

**F.E.R.C. I.C.A. Oil Tariff**

**F.E.R.C. No. 196.10.0**

**Cancels F.E.R.C. No. 196.9.0**

**SUNOCO PIPELINE L.P.**  
LOCAL PROPORTIONAL PIPELINE TARIFF

Applying On  
**CRUDE PETROLEUM**

From  
**GOODRICH JUNCTION, TEXAS**  
To  
**OILTANKING (OTI) TERMINAL,  
HOUSTON, TEXAS**

Filed in compliance with 18 CFR § [W] 342.3 (b) (Indexing) ~~341.3 (Form of tariff)~~.

Subject to Rules and Regulations shown on Pages 3 through 8

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

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**GENERAL APPLICATION**

**Carrier will receive, transport, and deliver Crude Oil through its facilities only as provided in the 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**

**5. Definitions**

“Annual Minimum Volume” means the product of the minimum daily volume of Crude Petroleum set out in Schedule A to a Priority Service Shipper’s TSA and the number of days in the relevant year.

“Barrel” means a volume of forty-two (42) United States Gallons at sixty degrees (60°F) Fahrenheit and zero (“0”) gauge pressure if the vapor pressure of the petroleum is at or below atmospheric pressure, or at equilibrium vapor pressure if the vapor pressure of the petroleum is greater than atmospheric pressure.

“Carrier” means Sunoco Pipeline L.P.

“Consignee” means the party, including a connecting pipeline system, to whom Shipper has ordered delivery of Crude Petroleum.

“Crude Petroleum” means the direct product of oil wells or a mixture of the indirect products transportable like the direct products and containing not more than two percent (2%) of sediment, water, and other impurities.

“Deficiency Payment” as herein used means a payment to be made by a Priority Service Shipper, as determined in accordance with Section 4 of the Priority Service Shipper’s TSA.

“Destination Point” means the destination point of Carrier's pipeline at the OTI Terminal, Houston, Harris County, Texas.

“Delivery” means the transfer from Carrier at destination to Consignee.

“FERC” means the Federal Energy Regulatory Commission or its successor agencies.

“Make-up Volumes” means Barrels for which a Deficiency Payment has been paid in accordance with Section 4 of the Priority Service Shipper’s TSA and which are nominated by a Priority Service Shipper for transportation in a subsequent year in accordance with Item No. 85.

“Nomination” means a request by a Shipper to Carrier to transport a stated quantity of Crude Petroleum on the Pipeline for the account of Shipper in any month.

“Operating Month” means any month in which Carrier transports Crude Petroleum. For purpose hereof, the month shall be deemed to begin on the first day of such month at 0000 hours until the

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first day of the succeeding month at 0000 hours (Central Standard or Central Daylight Savings time in Sugar Land, TX, whichever is in effect of the date specified).

“Origin Point” means the origin point near Goodrich, Polk County, Texas where Carrier's pipeline interconnects with the West Texas Gulf Pipeline.

“Priority Service Shipper” means a Shipper that has committed to transporting, or paying a Deficiency Payment for failure to transport, certain minimum volumes of Crude Petroleum pursuant to a TSA.

“Receipt” means the transfer from Shipper at the Origin to Carrier for transportation.

“Required Inventory” means the volume of Crude Petroleum, by grade, required by Carrier for line fill, working stock and storage receptacle bottoms.

“Shipper” means the party who contracts with Carrier for the transportation of Crude Petroleum under the terms of this tariff.

“Shipper’s Inventory” means total Receipts of Crude Petroleum, by grade, from a single Shipper less Deliveries to that Shipper's Consignees.

“Tender” or “Tendering” means to physically deliver, or cause to be delivered, Crude Petroleum (which may include delivery of such Crude Petroleum from a connecting pipeline or other facility), by or on behalf of a Shipper to Carrier for transportation from the Origin Point to the Destination Point in accordance with this tariff.

“TSA” means a Transportation Services Agreement executed by the Carrier and a Priority Service Shipper pursuant to the open season that commenced on February 17, 2012.

### **10. Specifications and Restrictions**

Carrier will receive Crude Petroleum only through its facilities at the Origin Point. Carrier will from time to time give notice to Shippers specifying the grades of Petroleum which it will regularly be transporting by Petroleum grades between the Origin Point and the Destination Point. Crude Petroleum tendered for transportation which differs in grade and general characteristics from that usually transported by Carrier will, at the Carrier's option, be transported only under terms agreed upon, in writing, by Shipper and Carrier.

### **15. Destination Facilities Required**

Carrier will receive Crude Petroleum for transportation (a) when Crude Petroleum is to be received into Carrier's facilities at the Origin Point and Shipper or Consignee has made arrangements for further transportation beyond the Destination Point or (b) when Shipper or Consignee has provided the necessary facilities for receiving Crude Petroleum promptly on arrival at destination.

**20. Gauging or Metering and Testing**

All shipments tendered to Carrier for transportation shall be gauged or metered and tested by a representative of Carrier prior to, or at the same time as, receipt from the Shipper. But the Shipper or Consignee shall have the privilege of being present or represented during the gauging or metering and testing. Shipper will grant access to Shipper's facility to Carrier's representative and to any connecting carrier's representative for witnessing meter or gauge readings or meter proving and for any other required inspection incidental to measurement and transportation of Crude Petroleum.

Quantities gauged or metered shall be corrected from observed temperatures to sixty degrees (60°F) Fahrenheit using applicable Standard Petroleum Measurement Tables adopted jointly by the American Petroleum Institute (API Standard 2540) and the American Society for Testing Materials (ASTM Standard D 1250). The full percentage of water or other impurities as ascertained by a centrifuge machine or other tests will be deducted from the correct volume.

Crude Petroleum quantities transported may be adjusted to allow for inherent losses, including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. Adjustments will be made on the basis of total quantities transported for each crude segregation and shall be based on actual historical experience.

**25. Required Inventory**

Each Shipper shall supply its share of Required Inventory by types and volumes as determined from time to time by Carrier. Such Required Inventory may be withdrawn from Carrier's system at any time within ninety (90) days subsequent to:

- (1) Shipper having ceased tendering shipments and notified Carrier in writing that it will no longer tender shipments to Carrier;
- (2) Shipper balances having been reconciled between Shipper and Carrier;
- (3) Shipper having paid Carrier for all services; and
- (4) For a Priority Service shipper, the expiration of such Priority Service Shipper's TSA.

**30. Mixing in Transit**

Crude Petroleum will be accepted for transportation only on condition that it shall be subject to normal changes in general characteristics while in transit as may result from the mixture of such Crude Petroleum with other Crude Petroleum in the pipeline and/or tanks of Carrier or connecting carrier. Carrier will not be liable for variations of gravity or quality of Crude Petroleum occurring while in its custody and is under no obligation to deliver the identical Crude Petroleum as received.

**35. Clear Title Required**

The Carrier shall have the right to reject any Crude Petroleum, when tendered for transportation, which is involved in litigation, or the title of which is in dispute, or which is encumbered by lien or charge of any kind, and it may require of the Shipper satisfactory evidence of its perfect and unencumbered title or a satisfactory indemnity bond to protect the Carrier.

**40. Common Stream Petroleum Connecting Carriers**

When both receipts from and/or deliveries to a connecting carrier of substantially the same grade of Crude Petroleum are scheduled at the same interconnection, Carrier reserves the right, with cooperation of the connecting carrier, to offset like volumes of such common stream Crude Petroleum. When this right is exercised, Carrier will make deliveries for the Shipper involved from its substantially similar common stream Crude Petroleum.

**45. Deliveries and Demurrage**

Carrier will transport Crude Petroleum with reasonable diligence, considering the quality of the Crude Petroleum, the distance of transportation, and other material elements, but may at any time after Receipt of a consignment of Crude Petroleum, upon twenty-four (24) hours' notice to the Consignee, tender Crude Petroleum conformable to specifications herein, for Delivery from its common stock at the point of destination. At the expiration of such notice, the Carrier may assess a demurrage charge on all Crude Petroleum tendered for Delivery and remaining undelivered, at the rate for each day of twenty-four (24) hours, or fractional part thereof, as follows; Fifty-Three hundredths cents (0.53¢) per barrel per day.

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

Transportation charges will be computed and collected at the applicable tariff rate (in effect on the date of Receipt of Crude Petroleum by Carrier) on the Delivery quantities of Crude Petroleum determined pursuant to this tariff. Shipper shall be responsible for transportation and all other charges applicable to the particular shipment, and, if required, shall prepay all charges or furnish guaranty of payment satisfactory to Carrier. Carrier shall have a security interest in all Crude Petroleum accepted from Shipper under this tariff. This security interest shall secure:

- (1) all transportation and any other charges due or to become due from Shipper under the terms of this tariff;
- (2) all Deficiency Payments or other obligations due from a Priority Service Shipper under a TSA; and
- (3) all costs and expenses of Carrier in exercising any of its rights detailed below, including, but not limited to, reasonable attorney fees, storage charges, and settlement of conflicting liens.

At Carrier's request, Shipper shall execute all such agreements and do all such things as Carrier shall reasonably request in connection with the creation or perfection of such security interest. The security interest provided herein shall be in addition to any lien provided by statute or common law. In the event Shipper fails to satisfy when due any obligation to Carrier, Carrier shall have all of the rights and remedies accorded to a secured party under applicable state law and in addition may in its sole discretion and without notice take any or all of the following actions:

- (1) refuse to deliver Crude Petroleum in its custody until all such obligations have been paid;
- (2) proceed to sell such Crude Petroleum, in accordance with the applicable provisions of state law, and apply the proceeds to such obligations;
- (3) store such Crude Petroleum or contract for storage of such products pending sale or other disposition; or
- (4) take any other action it deems necessary for the proper protection and sale of such Crude Petroleum.

Carrier may agree, at its sole discretion, to waive its security interest in the Crude Petroleum if Shipper or Consignee provides sufficient security satisfactory to Carrier.

**55. Proration of Pipe Line Capacity**

If, during any period, the total volume of Crude Petroleum nominated over any segment of the pipeline is in excess of the normal operational capacity of said segment, Carrier shall allocate transportation capacity in accordance with the "Sunoco Pipeline L.P. Proration Policy – Goodrich to Houston (OTI Terminal) Crude Petroleum Pipeline" effective June 1, 2018. The proration policy will be provided upon request by the person listed as compiler on the title page of this tariff.

**60. Liabilities of Parties**

As a condition to Carrier's acceptance of Crude Petroleum under this tariff, each Shipper agrees to protect and indemnify Carrier against claims or actions for injury and/or death of any and all persons whomever and for damage to property of, or any other loss sustained by Carrier, Shipper, Consignee and/or any third party 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 (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 Crude Petroleum.

The Carrier, while in possession of Crude Petroleum herein described, shall not be liable for any loss of Crude Petroleum; damage thereto; or delay because of any act of God, the public enemy, civil disorder, quarantine, the authority of laws, strikes, riots, fire, floods or the acts of default of Shipper or Consignee, or from any other causes not due to the sole negligence of Carrier. In case of loss or damage from causes other than the sole negligence of Carrier, such loss or damage shall be charged proportionately to each shipment in the ratio that such shipment, or portion thereof, received and undelivered at the time the loss or damage occurs, bears to the total of all shipments or portions thereof, then in custody of Carrier for shipment via the lines or other facilities in which the loss or damage occur. Consignee shall be entitled to receive only that portion of a Shipper's shipment remaining after deducting its proportion of such loss or damage, determined as aforesaid, and shall be required to pay transportation charges only on the quantity delivered. CARRIER WILL NOT BE LIABLE FOR SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES.

**65. Notice of Claims**

As a condition precedent to recovery, claims must be filed in writing with Carrier within nine (9) months after Delivery of Crude Petroleum, or, in case of failure to make Delivery, then within nine (9) months after a reasonable time for Delivery has elapsed; and suits shall be instituted against Carrier only 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.

**70. Intrasystem Transfers**

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Intrasystem transfers will not be recognized by Carrier for Crude Petroleum in Carrier's custody, except for transfers resulting from application of Item No. 50 herein.

### **75. Connection Policy**

Connections to Carrier's pipeline(s) will only be considered if made by formal written notification to Carrier and all requests will be subject to the following standards and conditions. All connections will be subject to design requirements necessary to protect the safety, security, integrity and efficient operation of the Carrier's pipeline(s) in accordance with generally accepted industry standards. Acceptance of any request for connection will be subject to compliance with governmental regulations.

### **80. Nominations and Tenders**

Shippers desiring to nominate Crude Petroleum for transportation by the Carrier shall provide Carrier with written notice of the type and quantity of its Nomination ("Notice of Intent to Ship"). Shippers also shall promptly provide Carrier with other information requested by Carrier to confirm that the Nominations and the proposed shipment will comply in all respects with this tariff. Carrier will carefully examine Nominations, using every means available to ensure that they are true and realistic and may reject any Nominations that appear to be inflated or unrealistic. Notices of Intent to Ship must be received by Carrier via facsimile transmission equipment acceptable to Carrier on or before 4:15 P.M. Central Time, the last working day prior to 16<sup>th</sup> day of the month preceding the month during which shipment is requested. A "working day" shall be a Monday, Tuesday, Wednesday, Thursday or Friday of a calendar week, except when a Federal holiday falls on such day of the week.

Crude Petroleum will be accepted for transportation under this tariff in shipments not less than fifty thousands (50,000) barrels from one shipper. Carrier shall have the option to move smaller batches. No tender shall be considered beyond the amount which the party requesting shipment has readily accessible for shipment.

### **85. Priority Service Shippers**

Subject to exceptions established under the TSA, if a Priority Service Shipper fails to Tender a volume of Crude Petroleum equal to the Annual Minimum Volume under its TSA, it shall pay to Carrier a Deficiency Payment in accordance with such TSA. Interim Deficiency Payments will be assessed on a quarterly basis, with a year-end reconciliation.

Priority Service Shippers who fail to meet their Annual Minimum Volume requirements in a year are subject under their TSAs to uniform provisions with respect to their ability to ship Make-up Volumes in the subsequent year. Make-up Volumes are not afforded the same priority as Priority Service Volumes (as defined in the Proration Policy).



**TABLE OF RATES**

<b>TRUNK RATE</b>			
		<b>Priority Service Rate</b>	<b>Uncommitted Rate</b>
<b>FROM</b>	<b>TO</b>	<b>Rate in Cents per Barrel of 42 U.S. Gallons</b>	
Goodrich Junction, Polk County, Texas	Houston, Harris County, Texas (OTI Terminal)	<b>[I] 121.16</b>	<b>[I] 119.99</b>

**GATHERING RATE:** The rates named herein are for trunk line transportation only and no gathering service will be performed under this tariff.

**EXPLANATION OF REFERENCE MARKS:**

**[I] INCREASED**