

# SEMINOLE PIPELINE COMPANY LLC

## Local 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

~~[W] Issued under the authority of 18 CFR §342.3 — Indexing~~ Filed in compliance of 8 CFR §341.3 (Form of tariff).

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, and to the Rules and Regulations published herein, supplements hereto and reissues hereof.

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

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**ISSUED: JULY 1, 2020**

**EFFECTIVE: AUGUST 1, 2020**

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## RULES AND REGULATIONS

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### ITEM 5 DEFINITIONS

"Affiliate" shall mean any entity that directly or indirectly (i) controls a Shipper; (ii) is controlled by a Shipper; or (iii) 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 two hundred thirty-one (231) cubic inches at sixty degrees Fahrenheit (60°F) and equilibrium vapor pressure.

"Calendar Week" - shall mean the one hundred sixty-eight (168) hours between 7:00 A.M. Monday and 7:00 A.M. the following Monday.

"Carrier" - shall mean Seminole Pipeline Company LLC.

[N]"Interface" means the mixture occurring in pipeline operations between adjoining batches having similar or dissimilar physical characteristics.

[W]"Natural Gas Liquids" - shall mean demethanized mix, ethane-propane mix, propane, natural gasoline, isobutane, normal butane, and commercial butane meeting Product Deliverability Requirements defined herein.

[W]"Product" - shall mean Natural Gas Liquids meeting Product Deliverability Requirements defined herein, or any interface generated by the movement of such Products as appropriate.

[W]"Day" - shall mean the twenty-four hours between 7:00 A.M. and 7:00 A.M. the following Day.

[W]"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 no later than the 15th 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

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. Carrier's Product Specifications shall be provided upon request.

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 Shippers sole expense. Carrier reserves the right to collect its actual treating and handling charges plus an additional [U]104 cents per Barrel penalty charge.

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### ITEM 20 MINIMUM SHIPMENT

A shipment of 100,000 Barrels or more of the same quality and specifications shall be required on all Product accepted for transportation from each Shipper at origin.

Carrier may elect to accept a shipment of less than 100,000 Barrels of Product of the same required specifications for transportation subject to delay until Carrier has accumulated 100,000 Barrels of Product of the same specifications from the same or other Shippers.

### 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

Except as otherwise provided, Carrier shall make no charge for metering Product upon receipt and delivery. Observed volumes of Purity Product at operating pressures and temperatures shall be corrected to net volume at 60°F and equilibrium vapor pressure.

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 shall bring into balance any accumulated component volume differences by fractionation or Product exchanges.

### ITEM 43 COMPONENT BALANCING

Shipper shall be responsible for bringing into balance on a monthly basis any accumulated component volume differences resulting from the receipt, transportation, and delivery of commingled demethanized mix and ethane-propane mix.

### ITEM 45 IDENTITY OF SHIPMENTS

Carrier may commingle mixtures received from the origins shown herein. Carrier reserves the right at any time to substitute and deliver Product of the same specification as the Product shipped.

### ITEM 50 RECONSIGNMENT

Subject to these Rules and Regulations and to the rate applicable from origin to final destination, and on notice to Carrier, Shipper may reassign to another destination on Carrier's pipeline any shipment of Product or portion thereof at a rate of [U] \$0.10 per reconsigned Barrel. Shipper may be required to accept delivery of Product delivered beyond a reconsignment point.

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### 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 pipeline destinations, 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 hold 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:

- (1) 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; or
- (2) in the event pipeline flow rates are not reduced due to Shipper's inability to take delivery of Product, Shipper shall pay a daily demurrage charge on each undelivered Barrel equal to the product of a) the then-current Conway daily over storage rate in effect as part of the non-jurisdictional storage program offered by Mid-America Pipeline Company, LLC and b) the number of Days Shipper's Product remains in the pipeline.

### ITEM 60 INVOICING AND 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 or 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.

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## RULES AND REGULATIONS

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

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;

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, which may be involved in litigation, or which 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 Shipper's 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 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 a 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 Product loss for which Carrier is not liable 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 Shipper or consignee shall be entitled to receive only that portion of its shipment remaining after deducting its proportion of such loss. Carrier shall prepare and submit a statement to Shippers and any 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.

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### 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 85 PIPEAGE CONTRACTS

Separate pipeage contracts, in accordance with this tariff and these Rules and Regulations covering further details, may be required by Carrier before any duty for transportation shall arise.

### ITEM 90 APPLICATION OF RATES FROM INTERMEDIATE ORIGIN 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 DESTINATION 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.

### **[N] ITEM 105 GOVERNING LAW AND JURISDICTION**

This tariff is governed by, and must be interpreted and construed in accordance with, the laws of the State of Texas, without regard to any of its principles of conflicts of laws that would make applicable the laws of any other jurisdiction. Except for disputes that fall within the jurisdiction of the Federal Energy Regulatory Commission, exclusive venue for any suit, action, or proceeding brought in connection with this tariff is in the state and federal courts located in Harris County, Texas. Carrier and Shipper each irrevocably and unconditionally waive, to the fullest extent they may legally and effectively do so, any objection they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or relating to this tariff in the state and federal courts situated in Harris County, Texas. **Intending to waive and forever relinquish any right under applicable law providing for a right of trial by jury, Carrier and Shipper each knowingly, voluntarily, and intentionally waives, to the fullest extent permitted by applicable law, any and all claims or rights it or its successors and assigns may have to any trial by jury on any issue arising out of any litigation, dispute, suit, action, or proceeding related to this tariff.**

### ITEM 130 ALLOCATION

When there is offered to Carrier Product quantities greater than can be transported on Seminole Pipeline, Carrier shall allocate transportation capacity in accordance with the Policy for Allocation of Transportation on Seminole Pipeline effective September 25, 1992 ("Allocation Policy").

For purposes of the Allocation Policy, a Shipper or prospective Shipper that does not have Historical Volume as such term is defined in the Allocation Policy shall be deemed a New Shipper. During periods when Carrier is allocating capacity on the Seminole Pipeline, a New Shipper will not be allocated capacity if it is an Affiliate of another Shipper who received an allocation.

Each 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 the Allocation Policy 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 the Allocation Policy and this tariff.

### **[N] ITEM 145 INTERFACE**

Shippers shall accept and be responsible for handling of any Interface generated within or between Products.

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**RATES**

(In Cents per Barrel)

[U] Unchanged rate. All rates on this page are unchanged.

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**ITEM 200 APPLICATION OF GENERAL COMMODITY RATES**

Reference Items 210-280 for general commodity rates that apply from and to points named in this tariff.

**ITEM 210 DEMETHANIZED MIX**

ORIGIN		DESTINATION		RATE
Hobbs-Gaines	TX	Mont Belvieu Cedar Bayou Mont Belvieu Enterprise Fractionator Mont Belvieu Enterprise Storage Mont Belvieu Gulf Coast Fractionator	TX	155.00

**ITEM 220 ETHANE-PROPANE MIX**

ORIGIN		DESTINATION		RATE
Hobbs-Gaines	TX	Clemens Mont Belvieu Cedar Bayou Mont Belvieu Enterprise Fractionator Mont Belvieu Enterprise Storage Mont Belvieu Gulf Coast Fractionator Stratton Ridge Amoco	TX	155.00

**ITEM 230 PROPANE**

ORIGIN		DESTINATION		RATE
Hobbs-Gaines	TX	Mont Belvieu Cedar Bayou Mont Belvieu Enterprise Fractionator Mont Belvieu Enterprise Storage Mont Belvieu Gulf Coast Fractionator	TX	155.00

**ITEM 240 NORMAL BUTANE**

ORIGIN		DESTINATION		RATE
Hobbs-Gaines	TX	Mont Belvieu Cedar Bayou Mont Belvieu Enterprise Fractionator Mont Belvieu Enterprise Storage Mont Belvieu Gulf Coast Fractionator	TX	155.00

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**RATES**

(In Cents per Barrel)

[U] Unchanged rate. All rates on this page are unchanged.

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**ITEM 245 ISOBUTANE**

ORIGIN		DESTINATION		RATE
Hobbs-Gaines	TX	Mont Belvieu Cedar Bayou Mont Belvieu Enterprise Fractionator Mont Belvieu Enterprise Storage Mont Belvieu Gulf Coast Fractionator	TX	155.00

**ITEM 250 NATURAL GASOLINE**

ORIGIN		DESTINATION		RATE
Hobbs-Gaines	TX	Mont Belvieu Cedar Bayou Mont Belvieu Enterprise Fractionator Mont Belvieu Enterprise Storage Mont Belvieu Gulf Coast Fractionator	TX	155.00

**ABBREVIATIONS AND REFERENCE MARKS**

F.E.R.C.	Federal Energy Regulatory Commission
GPA	Gas Processors Association
No.	Number
[N]	New
[U]	Unchanged rate
[W]	Change in wording only