

**HAMMOND MAINLINE PIPELINE LLC**  
**LOCAL PIPELINE TARIFF**

Containing the Rates, Rules and Regulations Governing  
The Interstate Transportation by Pipeline of  
**NATURAL GASOLINE & REFINED PETROLEUM PRODUCTS**

(All Rates in Dollars Per Barrel of 42 United States Gallons)  
This tariff is unchanged except where indicated.

All rates in this issue are **[I]** increased.

<b>From (Origin)</b>	<b>To (Destination)</b>	<b>Rate in Dollars per Barrel</b>
Valero Alsip Terminal, Alsip, IL	Valero Hammond Terminal, Hammond, IN	<b>[I]</b> \$0.3486 (Note 1)
Valero Hammond Terminal, Hammond, IN	Valero Alsip Terminal, Alsip, IL	<b>[I]</b> \$0.3486 (Note 1)

Issued under authority of 18 C.F.R. § **[C]** 344.6. **[N]** 342.3 (Indexing) **[C]** ~~The rates of Valero Terminaling and Distribution Company FERC No. 21.6.0 have been brought forward unchanged.~~

Subject to the Rules and Regulations set forth herein.

Note 1: All Petroleum Products may be transported on this route. Subject to Carrier's operational requirements, Carrier may intermittently reverse the flow of this route provided such reversal will not adversely affect any shipper, and any petroleum products transported on the temporarily reversed route will be subject to the same rate. See Item 95 for rules and regulations concerning the Pipeline Flush Volumes.

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

**ISSUED:** May 30, 2019

**EFFECTIVE:** July 1, 2019

**Issued By:**

Fred Hampton, Vice President  
Hammond Mainline Pipeline LLC  
One Valero Way  
San Antonio, TX 78249-1616  
(210) 345-4750

**Compiled By:**

Nathan P. Murphy  
Hammond Mainline Pipeline LLC  
One Valero Way  
San Antonio, TX 78249-1616  
(210) 345-5778

**SYMBOLS:** **[C]** Cancel **[N]** New **[W]** Wording **[I]** Increase

**GENERAL RULES AND REGULATIONS**

Carrier will receive Petroleum Products for transportation only to the established Terminal Points on its line under the following conditions:

Item No.	Subject	Rules and Regulations
5	Description of Terms	<p>"Petroleum Products" as used herein means both Refined Products and Natural Gasoline.</p> <p>"Barrel" as used herein means a barrel of forty-two (42) gallons, United States measurement.</p> <p>"Carrier" or "Company" as used herein means Hammond Mainline Pipeline LLC.</p> <p>"Month" means the period beginning at 12:00 midnight, local Chicago, Illinois time, on the first day of a calendar month and ending at 12:00 a.m. (midnight), local Chicago time, on the first day of the next calendar month.</p> <p>"Natural Gasoline" as used herein means natural gasoline meeting the specifications set forth in Item 60.</p> <p>"Refined Products" as used herein means all grades of motor gasoline and ultra low sulfur diesel.</p> <p>"Valero Alsip Terminal" as used herein means the terminal located at 3600 West 131st Street, Alsip, Illinois 60803.</p> <p>"Valero Hammond Terminal" as used herein means the terminal located at 1020 141st Street, Hammond, IN 46320.</p>
10	Minimum Tender	<p>Petroleum Products of the required specifications may be tendered for transportation in quantities of not less than ten thousand (10,000) barrels. <b>[N]</b> <u>Carrier has the option, but is not required, to accept and transport quantities below this Minimum Tender amount when, in the determination of Carrier, the transport of smaller quantities is practicable.</u></p>
15	Scheduling of Shipments	<p>Nominations of all tenders to Carrier must be received by 2:00 p.m. on the 15th day of the calendar month preceding the calendar month during which transportation is to begin. Petroleum Products will be accepted for transportation at such times as Petroleum Products of the same quality and specifications are currently being transported in accordance with schedules of shipments established by the Carrier. Products shall be available in Shipper's tankage for shipment 24 hours prior to the scheduled date for movement into Carrier's pipeline. <b>[N]</b> <u>Carrier has the option, but is not required, to accept nominations received later than the 15th day of the calendar month preceding the calendar month during which the transportation is to begin, if acceptance of such late nominations does not adversely affect scheduled line operations or the shipment or delivery of any timely nominations.</u></p>

**F.E.R.C. No. 1.1.0**

20	Identity of Shipment	Carrier may maintain the identity of Petroleum Products shipments and will only commingle Petroleum Products received from the origin shown herein into a common fungible stream if the Petroleum Products are of the same character. Petroleum Products shall be accepted for transportation only on condition same will be subject to changes in gravity, color, quality or characteristics while in transit or as may result from unavoidable contamination and Carrier shall not be obligated to make delivery of the identical Petroleum Products received for transportation. Carrier reserves the right at any time to substitute and deliver Petroleum Products of the same character as the Petroleum Products shipped.
25	Acceptance Free From Liens & Charges	Petroleum Products will be accepted for transportation only when free from all liens and charges.
30	Origin and Destination Facilities	Shipper will make necessary arrangements for storage when required to accommodate differences in receipt, transfer, and delivery rate requirements of third party pipelines.
35	Pipeage Contracts	Separate pipeage contracts in accordance with this tariff and these regulations covering further details may be required of the proposed Shipper before any duty to transport shall arise.
40	Gauging, testing and Deductions	<p>Shipper may be required to furnish Carrier with a certificate from a licensed petroleum inspector setting for the final tests showing the specifications of each shipment of Petroleum Products to be transported in Carrier's pipeline. Carrier may 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. Petroleum Products will be tested and preliminarily gauged by Carrier's representative in Shipper's tanks prior to the acceptance thereof. A deduction of up to 0.2% may be made to allow for inherent losses, including, but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses not due to negligence of Carrier. The net balance after all deductions will be the quantity the Carrier is obligated to deliver at destination.</p> <p>With regard to transportation between the Valero Alsip Terminal and the Valero Hammond Terminal, because the required practice of cutting the interface between Natural Gasoline and Refined Products results in gains for Natural Gasoline shippers and losses for Refined Products shippers, one hundred percent (100%) of any Natural Gasoline volumetric gains resulting from such pipeline batch cutting on this route will be the property of Carrier. Carrier shall use the proceeds of the sale of gains to Natural Gasoline shippers to reimburse Refined Product Shipper's for their losses in proportion to each Refined Product's Shipper's share of the losses in a given month. Gains will be determined monthly by reconciling receipt and deliveries against ending inventories of both Natural Gasoline and Refined Products. Carrier will identify the product which was used for cutting the interface and Natural Gasoline shippers will be required to purchase their allocated volume of such product at <b>[C] Platt's [N] the Argus</b> Chicago mid-point average for the 5th, 11th and 17th pricing days for the month that the identified Natural Gasoline gain was added to Shipper's product inventory.</p>
45	Temperature Corrections	Petroleum Products will be received and delivered on the basis of volume correction for temperature from observed temperatures to sixty degrees

## F.E.R.C. No. 1.1.0

		(60°) Fahrenheit in accordance with Table 7 of ASTM-IP Petroleum Measurement Tables, ASTM Designation D1250. The net quantities so determined for acceptance will be the net quantities deliverable.
50	Payment of Transportation and Other Costs	The transportation and all other charges accruing on Petroleum Products accepted for shipment, based on the rate applicable to the terminal point at which delivery is made, if required by the Carrier, will be paid before release of Petroleum Products from the custody of Carrier, or if required by Carrier, will be prepaid at point of origin. Petroleum Products accepted for such transportation shall be subject to a lien for all unpaid lawful charges due and may withhold such Petroleum Products from delivery until all such unpaid charges have been paid.
55	Reconsignment	If no out-of-line movement is required reconsignment may be made without charge subject to the rates, rules and regulations contained herein, to any point of final delivery, as provided herein.

### Item No. 60 – Product Specifications

Natural Gasoline will only be accepted for transport from the origin point to the destination point when storage facilities for the particular commodity offered for transportation are available at such origin and destination points and only at such time as Petroleum Products of the same quality and specifications are currently being transported from origin point to the destination point.

Natural Gasoline, before tender, shall be dehydrated sufficiently to prevent the deposition of free water in the pipeline and said Products shall be free of suspended aqueous chemical solutions and solid matter in suspension. No alcohol /gasoline blends will be shipped. Consignor and Shipper warrant to Carrier that any Natural Gasoline tendered to Carrier will conform to the specifications stated in this Item No. 60 for such Natural Gasoline.

If, upon investigation, Carrier determines that a Shipper has delivered to Carrier's facilities Natural Gasoline that is not fungible with, or that has contaminated the common fungible stream being transported, rendering all or a portion of the fungible Natural Gasoline stream undeliverable, Carrier reserves the right to treat or otherwise dispose of the contaminated Natural Gasoline in any reasonable commercial manner within regulatory guidelines all at such Shipper's sole expense.

Natural Gasoline accepted for transportation shall meet the following minimum specifications issued by Carrier and any additional specifications that may be promulgated by Carrier from time to time:

Product	Specification	Standard Procedure
Natural Gasoline		
Normal Butane & Lighter	6.0 Liq. Vol. % max.	GPA-2177
Total Sulfur	500 ppm wt. max	ASTM D-3120
Water Content	No Free Water	Visual
Vapor Pressure at 100° F	14.2 RVP max	ASTM D-323
End Point	375° F max.	ASTM D-86

**F.E.R.C. No. 1.1.0**

Corrosion, Copper Strip	No. 1	ASTM D-130
Oxygenates	None	UOP-845
Doctor Test	Negative	ASTM D-4952 or GPA 1138
Color, Saybolt Number	+25	ASTM D-156

**Carrier reserves the right to refuse to accept any Natural Gasoline that does not meet the foregoing acceptance requirements. Any exceptions to the foregoing requirements will be approved on a case-by-case basis by Carrier.**

70	Liability Carrier Of	Carrier will deliver at the destination point with reasonable diligence, the quantity of Petroleum Products received for transportation. Carrier shall not be liable for any delay or loss of Products occasioned by war, invasion, hostilities, rebellion, insurrection, seizure or destruction under quarantine of customs regulations, or confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade. In the event of such loss, each Shipper's share of the loss shall be in the same proportion as its share of the total quantity of the shipments involved in the loss, and each such Shipper shall be entitled to receive only so much of its share remaining after its due proportion of the loss is deducted. Carrier shall compute the quantities of loss, and shall prepare and submit a statement to the owners showing the apportionment of the loss among the owners involved. Carrier will not be liable for discoloration, contamination, or deterioration of Petroleum Products transported, unless such discoloration, contamination, or deterioration results from negligence of the Carrier in movement or handling of the product through the facilities of Carrier. In the event of such damages, each owner's share of the damaged product shall be in the same proportion as its share of the total quantity of shipments involved, and each such owner shall be allocated only its proportionate share of damaged product. Carrier shall prepare and submit a statement to the owners showing the apportionment of the damaged product among the owners involved.
80	Claims Time for Filing	Claims for loss or damage must be made in writing to the Carrier within ninety (90) days after delivery of the property, or in case of a failure to make delivery, then within ninety (90) days after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after delivery of the property, or in case of a failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with Carrier, suit must be brought within two (2) years and one (1) day after 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 for loss or damage 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.
85	Proration	85.1 As used in this Item No. 85, the following additional definitions apply: "Proration Month" is the calendar month for which space is being allocated. "Calculation Month" is the calendar month preceding the Proration Month, during which allocations for the Proration Month will be determined. "Base Period" is the 12 consecutive calendar month period immediately preceding the Calculation Month.

**F.E.R.C. No. 1.1.0**

		<p>A "New Shipper" is a Shipper who is not a Regular Shipper.</p> <p>A "Regular Shipper" is any Shipper who has a record of movements within the pipeline during each calendar month of the Base Period.</p> <p>85.2 All nominations will be used by Carrier to determine if total nominations exceed the operating capacity. When the total volumes so nominated for a calendar month exceed operating capacity, operating capacity will be allocated among Shippers by the following procedure:</p> <p>85.3 When the total volume of Petroleum Products tendered for the month exceed the capacity of the pipeline system or a portion of the pipeline system, the carrier will prorate injection and/or withdrawal capacity. The proration will be divided between Regular Shippers and New Shippers. The proration will be based on historical movements during the twelve months preceding the month for which proration is being determined. Ninety five percent (95%) of the total available capacity will be divided between all Regular Shippers and the remaining five percent (5%) of capacity will be divided between all New Shippers.</p>
90	Services Performed	The rates published in this tariff cover only the transportation of Petroleum Products by pipeline and include no other services.
95	Pipeline Flush Volumes	To the extent pipeline flushes are utilized by the Company to flush the pipeline after any shipment of Natural Gasoline, the Company shall identify the product which was used to flush the lines, and Shipper shall purchase the appropriate volume of said product at <b>[C] Platt's [N] the Argus</b> Chicago mid-point average for the 5th, 11th, and 17th pricing days for the month that the identified product was added to Shipper's diluent inventory.
100	Tank Bottoms and Line Fill	<p>Shipper will be responsible for providing tank bottoms (including, if applicable the amount of Product required for a floating roof to remain continuously afloat) if using tankage available under this Tariff.</p> <p>Shippers will be responsible for their proportional share of the line fill needed by Carrier to provide the transportation services set forth in this Tariff.</p> <p>If Shipper has ceased shipping for at least thirty (30) consecutive days and has given Carrier written notice that Shipper no longer intends to use the serviced provided under this Tariff, Carrier shall return or purchase all tank bottoms and line fill delivered by Shipper within 60 days after the end of such thirty (30) day period.</p>