

# PARKWAY PIPELINE LLC

## RULES AND REGULATIONS TARIFF

Governing the Transportation of

## PETROLEUM PRODUCTS

As Defined Herein

By Pipeline

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Carrier will accept and transport Petroleum Products offered for transportation through Carrier's facilities only as provided in this Rules and Regulations Tariff. To the extent that specific provisions published in other tariffs conflict with this Rules and Regulations Tariff, such specific rules and regulations shall prevail.

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

~~[C] Issued under authority of 18 CFR § 341.6, Adoption of Tariff by Successor.~~

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## ITEM 10 – DEFINITIONS AND ABBREVIATIONS

- 10.1 API** – American Petroleum Institute.
- 10.2 API Gravity** - Gravity determined in accordance with API Manual of Petroleum Measurement Standard, Chapter 11.1 Volume I, latest revision. Table 5A to be used for JP-4; Table 5B to be used for all other Petroleum Products.
- 10.3 ASTM** – American Society for Testing and Materials.
- 10.4 Barrel** - Forty-two gallons, United States measured at 60° Fahrenheit and zero PSIG.
- 10.5 Batch** - A quantity of Petroleum Products of like characteristics delivered by Shipper for transportation by Carrier as an identifiable unit.
- 10.6 Capacity** – The quantity of Petroleum Products the Pipeline Segment at issue is capable of transporting under the current operating conditions.
- 10.7 Carrier** – Parkway Pipeline LLC.
- 10.8 Color** – Color determined by the standard test method ASTM Designation D-1500, latest revision.
- 10.9 Consignee** – The party designated by Shipper to receive a Batch of Petroleum Products.
- 10.10 Cycle** – A period of time during which each type of Petroleum Product is **[W]** available to be pumped for each Shipper desiring transportation for such Petroleum Products.
- 10.11 Destination** – A point (i) named in a Local or Joint Tariff or (ii) agreed to between Shipper and Carrier pursuant to Item 190 of this tariff, at which point Carrier will deliver Petroleum Products to Shipper or its Consignee after transportation from an Origin.
- 10.12 DRA** – Drag Reducing Agent.
- 10.13 Fungible Batch** – A Batch of Petroleum Product meeting Carrier’s specifications which Carrier may commingle with other Batches of Petroleum Products meeting the same specifications.
- 10.14 Joint Batch** – Two or more Batches of Petroleum Products which are joined by Carrier on order and authority of the participating Shippers for segregated movement as one single identifiable unit. Carrier does not prescribe specifications for Joint Batches other than specifications of Items 30 and 70 of this tariff.
- 10.15 Joint Tariff** – A tariff containing joint rates for movement over the lines or routes of two or more carriers.
- 10.16 Local Tariff** – A tariff containing specific rates for Carrier’s local movements.
- 10.17 Origin** – A point (i) named in a Local or Joint Tariff or (ii) agreed to between Shipper and Carrier pursuant to Item 190 of this tariff, at which point Carrier will accept Petroleum Products for transportation.
- 10.18 Petroleum Products** – Gasoline, petroleum oil distillates **[C]** ~~(except for jet fuel, which may not be shipped)~~ and Renewable Fuels as further described in Item 30.
- 10.19 Pipeline Segment** – A section of the System, the limits of which are defined by two geographically identifiable points, that, because of the way that section of the System is designed and operated, must be treated as a unit for purposes of determining Capacity.
- 10.20 PSIG** – Pounds per Square Inch Gauge.

Item 10 - Definitions and Abbreviations concluded	
<b>10.21</b>	<b>Renewable Fuels</b> – May include one or more of the following: Biodiesel (blended in any range from B5 to B99/B100), renewable diesel (blended in any range from R5 to R100) and ethanol. However, such Renewable Fuels shall only be shipped to the extent <b>[W]</b> (i) they are compatible with other Petroleum Products being shipped on Parkway <b>[C]</b> and (ii) <del>Plantation allows for the receipt of such Renewable Fuels from third party pipelines connected to Plantation Pipe-Line Company at Collins, MS.</del>
<b>10.22</b>	<b>Segregated Batch</b> – A Batch of Petroleum Product identifiable as the property of a single Shipper and moved through the System so as to maintain its identity and ownership.
<b>10.23</b>	<b>Shipper</b> – The party for whom transportation services are provided under the terms and conditions of this tariff.
<b>10.24</b>	<b>System</b> – All common carrier facilities of Carrier.
<b>10.25</b>	<b>Tender</b> – Petroleum Products nominated by Shipper for transportation by Carrier.
<b>10.26</b>	<b>Transmix</b> – A mixture which occurs in normal pipeline operations between non- compatible Petroleum Products.

<b>ITEM 30 – PETROLEUM PRODUCTS SPECIFICATIONS</b>	
30.1	<del><b>[C]</b> Petroleum Products shall be accepted for transportation only when such Petroleum Products meet all required Federal, state and local regulations and Carrier's published Petroleum Products specifications established for all Shippers. Said specifications are published in Carrier's <u>Customer Information Manual</u>①.</del> <b>[N]</b> <u>Petroleum Products will not be accepted for transportation hereunder unless such products are free from water and other impurities; have a color not darker than No. 3 ASTM (Except that gasolines to which artificial coloring has been added will be accepted for transportation regardless of color); have vapor pressure not more than fifteen (15) pounds absolute at one-hundred degrees (100°) Fahrenheit; have an API gravity at sixty degrees (60°) Fahrenheit of not less than twenty-nine degrees (29°) and not more than eighty degrees (80°); and have a viscosity not more than forty (40) seconds Saybolt Universal at one-hundred degrees (100°) Fahrenheit.</u>
30.2	Carrier may require Shipper to demonstrate that Petroleum Products offered for transportation meet required specifications as prescribed in Item 30.1 herein.
30.3	Shipper shall be responsible for all expenses incurred by Carrier resulting from Carrier's receipt of any Petroleum Products tendered by Shipper which do not comply with the requirements of Item 30.1.
30.4	Petroleum Products with specifications falling outside the ranges set forth in the <b>[C]</b> <del><u>Customer Information Manual</u>①</del> <b>[N]</b> <u>Item 30.1</u> may be transported, but only at Carrier's option.
30.5	Petroleum Products containing blending components other than pure hydrocarbons are not acceptable for transportation unless Shipper notifies Carrier of the identification and concentration of such components and has received Carrier's agreement to transport such Petroleum Products before they enter the System.
30.6	Subject to Item 10.21, Carrier shall accept biodiesel (blended in any range from B5 to B99/B100) and renewable diesel (blended in any range from R5 to R100) for injection into ultra-low sulfur diesel for transportation only when such Petroleum Products meet all required Federal, state and local regulations and Carrier's published specifications established for all Shippers. <b>[C]</b> <del>Said specifications are published in Carrier's <u>Customer Information Manual</u>①.</del>

**ITEM 40 – MINIMUM BATCH SIZE, DELIVERY REQUIREMENTS AND PRODUCT CYCLES**

**40.1 MINIMUM BATCH SIZE**

Segregated Batches of Petroleum Products shall be transported in minimum quantities of not less than 25,000 Barrels.  
 Fungible Batches of Petroleum Products shall be transported in minimum quantities of not less than 15,000 Barrels. Fungible or Joint Batches meeting required specifications and tendered to Carrier will be transported and delivered as such. Both Fungible and Joint Batches must meet minimum Batch size requirements as well as minimum delivery requirements of Item 40.2. **[C]** Refer to Customer Information Manual<sup>①</sup>, Section III.  
 Carrier has the option to move smaller Batches when, in the opinion of the Carrier, the movement of smaller Batches is practicable.

**40.2 MINIMUM DELIVERY AT DESTINATIONS**

The quantity delivered at the final Destination of a Batch of gasoline moving through Carrier's trunk lines between Norco, LA and Collins, MS, must contain a minimum of 10,000 Barrels. **[N]** Carrier has the option to move, on a non-discriminatory basis, smaller Batches between Norco, LA and Collins, MS, when, in the opinion of the Carrier, the movement of smaller Batches is practicable.

**40.3 PRODUCT CYCLES**

Petroleum Products will be scheduled through Carrier's facilities in repetitive cycles. Normal cycles for each Petroleum Product handled will be established by Carrier in order to meet operating conditions. Shippers may be required to schedule their Petroleum Products for delivery into the System at point of Origin to meet the cycle within which the Petroleum Products will move.

**ITEM 50 – PRORATION OF PIPELINE CAPACITY**

**[C]** ~~50.1 [C] When a quantity of Petroleum Products is tendered by Shippers to Carrier which exceeds the Capacity of any Pipeline Segment, Petroleum Products tendered by each Shipper that require transportation on that Pipeline Segment will be transported in such quantities and at such times to the limit of the Capacity in that Pipeline Segment in a manner determined by Carrier to be equitable to all Shippers, pursuant to Carrier's Proration Policy, located in Customer Information Manual<sup>①</sup>.~~

**[N]** 50.1 [N] When a quantity of Petroleum Products is nominated by Shippers to Carrier which exceeds the limit of Capacity of the Parkway Pipeline LLC system, the Capacity to be allocated to each Shipper for the month of transportation shall be determined by Parkway Pipeline LLC pursuant to Parkway's Proration Policy, located in Item 50.2.

**[N] 50.2 [N] Parkway Proration Policy**

**50.2.1. Purpose of Policy.** The purpose of this Proration Policy is to enable Parkway Pipeline LLC to comply with its statutory obligations as a common carrier pipeline. This Proration Policy is intended to equitably allocate space among all shippers desiring to ship petroleum products at times when the aggregate monthly volume exceeds the capacity of the system.

**50.2.2. Definitions.** The following definitions apply only to this Item 50.2:

"Proration Month" is the calendar month for which space is being allocated.

"Calculation Month" is the calendar month just preceding the "Proration Month."

"Base Period" is the 12-calendar month period just preceding the calculation month. Individual months within the base period are designated by numbers 1 through 12, with "month 1" being the most recent base period month and "month 12" being the oldest base period month.

An "Active Shipper" is any shipper that has been granted shipper status by Parkway and has moved product on the pipeline within the past 24 months.

A "Regular Shipper" is any shipper who has a record of movements on the pipeline in any one of months 4 through 12 of the base period.

A "New Shipper" is any shipper who is not a "Regular Shipper." New shippers include shippers just granted shipper status and Active Shippers new to the pipeline (i.e., no movements on the affected segment in any one of months 4 through 12 of the base period).

"Base Shipments" are the average monthly movements by a Regular Shipper during the base period. Base shipments will be calculated by dividing the total movements in the base period by the lesser of (a) 12 or (b) the number of the Base Period month within which the Regular Shipper first moved product on the pipeline.

An "Annual Forecast" is a 12-month forward forecast of a shipper's intended movements on Parkway covering a specific calendar year. The Annual Forecast is due in September of the calendar year preceding the intended movements. Parkway will accept and encourages shippers to update their forecast quarterly. An Annual Forecast can be updated at any time to reflect a significant change such as obtaining or disposing of assets. Shippers are not required to submit an Annual Forecast. Parkway will use the shipper's actual deliveries for the most recent calendar year if no Annual Forecast was submitted.

A "Nomination" is a shipper's documented Notice Of Intent To Ship as outlined in Item 100 of this tariff. Nominations are due by the 25th day of the month preceding the month in which the product is to be moved.

**50.2.3. Nominations and Forecast Volumes.** When the Management of Parkway determines that it may be necessary to allocate space on the pipeline, Parkway may request shippers to furnish an updated Nomination of volumes to be shipped in the next succeeding shipping month or portion of a month. If Parkway determines that the resulting nominated volumes are too large to properly manage, the pipeline will be prorated in accordance with this Proration Procedure.

If it appears that it will be necessary to allocate pipeline space for an extended period of time, Parkway may request shippers to update or submit a current Annual Forecast. Parkway will carefully examine all forecasts using every means available to ensure that they are true and realistic and will adjust any forecast that appears to be modified in an attempt to circumvent the Proration Policy.

All movements on the pipeline when it is in proration must be nominated by the 10th day of the month preceding the month in which the product is to be moved.

An Active Shipper will be denied movements on the pipeline when it is in proration if their Annual Forecast does not reflect the purposes of this Proration Policy.

An Active Shipper (and not considered a Regular Shipper) forecasting movements on the pipeline when it is in proration will be treated as a "New Shipper" for proration purposes for such movements.

**50.2.4. Proration Procedure.** When Nominations for any month exceed the capacity of the Parkway system, and the pipeline is placed on proration, space shall be allocated among shippers in that segment by the following procedure:

1. The forecast volumes, obtained from Annual Forecast(s) for each Regular Shipper during the base period, will be compared to their actual movements during that same period. Parkway reserves the right to adjust any forecast volume as deemed necessary to ensure consistency with actual volumes shipped.
2. The forecast volumes for each Regular Shipper and each New Shipper shall be totaled and divided into the line capacity of the pipeline. The resultant fraction will be the "proration factor."
3. Each New Shipper shall be allocated space based upon their forecast volume multiplied by the proration factor. The New Shipper will receive up to 50% of their allocated space the first month, up to 75% the second, and up to 100% for any additional month until they become a Regular Shipper or until the pipeline is no longer under proration. Total space allocated to all New Shippers will not exceed 5% of the line capacity of the pipeline.
4. The remaining capacity shall be allocated among Regular Shippers in proportion to their Base Shipments.
5. In the event any shipper is allocated more space than their Nomination, the excess of their space will be reallocated among all other shippers in proportion to their unsatisfied allocation.

To maintain equitable allocation of space on the pipeline when it is in proration, a New Shipper's allocation for the next proration month will be reduced by the allocated space not used in the preceding month.

Parkway reserves the right to adjust forecast volumes and/or Base Shipments to prevent permanent loss of allocated space of any shipper due to requests by Parkway to redistribute deliveries, force majeure or other causes beyond the control of a shipper.

**50.2.5. General.** In no event will any portion of an allocation to a shipper be used in such a manner that it will increase the allocation of another shipper beyond what they are entitled to under this Proration Policy. Parkway may require written assurances from a responsible official stating that the shipper is not violating this requirement with respect to the use of allocated space. In the event that any

shipper shall, by any device, scheme, or arrangement whatsoever, make available to another shipper or in the event any shipper shall receive and use any space from another shipper through violation of this requirement, the allocated space for both shippers will be reduced by the extent of the excess space so made available or used. The space reduction for both shippers will be applied to the first proration month following the discovery of the violation.

#### **ITEM 60 – ORIGIN AND DESTINATION FACILITIES**

- 60.1 Carrier will provide only such facilities at Origin and Destination as it deems necessary for the operation of the System.
- 60.2 Petroleum Products will be accepted for transportation hereunder only when Shipper has provided facilities satisfactory to Carrier capable of
- (i) delivering the Petroleum Products at the Origin specified by Shipper, at pressures and pumping rates required by Carrier; and
  - (ii) receiving such Petroleum Products at the Destination specified by Shipper, at pressures and pumping rates required by Carrier.
- 60.3 Upon arrival at Destination, Petroleum Products will be delivered to storage tanks through facilities provided by Shipper. Shipper shall receive from the System without delay and at **[N] a rate up to** Carrier's full delivery rate, Petroleum Products which have been transported to the Destination for Shipper's account. Carrier has the option to waive the requirement for full delivery rate to Shipper's facilities when practicable. Carrier shall not be liable for any damage to Shipper's receiving facilities or products within such facilities resulting from the process of transferring custody of products from Carrier to Shipper.

#### **ITEM 70 – ACCEPTANCE OF PETROLEUM PRODUCTS**

- 70.1 Petroleum Products will be accepted for transportation:
- At such time as Petroleum Products of compatible kind, quality and specification are being transported from the same Origin specified in the Tender;
  - Only if any additives and inhibitors, including DRA, to be included in Shipper's Petroleum Products have been approved by Carrier;
  - Only when Petroleum Products delivered by Shipper are free from all liens and charges;
  - Only when Petroleum Products are delivered by Shipper at the time specified by Carrier to meet Carrier's shipment schedule. If such Petroleum Products are not delivered by Shipper in time to meet said schedule, Carrier reserves the right to cancel, bypass or delay said shipment. Carrier reserves the right to require Petroleum Products to be available for transportation at Origin 24 hours prior to the time scheduled for transportation from Origin.
- 70.2 Carrier's acceptance and delivery of Petroleum Products from or to facilities provided by or designated by Shipper shall not evidence Carrier's approval of the adequacy of such facilities or the competency of Shipper's personnel; responsibility for such facilities and personnel shall be exclusively that of Shipper.
- 70.3 In the event Carrier has accepted Petroleum Products for transportation in reliance upon Shipper's representations as to acceptance at Destination, and there is failure to promptly accept such Petroleum Products at Destination, Carrier shall have the right, on 24-hours notice to Shipper, to divert, re consign, or make whatever arrangements for disposition of the Petroleum Products Carrier deems appropriate to clear Carrier's pipeline facilities, including the right to sell the Petroleum Products at a private sale. Carrier may be a purchaser at such sale. Out of the proceeds of said sale, Carrier may pay itself all transportation charges and other necessary expenses associated with the Petroleum Products of said sale. In addition, commencing after the expiration of the 24-hours notice,

Carrier shall assess a demurrage charge on any part of the Petroleum Products shipment offered for delivery and not taken by Shipper. The demurrage charge will be [U] \$0.25 per barrel per day for each day of 24 hours or fractional part thereof.

70.4 If Shipper fails to comply with one or more of the provisions of this Item 70, Carrier may refuse Shipper's proffered delivery, or Carrier may accept no more than a reduced delivery by Shipper in an amount determined by Carrier to be equitable to all Shippers.

**ITEM 80 – TRANSMIX HANDLING**

80.1 Each Shipper's share of Transmix will be that percentage which its movements through a line represent to the total movements for all Shippers through that line during a calendar month as near as operating conditions permit. Agreements between Shippers and/or Carrier for the handling of Transmix on such lines will be adhered to by Carrier as operating conditions permit.

**ITEM 90 – DUTIES OF CARRIER**

90.1 All Petroleum Products will be accepted for transportation on the condition that Carrier will use due diligence to transport same to Destination with a minimum of contamination and to maintain the identity of such Petroleum Products. However, it being impracticable to maintain absolute identity of each shipment of Petroleum Products, reasonable substitution of Barrels of the same kind of commodity shall be permitted.

90.2 In the case of products such as reformulated gasoline or low-sulfur distillates which require extraordinary protection to avoid trace contaminants, Shipper must accept the interface mixture between such products and leading or trailing products or reimburse Carrier for all costs involved in degrading such interface mixture to lower-valued products.

90.3 Carrier reserves the right to maximize its operational efficiency and Capacity through fungible operations in which a reasonable substitution of the same quality of Petroleum Products meeting the same specifications will be permitted.

**ITEM 100 – TENDER OF PETROLEUM PRODUCTS**

100.1 ~~[C] Shipper shall nominate, no later than the fifth day of the month immediately preceding the month in which shipments are to be made, Petroleum Products to be shipped by Carrier, pursuant to the Customer Information Manual, Section I, Product Scheduling<sup>(1)</sup>. Carrier will accept Petroleum Products for transportation in accord with schedules issued to Shippers by Carrier. Carrier may accept nominations received later than the fifth day of the month when acceptance of such nominations does not adversely affect scheduled line operations.~~  
[N] Any Shipper desiring to tender Petroleum Products for transportation hereunder, shall on or before the 25th day of the calendar month, place a notice in writing of the Petroleum Products to be tendered during the following calendar month, including product type, quantity, destination(s), and the date of each Delivery, to Carrier. Carrier may waive this requirement on a non-discriminatory basis if reasonably commercially feasible. Unless such notification is made, Carrier shall be under no obligation to accept Petroleum Products for transportation.

**ITEM 110 – DETERMINATION OF VOLUMES**

110.1 ~~[C] Petroleum Products received for transportation at Origin and delivered at Destination shall be measured by Carrier's meter or by tank gauges with certified tank volume tables. Shipper may have representatives present during meter calibrations or tank gauging. Carrier shall have the privilege to witness gauging of tanks supplied by Shipper or Consignee when used for volume measurement.~~

[N] All shipments tendered to Carrier for transportation may be tested, gauged or metered by a representative of Carrier prior to, or at the time of Receipt from the Shipper and Delivery to Consignee, but the Shipper or Consignee shall at all times have the privilege of being present or represented during the testing, gauging or metering.

(a) Quantities for receiving and delivering will be Net Standard Volume. Quantities may be computed from tank tables compiled by the Carrier.

(b) In addition to deductions for losses as provided for in the Liability of Parties section of this tariff, a further deduction of up to 0.2% may be made on a non-discriminatory basis to cover evaporation and other losses during transportation, and the balance will be the net quantities deliverable. The net balance after all deductions will be the quantity the Carrier is obligated to deliver to the Consignee.

~~[C] 110.2 [C] Measurements related to custody transfer of Petroleum Products will be made by meter or tank gauge and will be corrected to standard conditions (60°F and zero PSIG) by the application of correction factors listed in "Petroleum Measurement Tables," API Manual of Petroleum Measurement Standard, Chapter 11.1 Volume II, latest revision (Table 6A for JP-4; Table 6B for all other Petroleum Products). Pressure corrections will be made in accordance with the *Manual of Petroleum Measurement Standards*, Chapter 11.2.1, latest revision.~~

**[C] Item 110 – Determination of Volumes Concluded**

~~[C] 110.3 [C] Carrier shall account to each Shipper for all Petroleum Products received. Any overage or shortage not due to the negligence of Carrier (Item 160 of this tariff), including losses resulting from shrinkage, evaporation, other physical product loss and interface mixture in any calendar month, will be allocated on a monthly accrual basis among the Shippers and an associated loss allowance assessed pursuant to Carrier's Product Inventory Control and Accounting Policy, located in Carrier's Customer Information Manual ☺. All such product losses, whether under this Item 110 or Item 160 shall be accounted for by Carrier in accordance with Carrier's Product Inventory Control and Accounting Policy and statements of the losses, ascertained and computed by Carrier shall be treated as prima facie correct in the distribution of such losses under this Item and Item 160. The Carrier will be obligated to deliver only that portion of such Petroleum Products remaining after deducting for all shrinkage, evaporation, other physical product loss and transmix contemplated under this tariff.~~

**ITEM 120 – PAYMENT FOR SERVICES RENDERED**

- 120.1 Tariff charges will be assessed and collected at the rates named in the Local or Joint Tariff, or in any other tariff of Carrier in effect on the date Petroleum Products are received by Carrier, on the basis of the number of Barrels of Petroleum Products actually delivered at Destination after volume corrections as provided for in Item 110.
- 120.2 Shipper shall pay all applicable tariff and all other lawful charges accruing on Petroleum Products delivered to and accepted by Carrier for transportation on behalf of Shipper, and, if required, shall prepay or guarantee the same before acceptance at Origin by Carrier, or pay the same before delivery. ~~[C] Shipper shall be responsible for payment of all tariff related charges applicable to the shipment within 15 days from the date of billing.~~
- 120.3 Prior to becoming a Shipper, a prospective Shipper must submit to Carrier sufficient financial information to establish credit-worthiness. If, in the sole opinion of Carrier, Shipper is not credit-worthy or if Shipper's credit deteriorates, Carrier may require Shipper to prepay

- tariff related charges and/or supply a letter of credit from an appropriate financial institution in a form acceptable to Carrier. **[C]** ~~See Carrier's Customer Information Manual~~①.
- 120.4 If charges are not paid by the due date stated on the invoice, Carrier shall have the right to assess finance charges on the entire past due balance (including principal and accumulated but unpaid finance charges) until paid in full, at a rate equal to 150% of the prime rate of interest as reported in the *Wall Street Journal* as of the first of the month in which the charges are due or the maximum finance rate allowed by applicable law, whichever is less.
- 120.5 Carrier shall have a lien on all Petroleum Products in its possession belonging to Shipper to secure the payment of any and all unpaid tariff or any lawful charges that are due Carrier that are unpaid by Shipper, and may withhold such Petroleum Products from delivery until all unpaid charges have been paid. If charges remain unpaid 60 days after the due date stated on the invoice, Carrier may apply any open credits or collect such charges by selling Shipper's Petroleum Products at a public or private sale in a commercially reasonable manner. The Carrier, or its affiliates, may be a purchaser at such sale. Out of the proceeds of said sale, Carrier may also pay itself for expenses of notice, advertising, and care and maintenance of the Petroleum Products.

**ITEM 130 – CLAIMS, SUITS, TIME FOR FILING**

- 130.1 As a condition precedent to recovery, claims for loss, damage or delay must be filed in writing with Carrier within nine months after delivery of the Petroleum Products or in case of failure to make delivery, within nine months after a reasonable time for delivery has elapsed. Suit shall be instituted against Carrier only within two years and one day from the day that notice in writing is given to the claimant that Carrier has disallowed the claim or any part or parts thereof as 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.

**ITEM 140 – TAX REGISTRATION**

- 140.1 Upon request of Carrier, Shipper and its Consignee are required to provide proof of registration with, or tax exemption from, the appropriate federal, state or local authorities relating to the collection and payment of the fuel's excise tax or other similar taxes, levies or assessments. Failure of Shipper or its Consignee to do so shall not relieve Shipper or its Consignee from the obligation to pay any such tax, levy or assessment, or any fine or penalty associated therewith.

**ITEM 150 – PIPELINE ADDITIVES**

- 150.1 Carrier may inject corrosion inhibitor compound into the Petroleum Products to be transported and Shipper will accept delivery of such Petroleum Products at Destination containing corrosion inhibitor compound.
- 150.2 Carrier may inject DRA into the Petroleum Products to be transported and Shipper will accept delivery of shipments at Destination containing DRA compound.
- 150.3 ~~**[C]** Shippers will be given 30 days notice stating any changes in additive to be injected (generic and trade name), the maximum quantity, the Petroleum Products into which it will be injected, and the date the injection shall begin. **[N]** Carrier may inject dye into the Petroleum Products to be transported and Shipper will accept delivery of such Petroleum Products at Destination containing dye.~~

**ITEM 160 – LIABILITY OF CARRIER**

- 160.1 Carrier shall not be liable for any loss, damage or delay to Petroleum Products of Shipper caused by an act of God, public enemy, quarantine, authority of law, strikes, riots, nuclear or atomic explosions, fire, floods, the inherent vice or nature of the Petroleum Products, or act on default of Shipper or other Shippers of products, or for any other cause not due to the negligence of Carrier, whether similar or dissimilar to the causes herein enumerated. The Shipper of products involved in such loss or damage shall stand the entire loss or damage except that Shipper shall stand such loss or damage occurring in a fungible or joint movement only in the proportion Shipper's products volume bears to the total volume of the affected fungible or joint movement. Shipper shall be entitled to receive only such portion of its Petroleum Products as remains after deducting the due proportion of the loss or damage as above provided.
- 160.2 Carrier will not be liable for discoloration, commingling, contamination or deterioration of Petroleum Products transported unless such degradation is caused by the sole negligence of the Carrier. Negligence in this case shall be not construed to include contaminants absorbed by the material during transit through the System which is used for multi-product transportation.
- 160.3 Statements of the losses, ascertained and computed by Carrier's standard accounting procedure, are to be accepted by Shipper as prima facie correct in the distribution of such losses under this Item and Item 110. The Carrier will be obligated to deliver only that portion of such petroleum products remaining after deducting for all shrinkage, evaporation, other physical product loss and transmix contemplated under this tariff. All such product losses shall be accounted for as provided under this Item and Item 110.
- 160.4 In any event, Carrier shall not be liable for any consequential or special damages sustained by Shipper.
- 160.5 Custody by the Carrier shall begin when the product enters the System and shall cease when it passes from the System.

**ITEM 170 – PIPEAGE CONTRACTS REQUIRED**

- 170.1 Separate agreements in association with pipeline connections or other related facilities ancillary to System in accord with this tariff and these regulations may be required of any Shipper or proposed Shipper before any obligation to provide transportation shall arise.

**ITEM 180 – RECONSIGNMENT (DISTRIBUTION CHANGES)**

- 180.1 Reconsignment (distribution changes) can be made subject to the rates, rules and regulations applicable to point of delivery as listed in this tariff. Carrier reserves the right to require 48 hours' notice in advance of the scheduled delivery for any product reconsignment.

**ITEM 190 – RATES TO INTERMEDIATE POINTS**

- 190.1 For shipments of Petroleum Products accepted for transportation to any Destination which is not named in any of Carrier's tariffs, and which Destination is directly intermediate to any Destination to which a rate applying through such unnamed point is published in any of Carrier's tariffs, Carrier will apply to such unnamed intermediate point the rate published to the next more-distant Destination published in the applicable tariff, subject to 18 CFR § 341.10.

**ITEM 200 – USE OF ELECTRONIC DATA INTERCHANGE**

200.1 Carrier may utilize Electronic Data Interchange (EDI) for transmission/distribution to Shipper of System related documentation including, but not limited to, pipeline meter tickets and schedules. Carrier reserves the right to require Shipper to be capable of receiving such documentation via EDI systems. However, Carrier assumes no liability for errors, for delays in transmission or for interruption of services.

**ITEM 220 – TESTING**

220.1 Shipper shall be liable for any contamination or damage to other Petroleum Products being transported or to the System in the event Shipper's Petroleum Products include blending components (other than pure hydrocarbons) that have not been approved by Carrier, or such Petroleum Products are inconsistent with specifications stated in Shipper's Laboratory Report.

220.2 Carrier may, but shall not be required to, sample and/or test any Batch prior to acceptance or during receipt of Batch, and in the event of variance between Shipper's Laboratory Report and Carrier's test, Carrier's test shall prevail as to the specifications of Petroleum Products received.

220.3 Shipper shall furnish Carrier with a **[W]** laboratory report **[C]** ~~(per Carrier's Customer Information Manual ①, Section III)~~ setting forth in detail the specifications of Batch delivered by Shipper for transportation.

**ITEM 230 – CONNECTION TO SYSTEM**

230.1 Requests for connections to System shall be made by formal written request to Carrier, to the address shown on the front page of this tariff. **[C]** ~~A connection shall only be made in accordance with Carrier's Connection Policy, located in the Customer Information Manual ①.~~ **[N]** All connections will be subject to design requirements necessary to protect the safety, security, integrity and efficient operation of the Carrier's pipeline(s) in accordance with generally accepted industry standards. Acceptance of any requests for connection will be subject to compliance with governmental regulations.

**ITEM 250 – LEGALITY OF SHIPMENTS**

250.1 Carrier reserves the right to reject any and all Petroleum Products offered for transportation when Shipper fails to comply with all applicable laws, rules, regulations or requirements of any governmental authorities pertaining to Petroleum Products or regulating transportation or deliveries thereof, or fails to demonstrate Shipper's conformance with the provisions of this tariff and the applicable Local or Joint Tariffs.

250.2 Shipper's offer of Petroleum Products for transportation shall be deemed a warranty of title by the Shipper offering, but acceptance shall not be deemed a representation by the Carrier as to title. Carrier may, in the absence of adequate security, decline to receive any Petroleum Products which are in litigation, or as to which a dispute over title may exist, or which are encumbered by a lien or by charges of any kind. Delivery of Petroleum Products to the Consignee designated by the Shipper shall relieve Carrier of all liability as to custody or title.

<b><u>EXPLANATION OF REFERENCE MARKS</u></b>	
<p><b>[C]</b>            ①</p>	<p><b>[C]</b> A current copy of Carrier's <u>Customer Information Manual</u> is located on Carrier's website using the following procedure:</p> <ul style="list-style-type: none"> <li>• Access Website <a href="http://www.kindermorgan.com">www.kindermorgan.com</a></li> <li>• Under Business Customers, click on Products Pipelines.</li> <li>• Click on Southeast Operations</li> <li>• Under Parkway Pipeline click on Tariffs &amp; Customer Information Manual</li> </ul> <p>The current copy of this manual is dated April 1, 2015.</p>
	<p><b>[C]</b> Cancel.  <b>[N]</b> New.  <b>[U]</b> Unchanged rate.  <b>[W]</b> Change in wording only.</p>

**[C]** *[Parkway System Map Dated June 2011 Deleted]*