delivered during the preceding month to each Consignee designated by Shipper.
- (iii) Notify in writing each Consignee and Shipper the Component Net Volume of Component imbalances. (A Component imbalance is defined as, for any given Component, a Component Net Volume Delivered to Consignee in excess of, or less than, the Component Net Volume received from Shipper for delivery to that Consignee).
- (4) Shipper(s) shall be solely responsible for bringing into balance in a timely manner any accumulated Component imbalances.

- (5) Upon furnishing notification as provided in (3) above, Carrier will have fully discharged and satisfied all responsibilities and obligations arising under this Item specifically and regarding compositional balancing in general.
- (6) Each Shipper will be required to furnish Shipper's pro rata share of Y-Grade required for linefill and well stock. The volume will be based on Carrier's receipts by Shipper to total receipts. New Shippers will be required to deliver a Total Net Volume of Y-Grade equal to their share of the linefill before any Deliveries to their Consignee(s) will be made.
- (7) Shipper shall provide to Carrier (but Shipper will retain title to and risk of loss for) a volume of Y-Grade required for linefill, which will generally be based on the appropriate number of days of Y-Grade production from the originating facility delivering Shipper's Y-Grade to the applicable Receipt Point and the transit time for the Y-Grade from Receipt Point to the applicable Delivery Point, as determined by Carrier. Carrier may, from time to time, increase or decrease the volume of Y-Grade determined to be equivalent to the agreed number of days of Shipper Y-Grade deliveries at each Receipt Point, and thus correspondingly increase or decrease the volume of linefill required of Shipper.

ITEM 50 ALLOCATION OF PIPELINE CAPACITY

When there is offered to Carrier quantities of Y-Grade greater than can be transported on Carrier's system, Carrier shall allocate transportation capacity.

Allocation of capacity will be based on the Shipper's historical volume. The historical volume is the Shipper's product movement during the first twelve (12) calendar months following a date thirteen (13) calendar months prior to the first day of the calendar month during which capacity will be allocated. For an Incentive Shipper, its Volume Commitment on a yearly basis shall be deemed to be its historical volume for the first twelve months immediately prior to the in-service date of Carrier's system.

Allocation will be given as a daily or monthly volume, at Carrier's discretion, and will be calculated for the calendar month.

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

- No commercial transaction occurs between the participating shippers with regard to historical volumes.
- The transfer is irrevocable.
- The request to transfer must be the result of an unusual situation as may be reasonably determined by the Carrier.

Shippers that desire to ship, but have less than five hundred (500) Barrels per Day of capacity, are designated "New Shippers". New Shippers will receive five hundred (500) Barrels per Day of capacity until the total Barrels received by the New Shippers exceeds five percent (5%) of the total available capacity, at which time all New Shippers will receive an equal portion of the 5% of the total available capacity. Any New Shipper shall not be allocated more than one percent (1%) of the total available capacity.

ITEM 55 INVOICING AND PAYMENT OF CARRIER CHARGES

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

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

ITEM 60 OTHER CHARGES

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

ITEM 65 CLEAR TITLE REQUIRED

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

ITEM 70 NOTICE OF CLAIMS

Claims for loss or damage must be made in writing with Carrier within nine (9) months after delivery of the Y-Grade, or in case of a failure to make delivery, then within nine (9) months

after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after delivery of the property, or in case of a failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with the Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and the Carrier will not be liable.

ITEM 75 LIABILITY OF PARTIES

As a condition to Carrier's acceptance of Y-Grade under this tariff, each Shipper agrees to protect and indemnify Carrier against any Indemnifiable Claim asserted by anyone resulting from or arising out of 1) any breach of or failure to adhere to any provision of this tariff by Shipper, Consignee, their agents, employees or representatives and/or 2) the negligent act(s) or failure(s) to act of Shipper, Consignee, their agents, employees or representatives in connection with Delivery or receipt of Y-Grade. This indemnity obligation shall extend to any Indemnifiable Claim even though such claim arises as a result of the negligence of the party intended to be indemnified by the applicable indemnity provision, except that this indemnity shall not extend to any portion of an Indemnifiable Claim that arises as a result of the sole negligence or willful misconduct of the party intended to be indemnified by this indemnity provision.

The Carrier, while in possession of Y-Grade herein described, shall not be liable for any loss; damage; or delay, caused by Force Majeure, default of Shipper or Consignee, or from any cause not due to the sole negligence of the Carrier.

- (1) In case of loss of any Y-Grade from any such causes, after it has been received for transportation and before the same has been delivered to Shipper or Consignee, such loss will be charged proportionately to each Shipper in the ratio that such Shipper's Y-Grade, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of all Y-Grade then in the custody of the Carrier for transportation via the lines or other facilities in which the loss occurs.
- (2) Carrier will be obligated to deliver only that portion of such Y-Grade remaining after deducting Shipper's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.
- (3) Carrier will compensate Shippers for Y-Grade losses for which Carrier is liable by paying the value of such Y-Grade at the Receipt Point therefor where transportation originated. The value of such Y-Grade will be based on (i) the Components Net Volume of each Component identified in the Y-Grade; and (ii) the value of each such Component at the applicable Receipt Point, which will be based on end of month average price for such Component as quoted in Oil Price Information Service, or other industry accepted price service selected by the Carrier, for the month during which the loss of the Y-Grade

occurred, less the applicable transportation fee that would have otherwise been charged for the transport of same and a Mont Belvieu market fractionation fee.

(4) Carrier will not be liable for delays in transportation of Y-Grade.

ITEM 80 CONNECTION POLICY

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

ITEM 85 INTERMEDIATE POINTS

As per 18 C.F.R. § 341.10, from any point not named in this tariff that is intermediate to a point from which rates are published herein, through such unnamed point, Carrier shall apply from such unnamed point the rate published in the Rates Tariff from the next more distant point. If the intermediate point is to be used on a continuous basis for more than 30 days, Carrier shall file a tariff publication applicable to the transportation movements within 30 days of the start of service.

ITEM 90 INCENTIVE RATES

A Shipper who has executed a Transportation Services Agreement that has a Volume Commitment shall be referred to herein as an "Incentive Shipper." As provided for in its Transportation Services Agreement, an Incentive Shipper shall be entitled to the applicable Incentive Rate set out in the Rates Tariff. A Shipper that is not an Incentive Shipper shall pay the applicable Uncommitted Rate set out in the Rates Tariff.

[N] Explanation of Reference Marks

 [W]
 Change in wording only

 [N]
 New