

# **DIXIE PIPELINE COMPANY LLC**

LOCAL TARIFF

CONTAINING

## **RULES AND REGULATIONS**

GOVERNING TRANSPORTATION OF PROPANE BY PIPELINE

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This tariff shall apply only to those tariffs which specifically incorporate this tariff by reference; such reference includes successive issues thereof.

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

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# RULES AND REGULATIONS

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## ITEM 5 - DEFINITION OF TERMS

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As used in these rules and regulations, the following terms have the following meanings:

**Affiliate** - means 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** - means forty-two (42) United States gallons at sixty degrees Fahrenheit (60° F) and equilibrium vapor pressure.

**Carrier** - means and refers to Dixie Pipeline Company LLC.

**Losses** – means all claims, penalties, losses, costs, expenses, liabilities or damages of any kind or nature whatsoever (including reasonable attorney’s fees and court costs associated therewith).

**New Shipper** – shall have the meaning set forth in Item 70 of this tariff.

**Propane** - means and is limited to the liquid hydrocarbon product meeting the acceptance specifications prescribed in Item 15.

**Regular Shipper** - means a Shipper that has:

- a. injected Propane into, or withdrawn propane from, the Carrier’s system within the 12-month period preceding the first day of a month in which the system or a portion of the system is prorated; and
- b. first injected Propane into, or withdrawn Propane from, the Carrier’s system more than twelve (12) months prior to the first day of the month in which the system is prorated.

**Shipper** - means the party who contracts with Carrier for the transportation and withdrawal of Propane under the terms of this tariff.

**Tender** - means an offer by a Shipper to Carrier of a stated quantity of Propane for transportation from a specified origin or origins to destinations listed in Carrier’s tariffs in accordance with these rules and regulations.

**TSA** - means 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.

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## **ITEM 10 - COMMODITY**

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Carrier is engaged primarily in the transportation of Propane and will not accept any other commodity for transportation except when Carrier determines that space in the pipeline is available for transportation of other commodities as provided in these Rules and Regulations.

- a. Carrier reserves the right to set the minimum and/or maximum batch size of any such other commodity tendered for transportation dependent on space available in the pipeline at the time.
- b. Carrier reserves the right to refuse to accept any commodity that is not compatible with its system, its method of operation or its transportation of Propane.
- c. To protect the integrity of the Propane being transported, Shipper of any other commodity must supply buffer liquids in such quantities and in accordance with such specifications as may be established by Carrier. Such buffer liquids will be considered a part of the shipment of the commodity tendered to Carrier by such Shipper for all purposes other than Shipper's compliance with batch sizes established by Carrier.
- d. Shipper of any such other commodity will be required to accept delivery of the interface material created by the movement of such commodity or pay any and all costs incurred by Carrier in disposing of same.

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## **ITEM 15 - PROPANE, ACCEPTANCE AND CERTIFICATE OF SPECIFICATIONS TESTING**

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Propane which will be accepted for transportation shall conform to the definition of and specifications for "HD-5 Propane" as contained in "G.P.A. Liquefied Petroleum Gas Specifications and Test Methods" (G.P.A. Publication 2140 as revised and supplemented from time to time) and as determined by the test methods described in said G.P.A. publication, provided that no Propane will be accepted for transportation which has a liquid phase dew point higher than +25° F as determined by an in-line hygrometer. Shipper shall furnish Carrier with a certificate setting forth the specifications of each shipment of Propane delivered in Carrier's pipeline.

Carrier may sample and test any such shipment prior to acceptance or during receipt and in the event of variance between Shipper's certificate and Carrier's test, the latter shall prevail. Carrier shall provide notice to Shipper that Shipper has delivered Propane that does not meet Carrier's Propane specifications, and Shipper shall have thirty (30) days to request a certified sample. When such request is made, Carrier will furnish Shipper a certified sample of sufficient volume to enable shipper to check the accuracy of Carrier's analysis. If Carrier is unable to provide a certified sample of sufficient volume, and there is no reasonable alternative for determining the failure of Propane to meet Carrier's Propane specifications, then Carrier waives the right to bill Shipper for the treatment of Propane that does not meet Carrier's Propane specifications and Carrier also waives the right to charge Shipper an additional penalty charge of [U] 100 cents per Barrel in that month.

If, upon investigation, Carrier determines that Shipper has delivered to Carrier's facilities Propane that has contaminated the common fungible stream, causing all or a portion of the Propane stream to fall outside the above specifications, Carrier reserves the right to treat or otherwise dispose of all contaminated Propane in any reasonable commercial manner at Shipper's sole expense. Carrier further reserves the right to collect its actual treating and handling charges plus an additional penalty charge of [U]100 cents per Barrel of contaminated Propane.

In addition to Shipper's obligation to deliver Propane meeting Carrier's specifications, and Carrier's right to dispose of off-specification Propane as provided for herein, Shipper shall pay any reasonable fees set forth by Carrier for the incident and shall indemnify, defend, reimburse, and hold Carrier harmless from and against all Losses, whether the Losses be suffered by Carrier or any third party, arising out of or related to Shipper's delivery to Carrier of off-specification Propane, including, without limitation, Losses to Carrier's property, the property of others (including other Shippers), or treating or blending fees.

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## **ITEM 20 - TENDERS & SCHEDULING**

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- A) Propane will be transported only under a tender accepted by Carrier from facilities connected to Carrier when a tariff covering the movement is lawfully in effect.
- B) A Shipper desiring to tender Propane for transportation shall make such tender to Carrier in writing on tender forms specified, or, on request, supplied by Carrier. All such tender forms must be submitted on or before the fifteenth day of the month preceding the month during which transportation of the tendered volume is to begin. If the initial tenders require the allocation of capacity, Carrier shall provide such notice of allocation to Shippers including each Shipper's allocated capacity within five (5) business days of the tender deadline. Notwithstanding the foregoing, Carrier reserves the right to allocate the pipeline thereafter on any given day when tenders exceed available capacity pursuant to Item 70. Shippers shall have, following Carrier's notification of each Shipper's allocated capacity, three (3) business days to submit revisions to their initial tenders so as to distribute their allocated capacity among the Propane origins and destinations then served by Carrier. Should a Shipper's revised tenders exceed its allocated capacity for Propane, Carrier shall have the right to alter any or all of such Shipper's tenders in Carrier's sole discretion such that the tenders equal the capacity allocated to Shipper.
- C) Propane shall be accepted for transportation at such time and in such quantities as scheduled by Carrier. Carrier will prepare schedules showing the estimated time that each shipment will be received for transportation at origin points. Carrier will furnish the schedules to Shippers upon request. Such schedules may be modified from time to time in the manner and to the extent reasonably desirable to facilitate the efficient and economical use and operation of Carrier's facilities and to reasonably accommodate Shippers' needs for transportation.
- D) Carrier operates a batched system. As part of that batched system Carrier may require Propane Shippers that inject Propane at origins located between Mont Belvieu, Texas and Anse La Butte/Breaux Bridge, Louisiana to not inject Propane for up to ninety-six (96) continuous hours in order to allow other products to pass by their origin points, provided that after any such period, Propane Shippers will be permitted to inject Propane for at least twenty-four (24) continuous hours. During the up to ninety-six (96) continuous hour period when a different type of product is moving by the Propane Shipper's origin, the Propane shipper may not inject any Propane into the line until permitted by Carrier.

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## **ITEM 25 - QUANTITIES**

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- A) A tender will be accepted only when total quantity covered by such tender will be made available for transportation within a period not to exceed one calendar month.
- B) Any quantity of Propane will be accepted from lines or other facilities to which carrier is connected, provided the total of such quantities tendered by a single shipper equals or exceeds seven thousand (7,000) barrels in any one calendar month from all origins to all destinations.

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## **ITEM 30 - IDENTITY OF SHIPMENT**

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Carrier will make all deliveries out of a common stream of commingled shipments, and no attempt will be made to preserve identity of individual shipments.

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## **ITEM 35 - ORIGIN AND DESTINATION FACILITIES**

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- A) Carrier will provide such facilities at its origin stations as it deems necessary for the operation of the pipeline. Tenders will be accepted for transportation hereunder only when Shipper has provided facilities satisfactory to Carrier capable of delivering Propane into Carrier's origin stations at pressures and at pumping rates required by Carrier.
- B) No duty to transport will arise until evidence satisfactory to Carrier has been furnished that Shipper has made necessary arrangements for accepting delivery of shipments promptly on arrival at Carrier's destination points, as shown in this tariff.

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### **ITEM 36 - BI-DIRECTIONAL ROUTING**

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This pipeline system has a bi-directional section consisting of the section between Mont Belvieu, Texas and Hattiesburg, Mississippi.

- a. East-to-west movements by Carrier over this bi-directional section will be secondary to movements in the reverse direction, i.e., movements in a west-to-east direction.
- b. Secondary direction service will be provided on this section in a given month only when and to the extent that all volumes of Propane nominated for movement in the primary direction on such section can be accepted by Carrier without prorationing and there is sufficient remaining capacity to provide such secondary direction service.

Requests for secondary direction service must be made by the fifteenth day of the calendar month preceding the calendar month during which such direction is requested. Shippers requesting secondary direction service will be notified of Carrier's ability to provide such service as soon as is practicable following such request.

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### **ITEM 40 - MEASUREMENT**

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Propane will be measured by Carrier on receipt and delivery. Observed volumes at operating pressures and temperatures will be corrected to net volumes at 60° F and equilibrium vapor pressure by using the factors obtained from tables prepared by Carrier and ASTM-IP Petroleum Measurement Tables.

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### **ITEM 50 - STORAGE**

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Subject to a storage program offered to all Shippers on a non-discriminatory basis, Carrier does not hold itself out to provide storage of Shipper's Propane at origin, destination, or intermediate points.

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### **ITEM 55 - DIVERSION OR RECONSIGNMENT**

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Diversions or reconsignment may be made by Shipper without charge at any time prior to delivery, subject to the rates, rules and regulations applicable from point of origin to point of final destination.

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### **ITEM 65 - DELIVERY**

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- A) Carrier will transport and deliver Propane with reasonable diligence and dispatch.
- B) After any shipment has had time to arrive at destination Shipper may begin withdrawals.
- C) Upon failure of Shipper to remove or take delivery of any shipment after expiration of a 24-hour notice by Carrier to Shipper that such shipment is available for delivery, Carrier shall have the right to make such disposition of the undelivered shipments as may be necessary to free its facilities. If Carrier sells such Propane, it will remit the proceeds thereof, less any unpaid transportation charges and costs of selling, to Shipper. Carrier shall not be liable to Shipper for any loss caused by such disposition, and Shipper shall pay for all costs thereof the same as if Shipper had requested or authorized such sale or disposition.
- D) A Shipper's required in-transit balance will be computed on the basis of the ratio of his shipments for a twelve-month period to the total of all shipments for the same twelve-month period. A Shipper who discontinues tendering to Carrier may be required, or permitted at the discretion of Carrier to withdraw his in-transit balance at any uniform rate specified by Carrier over any period of time not to exceed one hundred and twenty (120) days. Such period of 120 days may be extended at the discretion of Carrier in the event proration is in effect during such period and other Shippers are unable to replace such in-transit volumes.

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## ITEM 70 - PRORATION

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When there is offered to Carrier product quantities greater than can be transported between origins and destinations, Carrier shall allocate withdrawal and injection capacity.

- A) **WITHDRAWAL CAPACITY ALLOCATION** - Allocation of the system or a portion of the system for withdrawal capacity will be based on the Shipper's historical volume. The historical volume is the Shipper's product deliveries 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.
- B) **INJECTION CAPACITY ALLOCATION** - Allocation of the system or a portion of the system for injection capacity will be based on the Shipper's historical volume. The historical volume is the Shipper's product receipts 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. Injections at Hattiesburg and origin points West of Hattiesburg will be allocated based on Shipper's historical volume at those origins. Injections at origin points East of Hattiesburg will be allocated based on Shipper's historical volume at those origins.

The following provisions shall apply for both Injection and Withdrawal capacity:

- a. Allocation will be given as a daily or monthly volume, at Carrier's discretion, and will be calculated for the calendar month or portion thereof.
- b. Once capacity has been allocated for a particular calendar month or portion thereof, a shipper may not transfer its capacity allocation to another shipper or shippers.
- c. With agreement of Carrier and the Shippers concerned, historical volume may be transferred in extraordinary situations (e.g., where one shipper has sold its interest in production from a particular plant or field to another shipper).
- d. A Shipper or prospective Shipper without historical volume on an applicable pipeline segment shall be deemed a New Shipper on such segment. Each New Shippers will receive five hundred (500) barrels per day of capacity until the total barrels allocated to all New Shippers exceeds five percent (5%) of the total capacity, at which time all New Shippers will receive an equal portion of the 5% 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.

C) **ALLOCATION PENALTY** - If a Shipper fails to deliver at the origin(s) [N] or to withdraw at the destination(s), specified by it in its tender, Propane sufficient to fill its allocated capacity and such failure has not been caused by force majeure, as substantiated in a manner satisfactory to Carrier, Shipper shall pay the transportation charges under Carrier's published tariff for the Propane movement(s) for such over tenders or unused allocated capacity, and Carrier shall also have the right, in a non-discriminatory manner, to reduce such Shipper's allocated capacity for the next allocation month in which Shipper tenders Propane by an amount equal to such unused allocated capacity. However, Carrier may, in a non-discriminatory manner, waive its right to reduce Shipper's allocated capacity for the next allocation month if, in Carrier's reasonable judgment, Shipper's

failure to deliver [N] or withdraw Propane sufficient to fill its allocated capacity was due to an unusual and non-reoccurring circumstance. If a Shipper tenders for delivery to multiple destinations, the transportation charge shall be equal to the weighted average transportation charge for the origin/destinations routes utilized by such Shipper during the allocation period.

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### **ITEM 75 - RATES APPLICABLE**

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Propane transported shall be subject to the rates in effect on date such Propane is delivered by Carrier.

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### **ITEM 80 - PAYMENT OF TRANSPORTATION AND OTHER CHARGES , LIEN FOR UNPAID CHARGES AND FINANCIAL ASSURANCES**

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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.

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.

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## **ITEM 90 - LIABILITY OF CARRIER**

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- A) Carrier will assume no liability when operational scheduling and other problems encountered in pipeline operations prevent its ability to maintain schedules or comply with Shippers' withdrawal requirements.
- B) Carrier, while in the possession of any Propane, will not be liable for any loss thereof, or damage thereto, or delay, caused by acts of God, the public enemy, quarantine, the authority of law, or of public authority, strikes, riots, insurrection, fire, flood, inherent nature of the goods, or the act or default of Shipper. Any such losses of Propane will be charged proportionately to each Shipper in the ratio that his Propane, received and undelivered at the time the loss occurs, bears to the total of all Propane then in the custody of Carrier, and Carrier will be obligated to deliver only that portion of such Propane remaining after deducting Shipper's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.

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## ITEM 95 - TITLE

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A tender of Propane shall be deemed a warranty of title by the party tendering, but acceptance shall not be deemed a representation by Carrier as to title. Carrier may, in the absence of adequate security, decline to receive any Propane which is in litigation, or as to which a dispute over title may exist, or which is encumbered by any lien of which Carrier has notice.

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## ITEM 100 - TIME LIMITATION ON CLAIMS

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As a condition precedent to recovery for any loss or damage, claims must be filed in writing with Carrier within nine (9) months and one (1) day after delivery of property, or in the case of failure to make delivery then within nine (9) months and one (1) day after reasonable time for delivery, based on Carrier's normal operations, has elapsed; and suits shall be instituted against Carrier only within two (2) years 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 Carrier will not be liable.

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## ITEM 105 - QUANTITY DELIVERABLE

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Carrier will account to Shippers for all quantities received from Shippers at origin less a tender reduction allowance established and adjusted from time to time to equal as nearly as practical Shipper's pro rata share of (a) normal and expected Carrier operational losses including product consumed in operations and (b) losses, if any, of the type covered by Item 90 for which Carrier is not liable and, will deliver to Shippers at destination the quantities received as reduced by such tentative tender reduction allowances. Fifteen hundredth percent (0.15%) of the quantities received, as the tender reduction allowance, will be withheld from deliveries to cover anticipated actual total losses. The tender reduction allowance shall be adjusted by Carrier at the end of each twelve-month period (ending December 1st of each year to be effective the next February 1st) and may be adjusted no more frequently than on a quarterly basis, as Carrier deems reasonable. When Carrier adjusts the tender reduction allowance, such adjustments shall account for over-recoveries or under-recoveries resulting from the tender reduction allowance in effect, to ensure that such new tender reduction allowance will equal, as nearly as practical, Shipper's pro rata share of (a) normal and expected Carrier operational losses including product consumed in operations and (b) losses, if any, of the type covered by Item 90 for which Carrier is not liable and eliminate such prior over-recoveries or under recoveries.

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## ITEM 106 - PIPEAGE CONTRACTS

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

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## ITEM 107 – GOVERNING LAW AND JURISDICTION

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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.*

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## **ABBREVIATIONS AND REFERENCE MARKS**

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A.P.I.	American Petroleum Institute
A.S.T.M.	American Society for Testing Materials
°	Degree
F	Fahrenheit
FERC	Federal Energy Regulatory Commission
I.P.	The Institute of Petroleum
G.P.A.	Gas Processors Association (formerly N.G.P.A.)
No.	Number
[N]	New
[U]	Unchanged Rate