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

F.E.R.C. No. 178.12.0

(Cancels F.E.R.C. No. 178.11.0)

SUNOCO PIPELINE L.P.

LOCAL INCENTIVE AND NON-INCENTIVE PIPELINE TARIFF

Applying on

CRUDE PETROLEUM

From Points In

TEXAS

To Points In

TEXAS

The tariff rate changes contained herein are filed in compliance with 18 CFR § [W] <u>342.3</u> (Indexing) 341.3 (Form of tariff).

The rates published in this tariff are subject to the Rules and Regulations contained on pages 5 - 15.

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

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ISSUED: MAY 30, 2019

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[I] INCREASED. ALL RATES INCREASED.

	NON-INCENTIVE TRUNK RATE				
	Rates in Cents Per Bbl. of 42 U.S. Gallons				
	Viscosity	ТО			
FROM	Range (SUS @ 60°F)	Big Spring, Texas (Howard County)	Midland, Texas (Midland County) 166.71 195.74	Nederland, TX (Jefferson County)	
Nederland, Texas (Jefferson County)	00-69	166.71	166.71		
	70-149	177.64	195.74		
	150-199	204.91	239.44		
	200-299 (e)	236.15	298.84	-	
	300-399 (e)	263.97	358.27		
Hearne, TX (Robertson County) (1)	-	-	155.98	238.85	
Big Spring, TX (Howard County) (2)	-	-	-	238.85	

APPLICATION OF TABLE:

- (a) The pre-dominate direction of the pipeline is from West to East. However, under certain market and operating conditions pursuant to Item 130, the Carrier will move Crude Petroleum from origin stations located at Nederland, Texas to Big Spring and Midland, Texas and from Hearne, Texas to Midland, Texas at the rates shown herein.
- (b) Rates named in this tariff are applicable only to Crude Petroleum, delivered to Carrier by pipeline at point of origin and are for trunk line transportation. No gathering service will be performed under this tariff.
- (c) For movements originating at Nederland, Texas, no terminalling services are included in the rates named in this tariff.
- (d) Crude Petroleum viscosities to be determined per the Carrier's Viscosity Table available on the Carrier's web site. Crude Petroleum not listed in the Carrier's Viscosity Table shall be considered for shipment on a case by case basis with the shipper providing the required viscosity information and other characteristics. Carrier reserves the right to verify the information by its own or independent testing.
- (e) Crude Petroleum with viscosities above 200 SUS at 60°F will be accepted for delivery to any destination only if there will not be unreasonable degradation of other Crude Petroleum shipped, taking into account the operation of Carrier's pipeline system, and only if adequate capacity exists.

F.E.R.C. No. 178.12.0

(f) For movements from Nederland, Texas to Big Spring, Texas, or from Big Spring, Texas to Nederland, Texas, in addition to all other charges for transportation hereunder, there will be a Monthly Fuel Surcharge per barrel based on the average price of natural gas at the El Paso/Permian Hub (Platts' El Paso/Permian Hub price) for the three month period preceding the month of transportation (the "Average Gas Price"). If the Average Gas Price exceeds \$9.00/mmbtu, a fuel surcharge for such month of \$0.0004 per barrel will be calculated for every \$0.01/mmbtu by which the Average Gas Price is in excess of \$9.00/mmbtu (the "Gross Surcharge"). The applicable Monthly Fuel Surcharge shall be equal to the positive amount, if any, of the Gross Surcharge less the difference between the tariff trunk rate in effect and the tariff trunk rate in effect on October 1, 2006 (the "Base Tariff Increase"). For example, if the Average Gas Price is \$10.00/mmbtu, the Gross Surcharge will be \$0.04 [(\$10-\$9)/\$0.01*\$0.0004]. If the current tariff trunk rate in effect is \$1.03, the Base Tariff Increase will be \$0.03 (\$1.03-\$1.00), then the applicable Monthly Fuel Surcharge should equal to \$0.01 per barrel (\$0.04-\$0.03).

NOTE: The following applies only to referenced origins and destinations as indicated on schedule:

- (1) Receipts at this location must be less than 0.25% sulfur by weight.
- The physical properties of sweet crude oil receipts at these origin points must fall within a range for certain specifications (NYMEX specifications for Crude Oil delivered to Cushing, OK) as provided below. Crude petroleum falling outside these specifications will be considered for shipment on a case by case basis with the shipper providing the required characteristics. The Carrier reserves the right to verify the information by its own or independent testing.

	Minimum	Maximum
Physical Property	Value	Value
API Gravity	37.0	42.0
Sulfur Content by weight	n/a	0.42%
Viscosity (SUS @ 100° F)	n/a	60
RVP (psi @ 100° F)	n/a	9.5
Basic Sediment	n/a	1.0%
Pour Point	n/a	50° F

[I] INCREASED. ALL RATES INCREASED.

[1] INCREAGED: ALE RATES INCREAGED:					
	VOLUME INCENTIVE TRUNK RATES				
EDOM		Rates in Cents Per Bbl. of 42 U.S. Gallons			
FROM	Throughput Range	ТО			
		Nederland, TX (Jefferson County)			
Big Spring, TX	0 to 3,650,000 barrels	243.15			
(Howard County)	3,650,001 to 5,475,000 barrels	171.40			
Hearne, TX (a) (Robertson County)	>5,475,000 barrels	158.79			

APPLICATION OF TABLE:

- (a) Volume Incentive Rates set forth in this tariff will apply to shipments of any Committed Shipper per Item 130 agreeing in writing to deliver a minimum of 27,375,000 barrels in aggregate to Nederland, Texas from Hearne and Big Spring, Texas (the "Aggregate Throughput Obligation") during the Contract Period. "Contract Period" is defined as five (5) years beginning with the effective date specified in the written agreement and ending the last day of the five (5) year period. Carrier shall invoice shipper monthly at each of the applicable, then-current Volume Incentive Rate(s) reflected on this tariff, including any current supplements thereto and successive issues thereof.
- (b) The "Minimum Annual Throughput Obligation" shall be twenty percent (20%) of the Aggregate Throughput Obligation. If shipper's shipments hereunder in any Contract Year are less than the Minimum Annual Throughput Obligation, then shipper shall pay to Carrier the undisputed amount which is equal to the applicable then-current volume incentive rate (based on throughput) set forth in this tariff, multiplied by the number of barrels that shipper is deficient for such Contract Year, which payments shall be made within ten (10) days after both (a) the completion of any Crude Petroleum throughput reconciliation process for such Contract Year that has been agreed upon in writing by and between Carrier and such shipper, and (b) the receipt of an invoice from Carrier for same. Such amount will be considered by Carrier as prepaid transportation at the current Volume Incentive Rate to be applied to volumes in excess of the Minimum Annual Throughput Obligation in succeeding Contract Years in which shipper's volumes exceed the Minimum Annual Throughput Obligation and for one year after the Contract Period ends; provided, however, that any such prepaid transportation credits shall expire if not used in the Contract Year subsequent to the Contract Year in which it is earned.
- (c) Carrier during the Contract Period may adjust the Volume Incentive Rates contained in this tariff, including any current supplements thereto and successive issues thereof, by the higher of (a) 2% or (b) the annual FERC adjustment for crude oil pipelines.
- (d) If the Commitment is extended subsequent to the initial contract year, during the initial 30 month extension, the incentive rate for volumes up to 5,475,000 barrels will be 115% of the then-applicable rate for throughput in excess of 5,475,000 barrels. For any subsequent extensions of the Commitment, the incentive rate for volumes up to 5,475,000 barrels will be 105% of the then-applicable rate for throughput in excess of 5,475,000 barrels.

F.E.R.C. No. 178.12.0

TABLE OF CONTENTS

SUBJECT	ITEM NO.	PAGE NO.
Acceptance Free from Litigation or Title Dispute	35	9
Application of Rates and Charges	55	11
Application of Rates From and To Intermediate Points	100	13-14
Claims and Times for Filing	90	13
Commodity	120	15
Connection Requirements	115	14
Corrosion Inhibitors	110	14
Definitions	5	6-7
Duty of Carrier	95	13
Establishment of Grades	10	7
Exemption of Liability	80	13
Facilities Required at Origin and Destination	45	10
Intra-system Transfers	105	14
Line Fill	125	15
Measurement, Testing, Volume Corrections and Deductions	40	9-10
Method of Determining Pipeline Flow Direction	130	15
Mixing of Products in Transit	30	8-9
Mixtures	20	7
Notice of Arrival, Delivery at Destination	60	11
Origin Facilities Required for Automatic Custody Transfer	50	11
Payment of Transportation and other Charges; Finance Charges	70	12
Pipeage Contracts Required	85	13
Proration of Pipeline Capacity	65	11-12
Specification Required as to Quality	25	8
Tenders	15	7
Warranties	75	12

5. Definitions

"Carrier" as herein used means and refers to Sunoco Pipeline L.P. and other common carrier pipelines participating herein.

"Barrel" as herein used will consist of forty-two (42) U.S. gallons at sixty degrees Fahrenheit (60°F).

"FERC" as used herein means the Federal Energy Regulatory Commission or its successor agencies.

"Indirect Products" as herein used means indirect liquid products of oil and gas wells, including gasoline and liquefied petroleum.

"Nomination" as herein used means a written designation by a Shipper to Carrier of an approximate quantity of Crude Petroleum for transportation from a specified origin point or points of Carrier to a specified destination point or points of Carrier over a period of one Operating Month in accordance with these Rules and Regulations.

"Operating Month" for Shipper or Transferor as herein used means any month in which Carrier either transports Crude Petroleum or recognizes and records a change in the ownership of Crude Petroleum for the account of such party. For purpose hereof, the month shall be deemed to begin on the first day of such month at 0700 hours until the first day of the succeeding month at 0659 hours [Central Standard or Central Daylight Savings Time, whichever is in effect on the date specified].

"Contract Year" as herein used means the twelve-month period beginning on the Commencement Date of the Contract Period and each successive twelve-month period thereafter as agreed upon in writing by Carrier and such affected shipper.

"Crude Petroleum" as herein used refers to crude petroleum which means the grade or grades of the direct virgin liquid products of oil wells or a mixture of the direct virgin liquid products of oil wells with the Indirect Products, as provided in Item No. 20.

"Reference Rate" as herein used means 6.0% per annum.

"Shipment Transfer" as herein used means the physical transfer of a stated quantity of Crude Petroleum in custody of Carrier from a Shipper to another shipper.

"Shipper" as herein used means the consignor of a Tender.

"Tender" or "Tendering" as herein used means an offer of delivery by a Shipper to Carrier of a stated quantity of Crude Petroleum for transportation from a specified origin point or points of Carrier to a specified destination point or points of Carrier in accordance with these Rules and Regulations.

"Title Transfer" as herein used means transfer of ownership reported in the records of Carrier of a stated quantity of Crude Petroleum in the custody of Carrier from one entity to another.

10. Establishment of Grades

Carrier will from time to time give notice to Shippers specifying the grades of Crude Petroleum which it will regularly be transporting by Crude Petroleum grades between particular origin points and destination points of Carrier.

Carrier may from time to time, after giving reasonable notice to persons who may be affected, cease to transport particular grades of Crude Petroleum.

15. Tenders

All Shippers tendering Crude Petroleum to Carrier will promptly provide Carrier with all Nomination information required by Carrier to schedule the shipment of Crude Petroleum which Shipper desires to be made to satisfy Carrier that Tenders are in good faith and can be transported in conformance with Carrier's tariffs. Carrier may refuse to accept Crude Petroleum for transportation until Shipper has provided Carrier with such information.

Carrier requires Tenders for the same kind and quality of Crude Petroleum in minimum of sixty thousand (60,000 bbl.) shipments consigned to the same destination point. However, Carrier reserves the right to accept smaller Tenders when operating conditions allow. Tenders of same kind and quality shall become operative in the order in which they are received and accepted by Carrier. Carrier at its option and for its convenience may transport such Crude Petroleum by intermittent pumping.

A monthly Tender shall be accepted only when the total quantity covered thereby shall be made available for transportation within said calendar month at a daily rate or in quantities and at times, to be specified by Carrier. Except hereunder provided, Carrier shall not specify a daily rate or a quantity of less than 5,000 Barrels.

Carrier will not be obligated to accept a Tender for any Operating Month unless the Shipper submits its Nomination, in writing, specifying the kind and quantity of Crude Petroleum, to the Carrier on or before the twenty-fifth (25th) day of the preceding calendar month or, should the 25th fall on a weekend or holiday on the first normal business day thereafter.

20. Mixtures

The Indirect Products will be accepted and transported only as a mixture with the direct virgin liquid products, providing the vapor pressure of the resulting mixture does not exceed that permitted in Item No. 25.

Nothing in this rule is to be construed to waive provisions of Item No. 30 of this tariff or to require the Carrier to receive, transport, and deliver unmixed Indirect Products.

25. Specification Required As To Quality

Carrier reserves the right to reject all Tenders when, in Carrier's sole determination:

- (1) the vapor pressure of the Crude Petroleum or any mixture thereof with Indirect Products exceeds twelve pounds (12 lbs.) absolute at one hundred degrees Fahrenheit (100°F);
- (2) the true vapor pressure of the Crude Petroleum or any mixture thereof with Indirect Products might result in Carrier's non-compliance with federal, state, or local requirements regarding hydrocarbon emissions;
- (3) the gravity of the Crude Petroleum or any mixture thereof with Indirect Products is less than twenty (20°) degrees API [American Petroleum Institute] or greater than one hundred twenty (120°) API;
- (4) the Crude Petroleum contains impurities exceeding one percent (1%) including not more than three-tenths percent (0.3% water);
- (5) the settled sediment and water (S&W) bottoms in tanks where the surface of Crude Petroleum accepted from the tank is no lower than four inches (4") below the bottom of the pipeline connection with tank from which it enters Carrier's facilities;
- (6) the incrustation thickness of the internal surface of a tank where Crude Petroleum accepted from a tank is above a maximum as determined by Carrier;
- (7) the Crude Petroleum has been contaminated by the presence of any excessive metals or chemicals including but not limited to chlorinated and/or oxygenated hydrocarbon and salt as determined by Carrier. No Crude Petroleum will be accepted unless its gravity, viscosity, and other characteristics are such that it will be readily susceptible to transportation through Carrier's existing facilities, and it will not materially and adversely affect the quality of Crude Petroleum from other Shippers or cause disadvantage to other Shippers and/or Carrier, or;
- (8) the Crude Petroleum batched to Nederland exceeds 0.40% sulfur by weight.

30. Mixing of Products in Transit

Crude Petroleum will be accepted for transportation only on the condition that it shall be subject to such changes in gravity, quality or characteristics while in transit as may result from the mixture with other Crude Petroleum in the pipelines or tanks of Carrier, or the connecting company or companies.

Carrier has no obligation to deliver the identical Crude Petroleum received from Shipper but may make delivery from common stock or from Carrier's pipeline stream of substantially like Crude Petroleum.

35. Acceptance Free From Litigation or Title Dispute

Carrier may decline to accept for transportation Crude Petroleum which is involved in litigation or the title of which is in dispute.

40. Measurement, Testing, Volume Corrections and Deductions

All Crude Petroleum tendered to the Carrier for transportation will be measured and tested in tanks by a representative of Carrier or by automatic equipment approved by Carrier. All measurements will be made in Barrels. Carrier only routinely will test for gravity and sediment and water as described herein. When tanks are gauged, all Crude Petroleum will be measured, sampled or tested prior to receipt or delivery. When automatic metering and sampling equipment is used, all Crude Petroleum will be measured and sampled during receipt or delivery and the quantity determined and tested after such receipt or delivery. Shipper or its consignee may be present to witness any or all parts of the measuring and testing process.

Where measurement is made in tanks, quantities will be determined from correctly compiled tank tables where the tanks are strapped and tables computed in accordance with Chapter 2, Tank Calibration, <u>American Petroleum Institute Manual of Petroleum Measurement Standards</u>, latest edition, indicating one-hundred percent (100%) of the full capacity of the tanks. Where measurement is made by temperature compensated meters, quantities indicated will be further corrected for meter factor and for pressure in accordance with the <u>American Petroleum Institute Manual of Petroleum Liquid Hydrocarbons by Pipeline Displacement Meters</u>. After meter factor is applied for non-temperature compensated meters, the correction for temperature will be made as described herein.

Where Carrier uses a tank or meter of the Shipper or its consignee, Carrier reserves the right to request restrapping or check-strapping of the tank and proving or check proving of the meter.

Except for arithmetic errors, all measurement and testing by a representative of Carrier will be conclusive evidence of the quantity as adjusted herewith if a representative of Shipper or its consignee was not present during such measuring and testing.

Adjustments from the observed gravity and volume will be made on Crude Petroleum received or delivered for temperature on the basis of sixty degrees Fahrenheit (60°F) in accordance with Chapter 11.1, Volume I, 5a, Generalized Crude Oils, Correction of Observed Gravity to API Gravity at sixty degrees Fahrenheit (60°F), American Petroleum Institute Manual of Petroleum Measurement Standards, latest edition and Table 6a, Generalized Crude Oils, Correction of Volume to sixty degrees Fahrenheit (60°F) against API Gravity at sixty degrees Fahrenheit (60°F), American Society of Testing Materials D1250. Observed gravity correction will be made to the nearest one-tenth degree (0.1°) API, and observed gravity temperature to be made to the nearest one degree Fahrenheit (1.0°F). Volume adjustments will be made for the

F.E.R.C. No. 178.12.0

observed volume temperature at least to the nearest one degree Fahrenheit $(1.0^{\circ}F)$, and corrected gravity will be made at least to the nearest five-tenths (0.5°) of one degree API, to the basis of sixty degrees Fahrenheit $(60^{\circ}F)$.

Deductions will be made for the actual amount of sediment and water (S&W) as determined by the Field Centrifuge Method "B" or "C" in accordance with Chapter 10.4, Standard Methods of Test for Water and Sediment in Crude Oils, American Petroleum Institute Manual of Petroleum Measurement Standards, latest edition. Observed API gravity and temperature will be determined by the Open Hydrometer Test Method in accordance with Chapter 9.1, Hydrometer Test Method for Density, Relative Density (Specific Gravity), American Petroleum Institute Manual of Petroleum Measurement Standards, latest edition or API Gravity of Crude Petroleum and Liquid Petroleum Products, American Society of Testing Materials D 1298-80. The sediment and water and gravity tests will be performed by the Carrier.

If two or more Carriers are involved with tendered volumes, tests are to be performed by the particular carrier as agreed between carriers.

The net balance at sixty degrees Fahrenheit (60°F) less the sediment and water (S&W) volume percentage will be the quantity received or delivered by Carrier.

Actual gains and losses will be allocated on a pro rata basis in accordance with each Shipper's relative throughput.

45. Facilities Required At Origin and Destination

Crude Petroleum will be received for transportation only when Shipper has provided facilities satisfactory to originating and delivering carriers for delivering Crude Petroleum to the pipeline at terminal of receipt and for receiving said Crude Petroleum as it arrives at destination.

In the event Shipper fails to provide adequate facilities for receipt at destination or has not ascertained from Carrier that it has facilities available for receipt at destination, or in the event the Shipper or its consignee refuses to accept the Crude Petroleum at the destination point, Carrier shall have the right to divert or reconsign, subject to the rates, rules and regulations applicable from point of origin to actual final destination, or make whatever arrangements for disposition as are deemed appropriate to deliver the Crude Petroleum from Carrier's facilities, including the right of public or private sale in a commercially reasonable manner. The Carrier may be a purchaser at such sale. Out of the proceeds of said sale, the Carrier shall pay itself all transportation and all other applicable lawful charges and necessary expenses of the sale and the expense of caring for and maintaining the Crude Petroleum until disposed of and the balance shall be held for whosoever may be lawfully entitled thereto.

50. Origin Facilities Required For Automatic Custody Transfer

When Shipper or its consignee elects to deliver Crude Petroleum to Carrier at point of origin through automatic custody transfer facilities (in lieu of tankage), Shipper or its consignee will furnish the required automatic measuring and sampling facilities. The design, construction, and calibration of such facilities must be approved by Carrier and any appropriate regulatory body.

In the event automatic custody transfer is made by a metering facility, Shipper or its consignee will also furnish whatever pumping service is required to ensure that the Crude Petroleum being delivered through the meter is at a pressure in excess of the true vapor pressure of the liquid.

55. Application of Rates and Charges

Crude Petroleum accepted for transportation shall be subject to the rates and charges in effect on the date of receipt of such Crude Petroleum by Carrier. Transportation and all other lawful charges will be collected on the basis of net quantities of Crude Petroleum delivered. All net quantities will be determined in the manner provided in Item No. 40.

60. Notice of Arrival, Delivery at Destination

The obligation of Carrier is to deliver at the nominated destination the Tendered net quantity of Crude Petroleum and such delivery may be made upon twenty-four (24) hours notice to the Shipper or consignee with all possible dispatch into the tanks or facilities to be provided by the Shipper or its consignee.

Shippers batching to Nederland must have arrangements in place to segregate batches at Nederland prior to making a Nomination. Carrier may refuse any nomination which cannot be sufficiently verified.

65. Proration of Pipeline Capacity

If Crude Petroleum is offered for transportation in excess of the amount that can be immediately transported, the transportation furnished by the pipeline shall be apportioned among all shippers in proportion to the amounts offered by each; but no offer for transportation shall be considered beyond the amount which the person requesting the shipment then has ready for shipment by the pipeline. The pipeline shall be considered as a shipper of Crude Petroleum produced or purchased by itself and held for shipment through its line, and its oil shall be entitled to participate in such apportionment.

No Shipper may nominate volumes which exceed the capacity of Carrier's system to transport. If a Shipper fails to use their apportioned space in a month of proration and such failure is, in the sole opinion of Carrier, not due to causes beyond the reasonable control of the Shipper, that Shipper's apportioned space for the subsequent prorated scheduling month shall be reduced by up to the amount of the unused space.

70. Payment of Transportation and Other Charges; Finance Charges

The transportation and all other charges accruing on all Crude Petroleum accepted for shipment, based on the rate applicable to the destination at which delivery is made, shall be due within 10 days after receipt of invoice from Carrier. If such charges remain unpaid after payment is due, such charges shall bear interest from the date they became due until they are paid at a rate equal to the Reference Rate or the maximum finance charge rate allowed by law, whichever is less. Carrier, at its option, may require Shipper to pay all such charges and fees in advance or to provide an irrevocable letter of credit satisfactory to Carrier.

For Crude Petroleum not released due to failure to pay or left in Carrier's custody after the scheduled delivery has expired, Carrier may assess reasonable storage charges and other reasonable charges (including reasonable attorney fees and court costs) incurred with the preservation or sale of the Crude Petroleum.

If the Crude Petroleum remains in Carrier's custody more than thirty (30) days after the tender of delivery by Carrier, Carrier shall have the right to sell the Crude Petroleum at a public or private sale in a commercially reasonable manner to collect such charges.

75. Warranties

Shipper warrants that the Crude Petroleum tendered to Carrier will conform to the specifications stated in Item No. 25, will be merchantable, and will not be contaminated. Shipper will not be liable to Carrier, other Shippers and/or consignees for any damage, including special, incidental, and consequential, arising from a breach of this warranty, provided that, if Carrier is held liable to a Shipper or other third party for any such damages caused by such a breach, Shipper shall indemnify and reimburse Carrier for such damages to the extent so caused. The transportation of the Crude Petroleum may be refused or canceled if Carrier determines or is advised that the Crude Petroleum does not meet the requirements of these Rules and Regulations. In addition, if Carrier samples the Crude Petroleum prior to or after tendered by Shipper and if contracted laboratory test results determine that the Crude Petroleum is non-merchantable, Shipper will be liable to Carrier for the cost of such tests for non-merchantable or contaminated Crude Petroleum.

CARRIER DOES NOT MAKE ANY WARRANTIES, EXPRESSED OR IMPLIED INCLUDING, BUT NOT LIMITED TO, FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY, CONCERNING THE QUALITY OF THE CRUDE PETROLEUM.

80. Exemption of Liability

Carrier will not be liable for any loss of Crude Petroleum or damage thereto or delay caused by an act of God, fire, explosion, storm, flood, electrical malfunction, war, rebellion, insurrection, strike, breakage or accident to machinery or equipment, difference with workman, the public enemy, quarantine, the authority of law, riots, the act of default of Shipper or owner, or any cause not due to the fault or negligence or any cause reasonably beyond the control of Carrier. In such cases, the loss allocated to Shipper shall be the quantity equal to the amount of its Tenders for the month in which such loss occurs bears to the whole amount of the line fill and tankage in the system of Carrier during the month of such loss, and Shipper shall be entitled to receive only such portion of its Tenders as remains after deducting its due proportion of the loss. Carrier's custody of the Tenders shall end when Crude Petroleum has been delivered into Shipper's or its consignee's facilities. Except in force majeure situations, correction of a nonconformity shall be the payment of the difference between the posted price for similar Crude Petroleum in the area of origin and the value of the degraded Crude Petroleum, or the replacement of the Crude Petroleum, at Carrier's option, will constitute fulfillment of all liabilities of Carrier whether the liabilities are based on contract, negligence or otherwise. Carrier will not be liable for special, consequential or incidental damages.

85. Pipeage Contracts Required

Separate pipeage contracts in accordance with this tariff and these Rules and Regulations covering further details may be required of a Shipper before any duty to transport will arise.

90. Claims and Times for Filing

As a condition precedent to recovery for loss, damage, or delay to shipments, claims must be filed in writing with Carrier within nine (9) months after delivery of the Crude Petroleum or, in case of failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suits arising out of such claims must be instituted against Carrier only within two (2) years from the time when the Carrier delivers, or tenders delivery of the Crude Petroleum or, in case of failure to make or tender delivery, then within two (2) years after a reasonable time for delivery has elapsed. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable and such claims will not be paid.

95. Duty of Carrier

Carrier shall not be required to transport Crude Petroleum except with reasonable diligence, considering the quantity of Crude Petroleum, the distance of transportation, the safety of operation, and other material factors.

100. Application of Rates From and To Intermediate Points

Carrier will receive Crude Petroleum for pipeline transportation only from and to established origin and delivery stations or terminals.

Crude Petroleum received at an established origin station, on Carrier's system, which is not named in tariffs making reference hereto, but which is intermediate to a point from which rates are published in said tariffs, through such unnamed point, will be assessed the rate in effect

from the next more distant point published in the tariff.

Crude Petroleum delivered to an established delivery station or terminal, on Carrier's system, which is not named in tariffs making reference hereto, but which is intermediate to a destination to which rates are published in said tariffs, through such unnamed point, will be assessed the rate in effect to the next more distant point published in the tariff.

105. Intrasystem Transfers

Carrier will allow a Shipper Transfer of one shipper to another, and Title Transfers from one ownership to another, for Crude Petroleum in custody of Carrier. A charge of one-half cent (0.5ϕ) per barrel with a fifty dollars (\$50.00) minimum will be made to each party directing such transfers, except for the first Title Transfer.

Only one Shippers Transfer will be allowed per movement and party accepting volumes on a Shipper Transfer shall become the shipper of record. Shipper Transfer must be made at point of origin.

A transfer request, if accepted, must be confirmed in writing or Telex by both the transferor and the transferee within forty-eight (48) hours after the transfer request. Such transfer request will indicate the party to which the transfer is to be made, the amount of Crude Petroleum to be transferred and its location and grade.

Carrier will incur no liability for any losses or damage incurred by a Shipper or owner involved in any intra-system transfer, except to the extent due to negligence of Carrier.

110. Corrosion Inhibitors

Carrier reserves the right to inject or approve the injection of corrosion inhibitors in the Crude Petroleum to be transported.

115. Connection Requirements

All proposed receiving or delivery connections must meet tender, tankage, hourly flow rate conditions, and metering requirements as they exist at the time of requested connection and must also have provisions which will allow for increases to maximum line flow rate and pressure conditions. All proposed connection designs must be approved by Carrier, and all costs of connections shall be paid by the connecting party.

120. Commodity

Carrier is engaged exclusively in the transportation of Crude Petroleum specified and described in Item No. 25 and, therefore, will not accept any other commodities for transportation. No Crude Petroleum will be received for shipment except good merchantable Crude Petroleum of substantially the same kind and quality as that being currently transported through the same facilities for other shippers. Crude Petroleum of substantially different grade or quality will be received for transportation only in such quantities and upon such terms and conditions as Carrier and Shipper may agree.

125. Line Fill

Each Shipper will be required to supply a pro rata share (based on historical throughput and capacity required to perform on the nomination) of Petroleum necessary for pipeline and tankage fill to ensure efficient operation of Carrier's pipeline system. Petroleum provided by Shippers for this purpose may be withdrawn only after: (1) shipments have ceased and the Shipper has notified Carrier in writing of its intention to discontinue shipments in Carrier's system, and (2) Shipper balances have been reconciled between Shipper and Carrier. Carrier, at its discretion, may require advance payment of transportation charges on the volumes to be cleared from Carrier's system, and any unpaid account receivables, before final delivery will be made. Carrier shall have a reasonable period of time from the receipt of said notice to complete administrative and operational requirements incidental to Shipper withdrawal.

Available pipeline capacity in the month prior to a line reversal will be reduced 35% to allow for line fill change. Shippers will be required to deliver line fill in the appropriate volume and quality during the last ten days of the month preceding the reversal.

130. Method for Determining Pipeline Flow Direction

The method determining pipeline direction is set forth in a document entitled "Sunoco Pipeline, L.P. – Amdel Pipeline Segment Pipeline Flow Direction Policy, effective November 23, 2011," which will be made available upon request to any Shipper or prospective Shipper.

EXPLANATION OF REFERENCE MARKS:

[I] INCREASED

[W] CHANGE IN WORDING ONLY