# Ocelot Energy Management LLC Pipe 835

## LOCAL TARIFF

## CONTAINING

# **RULES, REGULATIONS AND RATES**

GOVERNING THE TRANSPORTATION

OF

# PRODUCT

(as defined herein)

BY PIPELINE

Rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such references will include subsequent reissues thereof.

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

P-5 Operator ID: 617571T-4 Permit Number: 08740 (expires November 25, 2020)Easton Live Oak LLC is the owner of the pipeline providing service under this tariff.

#### **EFFECTIVE DATE:** August 1, 2020

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#### SECTION I RULES AND REGULATIONS

#### 1. **DEFINITIONS**

"Barrel" means forty-two (42) U.S. gallons.

"Carrier" means and refers to Ocelot Energy Management LLC.

"Committed Shipper" has the meaning set forth in Section II (Table of Rates).

"Consignee" means the party to whom a Shipper has ordered the delivery of Product.

"Consignor" means the Person from whom a Shipper has ordered the receipt of Product.

"Product" means Ethane, Propane, Isobutane, or Normal Butane.

"Shipper" means the party who contracts with Carrier for transportation of Product.

#### 2. COMMODITY

Carrier is engaged in the transportation of Product by pipeline and will not accept any other commodity under this tariff. Product will be accepted for transportation only at such time as Product is of the same quality and specifications as defined in Item 8 herein.

#### 3. TENDERS

Tenders will be accepted for the same kind and quality of product aggregating, from all Shippers seeking to ship a particular Product in a nomination month, one hundred and fifty thousand (150,000) barrels per month or more. Carrier may, at its option for its convenience, transport such commodity by intermittent pumpings.

- a) Product will be transported only under a tender accepted by Carrier from facilities connected to Carrier's system when a tariff covering the movement is lawfully in effect.
- b) Any Shipper desiring to tender Product for transportation shall make such tender to Carrier in writing on or before the 15th day of the month preceding the month during which the transportation under the tender is to begin; except that if space is available for current movement, a Shipper may tender Product for transportation at a later date.

#### 4. RECEIPT, DELIVERY, AND LEGALITY OF SHIPMENTS TENDERED

Product tendered for shipment will be received into the pipelines of Carrier only under the conditions that:

a) Shipper has provided adequate pumping equipment and facilities to Carrier for injecting Product into Carrier's pipeline at a pumping rate satisfactory to Carrier; and

- b) Product tendered for shipment are of the same kind and quality as that being transported by Carrier and the transportation of such Product would result in no damage to the quality or characteristics of other shipments; and
- c) Shipper or Consignee has provided adequate facilities for receiving the shipment as it arrives at destination; and
- d) Shipper and Consignee have complied with all applicable laws, rules and regulations made by any government authorities regulating the shipment of Product.

#### 5. **IDENTITY OF PRODUCT**

- a) Carrier will use its best efforts to maintain the identity of individual shipments of Product. However, in view of the impracticability of maintaining the exact identity of shipments at all times, Carrier reserves the right at any time to substitute and deliver a product of the kind and quality comparable to the Product shipped. Carrier will not be liable for discoloration, contamination, or deterioration of Product in transit as may result from normal pipeline operations.
- b) It is inherent in the operation of a batched pipeline system that interface mixtures will occur between batches. Carrier shall not be liable to Shipper for changes in the gravity or quality of Shipper's Product which may occur from commingling or intermixing Shipper's Product with other Product while in transit. The interface generated between batches shall be divided equitably between those shipments that precede and follow the interface. Shippers shall accept and be responsible for handling any interface generated within or between Commodities. Shipper shall provide tankage or otherwise provide required facilities to receive its portion of interface.

#### 6. DETERMINATION OF QUANTITIES AND QUALITY OF PRODUCT

Carrier shall provide metering for custody transfer of commodity on both receipts and deliveries. Connections will be provided for sample accumulation for quality analysis. Carrier will not be responsible for quality. Sample container changing and quality analysis shall be the responsibility of the Shipper.

# 7. APPORTIONMENT WHEN CURRENT OFFERINGS ARE IN EXCESS OF CAPACITY

For purposes of this item, the following definitions shall apply:

"Average Monthly Product Volume" means the average of a Regular Shipper's monthly tendered volumes of a particular Product (*i.e.*, ethane, propane, normal butane, or isobutane) during the Base Period.

"Base Period" means a cumulative rolling period of twelve (12) months ending one month prior to the month of prorationing.

"New Shipper" means a Shipper that is not a Regular Shipper.

"Proportionate Share" means, at any given time, the percentage equal to a Regular Shipper's Average Monthly Product Volume divided by the total combined Average Monthly Product Volumes of all Regular Shippers.

"Regular Shipper" means a Shipper that has actual shipments in nine (9) of the of the twelve (12) months during the Base Period. A Regular Shipper ceases to be a Regular Shipper if it has no actual shipments for three or more consecutive months during the Base Period, and thereafter, that Shipper will be treated as a New Shipper unless and until it meets Regular Shipper criteria again.

"Remaining Capacity" means the system capacity remaining after allocating up to five percent (5%) of system capacity to New Shippers.

When, pursuant to tenders hereunder, there shall be offered to Carrier more Product than can be immediately transported, the transportation shall be apportioned among all Shippers in accordance to the following procedure:

- A. No individual nomination beyond the physical capacity of the system will be considered. Nominations in excess of the physical capacity of the system will be reduced to reflect a nomination of one hundred percent (100%) of system capacity.
- B. Up to ninety-five percent (95%) of system capacity will be allocated to Committed Shippers that have a minimum volume commitment in accordance with each Committed Shipper's respective transportation services agreement.
- C. Up to five percent (5%) of system capacity will be allocated to New Shippers. Each New Shipper will receive the lesser of its nomination, or its pro rata share of five percent (5%) of system capacity in the event nominations by New Shippers exceed five percent (5%) of system capacity.
- D. Any Remaining Capacity will be allocated to Regular Shippers by Product based on the lesser of the Average Monthly Product Volume or its nominated volume. If Remaining Capacity is insufficient to fulfill all Regular Shippers' nominations up to all Regular Shippers' Average Monthly Product Volume, each Regular Shipper will receive the lesser of its nomination or its Proportionate Share of Remaining Capacity.
- E. Any Remaining Capacity not allocated through the application of Items 7(B) or 7(C) will first be allocated among all Regular Shippers. Each Regular Shipper will receive the lesser of its remaining unmet nomination or a pro rata share of Remaining Capacity until either all Regular Shipper nominations have been fulfilled or all Remaining Capacity has been allocated. If there is Remaining Capacity following this additional allocation to Regular Shippers, then Remaining Capacity will next be allocated among all New Shippers having remaining unmet nominations. Each New Shipper will receive the lesser of its remaining unmet nomination or its pro rata share of Remaining Capacity until all New Shipper nominations have been fulfilled or all Remaining Capacity until all New Shipper nominations have been fulfilled or all Remaining Capacity until all New Shipper nominations have been fulfilled or all Remaining Capacity has been allocated.

F. Allocated volumes may not be assigned, conveyed, loaned, transferred to, or used in any manner by another Shipper. However, a Regular Shipper's shipment history may be transferred as an incident of the bona fide sale of substantially all of the Shipper's business or to a successor to substantially all of the Shipper's business. Transfers of a Shipper's shipment history must be approved in advance by Carrier and shall be irrevocable once the transfer is approved.

#### 8. QUALITY SPECIFICATIONS

Carrier offers transportation of Product only when it meets the specifications as shown in Exhibit A.

#### 9. TITLE

The act of delivering Product to Carrier for transportation shall constitute a warranty by Shipper that Shipper or Consignee has unencumbered title thereto and that the same was produced in accordance with law. Acceptance by Carrier shall not be deemed as a representation by Carrier of title.

#### **10. LIABILITY OF CARRIER**

Carrier shall not be liable for any loss of Product herein described, or damage thereto, or delay, because of an act of God, the public enemy, quarantine, the authority of law, strikes, riots, or the acts of default of Shipper or Consignee or from any other cause not due to the negligence of Carrier; in case of losses from such causes, other than negligence of Carrier, losses shall be charged proportionately to each shipment in 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 Carrier for shipment via the line or other facilities in which the loss or damage occurs; the Consignee shall be entitled to receive only that portion of his shipment remaining after deducting his proportion of such loss or damage, determined as aforesaid and shall be required to pay transportation charges only on the quantity delivered.

#### 11. PAYMENT OF CHARGES

Carrier shall have a lien on all Product to cover charges for transportation, including demurrage, and may withhold delivery of Product until said charges are paid. Carrier may require Shipper or Consignee to prepay said charges.

#### **12. TIME LIMITATIONS OF CLAIMS**

As a condition precedent to recovery of loss, damage or delay, claims must be filed in writing with the originating or delivering Carrier within nine months and one day after delivery of the property, or in case of failure to make delivery, then within nine months and one day after a reasonable time for delivery has elapsed; and suits shall be instituted against the Carrier only within two years and one day from the day 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 are not filed or suits are not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable and such claims will not be paid.

#### **13. QUANTITIES DELIVERABLE**

The quantity of Product deliverable at destination shall be the quantity received at origin, less shrinkage, evaporation or other loss in transit, including leaks and breaks, resulting from any cause other than negligence on the part of Carrier.

#### 14. RATES APPLICABLE TO AND FROM INTERMEDIATE POINTS

Product received from a point on Carrier's line that is not named in this tariff, but which point is intermediate to a point from which rates are published in this tariff, will be assessed the rate in effect from the next more distant point published in this tariff.

#### **15. TRUNK RATE ESCALATION**

The trunk rate may be increased by Carrier annually, effective August 1 of each year, in accordance with the annual FERC index, set forth in FERC regulation 18 C.F.R. § 342.3 or any successor thereto.

#### SECTION II TABLE OF RATES

#### The trunk rate on the system for transporting Product will be as follows:

Origin Point(s)	Destination Point	Shipper Status	Rate in cents per U.S. Gallon
Mont Belvieu Storage	Equistar Plant Channelview (Harris Co.), TX	Uncommitted	[ <b>I</b> ] <del>2.5</del> <u>2.66</u>
(Chambers Co.), TX		Committed [Note 1]	Negotiated Rate

Note 1: A Committed Shipper is a shipper that has executed a transportation services agreement with Carrier agreeing to tender, or otherwise pay for failing to tender, a certain volume of Product on Carrier's system each month.

#### **Explanation of Reference Marks:**

[I] Increased Rate

#### EXHIBIT A QUALITY SPECIFICATIONS

Carrier offers transportation of Product only when it meets the following specifications:

CHARACTERISTIC	TEST METHOD	PRODUCT SPECIFICATION	
Analysis Liq. Vol %			
Methane, Maximum	3.0		
Ethane, Minimum	95.0	ASTM D-2163	
Ethylene, Maximum	1.0	AS1M D-2105	
Propane & Heavier, Max	3.5		
Carbon Dioxide, PPM by weight,	1000	ASTM D-2504	
Max			
Total Sulfur, PPM by weight, Max	30	ASTM D-6667	
Corrosion, copper strip, Max	No. 1	ASTM D-1838	
Free Water	None	Visual Inspection	

#### ETHANE SPECIFICATION (PURITY ETHANE)

**General Contaminants Note**: The product shall be commercially free from sand, dust, gums, gum-producing substances, oil, glycol, inhibitors, amine, caustic, chlorides, oxygenates, heavy metals, any other contaminants that make it unfit for its commonly used applications and any compound added to the product to enhance the ability to meet these specifications.

CHARACTERISTIC	PRODUCT SPECIFICATIONS	TEST METHOD
Propylene	5.0% Liq. Vol.% max.	ASTM D-2163
Propane	90.0% Liq. Vol.% max.	ASTM D-2163
Butanes and Heavier	2.5% Liq. Vol.% max.	ASTM D-2163
Vapor Pressure, PSIG@100° F	208 max	ASTM D-1267
Volatile Residue: Temperature @ 95% Evaporation	-37 F max.	ASTM D-1837
Relative Density @ 60° Minimum Maximum	.500 .510	ASTM D-1657
Residual Matter: Residue on evaporation of 100 ml, maximum ml Oil stain (Note 1)	0.05 Pass	ASTM D-2158
Corrosion, Copper Strip	No. 1	ASTM D-1838
Total Sulfur, PPM by weight, Max	123	ASTM D-6667
Fluorides, PPM by weight, Max	1	ASTM D-7359
Moisture Content by Freeze Valve	Pass	ASTM D-2713
Free Water	None	Visual Inspection

#### **PROPANE SPECIFICATION**

**Note 1**: An acceptable product shall not yield a persistent oil ring when 0.3 ml of solvent residue is added in 0.1 increments, after examination in daylight after 2 minutes as described in ASTM D-2158.

**General contaminates note**: The product shall be commercially free from sand, dust, gums, gum-producing substances, oil, glycol, inhibitors, amine, caustics, oxygenates, heavy metals, any other contaminants that make it unfit for its commonly used applications and any compound added to the product to enhance the ability to meet these specifications.

#### **ISOBUTANE SPECIFICATION**

CHARACTERISTIC	PRODUCT SPECIFICATION	TEST METHOD
Analysis Liq. Vol % Propane, Max Isobutane, Min Butylene, Normal Butane & Heavier	3.0 96.0 4.0	ASTM D-2163
Vapor Pressure	Max 70 psig @ 100° F	ASTM D-1267
Total Sulfur, PPM by weight, Max	140	ASTM D-6667
Corrosion, copper strip, Max	No. 1	ASTM D-1838
Free Water	None	Visual Inspection

**General Contaminants Note**: The product shall be commercially free from sand, dust, gums, gum-producing substances, oil, glycol, inhibitors, amine, caustic, chlorides, oxygenates, heavy metals, any other contaminants that make it unfit for its commonly used applications and any compound added to the product to enhance the ability to meet these specifications.

CHARACTERISTIC	PRODCUCT SPECIFICATION	TEST METHOD	
Analysis Liq. Vol %			
Propane, Max	0.35		
Isobutane, Max	6.0	ASTM D - 2163	
Normal Butane, Min	94.0		
Pentanes and Heavier, Max	1.5	ASTM D - 2105	
Butadiene, Max	0.01		
Total Olefins, Max	0.35		
Total Sulfur, PPM by weight, Max	140	ASTM D - 6667	
Fluorides, PPM by weight, Max	1.4	ASTM D - 7359	
	1.1		
Volatile Residue, Temperature @ 95% evaporated, Max	+36 Degrees F	ASTM D - 1837	
Corrosion, copper strip, Max	No. 1	ASTM D-1838	
	110. 1	7151WD 1050	
Free Water	None	Visual Inspection	
Vapor Pressure, psig, Max at 100° F	50	ASTM D - 1267	

#### NORMAL BUTANE SPECIFICATION

**General Contaminants Note**: The product shall be commercially free from sand, dust, gums, gum-producing substances, oil, glycol, inhibitors, amine, caustic, chlorides, oxygenates, heavy metals, any other contaminants that make it unfit for its commonly used applications and any compound added to the product to enhance the ability to meet these specifications.