

COPANO NGL SERVICES LLC

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**RAILROAD COMMISSION OF TEXAS TARIFF**

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CONTAINING  
RULES AND REGULATIONS  
GOVERNING  
TRANSPORTATION  
of  
**NATURAL GAS LIQUIDS**  
by  
COPANO NGL SERVICES LLC  
on  
**THE SWEENEY LATERAL PIPELINE**  
**P-5 176394 and T4 - 09275**

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GENERAL APPLICATION

Rules and Regulations published herein apply only under tariffs which make specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

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**EFFECTIVE: October 1, 2024**

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Capano NGL Services LLC will accept Product (as defined herein) for transportation by pipeline from the Receipt Points to the Delivery Points identified by the Tariff Sheets, subject to the following rules and regulations:

## **RULES AND REGULATIONS**

### **1. DEFINITIONS**

“Barrel”	Forty-two (42) United States gallons at sixty degrees Fahrenheit (60°F).
“Company”	Capano NGL Services LLC.
“Company Indemnified Parties”	As defined in Section 4 of this tariff.
“Committed Shipper”	A Shipper that has executed a TSA with Company for Firm Service on the System, including Commitment Period One Shippers.
“Commitment Period One Shipper”	A Shipper that executes a TSA with Company prior to December 31, 2015 and commits therein to ship or pay for a specified Volume of Product on the System each Day for a specified Period.
“Component”	The hydrocarbon components of Product, including ethane with allowable methane content, propane, isobutane, normal butane, and natural gasoline (pentanes and heavier hydrocarbons).
“Daily Firm Capacity”	The daily volume of Barrels of Product that a Committed Shipper has agreed to transport on the System during the term of such Committed Shipper’s TSA.
“Day”	A continuous period commencing at 9:00 a.m. local time Houston, Texas on one calendar day and ending at 9:00 a.m. local time Houston, Texas on the following calendar day.
“Deficiency Payment”	The payment due by a Committed Shipper to Company, in accordance with the Committed Shipper’s TSA, for such Committed Shipper’s Monthly Deficient Barrels.
“Delivery Point”	Each of the destination points on the System, as such points are identified in the Tariff Sheets from time to time.
“Firm Service”	Transportation Services that are not subject to prorationing during normal System operations, except in instances of Force Majeure or other operational disruptions. Firm Service shall be available to Committed Shippers that execute a TSA with Company.

"Firm Volume Commitment"	The product of (i) the Committed Shipper's Daily Firm Capacity and (ii) the number of days in the applicable month.
"Force Majeure"	Any event or occurrence beyond the reasonable control of a party that prevents in whole or in part the performance by such party of any obligation or condition under this tariff, including but not limited to strikes, lockouts, or other industrial disturbances, wars, sabotage, terrorism, blockades, insurrections, or acts of the public enemy; epidemics, landslides, lightning, earthquakes, tornadoes, loss of utilities, fires, explosions, storms, floods, washouts, or other acts of God; change in applicable law that adversely affects a party's ability to perform its obligations under this tariff other than a change in the nature of an order, judgment, or decree entered against a party in an action or proceeding brought against such party; arrests or restraints of governments and people; riots or civil disturbances; failures, disruptions, breakdowns, or accidents to machinery, facilities, or lines of pipe (whether owned, leased or rented); the testing of, or the making of repairs, or the performing of maintenance, alterations, enlargements, turnarounds, or connections to machinery, facilities, or lines of pipe (whether owned, leased or rented); the necessity to not operate, or to reduce the operation of, equipment to protect the safety of the public and/or environment; freezing of lines; embargoes, expropriation, or condemnation by government or governmental authorities; or interference by civil or military authorities. A third person's event of Force Majeure preventing the performance of Shipper or Company hereunder will be deemed an event of Force Majeure for such party for all purposes herein.
"Line Fill"	As defined in Section 16(a) of this tariff.
"Losses"	As defined in Section 4 of this tariff.
"Monthly Deficient Barrels"	The number of Barrels by which (i) a Committed Shippers Monthly Throughput fails to meet (ii) such Committed Shipper's Firm Volume Commitment.
"Monthly Throughput"	The actual number of Barrels of Product received by Company from Shipper at a Receipt Point and transported to a Delivery Point in a month.
"Off-Spec Penalty"	As defined in Section 2(f) of this tariff.
"OPIS Price"	For Components other than ethane, 100% of the Non-TET monthly average of the daily average of the high and low prices for such Component for such month (expressed in cents per gallon) less 10.0 cents per gallon, and for the ethane Component, 100% of the monthly average of the daily average of the high and low prices for purity ethane for such month

(expressed in cents per gallon) less 10.0 cents per gallon, each as quoted by the Oil Price Information Service in the OPIS-LP-Gas Report for "Any Current Month" under "Mont Belvieu Spot Gas Liquids Prices." If such prices cease to be published, the parties will agree in writing on an alternative published index of prices to use in the application of this definition.

"Product"	A mixture of liquid hydrocarbons and non-hydrocarbon components that are condensed, absorbed, and/or absorbed from or separated out of natural gas, including ethane with allowable methane content, propane, isobutane, normal butane, and natural gasoline (pentanes and heavier hydrocarbons), as further described in Section 2 of this tariff.
"Proration Month"	The month for which capacity is to be allocation under Section 7 of this tariff.
"Rates"	Beginning on the first July 1st following the East Sheridan Pipeline In-Service Date of this Agreement, and on each July 1st thereafter, Capano shall escalate the Rates then in effect to reflect the inflationary index most recently promulgated by the Federal Energy Regulatory Commission ("FERC") in accordance with FERC's indexing methodology as specified in Section 342.3 of the FERC regulations; provided that if the index adjustment promulgated by FERC is negative for a year, Capano shall not be required to reduce the Rates. In the event that FERC terminates its indexing methodology and does not adopt a new methodology, Capano shall submit an alternative index to be utilized.
"Receipt Point"	Each of the inception/origin points on the System, as such points are identified in the Tariff Sheets from time to time.
"Shipper"	A party that contracts with Company for transportation of Product in accordance with this tariff and any other applicable tariffs of Company.
"System"	Company's pipeline system, including all appurtenances thereto related to the provision of Transportation Services owned by Company.
"Tariff Sheet"	The tariffs field with the Railroad Commission of Texas and in effect from time to time making specific reference to this tariff and which identify the Receipt Points, Delivery Points, and the rates for each shipment on Company's System subject to this tariff.
"Transportation Services"	The receipt, transportation, and redelivery of Product pursuant to this tariff.

“TSA”	A transportation services agreement for the transportation of Product on Company’s System entered into between a Committed Shipper and Company.
“Uncommitted Shipper”	A Shipper that is not a Committed Shipper.

## 2. PRODUCT SPECIFICATION

- a. Product tendered to Company for transportation on the System shall meet the quality specifications set forth in Attachment A hereto, as such specifications may be revised from time to time. The Company retains the right to inspect and reject any Product that does not conform to such specifications.
- b. Shipper shall not tender Product for transportation on Company’s System unless the Product will be readily susceptible to transportation through the System, such Product will not adversely damage the System, and such Product otherwise conforms to the quality specifications set forth in Attachment A. Shipper may be required to furnish Company with a certificate setting forth in detail specifications of each shipment offered for transportation hereunder, and Shipper shall be liable for any contamination or damage to other Product in Company’s custody or to Company’s pipeline or other facilities caused by failure of the shipment tendered to meet the specifications stated in Shipper’s certificate.
- c. Shipper shall perform applicable tests to ensure that the Product it tenders to Company for delivery on the System conforms to the quality specifications in Attachment A. Should spot samples, analyses, or any other test (including tests performed by Company) indicate that the Product tendered or to be tendered does not meet such quality specifications, Shipper agrees to stop delivery of such off-specification Product to Company until such time as it is determined by additional testing that the Product meets the definition of Product issued by Company.
- d. Company reserves the right to reject all tenders of Product, or any part thereof, and refuse transportation for such tender if Company determines that Shipper has delivered Product that (i) does not conform to the quality specifications, (ii) is not merchantable, (iii) is not readily acceptable for transportation through Company’s System, (iv) would otherwise adversely affect the System or other Products on the System, and/or (v) would, in Company’s sole judgment, expose Company’s employees and/or its representatives or the System to an undue risk of harm or property damage.
- e. In the event Shipper delivers Product to the System that does not meet, individually or collectively, the quality specifications of Attachment A: (i) Company may accept such Shipper’s delivery if Company determines that the quality of the Product when commingled as a common stream will nonetheless meet the quality specifications; and (ii) reject such Product, in which event Company may exclude such Shipper from further entry into Company’s System until such time as the Shipper returns the quality of its Product to a level satisfactory to Company in accordance with this tariff.

- f. Company is not responsible for monitoring receipts or deliveries for contaminants. Further, Company reserves the right to dispose of any contaminated Product on Company's System. Disposal thereof may be made in any reasonable manner including, but not limited to, commercial sales. Any liability associated with the contamination or disposal of any contaminated Products shall be borne by Shipper introducing the contaminated Product into Company's System. Shipper's liability includes, but is not limited to, claims from other Shippers, carriers, or users of the contaminated Products and the costs of any regulatory or judicial proceeding.
- g. If Product received by Company does not meet the quality specifications of Attachment A, Company reserves the right to charge the Shipper (i) the actual costs and expenses incurred by Company to treat, handle, or otherwise dispose of all such contaminated Product, and (ii) a one-hundred (100) cents per Barrel charge for the volume of contaminated Product received by Company from Shipper ("Off-Spec Penalty"), which penalty shall apply to all Barrels received by Company at the non-conforming Receipt Point during the applicable measurement period. The Off-Spec Penalty is a penalty intended to discourage deliveries of Product to Company's System that violate Company's quality specifications.
- h. Shipper shall be liable for any contamination or damage to other Product in Company's custody and/or to Company's System and/or other facilities caused by failure of the Product tendered to meet the applicable quality specifications set forth in Attachment A hereto.

### 3. FACILITIES AT RECEIPT POINTS AND DELIVERY POINTS

Company will provide such facilities at the Receipt Points and the Delivery Points as it deems necessary for the operation of the System. Company will not provide additional tankage or storage facilities or receiving, loading, or unloading facilities at any Receipt Point or Delivery Point. Shipments will be accepted for transportation hereunder only:

- a. When Shipper has provided facilities satisfactory to Company that are capable of delivering shipments at the Receipt Points at pressures and at pumping rates required by Company, not to exceed the maximum allowable operating pressure of the Company's facilities, as established by Company from time to time; and
- b. When Shipper is capable of receiving shipments at the Delivery Points of the System at pressures and at pumping rates required by Company.

Separate pipage contracts in accordance with this tariff and these Rules and Regulations covering further details may be required of the Shipper before any duty of transportation shall arise.

### 4. TITLE, CLAIMS AGAINST PRODUCT, RISK OF LOSS, AND CUSTODY

- a. Title to all Product (including pipeline working inventory provided by Shipper) delivered by Shipper will remain with Shipper. Shipper represents and warrants to Company that Shipper has good and merchantable title to all Product delivered into the System by Shipper, free and clear of all liens (other than a lien established under Section 12 of this tariff) and charges, claims and encumbrances, and Shipper agrees to protect, defend, indemnify, and hold harmless Company and its affiliates, and their respective employees officers, directors, partners, members,

managers, agents, and representatives (the “Company Indemnified Persons”) from and against any and all liabilities, suits, actions, debts, accounts, damages, costs (including reasonable attorneys’ fees), losses and expenses (collectively, “Losses”) arising from or out of any adverse claims of any and all persons made against Company regarding title to or ownership of such Product. Furthermore, as between Shipper and Company, Shipper has the exclusive obligation and liability for and agrees to pay or cause to be paid to the persons entitled thereto all working interest, royalties, overriding royalties, payments out of production, and other like interests and charges applicable to such Product, and Shipper shall protect, defend, indemnify and hold harmless the Company Indemnified Persons against all Losses arising from or out of such payments, including, without limitation, Losses arising from claims for the nonpayment, mispayment, or wrongful calculation of those payments.

- b. Shipper shall notify Company when any Product tendered for transportation is involved in litigation or is the subject of disputed ownership or is encumbered by lien or charge of any kind. Company shall have the right to reject any shipment, when offered for transportation, which 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 (other than a lien established under Section 12 of this tariff), and Company may require of Shipper satisfactory evidence of perfect and unencumbered title or satisfactory indemnity bond to protect Company against any and all loss.

#### 5. SERVICES PERFORMED

The rates published in this tariff cover only the transportation of Product by Company and include no other services.

#### 6. NOMINATIONS, SCHEDULING, AND INTERRUPTION

Before the 10<sup>th</sup> Day of the month preceding the month during which transportation will occur, Shipper shall submit a nomination schedule to Company, specifying for each Day in a month the quantity to be delivered and the forecasted composition (by Component) of Shipper’s Product to be delivered at the Receipt Point. Shipper may revise its nomination for a month by submitting a revised nomination schedule not later than the 3rd business day prior to such month.

#### 7. OFFERS IN EXCESS OF FACILITIES

In the event Company receives more nominations for Transportation Services on the System in a month than it has available capacity, Company shall allocate capacity as follows.

- a. *Allocation to Committed Shippers*
  - i. Except as provided in Sections 7(a)(i) and 7(b), Company shall allocate each Committed Shipper an amount of capacity equal to the lesser of the Committed Shipper’s nomination for the Proration Month or its Firm Volume Commitment. If a Committed Shipper nominates volumes in excess of its Firm Volume Commitment, then such excess incremental volumes shall be subject to prorationing under Section 7(c) below. For the avoidance of doubt, not more than 95 percent of the available capacity on the System

shall be allocated to Committed Shippers for Firm Service pursuant to this Section 7(a)(i).

- ii. If an event of Force Majeure or other operational issue causes the capacity on the System to be reduced for the Proration Month, the allocation of capacity on the System to each Committed Shipper shall be reduced by the same percentage as the reduction in the capacity on the System that is caused by the Force Majeure event or operational issue.

b. *Allocation to Uncommitted Shippers*

- i. Following the allocation of capacity set forth in Section 7(a) above, Company shall next allocate up to five percent (5%) of the available capacity on Company's System among all Uncommitted Shippers in the following manner:

- 1. Each Uncommitted Shipper shall be allocated an amount of capacity on the System in the Proration Month that is equal to: (a) its nomination, if the total volume nominated by all Uncommitted Shippers is less than or equal to five percent (5%) of the available capacity on Company's System, or (b) its pro rata share, in accordance with its nomination, of five percent (5%) of the available capacity on Company's System, if the total volume nominated by all Uncommitted Shippers is greater than five percent (5%) of such available capacity on the System.

- c. *Remaining capacity.* Any remaining capacity on the System not allocated through the application of Sections 7(a) or 7(b) shall be allocated first, pro rata, among all Committed Shippers have remaining unmet nominations according to the level of each Committed Shipper's Firm Volume Commitment. If allocation to any Shipper pursuant to this Item 7(c) exceeds such Shipper's remaining nomination or there remains unallocated capacity on the System following this additional allocation to Committed Shippers, then the excess volume will be allocated among all other Shippers having unmet nominations until the remaining capacity on the System is fully allocated or all of the remaining nominations have been fulfilled.
- d. *Reallocation of Unused Allocated System Capacity.* If a Shipper does not use the portion of the capacity on the System allocated to it under this Section 7 at the times and in the amounts designated by Company, Company shall have the right to use Shipper's unused portion of capacity to fulfill the unmet nominations of other Shippers.
- e. *Transfer of Allocated System Capacity.* Shipper's allocation of capacity on the System may be transferred as an incident of the bona fide sale of Shipper's business or to a successor to the Shipper's business by the operation of law, such as an executor or trustee in bankruptcy.

8. BALANCING

- a. Allocation of Deliveries. Quantities of Product redelivered at a given Delivery Point during a month will be allocated to all Shippers who were scheduled to make



redeliveries at that Delivery Point during that month in proportion to each such Shipper's aggregate scheduled redeliveries at that Delivery Point during that month.

- b. Component Balancing. At the end of each month, Company shall determine (i) the total gallons of each Component delivered by such Shipper at the Receipt Point during such month, (ii) the total gallons of each Component redelivered to such Shipper at the Delivery Point during such month, and (iii) a "Receipt Point Amount", "Delivery Point Amount", and a "True-Up Amount" for such Shipper for such month.

The Receipt Point Amount shall be calculated by multiplying the total gallons of each Component delivered by the Shipper at the Receipt Point during the month by the OPIS Price for such Component, and then adding together the results for all of such Components.

The Delivery Point Amount shall be calculated by multiplying the total gallons of each Component delivered to or for the account of the Shipper at the Delivery Point during the month by the OPIS Price for such Component, and then adding together the results for all of such Components.

The True-Up Amount shall be calculated by subtracting the Delivery Point Amount from the Receipt Point Amount. If the True-Up Amount is a positive number, then Company shall include such amount as a credit on that Shipper's invoice for such month, and if the True-Up Amount is a negative number, then Company shall include such amount as an additional charge on that Shipper's invoice for such month.

For clarity, it is the intent of the parties that each Shipper's share of operational losses of Components on the NGL Pipeline shall be reflected in the difference between such shipper's Receipt Point Amount and its Delivery Point Amount.

## 9. MEASURING, TESTING AND DEDUCTIONS

The following measurement and testing terms shall apply to the extent not inconsistent with the terms of the applicable interconnection agreement.

- a. All shipments tendered to Company for transportation shall be tested and gauged by a representative of Company or metered prior to, or at the time of receipt from the Shipper or as otherwise provided in the applicable interconnect agreement.

On all deliveries, quantities shall be determined in accordance with the then current American Petroleum Institute ("API") Manual of Petroleum Measurement Standards or as otherwise provided in the applicable interconnect agreement.

- b. All quantities shall be corrected to standard conditions of 60° Fahrenheit and equilibrium vapor pressure in accordance with the API Manual of Petroleum Measurement Standards, Chapter 14, Section B. All Product shall be measured according to the current versions of the applicable standards of API and the American Society for Testing Materials ("ASTM"), if available or as otherwise provided in the applicable interconnect agreement.

- c. Inspection of quality shall be conducted in accordance with the applicable interconnect agreement.
- d. Product accepted for transportation under this tariff shall be delivered by Shipper to the Receipt Point.
- e. If, for any reason, the custody transfer meters are out of service so that the quantity of Product delivered through such meters cannot be ascertained, then except as otherwise provided in the applicable interconnect agreement the quantity of Product delivered during the period the meters are out of service will be estimated by Company based upon the best available data, using in order of preference the following methods:
  - i. By using the registration of any check measuring equipment of Company.
  - ii. By using any measurement equipment which Company may have in the flowing stream.
  - iii. By an independent third party chosen by Company and generally recognized in the industry as competent to perform such estimate.
- f. Company shall have the right to go upon the premises where Shipper's Product is metered and tested for quality assurance before delivery to Company's System. Company shall have access to any and all such metering and testing equipment for the purpose of making any examination, inspection, or test.

#### 10. IDENTITY OF PRODUCT

Product will be accepted for transportation only on condition that such Product will be subject to changes in quality and composition while in transit, and Company will not be obligated to make delivery of the identical Product received for transportation. Company may, therefore, make delivery of Product out of common stocks of similar Product on hand at a Delivery Point. Company shall not be required to transport Product except with reasonable diligence, considering the quality of the Product, the distance of transportation and other material elements. Company cannot commit to delivering Product at a particular time.

#### 11. LIABILITY OF COMPANY

- a. Control and risk of loss of Product will pass to Company at the Receipt Point and will revert to Shipper at the Delivery Point. Shipper will be solely responsible for all fees or taxes assessed by all governmental authorities on all Product owned by Shipper; notwithstanding the above, Company shall not be liable for any loss of Product while in Company's control from any cause except Company's negligence or willful misconduct. Company will be solely responsible for all fees or taxes assessed by all governmental authorities on all Line Fill owned by Company. All losses from any cause other than Company's negligence or willful misconduct shall be borne by Shipper proportionately to each shipment in the ratio that such shipment, or portion thereof, received and undelivered at the time the loss or damage occurs, bears to the total of all shipments, or portions thereof, then in the custody of Company for shipment via the Company's facilities in which the loss or damage occurs; a Shipper shall be entitled to receive only that portion of its

shipment remaining after deducting its proportion of such loss or damage, determined as aforesaid.

- b. Company operates under this tariff solely as a common carrier provider of transportation services and not as an owner, manufacturer, or seller of Product transported hereunder, and Company expressly disclaims any liability for any expressed or implied warranty for Product transported hereunder including any warranties of merchantability or fitness for intended use. Company will not be liable for discoloration, contamination, or deterioration of the Product transported hereunder unless such discoloration, contamination, or deterioration of Product transported results from the negligence of Company.
- c. Shipper shall indemnify and defend Company Indemnified Persons 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 Company, Shipper, Shipper's consignees, or third parties based on, related to, or arising out of and/or caused by failure of the Product tendered to meet the applicable quality specifications set forth in Attachment A hereto. This indemnification shall include claims of any nature, legal, or equitable, whether based on strict liability, negligence, breach of warranty, or any other causes of action. The indemnity provided in this tariff is intended to be applicable to the full extent allowed by law and is limited only in accordance with statutory or common law.

## 12. PAYMENT OF TRANSPORT

- a. The charges for transportation of Product accepted for shipment shall be based on the applicable rate set forth in the Tariff Sheets.
- b. Company will invoice Shipper not later than the 10<sup>th</sup> Day of the month following the transportation month for any transportation fees, including any Deficiency Payments, if applicable, that Shipper owes to Company for the month. Each invoice will be accompanied by a volumetric statement of activity setting out (i) the total quantity of Product, by Component, received from Shipper at the Receipt Point during the invoiced month, (ii) the total quantity of Product, by Component, redelivered to Shipper at the Delivery Point during the invoiced month, (iii) the differentiation of Firm Service and non-Firm Service, if any, (iv) the calculation of the "True-Up Amount pursuant to Section 8 of this tariff, and (v) any information relating to a correction of previously invoiced amounts. Company may also require that Shipper prepay for its transportation charges at the time Shipper tenders Product to the Company.
- c. Shipper shall pay all such invoices in full, without offset, abatement, or reduction for any reason, within 5 Days of the date of the invoice. If Shipper in good faith disputes any portion of an invoice, Shipper will (i) explain the basis for the dispute in writing to Company within 15 Days of the date of the invoice and (ii) without prejudice to Company's claim for payment of the invoiced amount, pay the undisputed amount on or before the due date stated on the invoice with the disputed amount payable upon resolution.

- d. Any amount due to Company under this tariff or the applicable Tariff Sheets will earn interest accruing daily from the deadline for payment thereof until paid at the greater of (i) an annual rate equal to the Prime Rate from time to time plus two percentage points, or (ii) the maximum rate allowed by applicable law.
- e. Company shall have a lien on Shipper's Product until Shipper has paid all applicable charges owed to Company under this Tariff and under any TSA with the Company to which Shipper is a party. If the charges shall remain unpaid for more than 10 Days after Shipper receives written notice from the Company of Shipper's failure to pay, the Company shall have the right to take and sell Shipper's Product to satisfy amounts due and owing. The Company may sell the Product at public auction at the general office of the Company on any day not a legal holiday. The date for the sale shall be not less than 48 hours after publication of notice in a daily newspaper of general circulation published in the city where the general office of the Company is located. The notice shall give the time and place of the sale and the quantity of the Product to be sold. At said sale, Company shall have the right to bid, and if the highest bidder, to become the purchaser. From the proceeds of such sale, Company will pay itself the transportation and all other lawful charges, including expenses incident to said sale, and the balance remaining, if any, shall be held for whomsoever may be lawfully entitled thereto. The remedies set forth in this tariff are in addition to, and not in limitation of, any statutory or common law remedy available to Company pursuant to the laws of the State of Texas.

13. RATES APPLICABLE AND DEFICIENCY PAYMENTS

- a. Product accepted for transportation shall be subject to the rates and charges in effect on the date of delivery by Company that are applicable to Shipper's shipments, irrespective of the date of the nomination, or the date of receipt from Shipper.
- b. The terms of a TSA shall govern the rights of a Committed Shipper and Company with respect to the payment or nonpayment of Deficiency Payments and/or other charges as set forth in a TSA, and the invoicing and payment thereof. In the event that Company refuses to accept Barrels of Product tendered by a Committed Shipper for transportation under this tariff, the applicable Tariff Sheets, or a TSA because such Shipper has been (i) in violation of this tariff or the applicable Tariff Sheets, or (ii) in breach of a TSA at the time the Barrels are tendered to Company, then no such reduction shall be made to a Deficiency Payment if, as a result of such refusal, such Committed Shipper fails to ship its Firm Volume Commitment for such month.

14. CLAIMS, TIME FOR FILING

As a condition precedent to recovery by Shipper for damage, loss or delay in receipt or delivery of Shipper's Product for which Company may be responsible, Shipper's claim must be filed in writing with Company within nine (9) months after delivery of the affected Product, or in the case of Company's failure to make delivery of Shipper's Product, then within nine (9) months after a reasonable time for delivery has elapsed. Suit shall be instituted against Company only within two (2) years and one (1) day from the day that notice is given in writing by Company to the claimant that Company 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 Company will not be liable.

15. DISPOSITION OF SHIPMENTS

In the event that Shipper does not have adequate facilities available to receive or is not capable of receiving any shipment at Delivery Point in accordance with Company's schedules, Company may make whatever disposition of such undelivered shipment is necessary in order to free its pipeline. If Shipper fails to remove its Product from Company's System upon its delivery to a nominated Delivery Point, Company shall have the right to curtail the amount of Product it will accept from Shipper until such unremoved Product is removed. Company also reserves the right to clear Company's System, if the Company deems it reasonably necessary in its sole discretion, and to make whatever arrangements for disposition of the unremoved Product that are appropriate, which includes selling the unremoved Product to the first available purchaser at a reasonable price, which reasonableness shall be in Company's sole discretion. Any expenses incurred by Company in making such arrangements shall be borne by Shipper. Shipper shall indemnify Company Indemnified Persons for all losses associated with unremoved Product and Company's disposition of the unremoved Product. Company shall have no liability to Shipper associated with Shipper's unremoved Product or Company's disposition of the unremoved Product.

16. LINE FILL

Company shall supply and own all pipeline fill inventory necessary for efficient operation of Company's System ("Line Fill"). Shipper shall have no interest in or right to inject or withdraw the line Fill.

## ATTACHMENT A

### Product Specifications

COMPONENT SPECIFICATIONS	TEST METHODS	
Composition:	GPA2186	
Carbon Dioxide		0.35 Liq. Vol% max. <sup>1</sup>
Methane		1.5 Liq. Vol%, max. <sup>2</sup>
Olefins		1.0 Liq. Vol%, max. <sup>3</sup>
Aromatics		1.0 wt.% max. <sup>4</sup>
Oxygenates	UOP-845	10 ppm wt. max. <sup>5</sup>
Fluorides	UOP-619	1.0 ppm wt. max. <sup>6</sup>
Vapor Pressure at 100°F	ASTM D-1267	600 psig max
Corrosion, Copper Strip	ASTM D-1838	No.1
Volatile Sulfur	ASTM D-4045	150 ppm wt. max. <sup>7</sup>
Hydrogen Sulfide	ASTM D-2420	Pass
Carbonyl Sulfide	ASTM D-5623	15 ppm wt. max. <sup>8</sup>
Distillation:		
End Point	ASTM D-86	375 °F max.
Water Content	VISUAL	No Free Water
Color, Saybolt Number	ASTM D-156	Plus 25 min.

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<sup>1</sup> Of the ethane content.

<sup>2</sup> Of the ethane content.

<sup>3</sup> Propylene limited to 5.0 L.V.% max. of contained propane  
Butylene limited to 0.35 L.V.% max. of contained butanes  
Butadiene limited to 0.01 L.V.% max. of contained butanes

<sup>4</sup> Or 10% max. in contained gasoline

<sup>5</sup> Of the normal butane content

<sup>6</sup> Specification applies to all halides although test method is specific to fluorides. The test method variance will allow acceptance of levels up to 1.4 ppm wt.

<sup>7</sup> ASTM D-3246 paragraph 4.2.

<sup>8</sup> In contained propane.

NOTES ON TEST METHODS: Method number listed above, beginning with the letter “D,” are American Society for Testing and Materials (ASTM), Standard Test Procedures. The most recent Calendar Year revision for the procedures will be used.

The rates published in this tariff are for the transportation of Product by Company.

**RATES TABLE**  
(All rates are listed in U.S. Cents Per Gallon)

FROM	TO	Committed Rate for Commitment Period One Shippers <u>Note 1</u>	Uncommitted Rate
Interconnection with Capano NGL Services (Markham) LLC’s Pipeline at Markham (Matagorda County), Texas	Phillips 66 Fractionator Sweeny (Brazoria County), Texas	\$0.013644	\$0.040934

Notes:

- (1) The Committed Rate shall apply to any volumes shipped by a Commitment Period One Shipper, including the Commitment Period One Shipper’s Firm Volume Commitment and any volumes in excess of its Firm Volume Commitment. A “Commitment Period One Shipper” is any Shipper that executes a transportation services agreement with Company prior to December 31, 2015 and commits therein to ship or pay for a specified volume of Product on the System each Day for a specified period.