ENTERPRISE TE PRODUCTS PIPELINE COMPANY LLC

LOCAL PIPELINE TARIFF

Containing the Rules and Regulations Governing
the Transportation and Handling of

Petroleum Products and Unfinished Gasoline

Transported By Pipeline

All rules published in this tariff are for the intrastate transportation of Petroleum Products and Unfinished Gasoline through the pipelines of Enterprise TE Products Pipeline Company LLC (“Enterprise TE”) within the State of Texas, being expressed in cents-per-barrel, of 42 U.S. gallons each, are subject to change as may be provided by law and are governed by the provisions found under the General Rules & Regulations herein.

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

EFFECTIVE JULY 1, 2018

COMPiled AND ISSUED BY

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Operated by Enterprise Products Operating LLC, P5 No. 253368

Operated under T-4 Permit Nos. 00187, 03655, 04790
RULES AND REGULATIONS

The General Rules and Regulations published herein apply in their entirety to the services covered by this tariff, i.e., to the transportation and handling of Products between the Origins and Destinations named herein.

ITEM 5 – A List of Definitions

“Agreement” means a transportation agreement between Shipper and Carrier.

“Barrel” refers to 42 United States standard gallons at 60 degrees Fahrenheit.

“Batch” means a quantity of Products handled through the pipeline as a unit.

“Baytown Origins” refers to facilities at Baytown and Red Bluff, Texas.

“Beaumont Origins” refers to facilities at Beaumont and North Port Arthur, Texas.

“Carrier” means Enterprise TE Products Pipeline Company LLC.

“Certificate of Analysis” refers to a document acceptable to Carrier that confirms that Product meets its product specification.

“Colonial Origins” refers to Colonial Pipeline’s facilities at Hebert (Beaumont-Port Arthur) and Houston (Pasadena).

“Common Shipment” means any Shipment of Products that may be commingled with other Products of similar quality and specifications in effect at time Product is tendered.

“Contract Shipper” means the party or parties who enter into a take or pay transportation agreement with carrier.

“Day” means a period of time commencing at 7:01 A.M. Central Time on one calendar day, and ending at 7:00 A.M. Central Time on the following calendar day.

“Destination” refers to the point where Product transported through the pipelines enters the flange connecting the pipeline to the applicable delivery facilities.

“Distillate” means ULSD, diesel fuel, and petroleum distillates, subject to Item No. 55 of this tariff.

“Jet Fuel” means fungible Jet-A turbine fuel, subject to Item No. 55 of this tariff.

“Month” means the period of time beginning at 12:00 a.m. (midnight) local Houston, Texas time on the first day of a calendar month and ending 12:00 a.m. (midnight) local Houston, Texas on the last day of the same calendar month.

“Motor Fuel” means finished and subgrade gasoline, subject to Item No. 55 of this tariff.


“Product(s)” means individually and collectively, Petroleum Products and Unfinished Gasoline.

“Segregated Batch” refers to a Batch identifiable as the property of a single Shipper, and moved through the pipeline so as to maintain this singular identity and ownership.

“Shipper(s)” means the party or parties who tender Product to Carrier for transportation under the terms and conditions of this tariff.

“Texas City Origins” refers to facilities at Texas City, Texas.

“Transmix” means product downgrades and/or interfaces.

“ULSD” means ultra-low sulfur diesel subject to Item No. 55 of this tariff.

“Unfinished Gasoline” subject to the approval of Carrier, means natural gasoline, condensate, raffinate, straight-run gasoline, naptha, and similar Products subject to Item No. 55 of this tariff.

“Volume” represents the aggregate quantity of Product transported or caused to be transported for a Shipper pursuant to the terms and conditions of the tariff.
ITEM NO. 10 - APPLICATION OF RATES FROM/TO INTERMEDIATE POINTS

For Product accepted for transportation from any point on Carrier’s pipeline not named in this tariff, which is an intermediate point from which rates are published herein, through such unnamed point, Carrier will apply, from such unnamed point, the rate published herein from the next more distant point specified in this tariff.

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, Carrier will apply to such unnamed point the rate published herein to the next more distant point specified in this tariff.

ITEM NO. 15 - CLAIMS, TIME FOR FILING

As a condition precedent to recovery, claims for loss or damage, delay, or failure to deliver must be made in writing to Carrier within nine months after delivery by Carrier, or in case of a failure to deliver, within nine months after a reasonable time for delivery has elapsed not to exceed 12 months from time of initial receipt of Product by Carrier. Suits against Carrier must be instituted within two years from the date 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 for loss or damage, delay, or failure to deliver are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid, and Carrier will shall not be liable therefor.

ITEM 20 – CREDITWORTHINESS OF SHIPPERS

Carrier is not required to provide service on behalf of any Shipper, or to provide service or to continue service for any Shipper, who is or has become insolvent or who, at Carrier’s request, fails within a commercially reasonable time to demonstrate creditworthiness as determined by Carrier in its sole discretion; provided, however, Shipper may receive service if Shipper furnishes good and sufficient security as determined by Carrier in its sole discretion.

ITEM 25 – DEMURRAGE

Shipper shall remove Product, or cause Product to be removed, from Carrier’s facilities following transportation to a nominated destination. If failure to remove Product threatens or prevents delivery of succeeding shipments into or out of Carrier’s facilities, and/or threatens or causes congestion at Carrier’s terminals, then Carrier may, without liability to Shipper, 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 as if Shipper had authorized the same, 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, if pipeline flow rates are reduced due to Shipper’s inability to take delivery of Product, then Shipper shall pay an hourly demurrage penalty equal to the product of (a) the then-current tariff rate from the affected pipeline segment origin to the furthest destination on such segment, (b) the pipeline hourly flow capacity, and (c) the number of hours that Shipper’s Product remains in the pipeline.
ITEM NO. 30 - LIABILITY OF CARRIER

Carrier is not liable to Shipper for any delay in delivery or for any loss of Products caused by an act of God, public enemy, quarantine, authority of law, strike, riot, fire, flood, or act or default of Shipper or its consignee, or resulting from any other cause, whether similar or dissimilar to the causes herein enumerated; in such cases, except when Products involved in such loss are part of a Common Shipment, any such loss will 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 and/or consignee will be entitled to receive only that portion of its shipment remaining after deducting its proportion as above determine of such loss. Carrier shall prepare and submit a statement to Shipper and consignee showing the apportionment of any such loss. In case the Product involved is part of a Common Shipment, the owner shall stand the loss from Carrier in the same proportion as the amount accepted for transportation and actually in Carrier’s custody bears to the whole of the Common Shipment of all other Shippers participating in the Common Shipment from which loss occurs. The owner of such Product shall be entitled to receive only such portion of its Common Shipment as is left after deducting the due proportion of the loss as determined above.

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 express or implied warranty for Products transported or stored hereunder, including any warranties of merchantability or fitness for a particular purpose.

Without limiting any other rights of Carrier hereunder, for all services provided for and received under this tariff, Shipper will indemnify and defend Carrier from any claims, liabilities, or losses (including costs of defense and reasonable attorney’s fees), including claims for personal injury, death, or property damage involving Carrier, Shipper, Consignee, or third parties based on or arising out of Carrier’s performance of such services where such services are performed in accordance with applicable federal, state, or local statutes, regulations, or ordinances. This indemnification will include, but not be limited to, services such as the provision of emergency response numbers and will include claims of any nature, legal or equitable, whether based on strict liability, negligence, breach of warranty, or any other cause of action.

ITEM 35 – MEASUREMENT, INSPECTION AND DEDUCTIONS

The Volume of Product received at the Origins will be measured by meters and sampled. Shipper, at its sole risk and expense, may have a representative witness all measurement and sampling at the Origins or at the Beaumont Terminal. Carrier shall perform any additional testing or sampling requested by Shipper and Shipper shall reimburse Carrier for all cost and expenses associated with such additional testing or sampling. All measurement and tests performed by Carrier will be determinative unless they are contested with sixty Days of receipt of appropriate documentation by Shipper.

Shipper shall be responsible for Shipper’s Transmix. As soon as operationally feasible, Carrier shall sell Shipper’s Transmix and remit to Shipper the proceeds actually received by Carrier, less all out-of-pocket costs or fees incurred by Carrier in connection with such sale and less a fee of [U] $0.05 per gallon.

To cover Carrier for losses due to shrinkage and evaporation during transportation on Carrier’s facilities, Carrier will retain the following (“Pipeline Loss Allowance”): (1) for shippers other than the Contract Shippers, [U] 0.15% of the volume of Product for all deliveries to Destinations; or (2) for the Contract Shippers, the volume or percentage, if any, specified for Carrier’s loss allowances in the applicable Agreement. The volumes delivered to Shipper from Carrier’s facilities will be net of the applicable Pipeline Loss Allowance. Pipeline Loss Allowance for specialty products will be settled in accordance with Carrier’s then-current applicable policy and procedures.

ITEM 40 – MINIMUM SHIPMENT

The minimum quantity of a Shipment, unless waived by Carrier, which will be accepted at Baytown Origins and Texas City Origins by Carrier will be 50,000 Barrels. The minimum quantity of a Shipment will be accepted at Beaumont Origins and Colonial Origins by Carrier will be 75,000 Barrels. Provided, however, Common Shipments will be accepted by Carrier in tender of not less than 10,000 Barrels when the total of the tenders of a Common Shipment at one particular time will make a Batch of 50,000 Barrels at Baytown Origins and Texas City Origins and 75,000 Barrels at Beaumont Origins and Colonial Origins or more of like characteristics at the respective Origins.
ITEM 45 – PAYMENT OF TRANSPORTATION AND OTHER CHARGES

The Transportation Charges and all other charges accruing on Products accepted for transportation under this tariff shall be based on the applicable rates contained in this tariff.

Shipper or Consignee shall pay all transportation and other lawful charges accruing on Product delivered to and accepted by Carrier for shipment and, if required, shall pay the same before delivery at destination. Carrier shall invoice Shipper for Transportation Charges on a monthly basis. Shipper shall pay all charges within 10 days from the receipt of invoice from Carrier. For any charges that remain unpaid for more than 30 days from the receipt of Carrier’s invoice, Shipper shall pay an interest charge equal to the lesser of (i) 18% per annum, or (ii) the maximum non-usurious interest rate that may then be charged under Texas law.

Carrier will have a lien on all Product in its possession belonging to Shipper or Consignee to secure the payment of any and all unpaid transportation, or any lawful charges that are due Carrier, that are unpaid by Shipper or Consignee, and may withhold such Product from delivery until all unpaid charges have been paid. If said charges remain unpaid 10 days after final notice and demand therefor, then Carrier will have the right, through an agent, to sell such Product at public auction, on any day not a legal holiday, in not less than 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 the quantity and location of Product to be sold. At said sale, Carrier will have the right to bid, and if the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will pay itself the transportation and all other lawful charges, including expenses incident to said sale, and the balance remaining, if any, will be held for whomsoever may be lawfully entitled thereto.

Carrier may require that all payments to Carrier for services pertaining to the transportation of Products be wire transferred in accordance with the instructions on Carrier’s invoice to Shipper. If Carrier determines that the financial condition of a Shipper or Shipper’s guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines it is necessary to obtain security from a Shipper, then Carrier, upon notice to Shipper, may require any of the following prior to Carrier’s delivery of Shipper’s Products in Carrier’s possession or prior to Carrier’s acceptance of Shipper’s Products: (1) prepayment of all charges by wire transfer, which will be held by Carrier without interest accruing thereon until credited to Shipper, (2) a letter of credit at Shipper’s expense in favor of Carrier in an amount sufficient to ensure payment of all such charges and, in a form, and from an institution acceptable to Carrier, or (3) a guaranty in an amount sufficient to ensure payment of all such charges, and in a form, and from a third party acceptable to Carrier. If Shipper fails to comply with any such requirement on or before the date supplied in Carrier’s notice to Shipper, then Carrier will not be obligated to provide Shipper access to Carrier’s facilities or provide services pursuant to this tariff until such requirement is fully met.

ITEM 50 – PLACE OF RECEIPT AND DELIVERY

Carrier will receive Product at the Origins and Product will be delivered at the Destinations in accordance with Carrier’s pumping schedules and at rates required by Carrier. Carrier may, at its sole discretion, receive Product from Shipper(s) at Beaumont, Hebert (Beaumont – Port Arthur)  and Houston (Pasadena)  , and North Port Arthur to be transported to Baytown for delivery at the Destination. Carrier will advise Shipper of the estimated transfer time of any proposed transport of Product from Beaumont, Hebert (Beaumont – Port Arthur)  and Houston (Pasadena)  , and North Port Arthur to Baytown and the movement of Product from Baytown to Destination for Shipper. ONLY PRODUCT PRODUCED OR REFINED IN THE STATE OF TEXAS WILL BE ACCEPTED FOR MOVEMENT HEREUNDER.

ITEM 55 – PRODUCT ACCEPTABLE

Product tendered by Shipper pursuant to this tariff shall be out of common stock in Carrier’s pipeline system and shall meet Carrier’s published product specifications as set forth in Carrier’s publication, “Enterprise TE Fungible Specifications,” which shall be modified or substituted from time to time and at any time to reflect Carrier’s current published specifications for Product. Receipt of notice by Shipper from Carrier of any modifications or changes in Carrier’s published Product specifications shall constitute an amendment to “Enterprise TE Fungible Specifications” and deemed a part hereof for all purposes.
ITEM 60 – PRODUCT QUALITY

Carrier reserves the right to refuse to accept any Product for transportation that does not meet Carrier’s then-current Product specifications or that is not good merchantable Product readily acceptable for transportation through Carrier existing facilities.

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

Unless otherwise previously agreed to in writing by Shipper and Carrier, Shipper will be solely responsible for and accept, without cost to Carrier, all interface material generated by transportation of Product that does not meet Carrier’s then-current Product specifications and that has been accepted by Carrier for Shipment through the pipeline facilities.

ITEM 65 – PRODUCT INVOLVED IN LITIGATION OR ENCUMBERED

Carrier may reject any Product, when offered for transportation, that may be involved in litigation, or the title of which may be in dispute, or which may be encumbered by lien or charge of any kind, and Carrier may require of Shipper satisfactory evidence of perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any and all losses.

ITEM 70 – PRORATION OF PIPELINE CAPACITY

When more Product has been tendered to Carrier for transportation than can be transported through Carrier’s facilities, priority of movements will be:

- First Priority: Interstate movements under Enterprise TE’s then effective FERC rules and regulations tariff.
- Second Priority: Take or pay movements, also referred to as throughput and deficiency, by Shipper under its Agreement with Carrier, if any.
- Third Priority: All other movements by Shippers allocated on an equitable basis.

ITEM 75– SEPARATE PIPELINE AGREEMENTS

Separate agreements, if applicable, in association with pipeline connections or other facilities ancillary to Carrier’s pipeline system and in accordance with this tariff will be required of any Shipper or Consignee before any obligation to provide transportation will arise.

ITEM 80– TAX REGISTRATION

Shipper shall provide Carrier, if applicable, with proof of registration with or tax exemption from, the appropriate federal and/or state tax authorities, which are in any way related to the collection and payment of excise taxes, sales taxes, BTU taxes, value added taxes, fees, levies, or any similar or dissimilar assessments or charges for the receipt, handling, use, storage, or transportation of Product.

ITEM 85 – TENDERS

Carrier will not be obligated to accept tenders for transportation of Product during any Month unless the Shipper, on or before the fifth day of the preceding Month, notify Carrier in the Transport 4 ® website (www.transport4.com) or any other form of communication reasonably requested by Shipper which can be accommodated by Carrier, of the quantity of such Product it desires to deliver at the Origin.

Notwithstanding the preceding paragraph, if requested by Carrier, Shipper shall furnish Carrier with a schedule of the expected deliveries of Product at the Origin and withdrawals at the Destination, setting forth Shipper’s best estimate of daily rate of deliveries and withdrawals, and dates on which such deliveries and withdrawals will commence. Acceptance of such schedule shall not constitute an obligation on the part of Carrier to meet such schedule.
ITEM 90 – TITLE OF PRODUCT

Shipper will retain title to its Product while the same is in Carrier’s custody. Carrier will be deemed to be in control and possession of the Product from the time the Product is delivered to Carrier until the Product is delivered to Shipper or consignee at the flange designated for change of custody for such deliveries. Carrier will have, and Shipper grants to Carrier, a security interest in the Product to secure payment of all charges resulting from the movement of Product under this tariff.

EXPLANATION OF ABBREVIATIONS

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<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>Bbl.</td>
<td>Barrel</td>
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<tr>
<td>BTU</td>
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<td>Co.</td>
<td>County</td>
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EXPLANATION OF REFERENCE MARKS

① Denotes CPL origin.

[U] Unchanged Rate