

# **COLLINS PIPELINE COMPANY**

## **LOCAL TARIFF**

### **APPLYING ON**

### **PETROLEUM PRODUCTS**

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Rates for the Transportation of Petroleum Products by Pipeline in Cents per Barrel of 42 United States Gallons.

<b>Item No.</b>	<b>From</b>	<b>To</b>	<b>Rate</b>	<b>Route</b>
1	Meraux, Louisiana	Collins, Mississippi	23.6 [D]	1

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The rate named in this tariff is for the interstate transportation of petroleum products, subject to the rules and regulations published herein.

#### **ROUTING INSTRUCTIONS**

1. Rate named herein applies via the Collins Pipeline Company.

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Issued on twenty-two days notice under authority of 18 CFR § 341.14. This tariff publication is conditionally accepted subject to refund pending 30 day review period.

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**ISSUED: December 9, 2008**

**EFFECTIVE: January 1, 2009**

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

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**GENERAL APPLICATION**

Petroleum products will be transported through carrier's facilities only as provided in these rules and regulations.

## Rules and Regulations

Item No.	Subject	Regulations and Conditions
10	Definitions	
	A.P.I. Gravity	Gravity determined in accordance with A.S.T.M. Designation D-287-67 or latest revision thereof.
	A.S.T.M. Color	Color determined by the latest revised appropriate A.S.T.M. standard method of product test.
	Barrel	Forty-Two (42) United States gallons at 60° F.
	Batch	A quantity of Petroleum Products of like characteristics moved through the pipeline as an identifiable unit.
	Batch, Fungible	A batch of Petroleum Products meeting Carrier's specifications which may be commingled with other batches of Petroleum Products meeting the same specifications.
	Batch, Joint	Two or more batches of Petroleum Products not classified as fungible but moved as one single identifiable unit, and joined by the carrier for movement and identification by order and authority of the participating Shippers. Carrier does not prescribe standard specifications for joint batches.
	Batch, Segregated	A batch of Petroleum Products identifiable as the property of a single Shipper, and moved through the pipeline so as to maintain this singular identity and ownership.
	Carrier	Collins Pipeline Company
	Commingled Product	The mixture which occurs in normal pipeline operations between batches of Petroleum Products having different

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
10 (Continued) delivery of	Consignee	Specifications. The party to whom a Shipper has ordered the petroleum products.
	Petroleum Products	Gasolines and petroleum oil distillates as further defined in Item 15.
	Shipment	A volume of Petroleum Products offered to and accepted by Carrier for transportation.
	Shipper	The party who contracts with the Carrier for transportation of Petroleum Products under terms of this tariff.
15	Specifications	<p>(a) 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 A.S.T.M. (except that gasolines to which artificial coloring has been added will be accepted for transportation regardless of color); have a vapor pressure of not more than 14.5 P.S.I. absolute at 100°F; have an A.P.I. gravity at 60°F not less than 30° and not more than 80°; and a viscosity of not more than 40 seconds Saybolt Universal at 100°F.</p> <p>(b) Carrier may require the Shipper to furnish certified laboratory reports showing the results of tests of the Petroleum Products offered for transportation. Carrier may also make such tests of the Petroleum Products as it deems desirable.</p>

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
20	Minimum Batch	<p>(a) Batches of Petroleum Products of similar quality and color shall be transported in minimum quantities of not less than 25,000 barrels from one consignor to one consignee.</p> <p>(b) Petroleum Products will be scheduled through Carrier's facilities in respective cycles. Normal cycles, for each product, will be established by Carrier, in order to meet operating conditions. Shippers may be required to schedule their products for delivery into Carrier's system at point of origin to meet the cycle within which the product will move.</p>
25	Facilities at Origin	<p>Carrier will provide no storage facilities at origin. Shipper will furnish facilities to deliver Petroleum Products to the Carrier's manifold at origin station at a pumping rate equal to Carrier's full line pumping rate or injection rate if applicable and a minimum pressure of 35 P.S.I.G.</p>
30	Facilities at Destination	<p>(a) Carrier will provide no storage facilities at destination. No duty to transport will arise until evidence satisfactory to the Carrier has been furnished that Shipper or Consignee has provided necessary facilities to which Carrier is connected at destination capable of receiving such shipments without delay at pressures and at pumping rates required by Carrier, and has made necessary arrangements for accepting delivery of shipments promptly on arrival at destination.</p>

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
30 (Continued)	Facilities at Destination (Continued)	<p>(b) 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 take such Petroleum Products at destination as provided in Paragraph (a) hereof, then in such event, Carrier shall have the right, upon notice to Shipper, to make whatever arrangements for disposition of the Petroleum Products it deems appropriate to clear its pipeline, including the right to sell the Petroleum Products at private sale for the best obtainable price. The Carrier may be a purchaser at such sale. Out of the proceeds of any such sale, Carrier may recover all transportation charges due for the shipment of products hereunder and any other expenses incurred by Carrier in the handling, disposition or sale of such products. Additionally, Shipper will be liable to Carrier for any additional economic loss resulting from Shipper's failure to have available at the destination, the facilities for its products as represented.</p>
35	Buffer Material	<p>Kerosene buffer material of adequate volume to protect the Shipper's Petroleum Products may be required. Shipper shall furnish the required buffer material and shall pay the transportation rate on said material.</p>
40	Additives and Corrosive Inhibitors	<p>Shipper may be required, at Shipper's expense, to inject oil soluble corrosion inhibitor in the Shipper's Petroleum Products to be transported by Carrier. All additives and corrosion inhibitors to be included in Shipper's Petroleum Products must first be approved by Carrier before such Petroleum Products will be accepted for transportation.</p>

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
45	Segregation and Variations in Quality, Gravity, and Color	<p>(a) Carrier shall not be liable for variation in gravity, quality or color of Petroleum Products occurring while in its custody, resulting from normal pipeline operations, and is under no obligation to deliver the identical Petroleum Products received.</p> <p>(b) Subject to the foregoing, Carrier will, on segregated shipments, to the extent permitted by Carrier's facilities, endeavor to make delivery of substantially the same Petroleum Products at destination; however, it being impractical to maintain absolute identity of each shipment of Petroleum Products, reasonable substitution of barrelage of substantially the same specification of Petroleum Products will be permitted.</p>
50	Measuring and Volume Corrections	<p>Quantities at origin and destination shall be determined by meters or tank gauges. Volumes shall be corrected from observed temperature and pressure to a temperature of sixty degrees Fahrenheit (60°F) and zero pounds per square inch gauge (0 PSIG) by use of applicable API-ASTM-IP correction tables. Shippers or Consignees shall have the privilege of being present or represented at the times of measuring and testing.</p>
55	Notice of Intent to Ship; Shipping Schedules	<p>(a) Petroleum Products will be accepted for transportation in accordance with schedules of shipment to be issued from time to time to the Shippers by Carrier.</p> <p>(b) Shipper shall have each shipment available in tankage connected to Carrier's originating pump station at least eight hours before the scheduled time for receipt by Carrier. When a product is not available in tankage within the time limits as aforesaid, acceptance of said product will be at the discretion of the Carrier; however, the Carrier will endeavor to accept so long as such acceptance does not adversely affect the operation of Carrier's facilities.</p>

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
60	Rates Applicable	Petroleum Products transported shall be subject to rates named herein in effect on the date such Petroleum Products are received by the Carrier.
65	Transportation Charges	<p>(a) Transportation charges will be computed and collected on the basis of the number of barrels of Petroleum Products delivered at destination, after volume corrections as provided in Item 50.</p> <p>(b) The Shipper shall be responsible for payment of transportation charges as well as any inspection fees and taxes applicable to the shipment, and if required, shall prepay such charges or furnish guaranty of payment satisfactory to the Carrier. The Carrier shall have a lien on all Petroleum Products accepted for transportation to secure the payment of all charges.</p>
70	Liability of Carrier	The Carrier shall not be liable for any delay or loss of products occasioned by acts of God, war, invasion, hostilities, rebellion, insurrection, riots, strikes, picketing or other labor stoppages, whether of Carrier's employees or otherwise, seizure or destruction under quarantine or customs regulations, or confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade. In the event of such loss, each Shipper shall bear the loss in the same proportion as its share of the total quantity of the kind of product involved in the loss in the custody of the carrier at the time of such loss and each Shipper shall be entitled to receive only so much of its share remaining after its due proportion of the loss is deducted.

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
70 (Continued)	Liability of Carrier (Continued)	<p>The Carrier shall compute the quantities of loss and shall prepare and submit a statement to the Shippers showing the apportionment of the loss among the Shippers involved.</p> <p>The Carrier shall not be liable for discoloration, contamination or deterioration of Petroleum Products transported unless such discoloration, contamination or deterioration results from the negligence of the Carrier. In the event of such damage, each Shipper's share of the damaged product shall be in the same proportion as its share of total quantity of shipment involved and each such Shipper shall be allocated only its proportionate share of damaged product.</p> <p>Custody by the Carrier shall begin when the product enters the facilities being operated by the Carrier and shall cease when it passes into receiving facilities provided by the Consignee.</p>
75	Title	<p>Shipper warrants that all Petroleum Products delivered into Carrier's line are free and clear of all adverse claims or liens, that Shipper has proper custody or title to said products and the authority to make shipment of said products. The 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.</p>

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
80	Time Limitation on Claims	As a condition precedent to recovery for loss, damage, or delay to shipments, claims must be filed in writing with the Carrier within nine (9) months and one (1) day after delivery of the Petroleum Product, or in case of failure to make delivery, then within nine (9) months and one (1) day after reasonable time for delivery, based on Carrier's normal operations, has elapsed; and suits shall be instituted against the Carrier only within two (2) years and one (1) day from the day when notice in writing is given by the Carrier to the Claimant that the Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, Carrier hereunder shall not be liable, and such claims will not be paid.
85	Proration of Pipeline Capacity	When the total volume offered for shipment in accordance with Item 55 is greater than can be transported within the period covered by such offers, Petroleum Products offered by each Shipper for transportation will be transported in such quantities and at such times to the limit of Carrier's capacity so as to avoid discrimination among Shippers.
90	Delivery Adjustments	(a) Carrier shall account to each Shipper for all Petroleum Products received. Any overage or shortage not due to the negligence of Carrier, including losses or gains resulting from shrinkage, evaporation, expansion or other Petroleum Products losses or gains inherent in the operation of a pipeline system, will be allocated on a monthly accrual basis among the Shippers in the proportion that the total number of barrels delivered from the pipeline system for each Shipper bears to the total number of barrels delivered from the pipeline system for all Shippers. The net balance, after applicable deductions defined above, and any loss as provided for in Item No. 70 (Liability of Carrier), will be the quantity deliverable by Carrier and upon which transportation charges will be assessed.

## Rules and Regulations Continued

Item No.	Subject	Regulations and Conditions
90 (Continued)	Delivery Adjustments (Continued)	<p>(b) It is inherent in the operation of a products pipeline that an interface of commingled products will occur between shipments of different products. Carrier will make reasonable effort to hold such commingled interfaces to a minimum.</p> <p>Carrier does not furnish facilities for storing and reblending commingled interface material. It shall be the responsibility of the Shipper to furnish facilities for the storing and reblending commingled interface material.</p>

### EXPLANATION OF ABBREVIATIONS AND REFERENCE MARKS

A.P.I.	X	American Petroleum Institute
A.S.T.M.	X	American Society for Testing and Materials
I.C.C.	X	Interstate Commerce Commission
I.P.	X	Institute of Petroleum
No.	X	Number
F	X	Fahrenheit
°	X	Degrees
P.S.I.G.	X	Pounds Per Square Inch Gauge
[D]	X	Decrease
F.E.R.C.	X	Federal Energy Regulatory Commission