

By Railroad Commission of Texas at 8:22 am, May 04, 2020

Texas No. 3.3 Cancels Texas No. 3.2

# GRAY OAK PIPELINE, LLC

Local Pipeline Tariff
Containing Rates
Applying on
The transportation of Crude Petroleum
From Origins to Destinations Named Herein

The rates published in this tariff are in cents per barrel of 42 U.S. Gallons each, for the intrastate transportation of crude petroleum by pipeline, subject to the rules and regulations published in Gray Oak Pipeline, LLC's Texas Tariff No. 1.1, supplements thereto and successive issues thereof.

New rates

[N] New

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

P5 No 663865 T5 Permit # 09879

ISSUED: May 1, 2020 EFFECTIVE: June 1, 2020

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## West Texas Origin Rates: MVC Committed Shipper Rates and Uncommitted Rates

## All Rates [U] Unchanged, unless otherwise noted

		7 Year Committed Shipper Rates <sup>123</sup>			
		Volume Commitment in Barrels per Day			
Origins (From)	Destinations (To)	5,000-34,999	35,000-64,999	65,000+	Uncommitted
Conan, Loving County, TX	Sweeny, Brazoria County, TX	164.50	159.50	154.50	415.00
	Three Rivers, Live Oak County, TX	147.50	145.00	142.50	370.00
	[N] Louise, Wharton County, TX	[N] <u>152.50</u>	[N] <u>147.50</u>	[N] <u>142.50</u>	[N] <u>375.00</u>
Crane, Crane County, TX	Sweeny, Brazoria County, TX	144.50	139.50	134.50	365.00
	Three Rivers, Live Oak County, TX	129.50	124.50	119.50	350.00
	[N] Louise, Wharton County, TX	[N] <u>129.50</u>	[N] <u>124.50</u>	[N] <u>119.50</u>	[N] <u>350.00</u>
Orla, Reeves County, TX	Sweeny, Brazoria County, TX	174.50	169.50	164.50	440.50
	Three Rivers, Live Oak County, TX	156.50	154.00	151.50	395.00
	[N] Louise, Wharton County, TX	[N] <u>169.50</u>	[N] <u>164.50</u>	[N] <u>159.50</u>	[N] <u>400.00</u>
Wink, Winkler County, TX	Sweeny, Brazoria County, TX	164.50	159.50	154.50	415.00
	Three Rivers, Live Oak County, TX	147.50	145.00	142.50	370.00
	[N] Louise, Wharton County, TX	[N] <u>152.50</u>	[N] <u>147.50</u>	[N] <u>142.50</u>	[N] <u>375.00</u>

### Eagle Ford to Sweeny Rates

		7 Year Committed Shipper Rates <sup>12</sup>				
	Volume Commitment in Barrels per Day					
Origins (From)	<b>Destinations (To)</b>	5,000- 34,999	35,000- 64,999	65,000- 103,499	103,500+	Uncommitted
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Helena, Karnes County, TX		145.00	140.00	135.00	110.00	200.00
Highway 99, McMullen County, TX	Sweeny, Brazoria County, TX	145.00	140.00	135.00	110.00	200.00
[N] <u>Central Junction, Live Oak</u> <u>County, TX</u>	County, 1A	[N] <u>145.00</u>	[N] <u>140.00</u>	[N] <u>135.00</u>	NA	[N] <u>200.00</u>

### Eagle Ford to Sweeny Rates for Shipments in excess of Minimum Volume Commitment<sup>4</sup>

		7 Y	ear Committee	d Shipper Rat	es 12
	Volume Commitment in Barrels per Day				
Origins (From)	<b>Destinations (To)</b>	5,000-	25,000-	50,000-	65,000+
		24,999	49,999	64,999	
Helena, Karnes County, TX	Sweeny, Brazoria County,	110.00	105.00	82.50	72.50
Highway 99, McMullen County, TX	TX	110.00	105.00	82.50	72.50

#### **Short Haul Rates**

Origins (From)	<b>Destinations (To)</b>	Rate		
Gray Oak Helena, Karnes County, TX	KMCC Helena, Karnes County, TX	1.50		
Gray Oak Helena, Karnes County, TX	FHR Helena, Karnes County, TX	1.50		
Gray Oak Helena, Karnes County, TX	Enterprise Helena, Karnes County, TX	8.00		
[N] EOG TROT, Live Oak County, TX	[N] Central Junction, Live Oak County, TX	[N] 10.00		

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#### **Committed Tariff Rates for Segmented Path Movements**

Committed Shippers may nominate, pursuant to the terms of each applicable TSA, a "Segmented Path Movement", which is a combination of upstream and downstream segment movements on the Pipeline in a given month. For each Segmented Path Movement, the Committed Shipper shall pay the applicable committed rate for such movement as provided in its TSA (which is one of the tariff rates set forth above, with the particular applicable rate depending on the combination of movements that make up the Segmented Path Movement), multiplied by 1.5.

1. Committed Tariff Rates for Qualifying Alternative Shipments: A "Qualifying Alternative Shipment" means, for a Committed Shipper, a movement on the Pipeline that is from an origin point or to a destination point other than the origin point or destination point selected by such Committed Shipper in its TSA as the origin point or destination point for its committed volumes, and that is either named in its TSA as a "Path Origin Point" or "Path Destination Point", as applicable, or that is within the path of an origin point/destination point combination selected by the Committed Shipper for its volume commitment.

For any Committed Shipper's Qualifying Alternative Shipments in a month, the following shall apply:

For any Qualifying Alternative Shipments that, when combined with the Committed Shipper's other volumes shipped in the applicable month that count towards its volume commitment, is not in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Qualifying Alternative Shipment shall be:

- a. if the destination point for such Qualifying Alternative Shipment is the Committed Shipper's selected destination point under its TSA and is located on a segment within the "Applicable Segment Group" for the selected destination point (as defined in the TSA), the committed tariff rate set forth above that would otherwise apply to the Committed Shipper's shipments from its selected origin point to its selected destination point under its TSA; or
- b. if (a) does not apply, the higher of
  - i. the committed tariff rate that would apply to a shipment from the Committed Shipper's selected origin point to its selected destination point under its TSA, and
  - ii. the committed tariff rate set forth above that is applicable from the actual origin point to the actual destination point of such Qualifying Alternative Shipment.

For any Qualifying Alternative Shipment that, when combined with the Committed Shipper's other volumes shipped in the applicable month for the committed path, is in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Qualifying Alternative Shipment shall be the committed tariff rate set forth above that is applicable to such movement, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional ten cents (\$0.10) per Barrel.

2. <u>Committed Tariff Rates for Non-Qualifying Alternative Shipments</u>: A "Non-Qualifying Alternative Shipment" means, for a Committed Shipper, a movement on the Pipeline that is from an origin point or to a destination point other than the origin point or destination point selected by such Committed Shipper in its TSA as the origin point or destination point for its committed volumes, and that does not qualify as a Qualifying Alternative Shipment.

For any Committed Shipper's Non-Qualifying Alternative Shipments in a month, the following shall apply:

For any Non-Qualifying Alternative Shipments that, when combined with the Committed Shipper's other volumes shipped in the applicable month for the applicable committed path, is not in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Non-Qualifying Alternative Shipment shall be the higher of:

a. the committed tariff rate set forth above for the applicable committed path under the Committed Shipper's TSA, and

#### b. either

- i. the committed rate set forth above for movements from the actual origin point to the actual destination point of such movement, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional ten cents (\$0.10) per Barrel, or
- ii. solely in the case that there is no rate that is applicable under (b)(i), the committed tariff rate applicable to such movement as if it were a movement originating at the next most upstream origin point with a rate set forth above to the actual destination point of such Non-Qualifying Alternative Shipment, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional ten cents (\$0.10) per Barrel. Provided that if either the applicable actual origin point or applicable actual destination point of such Non-Qualifying Alternative Shipment is not within the continuous path of any origin point and destination point combination for any of the committed rates set forth above, the tariff rate applicable to such Non-Qualifying Alternative Shipments shall be equal to the applicable uncommitted tariff rate for the movement.

For any Non-Qualifying Alternative Shipment that, when combined with the Committed Shipper's other volumes shipped in the applicable month for the applicable committed path, is in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Non-Qualifying Alternative Shipments shall be equal to the committed tariff rate that would be applicable from the actual origin point for such movement to the actual destination point for such movement, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional ten cents (\$0.10) per Barrel.

- 3. With respect to the committed tariff rates in this table, the following shall apply:
  - (i) If a committed shipper's volume commitment is 5,000 34,999 bpd, and the committed shipper nominates and actually ships volumes in a given month to which the relevant committed tariff rate would apply that total: 35,000 64,999 bpd, then the relevant committed tariff rate shall be reduced by \$0.025 per Barrel; or 65,000+ bpd, then the relevant committed tariff rate shall be reduced by \$0.05 per Barrel.
  - (ii) If a committed shipper's volume commitment is 35,000 64,999 bpd, and the committed shipper nominates and actually ships volumes in a given month to which the relevant committed tariff rate would apply that total: 65,000 84,999 bpd, then the relevant committed tariff rate shall be reduced by \$0.025 per Barrel; or 85,000 + 84,000 + 85,000 +
  - (iii) If a committed shipper's volume commitment is 65,000+ bpd, and the committed shipper nominates and actually ships volumes in a given month to which the relevant committed tariff rate would apply that total: 85,000 104,999 bpd, then the relevant committed tariff rate shall be reduced by \$0.025 per Barrel; or 105,000+ bpd, then the relevant committed tariff rate shall be reduced by \$0.05 per Barrel.
- 4. Shipments to Sweeny for Barrels in Excess of Minimum Volume Commitment: With respect to a Path with a Selected Origin Point of Helena or Highway 99, if (a) Customer's aggregate Minimum Volume Commitments for such Paths equal or exceed 25,000 bpd, and (b) Customer's aggregate Minimum Volume Commitments under its TSA(s) for each Path reflected on Schedule A of such TSA(s), if and to the extent that the initial Committed Tariff Rate for such other TSA Path is equal to or greater than \$1.195 per Barrel, equal or exceed 80,000 Barrels per day, then for each Barrel of Crude Petroleum that Customer ships from Helena or Highway 99 to Sweeny and that, when combined with Customer's other shipments of Crude Petroleum in the applicable Month from either Helena or Highway 99, exceeds the aggregate Monthly Minimum Volume Commitment for such Paths, Customer shall pay the Committed Tariff Rate under the table "Eagle Ford to Sweeny Rates for Shipments in excess of Minimum Volume Commitment" in this Local Pipeline Tariff, based on Customer's aggregate Minimum Volume Commitments under its TSA(s), if and to the extent that the initial Committed Tariff Rate for such other TSA Path is equal to or greater than \$1.195 per barrel.