# LEVERET PIPELINE COMPANY LLC

In Connection with Participating Carriers shown herein

# LOCAL, JOINT AND PROPORTIONAL PIPELINE TARIFF

Containing

# RATES, RULES AND REGULATIONS

Applying on the Interstate Transportation of

# **NATURAL GAS LIQUIDS**

Transported by Pipeline

From and To Points Named Herein

Issued under the authority of 18 CFR §[W]341.3 – Form of tariff342.3 (Indexing).

The rates in this tariff are expressed in cents per barrel of 42 U.S. Gallons and are subject to change as provided by law.

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

ISSUED: MAY 28, 2020 EFFECTIVE: JULY 1, 2020

COMPILED AND ISSUED BY:

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#### **GENERAL APPLICATION OF TARIFF**

Product, only as defined herein, will be transported and/or handled through Carrier's facilities only as provided in these rules and regulations.

#### **RULES AND REGULATIONS**

#### **ITEM 5 DEFINITIONS**

"Affiliate" shall mean any entity that directly or indirectly (i) controls a Shipper; (ii) is controlled by the same entity that controls a Shipper. For purposes of this definition, the terms "controls" and "controlled by" mean the power to direct or cause the direction of the management of and policies of another entity whether through the ownership of shares, a contract, trust arrangement or any other means, either directly or indirectly, that results in control in fact, but notwithstanding the foregoing includes, with respect to the control of or by a corporation, partnership or limited liability company, the ownership of shares or equity interests carrying not less than 50% or more of the voting rights regardless of whether such ownership occurs directly or indirectly. Without limitation, any one or more of the following shall conclusively evidence that entities are Affiliates of each other: (a) use of shared mailing or business addresses; (b) use of shared business telephone numbers; (c) use of common bank account(s) in relation to Carrier's requirements set forth in Item 60; (d) the same or substantially the same management, general partner or managing member; and/or (e) one Shipper directing or conducting business on behalf of another Shipper.

"Barrel" shall mean forty-two (42) United States gallons of 231 cubic inches of sixty degrees Fahrenheit (60°F) and equilibrium vapor pressure.

"Calendar Week" is the one hundred sixty-eight (168) hours between 7:00 a.m. Monday and 7:00 a.m. the following Monday.

"Carrier" shall mean Leveret Pipeline Company LLC ("LPC") and other Carriers participating herein.

"Estream" shall mean the integrated business operating system utilized by Carrier for the coordination of all business conducted on Carrier's NGL pipelines and facilities.

"Day" shall mean the twenty-four (24) hours between 7:00 a.m. and 7:00 a.m. the following day.

"Demethanized Mix" shall mean a mixture of any or all of the following components: ethane, propane, isobutane, normal butane, and natural gasoline.

"Group" shall mean two or more origin or destination points in similar localities identified by a group number.

"Interface" shall mean the mixture occurring in pipeline operations between adjoining batches having similar or dissimilar physical characteristics.

"Measurement" shall mean metered volumes at a custody transfer meter through a turbine, Coriolis, or such other meter.

"Month" shall mean 7:00 A.M. of the first day of a calendar month to 7:00 A.M. on the first day of the following calendar month.

"New Shipper" shall have the meaning set forth in Item 100 of this tariff.

"Nomination" means an offer by a Shipper to a Carrier of a stated quantity of Product for transportation from a specified origin(s) to a specified destination or destinations pursuant to the terms of this tariff.

"Product" or "Products" shall mean Demethanized Mix meeting the Product Specifications issued by Carrier, or any Interface generated by the movement of such Products as appropriate.

"Product Specifications" shall have the meaning set forth in Item 15 of this tariff.

"Shipper" shall mean any party who gives notice to transport Product under the provisions outlined in this tariff.

"TSA" shall mean, unless otherwise specified, a transportation services agreement executed by a Shipper with the Carrier with respect to transportation services on Carrier's pipeline pursuant to an open season.

#### ITEM 10 SCHEDULING OF RECEIPT

Shippers desiring to originate Product shall furnish a nomination via Estream no later than the 15<sup>th</sup> calendar day of the preceding month in which Shipper desires transportation.

A nomination shall specify the origins and destinations of the Product offered to Carrier. If Shipper does not furnish such nomination, Carrier will be under no obligation to accept such Product for transportation.

Product will be accepted for transportation, subject to Items contained herein, at such time and in such quantity as scheduled by Carrier.

Carrier will transport and deliver Product with reasonable diligence and dispatch considering the quantity, distance of transportation, safety of operations, and other material factors, but will accept no Product to be transported in time for any particular market. Enhanced facilities or services may be required by a Shipper and may be provided for in a Pipeage Contract in accordance with Item 85.

## ITEM 15 PRODUCT DELIVERABILITY REQUIREMENTS AND TESTING

The quality specifications applicable to movements of Product on Carrier's system ("Product Specifications") are posted on Carrier's website, which is at http://www.enterpriseproducts.com/customers/tariff-information/tariff-documents.

Carrier reserves the right to refuse to accept any Product for transportation which does not meet Carrier's Product Specifications or which is not good merchantable Product readily acceptable for transportation through Carrier's existing facilities.

Shipper may be required to furnish Carrier with a certificate setting forth the specifications of each shipment of Product 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.

If, upon investigation, Carrier determines that Shipper has delivered to Carrier's facilities Product that does not meet Carrier's Product Specifications or which is not good merchantable Product as set forth above, Carrier reserves the right to treat or otherwise dispose of all such Product in any reasonable commercial manner at Shipper's sole expense. Carrier reserves the right to collect its actual treating and handling charges plus an additional [U]104 cents per Barrel penalty charge.

#### **ITEM 20 MINIMUM SHIPMENT**

Product shall be offered for transportation in quantities, which can be received into Carrier's pipeline. Carrier will specify the quantity to be delivered to Carrier from a single origin. Shipper will be subject to linefill requirements of up to 21 days receipts.

## **ITEM 25 APPLICATION OF RATES**

Carrier shall assess transportation and all other lawful charges accruing on Product accepted for transportation at the rate in effect at date Product is delivered to destination. Carrier will invoice Shipper for transportation charges and all other lawful charges accruing on Product accepted in accordance with Carrier's then current payment policies and procedures at the rates published herein.

## **ITEM 30 ORIGIN AND DESTINATION FACILITIES**

Carrier shall accept Product only when Shipper has provided necessary facilities for receipt of Product into Carrier's pipeline and delivery of Product from Carrier's pipeline at pressures and pumping rates required by Carrier.

#### ITEM 40 MEASUREMENT AND QUALITY

Observed volumes of Product shall be corrected to net component volumes at 60°F and equilibrium vapor pressure by the use of flowing mass, a component analysis of a sample accumulated from the flowing stream, and component densities from the latest GPA 2145 Standard. Shipper will receive credit for Product as a net allowable.

Carrier will use meter proving data and other data it deems reliable and accurate to correct Measurement error. Notwithstanding the foregoing, Carrier's Measurement data shall be deemed final unless it is contested by Shipper in writing within ninety (90) days of the end of the applicable ticket period or, when corrections are applied by Carrier, within ninety (90) days of the date of correction(s) by Carrier, whichever is later.

Carrier shall determine whether Shipper's Product conforms to the Product Specifications during a particular ticket period by analyzing a sample of Shipper's Product that is captured by a designated composite sampler for Product during the ticket period ("Testing Sample"). Carrier shall also use the Testing Sample to determine the component composition of any of Product Shipper transports during the ticket period. The results of Carrier's analysis of the Testing Sample shall be final unless it is contested by Shipper, in writing, within thirty (30) days following the last date of a ticket period.

At the same time it obtains the Testing Sample, Carrier or its representative shall also obtain two other samples of Shipper's Product from the same composite sampler. If present, Shipper or its designated representative shall be entitled to retain one of those samples ("Shipper Sample") so that it may conduct its own analysis regarding whether the Product conforms to the Product Specifications, and, with respect to Product, the component composition of the Product. If Shipper or its designated representative is either not present at the time the samples are taken or does not request a sample of the Product, then Carrier shall be under no obligation to retain the Shipper Sample. The other sample shall be held by Carrier as a referee sample ("Referee Sample"). Carrier will retain the Referee Sample for thirty (30) calendar days following the last date of the applicable ticket period.

If the results of Shipper's analysis of the Shipper Sample conflict with the results of Carrier's analysis of the Testing Sample with respect to an issue of compliance with the Product Specifications or component composition, Shipper may, within thirty (30) days following the last date of the applicable ticket period, contest the results of Carrier's analysis by delivering a written request to Carrier to analyze the Referee Sample. Following receipt of such a request, Carrier shall arrange for a third party laboratory to analyze the Referee Sample for compliance with the Product Specifications and/or for component composition, as applicable. The results of the third party laboratory's analysis shall be accepted by Shipper and Carrier as final and conclusive with respect to the question at issue. Charges for analyzing the Referee Sample shall be borne equally between Shipper and Carrier.

#### **ITEM 45 IDENTITY OF SHIPMENTS**

Carrier may commingle Products received from the origins shown in corresponding rate tariffs. Carrier reserves the right at any time to substitute and deliver Product of the same specification as the Product shipped.

# **ITEM 55 DEMURRAGE**

Shipper shall remove Product, or cause Product to be removed, from Carrier's facilities following transportation to a nominated destination. In the event failure to remove Product threatens or prevents delivery of succeeding shipments into or out of Carrier's facilities, and\or threatens or causes congestion at Carrier's terminals, Carrier shall have the right, without liability to Shipper, to make such disposition of unremoved Product as is necessary for the efficient operation of the pipeline, and Shipper shall pay Carrier all charges and costs associated with such disposition the same as if Shipper had authorized such, together with any associated additional costs and damages borne or incurred by Carrier. Shipper shall indemnify and save Carrier harmless from any loss sustained by Carrier by reason of Shipper's inability to take delivery of unremoved Product, including any Interface, out of the pipeline. In addition to the foregoing remedies, in the event pipeline flow rates are reduced due to Shipper's inability to take delivery of Product, Shipper shall pay an hourly demurrage penalty equal to the product of a) the current tariff rate from the affected pipeline segment origin to the furthest destination on such segment and b) the pipeline hourly flow capacity and c) the number of hours that Shipper's Product remains in the pipeline.

# ITEM 60 PAYMENT OF CARRIER CHARGES, LIEN FOR UNPAID CHARGES AND FINANCIAL ASSURANCES

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

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

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

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

In the event Carrier determines that:

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

# ITEM 60 PAYMENT OF CARRIER CHARGES, LIEN FOR UNPAID CHARGES AND FINANCIAL ASSURANCES (Continued)

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

- (1) prepayment (which will be held by Carrier without interest accruing thereon) in an amount and in a form satisfactory to Carrier:
- (2) a standby irrevocable letter of credit in favor of Carrier in an amount and in a form satisfactory to Carrier and issued by a financial institution acceptable to Carrier;
- (3) a guaranty in an amount and in a form satisfactory to Carrier and provided by a guarantor acceptable to Carrier; or other enforceable collateral security or credit support, in form and substance acceptable to Carrier.

#### ITEM 65 ACCEPTANCE FREE FROM LIENS AND CHARGES

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 Product so encumbered or subject to litigation or dispute is tendered for transportation, Carrier may require of Shipper satisfactory evidence of his perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any or all loss.

#### ITEM 70 LIABILITY OF CARRIER

Carrier shall not be liable to Shipper for any delay in delivery or for any loss of Product caused by an act of God, public enemy, quarantine, authority of law, strikes, riots, fire, floods or by act of default of Consignor or Consignee, or resulting from any other cause not due to the negligence of Carrier, whether similar or dissimilar to the causes herein enumerated. Any such loss shall be apportioned by Carrier to each shipment of Product or portion thereof involved in such loss in the proportion that such shipment or portion thereof bears to the total of all Product in the loss, and each Consignee shall be entitled to receive only that portion of its shipment remaining after deducting his proportion as above determined of such loss. Carrier shall prepare and submit a statement to Shipper and Consignee showing the apportionment of any such loss.

The Carrier operates under this tariff solely as a common carrier and not as an owner, manufacturer, or seller of the Product transported or stored hereunder, and Carrier expressly disclaims any liability for any expressed or implied warranty for Products transported or stored hereunder including any warranties of merchantability or fitness for intended use.

## **ITEM 75 CLAIMS-TIME FOR FILING**

Notice of claims for loss or damage must be made in writing to Carrier within nine (9) months after delivery of the Product, or in the case of a failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suit against Carrier shall be instituted 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 specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and the Carrier shall not be liable.

## ITEM 80 SCHEDULING OF DELIVERY

When Shippers request for delivery from the pipeline at destination, a volume of Product greater than can be immediately delivered, Carrier shall schedule delivery. Carrier shall not be liable for any delay in delivery resulting from such scheduling of delivery.

#### **ITEM 85 PIPEAGE CONTRACTS**

Separate agreements in accord with this tariff, and these regulations covering further details, may be required by Carrier before any duty for transportation shall arise.

# ITEM 90 APPLICATION OF RATES FROM INTERMEDIATE POINTS

For Product accepted for transportation from any point on Carrier's pipeline not named in this tariff, which is an intermediate point from which rates are published herein, through such unnamed point, the Carrier will apply, from such unnamed point, the rate published herein from the next more distant point specified in the tariff. If service is to be used on a continuous basis for more than 30 days, Carrier will file a tariff applicable to the transportation movement.

#### ITEM 95 APPLICATION OF RATES TO INTERMEDIATE POINTS

For Product accepted for transportation to any point on Carrier's pipeline named in this tariff, which is intermediate to a point to which rates are published herein through such unnamed point, the Carrier will apply to such unnamed point the rate published herein to the next more distant point specified in this tariff. If service is to be used on a continuous basis for more than 30 days, Carrier will file a tariff applicable to the transportation movement.

## **ITEM 100 ALLOCATION**

When there is offered to Carrier Product quantities greater than can be transported between origins and destinations, 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.

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.

A Shipper or prospective Shipper without historical volume on an applicable pipeline segment shall be deemed a "New Shipper" on such segment. Each New Shipper will receive five hundred (500) barrels per day of capacity until the total barrels allocated to all New Shippers exceeds ten percent (10%) of the total capacity, at which time all New Shippers will receive an equal portion of the ten percent (10%) of the total capacity.

During periods when Carrier is allocating capacity pursuant to this tariff, a New Shipper will not be allocated capacity if it is an Affiliate of another Shipper who received an allocation. Each Shipper or prospective Shipper requesting New Shipper status shall provide to Carrier an affidavit and such information as will enable Carrier to determine whether such Shipper is an Affiliate of any other Shipper that has a historical volume that will entitle such Shipper to an allocation of capacity in accordance with this tariff or is an Affiliate of another New Shipper. In no event will an allocation to a Shipper be used in such a manner as to enhance the allocation of another Shipper beyond the allocation to which such Shipper would be entitled under this tariff.

# **ITEM 110 ROUTING INSTRUCTIONS**

Joint rates in this tariff apply via routes made by the use of origins on Leveret Pipeline Company LLC to Hobbs-Gaines, thence routes made by the use of Seminole Pipeline Company LLC to the requested destination. Local rates in this tariff apply via routes made by use of Leveret Pipeline Company LLC to the requested destination.

#### **ITEM 120 TRANSPORTATION INVENTORY**

Quantities of Product accepted by Carrier into Carrier's custody for transportation to Shipper's nominated destination, but not yet entered into the pipeline for transportation to such destination, will constitute Shipper's Transportation Inventory prior to delivery. If Product held in Shipper's Transportation Inventory cannot be accepted by the nominated destination through no fault of Carrier, such undelivered quantities will be returned to Shipper's holding (storage) inventory. In the event Shipper does not have rights to Shipper holding inventory sufficient to accommodate such undelivered quantities, such Shipper will be assessed a daily over-storage fee equal to the product of a) the then-current Conway over-storage rate per Barrel in effect as part of the Carrier's non-jurisdictional storage program and b) the quantity of undelivered Barrels for each Day, starting from the Day of the first occurrence until such Day when Shipper delivers such volume to a valid destination or storage facility where such storage rights exist. For the avoidance of doubt, once the Product has entered the pipeline for transportation to Shipper's nominated destination, this Item will no longer be applicable and Item 55 will become applicable.

## ITEM 130 ALLOCATION OF SEMINOLE PIPELINE

When there is offered to Carrier Product quantities greater than can be transported from Gaines, Texas to Clemens, Stratton Ridge, and Mont Belvieu, Texas on Seminole Pipeline, Carrier shall allocate transportation capacity in accordance with the provisions set forth in Item 130 of Seminole Pipeline Company LLC F.E.R.C. No. [W]2.16.02.19.0, or reissues thereof.

## **ITEM 180 PARTICIPATING CARRIERS**

Seminole Pipeline Company LLC

## **RATES**

(In Cents per Barrel)

[I] Increase. All rates on this page are increased.

# **ITEM 210 DEMETHANIZED MIX**

ORIGIN	ST	DESTINATION	ST	RATE
		Hobbs Gaines	TX	272.71
South Eddy Orla	NM TX	Mont Belvieu Cedar Bayou Mont Belvieu Enterprise Fractionator Mont Belvieu Enterprise Storage Mont Belvieu Gulf Coast Fractionator	TX	389.42

# ITEM 900 ABBREVIATIONS AND REFERENCE MARKS

F.E.R.C. Federal Energy Regulatory Commission

GPA Gas Processors Association

No. Number

ST U. S. Postal Two-Letter State Abbreviation

[I] Increase
[U] Unchanged rate
[W] Change in wording only