


PLATTE PIPE LINE COMPANY, LLC

LOCAL AND PROPORTIONAL PIPELINE TARIFF

APPLYING ON CRUDE PETROLEUM

**~~[C] CONTAINING RATES, RULES AND REGULATIONS
GOVERNING THE TRANSPORTATION OF PETROLEUM
IN COMMON CARRIER SERVICE~~**

FROM
STATIONS IN WYOMING AND MISSOURI
TO
STATIONS IN WYOMING, NEBRASKA, MISSOURI AND ILLINOIS

GENERAL APPLICATION

Filed in compliance with 18 C.F.R. 341.3 (Form of tariff).

The rates in this tariff are expressed in U.S. dollars.

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

Platte Pipe Line Company, LLC (hereinafter "Platte") offers a common carrier service which encompasses Batched, Upstream Common Stream and Common Stream Shipments. The Rules and Regulations published **[W] in Platte's FERC Tariff No. 2.17.0 or successive issues thereof herein** are applicable to pipeline transportation by Platte.

The distinction between Upstream Common Stream, Common Stream and Batched Shipments has been made, for certain limited purposes specified in this Tariff, to reflect the transportation of Batched Shipments between Casper and points downstream, up to and including Wood River, Illinois, in conjunction with continued transportation of Platte's traditional Upstream Common Stream and Common Stream Shipments. Certain of Platte's Facilities are utilized to transport Common Stream Shipments; other of its Facilities are utilized to transport Batched or Upstream Common Stream Shipments. Common Stream Shipments received upstream of Casper and delivered downstream of Casper, are delivered pursuant to the batched items below. Only Crude Oil will be received at Casper in the Upstream Common Stream Shipments. Upstream Common Stream shipments received at Casper and delivered downstream of Casper are delivered pursuant to the batched items below. Additionally, any Common Stream Shipments received at Guernsey, Wyoming are delivered to downstream destinations pursuant to the batched items below. Some rules and regulations, including definitions, are applicable only to Upstream Common Stream, Common Stream or Batched Shipments and are indicated as such. All other rules and regulations, including definitions, are applicable to Batched, Upstream Common Stream and Common Stream Shipments transported by Platte.

~~**[C] The Rules and Regulations published herein apply only under Tariffs which make specific reference by FERC number to this Tariff; such reference will include successive issues hereof. Specific Rules and Regulations published in Item 1 or individual Tariffs will take precedence over all Rules and Regulations published in Item 1.**~~

APPLICATION OF RATES

Rates named in this Tariff are applicable on crude petroleum shipments to destinations named herein and on shipments to destinations named herein for subsequent interstate transportation beyond and are governed, except as otherwise provided herein, by the Rules and Regulations published in **[W] Platte's FERC Tariff No. 2.17.0 or successive issues thereof** ~~Item 2.~~

For inquiries regarding form or procedures, please contact the individual on the first page under "COMPILED BY."

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[U] All rates on this page are unchanged.

1 RATES

1.1 UNCOMMITTED TRANSPORTATION RATES

1.1.1 Rates in U.S. Dollars per Cubic Meter

To:	Guernsey Station, Wyoming (Platte County)	Holdrege Station, Nebraska (Phelps County)	Key Station, Missouri (Chariton County)	Wood River Station, Illinois (Madison County)
From:				
Casper Station, Wyoming (Natrona County)	4.1377	8.5354	13.4285	15.7862
Guernsey Station, Wyoming (Platte County)	2.6681	7.0636 6.9225 ¹ 6.7108 ² 6.3571 ³	11.9581 11.7184 ¹ 11.3600 ² 10.7625 ³	14.3152 14.0287 ¹ 13.5997 ² 12.8840 ³
Key Station, Missouri (Chariton County)				5.0364

Note 1: Volume Discount Rate. To qualify for Carrier's Volume Discount Rates designated with the symbol "1", a shipper must deliver a minimum of 1,590 cubic meters per month originating from Guernsey Station, Wyoming, to the applicable downstream Delivery Point, *i.e.* Holdrege Station, Nebraska, Key Station, Missouri, or Wood River Station, Illinois, subject to the Rules and Regulations of this tariff.

Note 2: Volume Discount Rate. To qualify for Carrier's Volume Discount Rates designated with the symbol "2", a shipper must deliver a minimum of 38,157 cubic meters per month originating from Guernsey Station, Wyoming, to the applicable downstream Delivery Point, *i.e.* Holdrege Station, Nebraska, Key Station, Missouri, or Wood River Station, Illinois, subject to the Rules and Regulations of this tariff.

Note 3: Volume Discount Rate. To qualify for Carrier's Volume Discount Rates designated with the symbol "3", a shipper must deliver a minimum of 119,240 cubic meters per month originating from Guernsey Station, Wyoming, to the applicable downstream Delivery Point, *i.e.* Holdrege Station, Nebraska, Key Station, Missouri, or Wood River Station, Illinois, subject to the Rules and Regulations of this tariff.

1.1.2 All non-volume discount rates in item 1.1.1 are ceiling rates and include access, terminal and distance charges.

Access – Transportation rate includes an access charge of 1.4493 U.S. dollars per cubic meter.

Terminalling – Transportation rate includes a terminal charge of 1.2188 U.S. dollars per cubic meter.

1.1.3 Rates to Wood River, Illinois also include a lateral charge.

Lateral – Transportation rate to Wood River, Illinois includes a lateral charge of 0.1795 U.S. dollars per cubic meter.

Terminalling Credit – Shippers providing terminalling facilities used in conjunction with the maximum ceiling rate will be eligible for a terminalling credit. A terminalling credit of 1.2188 U.S. dollars per cubic meter will be deducted from the ceiling rates in this Tariff for those Shippers not requiring this service by Carrier.

[U] All rates on this page are unchanged.

1.2 DEMURRAGE RATE

1.2.1 Rate in U.S. Dollars per Cubic Meter per 24 hours, or any part thereof

Demurrage Rate	0.1258
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1.2.2 The rate in Item 1.2.1 will accrue per barrel per 24 hours, or any part thereof if, 72 hours after completion of receipt into Carrier's facilities at a mainline or terminal destination, Shipper fails to remove its Petroleum or Crude Oil from the Delivery Point or from the Custody of Carrier upon Carrier's delivery pursuant to **[W]** Platte's FERC Tariff No. 2.17.0, Item 1.9 Item 2-9, Delivery and Acceptance.

1.3 TRUCK UNLOADING RATE

1.3.1 Rate in U.S. Dollars per Cubic Meter

Truck Unloading at:	
Casper Station, Wyoming, (Natrona County)	2.1125

1.3.2 The rate in Item 1.3.1 is for the handling of Petroleum unloaded from tank trucks into the facilities of Carrier for interstate transportation.

1.4 CASPER PUMPOVER RATE

1.4.1 Rate in U.S. Dollars per Cubic Meter

From:	To:	
Casper Station, Wyoming (Natrona County) (Express Pipeline)	Casper Station, Wyoming (Natrona County) (Frontier Pipeline Company)	0.6324
Casper Station, Wyoming (Natrona County) (Platte Pipe Line Company terminal)	Casper Station, Wyoming (Natrona County) (CCR Pipeline, LLC)	0.6324

1.5 KEY STATION PUMPOVER RATE

1.5.1 Rate in U.S. Dollars per Cubic Meter

From:	To:	Rate for Heavy Crude Petroleum
Key Station, Missouri (Chariton County)	Key Station, Missouri (Chariton County) (CCPS Transportation, LLC)	0.9783 ¹

SYMBOLS:

- [C]** – Cancel
- [M]** - Move
- [N]** – New
- [U]** – Unchanged Rate
- [W]** – Change in wording only

¹ The indicated rate will apply only to volumes that meet the definition of Heavy Crude Petroleum set out in subsection **[W]** 1.1.21 2-4.24 of the Platte Pipe Line Company, LLC's Rules & Regulations.

[N] The Rules and Regulations have been separated from the rates and filed in Platte's FERC Tariff No. 2.17.0

[M] 2 RULES AND REGULATIONS

2.1 DEFINITIONS

Except where the context expressly states another meaning, the following terms, when used in these Rules and Regulations and in any petroleum rate schedule into which these Rules and Regulations are incorporated, shall be construed to have the following meanings:

2.1.1 "API" means American Petroleum Institute.

2.1.2 "ASTM" means American Society for Testing and Materials.

2.1.3 "Banking Day" means any day that the financial institutions designated by Carrier for payment in its monthly invoice conduct business.

2.1.4 "Barrel" means forty-two (42) United States gallons.

2.1.5 "Batched" or "Batched Shipments" means transportation of Petroleum that is Tendered or received at Platte's Mainline Facilities for transportation to any of Platte's Delivery Points, as an identifiable unit.

2.1.6 "Binding Nomination" means Shipper's Nomination as described in Item 2.14.1 of these Rules and Regulations.

2.1.7 "Carrier" means and refers to Platte Pipe Line Company, LLC.

2.1.8 "Common Stream" or "Common Stream Shipment" means Petroleum, Tendered or received at Common Stream Facilities, which is commingled or intermixed with other Petroleum of like characteristics and quality. A Common Stream may be made up of one or more Tenders of Petroleum provided that each Tender of Petroleum meets the quality specifications, as set out in Item 2.4.2. Once a Common Stream Shipment is received at Platte's Mainline Facilities for Delivery to points downstream of Casper it will thereafter be transported pursuant to the Batched Shipment items herein.

2.1.9 "Common Stream Facilities" means those Facilities at Guernsey, Wyoming that are used by Platte to receive and/or transport Common Stream Tenders from connected facilities whether truck unloading facilities, connected production facilities or Common Stream pipelines for Delivery to Carrier's Facilities at which Carrier has established gravity banks as specified in Item 2.22. A Common Stream Delivery Point may also be a Batched Delivery Point. The Common Stream Facilities, which are utilized to transport Common Stream Tender(s), located at Guernsey, Wyoming will be considered Common Stream Facilities when, and to the extent, they are used to transport Common Stream volumes.

2.1.10 "Cubic Meter" (m³) means the volume of Petroleum which occupies one cubic meter when such Petroleum is at a temperature of fifteen degrees Celsius (15°C) and at a pressure of 101.325 kiloPascals and equals 264.1721 United States gallons and 6.2898408 barrels, under the same conditions.

2.1.11 "Upstream Common Stream Facilities" means those Facilities at Casper, Wyoming that are used by Platte to receive and/or transport Upstream Common Stream Tenders from connected facilities whether truck unloading facilities, connected production facilities or common stream pipelines for Delivery to Carrier's Facilities located at Casper, Wyoming at which Carrier has established gravity banks specified in Item 2.22.2. An Upstream Common Stream Delivery Point may also be a Batched Delivery Point. The Common Stream Facilities, which are utilized to transport Upstream Common Stream Tender(s), located at Casper, Wyoming will be considered Upstream Common Stream Facilities when, and to the extent, they are used to transport Upstream Common Stream volumes.

2.1.12 "Condensate," applicable to Batched Shipments, means a liquid hydrocarbon that consists primarily of pentanes and heavier hydrocarbons that have been stabilized to not exceed the maximum Reid Vapor Pressure (RVP) set out in Item 2.4.3.

2.1.13 "Crude Oil" applicable to Upstream Common Stream Shipments, means a mixture of hydrocarbons that existed in liquid phase in underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities. Crude Oil does not include natural gas liquids, natural gasoline, reclaimed petroleum, synthetic crude oil or indirect liquid products. Crude Oil shall not exceed 50 degrees API gravity.

2.1.14 "Day" means a period of 24 consecutive hours, beginning and ending at 7:00 a.m. Mountain Time. The reference date for any Day shall be the calendar date upon which the 24 hour period shall commence.

2.1.15 "Deliver" and any derivative thereof, means delivered by Carrier to Shipper at the Delivery Point(s) or Storage in Transit Site(s).

2.1.16 "Delivery Point(s)" means the outlet meter at one or more of the locations on Carrier's Facilities which have been designated by Carrier as a delivery point or Storage in Transit Site in Carrier's Tariff. Shipper may designate which delivery point or Storage in Transit Site in Carrier's Tariff it wishes to utilize from time to time.

2.1.17 "Facility" and any derivative thereof, shall include all Mainline, Common Stream and Upstream Common Stream Facilities.

- 2.1.18** “**FERC**” means the Federal Energy Regulatory Commission or any regulatory or government authority hereafter having a similar jurisdiction in substitution therefore.
- 2.1.19** “**Filing**” and any other derivative thereof, means filing of Tariff publications and related documents with the Secretary of FERC.
- 2.1.20** “**Gross Standard Volume**” means the volume of Petroleum or Crude Oil measured in Barrels in accordance with standards established by ASTM.
- 2.1.21** “**Heavy Crude Petroleum**” means Petroleum having a density from 904 kilograms per cubic meter (kg/m³) up to and including 940 (kg/m³) and viscosity from 100 up to and including 350 square millimeters per second (mm²/s) will be classified as Heavy Crude Petroleum.
- 2.1.22** “**Mainline Facilities**” applicable to Batched Shipments, refers to those Facilities used for transportation service(s) at, or between, Casper, Wyoming and Wood River, Illinois, except when the Facilities are used to receive and/or Deliver a Common Stream or Upstream Common Stream Shipment at Casper, or Guernsey
- 2.1.23** “**Month**” and any other derivative thereof, means the period beginning on the first Day of the calendar month and ending at the same hour on the first Day of the next calendar month.
- 2.1.24** “**Monthly Nomination Date**” means no later than 7:00 a.m. Mountain Time on the dates set forth in the “Nomination Dates” section of Carrier’s customer portal.
- 2.1.25** “**Net Standard Volume**” means the Gross Standard Volume minus the basic sediment, water component and other impurities.
- 2.1.26** “**Nomination**” and any derivative thereof, means the volume of Petroleum or Crude Oil to be specified in the Monthly Nomination Form as described in Item 2.6.1 of these Rules and Regulations.
- 2.1.27** “**Nomination Form**” means the document prescribed by Carrier to be used by Shipper in notifying Carrier of proposed Tenders, as such form may be amended from time to time. Inquiries regarding forms or procedures should be directed to the individual identified on the first page under “compiled by.”
- 2.1.28** “**Party**” means Carrier or a Shipper.
- 2.1.29** “**Payment Due Date**” means 15 days after billing date or 15 days after receipt of invoice, whichever is the later date, in accordance with Item 2.8.1.
- 2.1.30** “**Person**” means a natural person, firm, trust, partnership, corporation, government or governmental agency.
- 2.1.31** “**Petroleum**” applicable to Common Stream Shipments, means either the direct liquid products of oil wells, or a mixture of the direct liquid products of oil wells with the indirect liquid products of oil or gas wells including gasoline and liquefied petroleum gases, all of which are of merchantable quality and that comply with Item 2.4.2.
- 2.1.32** “**Petroleum**” applicable to Batched Shipments, means oil which is the direct liquid product of oil wells, oil processing plants, oil sands, or a mixture of such products that comply with Item 2.4.3.
- 2.1.33** “**Receipt Point(s)**” means the inlet meter at one or more of the locations on Carrier’s Facilities as contained in Carrier’s Tariff or Storage in Transit Site and designated by Shipper to Carrier from time to time.
- 2.1.34** “**Retention Stock**” means the working bottoms, working stock, station fill and line fill required by the Carrier and assigned to the Shippers quarterly.
- 2.1.35** “**Shipper**” means a Person who uses the transportation service of Carrier pursuant to the rules, regulations and rates in Carrier’s Tariff.
- 2.1.36** “**Storage in Transit Site**” means the Carrier’s terminal at Guernsey Station, Wyoming or Gurley, Station, Nebraska.
- 2.1.37** “**Tariff**” means the terms and conditions contained in these Rules and Regulations or other Tariffs filed at the FERC by Carrier and all successors thereof.
- 2.1.38** “**Tender**” and any derivative thereof, means the delivery by a Shipper to Carrier at a Receipt Point of a stated quantity and type of Petroleum for transportation from a Receipt Point to a Delivery Point.
- 2.1.39** “**Upstream Common Stream**” or “**Upstream Common Stream Shipment**” means Crude Oil, tendered or received at Upstream Common Stream Facilities, which is commingled or intermixed with other Crude Oil of like characteristics and quality. An Upstream Common Stream may be made up of one or more Tenders of Crude Oil provided that each Tender of Crude Oil meets the quality specifications, as set out in Item 2.4.4. Once an Upstream Common Stream Shipment is received at Platte’s Mainline Facilities for Delivery to points downstream of Casper it will thereafter be transported pursuant to the Batched Shipment items herein.
- 2.1.40** “**Year**” means a period of 365 consecutive days; provided however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.

2.2 **COMMODITY**

- 2.2.1** Tariff covers the transportation of Petroleum or Crude Oil by Carrier, as specified in Item 2.4.2, 2.4.3, and 2.4.4, and no commodity other than Petroleum or Crude Oil will be transported under the Tariff.

2.3 ORIGIN AND DESTINATION

- 2.3.1** Acceptance and Delivery Petroleum or Crude Oil will be accepted for transportation only when Nominated and Tendered pursuant to Item 2.6 at Receipt Point(s) and Nominated for Delivery by the Shipper or a consignee at one or more Delivery Point(s).
- 2.3.2** Delivery Facilities Petroleum or Crude Oil will be accepted for transportation only when the Shipper has provided or made arrangements for the necessary facilities and/or transportation service required to meet Carrier's operational requirements at the named Delivery Point(s) for receiving the Petroleum or Crude Oil at the rate of flow at which the Carrier is then operating its Facilities at such Delivery Point(s).

2.4 QUALITY

- 2.4.1** Permitted Petroleum or Crude Oil Applicable to Batched Shipments. Only that Petroleum having properties that are compatible with the specifications of Petroleum described in Item 2.4.3 hereof will be permitted in Carrier's Facilities. The Carrier shall have the right, but not the obligation, to measure and test all Petroleum prior to its receipt in the Carrier's system. Shipper will not Tender to Carrier, and Carrier will have no obligation to accept or transport Petroleum which does not meet said specifications of Petroleum. Petroleum tendered for transportation which differs in grade and general characteristics from that usually transported by Carrier will, at the Carrier's option be transported only under terms as agreed to in writing, by, between and applicable to requesting Shipper and Carrier.

Applicable to Common Stream Shipments. Even if the Petroleum Tendered meets the specifications of Item 2.4.2, Carrier reserves the right to reject all Tenders unless the Tender can be commingled or intermixed with a grade of Petroleum which Carrier regularly transports between the origin and destination points without substantially reducing the value or altering the quality of any Common Stream regularly transported. Carrier will make the terms and conditions of such written agreements available to similarly situated shippers requesting transportation under this paragraph, subject to the restrictions of 49 U.S.C. 15(13).

Applicable to Upstream Common Stream Shipments. Carrier will accept only Crude Oil which meets the quality criteria of the Upstream Common Stream and the specifications of Crude Oil described in Item 2.4.4 hereof. Carrier will monitor the quality of the Upstream Common Streams and shall investigate suspected abuses of the Upstream Common Stream criteria violations. Monitoring of Upstream Common Streams will include gravity and sulfur testing and could include simulated distillation and other testing to determine quality.

- 2.4.2** **Specifications of Petroleum, applicable to Common Stream Shipments.** Carrier reserves the right to reject all tenders of Petroleum when, in Carrier's sole determination:
- (a) The Reid vapor pressure of the Petroleum or any mixture thereof with indirect products, exceeds twelve (12) pounds at one hundred degrees Fahrenheit (100°F);
 - (b) the true vapor pressure of the Petroleum, or any mixture thereof with indirect products, might result in Carrier's noncompliance with Federal, State, or Local requirements regarding hydrocarbon emissions;
 - (c) the Petroleum contains impurities exceeding five tenths of one percent including not more than two tenths of one percent water;
 - (d) the Petroleum has been partially refined;
 - (e) the Petroleum has been contaminated by the presence of any chemicals including, but not limited to, chlorinated and/or oxygenated hydrocarbons and lead; or
 - (f) the Petroleum tendered to Carrier's Common Stream Facilities would cause the Carrier to exceed the allowable Reid vapor pressure limits established in Carrier's environmental permits governing those facilities (such determination varies by facility and will be confirmed by Carrier upon request).

Petroleum delivered to Carrier's Facilities, which does not meet these specifications, shall be considered contaminated. If upon investigation Carrier determines that a Shipper has delivered to Carrier's Facilities contaminated Petroleum such Shipper shall be excluded from further entry into applicable segments of the System until such time as quality specifications are met.

- 2.4.3** **Specifications of Petroleum, applicable to Batched Shipments.** Petroleum having the following specifications shall not be accepted for receipt under normal operating conditions, namely:
- (a) Reid Vapor Pressure in excess of fifteen (15) pounds at one hundred degrees Fahrenheit (100°F);
 - (b) containing sediment, water and other impurities, in excess of one half of one percent (0.5%) of volume as determined by the centrifuge method in accordance with ASTM D96/API 2542 standards or by any other tests as may be established by Carrier;
 - (c) having at the Receipt Point a temperature greater than one hundred degrees Fahrenheit (100°F);
 - (d) having any organic chlorides, sulfurs or other compounds with physical or chemical characteristics that may render such Petroleum not readily transportable by Carrier or that may materially affect

the quality of other Petroleum transported by Carrier or that may otherwise cause disadvantage to Carrier.

2.4.4 — Specifications of Crude Oil, applicable to Upstream Common Stream Shipments. Carrier reserves the right to reject all tenders of Crude Oil when, in Carrier's sole determination:

- (a) The Reid vapor pressure of the Crude Oil exceeds twelve (12) pounds at one hundred degrees Fahrenheit (100°F);
- (b) the true vapor pressure of the Crude Oil might result in Carrier's noncompliance with Federal, State, or Local requirements regarding hydrocarbon emissions;
- (c) the Crude Oil contains impurities exceeding five-tenths of one percent including not more than two-tenths of one percent water;
- (d) the Crude Oil has been contaminated by the presence of any chemicals including, but not limited to, chlorinated and/or oxygenated hydrocarbons and lead; or
- (e) the Crude Oil tendered to Carrier's Upstream Common Stream Facilities would cause the Carrier to exceed the allowable Reid vapor pressure limits established in Carrier's environmental permits governing those facilities (such determination varies by facility and will be confirmed by Carrier upon request).

No Shipper shall tender Crude Oil in the sweet Upstream Common Stream that is the product of a blend of Crude Oils whose sulphur content is above 0.50% by weight with Crude Oils whose sulphur content is less than 0.50% by weight. Crude Oil delivered to Carrier's Facilities, which does not meet these specifications, shall be considered contaminated. If upon investigation Carrier determines that a Shipper has delivered to Carrier's Facilities contaminated Crude Oil such Shipper shall be excluded from further entry into applicable segments of the System until such time as quality specifications are met.

2.4.5 — Specification Guidelines Notwithstanding Item 2.4.2, 2.4.3, or 2.4.4 or any other provision to the contrary expressed or implied herein, Carrier shall have the right to make any reasonable change to the specifications under Item 2.4.2, 2.4.3, or 2.4.4, from time to time, to ensure measurement accuracy and to protect Carrier, quality of crude, personnel, capacity or equipment by filing revised specifications.

2.4.6 — Freedom from Objectionable Matter The Petroleum or Crude Oil if transported on Platte's Upstream Common Stream Facilities shall not contain sand, dust, dirt, gums, impurities or other objectionable substances which may be injurious to the Carrier or may interfere with the transportation of Petroleum or Crude Oil hereunder.

2.4.7 — Failure to Conform If Carrier determines that a Shipper does not comply with the provisions of Item 2.4.2, 2.4.3, 2.4.4, 2.4.5, or 2.4.6 of these Rules and Regulations, then such Shipper shall at its sole cost and expense remove its Petroleum or Crude Oil from Carrier's Facilities as directed by Carrier. Carrier may take such further action and remedies as it deems appropriate to lessen or mitigate any adverse impacts to Carrier's Facilities.

2.4.8 — Applicable to Upstream Common Stream Shipments. If Carrier determines that a Shipper does not comply with the provisions of Item 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, or 2.4.6 of these Rules and Regulations such that a Shipper has adversely affected the quality of the Upstream Common Stream, the Shipper causing such abuses shall be advised to cease and desist all such actions. Failure to desist or failure to cooperate in ending such practices shall result in that Shipper being barred from shipping in the Upstream Common Stream where such abuses occurred. Before such Shipper is allowed to Tender Crude Oil to the Upstream Common Stream where such abuses occurred, the Shipper will be required to provide Carrier with written assurances that such abuses will not recur. Shippers who have intentionally violated these Upstream Common Stream restrictions may be liable for damages to other Shippers in the same Upstream Common Stream.

2.4.9 — Failure to Remove Petroleum or Crude Oil If a Shipper fails to remove its Petroleum or Crude Oil from Carrier's Facilities in accordance with the provision of Item 2.4.7 and 2.4.8 hereof, then Carrier, in addition to any other remedy it may have under the Tariff, at law or in equity, shall have the right to remove and sell such Petroleum or Crude Oil in a lawful manner as deemed appropriate by Carrier. Carrier shall pay from the proceeds of such sale all costs incurred by Carrier with respect to the storage, removal and sale of such Petroleum or Crude Oil and Carrier shall be entitled to retain a reasonable estimate of any damages, costs, and expenses already incurred or anticipated to be incurred by Carrier in respect of such Petroleum or Crude Oil. The remainder of such proceeds, if any, shall be paid by Carrier to the Shipper or in accordance with the Shipper's direction. Carrier may take such further action and remedies as it deems appropriate to lessen or mitigate any adverse impacts to Carrier's Facilities caused by Shipper's failure to comply with the provisions of Item 2.4.

2.5 — SEGREGATION AND CHANGES IN QUALITY

2.5.1 — Delivery of Types of Petroleum or Crude Oil Carrier shall endeavor to Deliver substantially the same type and quality of Petroleum and Crude Oil as that received from Shipper; however, Carrier shall not be

obligated to Deliver the identical Petroleum or Crude Oil received by Carrier. A Common Stream Shipper and an Upstream Common Stream Shipper recognize that if a Carrier transports, at Shipper's request, less than a 6,360 cubic meter batch of Petroleum or Crude Oil, proportionally greater changes in quality and/or gravity may occur than during transportation of larger batches.

- 2.5.2 — Petroleum in Transit** Petroleum Tendered for transportation will be received by Carrier only on the condition that it will be subject to such changes in gravity (density) or quality while in transit as may result from the transportation thereof, or the mixture of said Petroleum with other Petroleum in Carrier's Facilities. Carrier shall not be liable for any consequential loss or damage resulting from an alteration in gravity (density) or quality of Petroleum transported by Carrier.
- 2.5.3 — Crude Oil in Transit, Applicable to Upstream Common Stream Shipments** Since variations in gravity and/or quality of Crude Oil are inherent in Upstream Common Stream operations, Carrier will not be liable for such variations occurring while the Crude Oil is in its custody, nor is Carrier under any obligation to deliver the identical Crude Oil received, but will make delivery out of such Upstream Common Stream.
- 2.5.4 — Changes in Specifications and Types of Petroleum Permitted** Notwithstanding the provisions of Item 2.5.2 and 2.5.3 hereof, if the Petroleum Tendered is of a type or quality not being currently transported through Carrier's Facilities, but subject to such Petroleum meeting the standards set out in Item 2.4 of these Rules and Regulations, Carrier may, as operating conditions permit, at the request of the Shipper, endeavor to transport and Deliver substantially the same type and quality of Petroleum.
- 2.5.5 — Operation** Carrier will operate and transport Common Stream, Upstream Common Stream and Batched Shipments in accordance with its Rules and Regulations herein.
- 2.5.6 — Applicable to Upstream Common Stream Shipments** Carrier will work with connecting carriers regarding the quality of Carrier's Upstream Common Streams and will advise such connecting carriers that any Crude Oil tendered found to be a detriment to Carrier's Upstream Common Stream will be rejected for further transportation on Carrier's system.
- 2.5.7 — Additional Common Streams (Applicable only to Common Stream Shipments)** With respect to Common Stream Shipments, after giving reasonable notice to Carrier's subscriber list, Carrier may, from time to time, undertake to transport other or additional grades of Petroleum as a Common Stream at the request of a Shipper(s), provided that:
- (a) Carrier shall not be liable to Shipper(s) for changes in the gravity or quality of such grades of Petroleum while in transit; and
 - (b) the Petroleum Tendered for transportation is made available at the Receipt Point(s) in sufficient quantity, as Carrier deems economically justifiable. After giving reasonable notice to Carrier's subscriber lists, Carrier may, from time to time, cease to transport certain grades of Petroleum as a Common Stream between particular Receipt Points and Delivery Points on its Common Stream Facilities.
- 2.5.8 — Applicable to Upstream Common Stream Shipments** When requested by a Shipper and if operationally feasible, Carrier will endeavor to segregate Crude Oil of a kind and/or quality not currently transported through Carrier's Facilities. If the Crude Oil is transported as a segregated stream, Carrier will to the best of its ability make delivery of such Crude Oil at a destination which is substantially the same Crude Oil as that received by Carrier at origin. For such segregated streams, Shipper must provide Crude Oil in such quantities and at such specified times as may be necessary to permit such segregated movements to be transported via Carrier's existing facilities. Further, Carrier will not be liable for failure to deliver the identical Crude Oil or for any variations in the gravity and/or quality of Crude Oil occurring while such segregated Crude Oil is in Carrier's custody.
- 2.5.9 — Buffers** If a Shipper requests Carrier to transport Petroleum or Crude Oil which differs in grade and general characteristics from that usually transported by Carrier, Carrier may require the Shipper to supply buffers before and after its Batch of the type and quantities Carrier prescribes. Carrier will provide to any such shipper a record of the type and volume of buffer(s) previously required under this Item for similar shipments by other Shippers.

2.6 — TENDERS AND QUANTITIES

- 2.6.1 — Monthly Nominations** On or before Carrier's Monthly Nomination Date, Shipper shall provide Carrier with a Nomination on the prescribed Nomination Form including the volume of Petroleum or Crude Oil to be shipped for the following Month, the Receipt Point(s), the Delivery Point(s) and type(s) of Petroleum or Crude Oil. Shipper shall, upon notice from Carrier, also provide written third party verification of the availability of its supply of Petroleum or Crude Oil and of its capability to remove such Petroleum or Crude Oil from the Delivery Point(s) as may be required by Carrier in support of such Shipper's Nomination. Carrier shall not be obligated to accept Shipper's Nomination where such verification is unacceptable to Carrier.

- ~~2.6.2~~ **Tenders** A Shipper desiring to Tender Petroleum or Crude Oil for transportation shall make such Tender in accordance with Carrier's established Tender process. If Shipper is unable to remove from the Delivery Point(s) the volume of Petroleum or Crude Oil to be Tendered, Carrier may reduce the amount of Petroleum or Crude Oil accepted from Shipper for transportation to the amount which Shipper has verified to Carrier's satisfaction that it will be able to remove from the Delivery Point(s).
- ~~2.6.3~~ **Ratability** A Tender will be accepted only when the total quantity covered thereby will be delivered to Carrier at a Receipt Point for transportation within said Month at a daily rate or in quantities and at times to be specified or accepted by Carrier.
- ~~2.6.4~~ **Minimum Tender and Delivery, applicable to Common Stream Shipments.** Tenders for the transportation of Petroleum for which the Carrier has Facilities will be accepted into the System under this Tariff in quantities of not less than 1,590 cubic meters aggregate from one or more Shippers as operations permit and, provided such Petroleum is of similar quality and characteristics as is being transported from Receipt Point to Delivery Point. The Carrier is not obligated to transport Petroleum until it has received for the account of one or more Shippers, for delivery to a single destination (including any delivery point on the Mainline Facilities) in a common batch, a quantity aggregating not less than 3,975 cubic meters of the same quantity of Petroleum within a two (2) month period or of different qualities to be commingled, provided that the Shippers and Carrier agree to said commingling. In conformance with Item 2.1.8, any tenders of Common Stream Shipments intended for transportation on the Mainline Facilities will be accepted subject to the minimum batch size requirements of Item 2.6.5.
- ~~2.6.5~~ **Minimum Tender and Delivery for transportation on Mainline Facilities, applicable to Batched Shipments.** Carrier is not obligated to receive a Tender or Deliver a batch of less than 3,975 cubic meters.
- ~~2.6.6~~ **Minimum Tender and Delivery, applicable to Upstream Common Stream Shipments.** Tenders for the transportation of Crude Oil for which the Carrier has Facilities will be accepted into the System under this Tariff in quantities of not less than 1,590 cubic meters aggregate from one or more Shippers as operations permit and, provided such Crude Oil is of similar quality and characteristics as is being transported from Receipt Point to Delivery Point. The Carrier is not obligated to transport Crude Oil until it has received for the account of one or more Shippers, for delivery to a single destination (including any delivery point on the Mainline Facilities) in a common batch, a quantity aggregating not less than 3,975 cubic meters of the same quantity of Crude Oil within a two (2) month period or of different qualities to be commingled, provided that the Shippers and Carrier agree to said commingling. In accordance with Item 2.1.38, any tenders of Upstream Common Stream Shipments intended for transportation on the Mainline Facilities will be accepted subject to the minimum tender requirements of Item 2.6.5.
- ~~2.6.7~~ **Late Nominations** Subject to the provisions of Item 2.14, if space is available and operating circumstances permit, Carrier may, at its discretion, accept Nominations, or revised Nominations after the Carrier's Monthly Nomination Date.
- ~~2.6.8~~ **Retention Stock** Shipper shall supply its proportionate share of Retention Stock by types and volumes as determined from time to time by Carrier.
- ~~2.6.9~~ **Flow Rates and Volumes** Carrier will normally take full stream receipts at the Receipt Point(s) and will make full stream Deliveries of Petroleum or Crude Oil at the Delivery Point(s) at flow rates and volumes compatible with Carrier's operations. Carrier may take less than full stream receipts at the Receipt Point(s) provided that, in Carrier's discretion, such Petroleum or Crude Oil can be received into Carrier's Facilities without disrupting Carrier's operations. Shipper shall provide, or arrange for, the facilities necessary to promptly remove the Petroleum or Crude Oil at the named Delivery Point(s) at flow rates, volumes and pressure designated by the Carrier.

~~2.7~~ **APPLICATION OF RATES**

- ~~2.7.1~~ **Effective Rates** Petroleum or Crude Oil accepted for transportation shall be subject to the rates in effect on the date of Delivery of such Petroleum or Crude Oil by Carrier, irrespective of the date of Nomination(s).
- ~~2.7.2~~ Petroleum or Crude Oil accepted for transportation from a point on the Carrier's lines not named in the Tariff will be deemed to have been received at the next more distant point named in the Tariff for the purpose of determining the rate to be charged.
- ~~2.7.3~~ **Allowance Oil** The Carrier shall deduct, as allowance oil, a defined percent of the volume of Crude Petroleum delivered to the Shipper to cover losses inherent in the transportation of Crude Petroleum by pipeline. The applicable percentages can be found in the Table of Loss Allowance Percentages, which is located on the Carrier's website at <https://www.enbridge.com/Projects-and-Infrastructure/For-Shippers/Tariffs/Platte-Pipe-Line-Company-LLC-Platte-Tariffs.aspx>

2.8 PAYMENT OF TARIFF CHARGES AND LIEN FOR UNPAID CHARGES

- 2.8.1** Shipper shall pay to Carrier rates in accordance with the Tariff in effect on the day the shipment is received by Carrier for transportation on or before the Payment Due Date. Carrier will provide Shipper a Monthly Invoice by electronic means detailing:
- (a) The charges payable to Carrier pursuant to the Tariff for Shipper's volumes Delivered during the previous Month; and
 - (b) any other charges for which Shipper is liable under the Tariff.
- Provided, however, that as to Common Stream Shipments and Upstream Common Stream Shipments, this item applies except as to the calculation and invoicing of gravity bank payments, which are governed by Item 2.22.2.
- 2.8.2** In addition to any other remedies available to Carrier under the Tariff, at law or in equity, Carrier shall have a lien on all Petroleum or Crude Oil in its possession belonging to Shipper to secure the payment of any and all unpaid transportation or other lawful charges that are due Carrier and unpaid by Shipper, and Carrier may withhold such Petroleum or Crude Oil from Delivery until all unpaid charges shall have been paid.
- 2.8.3** Should Shipper fail to pay all of the amount of any invoice as herein provided on or before the Payment Due Date, interest on the unpaid portion of the invoice accrues daily at a rate of interest per annum equal to the rate specified in 18 C.F.R. § 340.1(c)(2) and the principal and accrued interest to date shall be payable and due immediately upon demand. If such failure to pay continues for ten (10) days after the Payment Due Date, Carrier, in addition to any other remedy it may have under the Tariff, at law or in equity, may suspend further receipt of Petroleum or Crude Oil until such amount is paid PROVIDED HOWEVER, that if Shipper in good faith disputes the amount of any such invoice or part thereof and pays to Carrier such amounts as it concedes to be correct, and at any time thereafter within twenty (20) days of a demand made by Carrier furnishes good and sufficient financial assurances, guaranteeing payment to Carrier of the amount ultimately found due upon such invoice after a final determination reached either by agreement, arbitration or judgment of the courts, as may be the case, then Carrier shall not be entitled to suspend further receipt of Petroleum or Crude Oil because of such nonpayment unless and until default be made in the conditions of financial assurances.
- 2.8.4** If said charges remain unpaid ten (10) days after notice and demand, Carrier shall have the right to sell through an agent, any Petroleum or Crude Oil delivered to Carrier by the Shipper and then in the custody of Carrier or its agent or otherwise traceable and lienable by Carrier, at public auction from any office of Carrier on any Day not a legal holiday, provided that the auction takes place not less than forty-eight (48) hours after the publication of notice of such sale in a daily newspaper of general circulation published in the area of the proposed sale, stating the time, place of sale and quantity and location of Petroleum or Crude Oil to be sold. Subject to Items 2.4.9 and 2.9.2, Shipper covenants and agrees not to dispose of its Petroleum or Crude Oil other than subject to the lien afforded Carrier hereby. At said sale Carrier shall 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 reasonable storage charges pending sale and expenses incident to said sale, and the balance remaining, if any, shall be held in trust for whomsoever may be lawfully entitled thereto, without the obligation to pay interest thereon. Any such funds may be commingled in any other account or accounts maintained by Carrier from time to time.

2.9 DELIVERY AND ACCEPTANCE

- 2.9.1** Carrier will deliver Petroleum or Crude Oil with reasonable diligence and dispatch, and Shipper shall accept and remove its Petroleum or Crude Oil from the Facilities of Carrier upon Delivery of the Petroleum or Crude Oil.
- 2.9.2** If, 72 hours after completion of receipt into Carrier's facilities at a mainline or terminal destination, Shipper fails to remove its Petroleum or Crude Oil from the Delivery Point or from the Custody of Carrier upon Carrier's delivery, then Carrier may, at its sole discretion, allow Shipper's barrels to remain in the terminal subject to demurrage if operational conditions permit. The demurrage rate set forth in Item 1.2 will accrue per barrel per 24 hours, or any part thereof. If, and to the extent that, Carrier concludes that Shipper's failure to remove its petroleum or crude oil after the 72-hour period resulted from the fault of Carrier, demurrage will not apply. At any time after the 72-hour period has expired, Carrier may upon 24-hour notice require Shipper to immediately remove its Petroleum or Crude Oil from Carrier's facilities or Carrier's custody. If the Shipper fails to remove its Petroleum or Crude Oil from the custody of Carrier, Carrier's rights as set forth in item 2.9.3 of Carrier's Rules and Regulations will apply.
- 2.9.3** If, after 24-hour notice, Shipper fails to remove its Petroleum or Crude Oil from the Delivery Point or from the custody of Carrier upon Carrier's delivery, then Carrier shall, in addition to any other remedy it may have under the Tariff, at law or in equity, have the right to remove and sell such Petroleum or Crude Oil in such lawful manner as deemed appropriate by Carrier. Carrier shall pay from the proceeds of such sale all costs

incurred by Carrier with respect to the storage, removal and sale of such Petroleum or Crude Oil. The remainder of such proceeds, if any, shall be held by Carrier for the Shipper and any other party lawfully entitled to such proceeds.

- ~~2.9.4~~ With respect to Common Stream Facilities and Upstream Common Stream Facilities, when both receipt from and/or Deliveries to a connecting carrier of substantially the same grade of Petroleum or Crude Oil in the respective Common Stream are scheduled at the same interconnection, Carrier reserves the right to offset like volumes of such Petroleum or Crude Oil.

~~2.10 STORAGE IN TRANSIT~~

- ~~2.10.1~~ A Shipper may, by Nomination to Carrier, elect to park Crude Petroleum at the Storage in Transit Sites. Following such storage in transit, a Shipper shall be permitted, by Nomination to Carrier, to re-enter such Crude Petroleum for further transportation.
- ~~2.10.2~~ Nominations to the Storage in Transit Sites will be subject to the applicable tariff rates from the initial Receipt Point to the ultimate Delivery Point selected by the Shipper, which rate will be invoiced at the time the Crude is Delivered to the Storage in Transit Sites.
- ~~2.10.3~~ Carrier does not provide commercial storage at the Storage in Transit Sites. Shippers must make their own arrangements for commercial storage at the Storage in Transit Sites.
- ~~2.10.4~~ Upon Delivery of Crude Petroleum into storage at the Storage in Transit Sites, the custody and possession of the Crude Petroleum shall be that of the Shipper or consignee and not that of the Carrier, and Carrier shall not be liable for loss and/or damage to such Crude Petroleum while in storage.

~~2.11 LIABILITY OF SHIPPER~~

- ~~2.11.1~~ If the Petroleum or Crude Oil is not removed from Carrier's Facilities upon the Delivery, and a disruption of the Carrier's operations results, Shipper shall be solely responsible for all costs or losses to Carrier associated with such disruption, including loss of revenue resulting therefrom, unless the non-removal of such Petroleum or Crude Oil is due to the negligence of Carrier.
- ~~2.11.2~~ Shipper shall indemnify Carrier for any damages, losses, costs or consequential losses incurred by Carrier or any other party as a result of such Shipper's failure to comply with any provision of the Tariff, unless Shipper's failure to comply is due to the negligence of Carrier.
- ~~2.11.3~~ **Spill Compensation** In addition to the transportation charges and all other charges accruing on Petroleum or Crude Oil accepted for transportation, a per barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against the Carrier in connection with such commodity, pursuant to any federal, state or local act or regulation which levies a tax, fee or other charge on the receipt, delivery, transfer or transportation of such commodities within their jurisdiction for the purpose of creating a fund for the prevention, containment, clean-up and/or removal of spills and/or the reimbursement of persons sustaining loss therefrom. If damage to or loss of Petroleum or Crude Oil results from any cause other than the negligence of Carrier while Carrier is in possession or control of such Petroleum or Crude Oil, then Carrier may apportion the cost of such damage or loss on a pro rata basis among all Shippers. Each Shipper's share of such cost shall be determined by Carrier based on the proportion of the volume of the Shipper's Petroleum or Crude Oil in the possession of Carrier on the date of such loss to the total volume of Petroleum or Crude Oil in the possession of Carrier on the date of such loss.

~~2.12 LIABILITY OF CARRIER~~

- ~~2.12.1~~ Carrier shall not be liable to Shipper for any losses, damages, consequential losses or damages unless as a result of Carrier's negligence.
- ~~2.12.2~~ If damage to or loss of Petroleum results from any cause other than the negligence of Carrier while Carrier is in possession or control of such Petroleum, then Carrier may apportion the cost of such damage or loss on a pro rata basis among all Shippers. Each Shipper's share of such cost shall be determined by Carrier based on the proportion of the volume of the Shipper's Petroleum in the possession of Carrier on the date of such loss to the total volume of Petroleum in the possession of Carrier on the date of such loss.

2.13 — FORCE MAJEURE

- 2.13.1** If either Carrier or Shipper fails to perform any obligations under the Tariff due to an event of Force Majeure, then such failure shall be deemed not to be a breach of such obligations.
- 2.13.2** The term "Force Majeure," as employed herein and for all purposes relating hereto, shall mean any act of God, war, civil insurrection or disobedience, acts of public enemy, strikes, lockouts or other industrial disturbances, accidents, blockades, riots, epidemics, landslides, lightning, earthquakes, explosions, fires, floods, civil disturbances, the act, regulation, order, direction or requisition of any governmental or other authority having jurisdiction, or other cause whether of the kind enumerated or otherwise which is beyond the control of the applicable Party and which by the exercise of due diligence such Party is unable to prevent or overcome. No event of Force Majeure shall relieve any Shipper from its obligations to make payments to Carrier unless the event of Force Majeure occurs on Carrier's Facilities.
- 2.13.3** Notwithstanding Items 2.13.1 and 2.13.2, the following shall not be events of Force Majeure:
- (a) Insufficiency of Shipper's Petroleum or Crude Oil supplies; or
 - (b) Shipper's lack of funds.
- 2.13.4** A Party that fails to perform any obligation(s) under the Tariff where such failure is caused by an event of Force Majeure shall promptly remedy the cause of the Force Majeure insofar as it is reasonably able to do so, provided that the terms of the settlement of any strike, lock-out or other industrial disturbance shall be wholly in the discretion of the Party claiming suspension of its obligations hereunder by reason thereof.
- 2.13.5** Notwithstanding the above provisions, no event of Force Majeure shall:
- (a) Relieve any Party from any obligation or obligations unless such Party gives notice with reasonable promptness of such event to the other Party; or
 - (b) relieve any Party from any obligation or obligations after the expiration of a reasonable period of time within which, by the use of its due diligence, such Party could have remedied or overcome the consequences of such event of Force Majeure.

2.14 — PRORATIONING

- 2.14.1 Binding Nominations** For any Month, if the Carrier determines that Nominations exceed its capacity, then the Carrier will notify each Shipper and provide each Shipper an opportunity to reduce its Nomination, which Nomination shall be considered a Binding Nomination. If a Shipper does not submit a reduced Nomination then its initial Nomination shall be considered its Binding Nomination.
- 2.14.2 Pro Rata Allocation** Following the receipt of Binding Nominations for a given Month as directed by Item 2.14.1, Carrier shall determine the capacity available in that Month. In the event that Binding Nominations for that Month exceed the capacity available, such capacity shall be allocated pursuant to the May 13, 2013 Prorationing Procedure.
- 2.14.3 Payment Obligations** If after receiving the Shippers' Binding Nominations, the Carrier determines that it must prorate capacity, then the following formula will be utilized to determine the Shipper's payment obligation:
- If the Shipper Tenders a volume greater or equal to ninety-five percent (95%) of its Binding Nomination, the Shipper shall be invoiced based on its Delivered volumes in accordance with Item 2.8.1. If the Shipper Tenders less than ninety-five percent (95%) of its Binding Nomination, the Shipper shall be invoiced for its delivered volumes for that month, plus the product of the applicable Tariff and volume equal to the difference between the actual volume tendered and a volume equal to ninety-five percent (95%) of the Shipper's Binding Nomination or the Shipper's pro-rated Binding Nomination pursuant to Item 2.14.2, as adjusted by further prorating or operational factors.
- 2.14.4** Procedures for the implementation of this item are provided in the May 13, 2013 Prorationing Procedure available on the Carrier's website located at <http://www.enbridge.com/Projects-and-Infrastructure/For-Shippers/Tariffs/Platte-Pipe-Line-Company-LLC-Platte-Tariffs.aspx>.

2.15 — PETROLEUM INVOLVED IN LEGAL DISPUTES

- 2.15.1** Petroleum or Crude Oil which is in any way subject to litigation, or the ownership of which may be in dispute, or which is subject to a lien or charge of any kind, may not be Tendered by Shipper or accepted by Carrier for transportation unless and until the Shipper shall furnish a bond or other form of indemnity satisfactory to Carrier against any liability or loss arising as a result of such litigation, dispute, lien or charge.

2.16 CLAIMS, SUITS AND TIME FOR FILING

2.16.1 As a condition precedent to recovery, claims for loss or damage, in connection with the transportation of Petroleum or Crude Oil Tendered for shipment under the Tariff, must be submitted in writing to Carrier within nine (9) months after Delivery of the Petroleum, or Crude Oil or, in the case of failure to make Delivery, then within nine (9) months after a reasonable time for Delivery has elapsed; and suits arising out of such claims must be instituted against Carrier within two (2) Years from the date when notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any parts or part thereof specified in the notice. Claims advanced beyond such two (2) Year period shall be null and void as between Shipper and Carrier. In causing Petroleum or Crude Oil to be transported under the Tariff, the Shipper agrees to be bound by the provisions of this clause and waives any rights which it might otherwise have at law, equity or otherwise, to make a claim after the expiration of said period of nine (9) months or to bring an action after the expiration of the said period of two (2) Years.

2.17 MEASUREMENTS

2.17.1 The volumetric measurement base of all Petroleum or Crude Oil referred to in the Tariff shall be one (1) Barrel.

2.17.2 All Petroleum or Crude Oil received by Carrier for transportation shall be measured and tested by a representative of Carrier prior to its receipt in the Carrier's system. The Shipper may have a representative present at the gauging or metering and testing. If tank tables are used, quantities will be computed from regularly compiled tank tables showing one hundred percent (100%) of the full capacity of the tanks. Whenever there is substantial evidence of meter malfunctions in a custody transfer measurement, the Parties involved in the custody transfer shall negotiate an appropriate adjustment on the basis of the most reliable and accurate information available. Such adjustments may only be claimed for a period of up to ninety (90) days after the date of discovery of the meter malfunction. Failing negotiated agreement of an appropriate adjustment, the matter shall be referred to arbitration for final determination pursuant to the Commercial Arbitration Rules of the American Arbitration Association.

2.17.3 All Petroleum or Crude Oil shall be received and Delivered with documented meter tickets.

2.17.4 All measurement procedures are to be conducted in accordance with API/ASTM standards and pipeline industry practice or such other tests as may be agreed upon by Carrier and Shippers.

2.17.5 **Applicable to Common Stream Shipments** When indirect liquid products are mixed with direct liquid products in pipeline or tanks of the Carrier, five percent (5%) of all indirect liquid products will be deducted and retained by Carrier to cover shrinkage and evaporation.

2.17.6 Carrier shall account to each Shipper for one hundred percent (100%) of Petroleum received for its accounts. Adjustments for shortage for direct liquid products, including losses for shrinkage and evaporation incident to Carrier transportation, will then be based on the proportion that such Shipper's total Deliveries from the Carrier by stream bears to the total Deliveries of all Shippers by stream from the Carrier. Overages and shortages will be calculated and prorated to Net Standard Volumes.

2.17.7 **Applicable to Batched Shipments** Carrier shall account to each Shipper for one hundred percent (100%) of Petroleum received for its account. Adjustments for shortages, including losses for shrinkage and evaporation incident to Carrier transportation, will then be based on the proportion of such Shipper's total Deliveries from the Carrier to the total Deliveries of all Shippers from the Carrier. Overages or shortages will be calculated and prorated to Net Standard Volumes.

2.17.8 **Applicable to Upstream Common Stream Shipments** Carrier shall account to each Shipper for one hundred percent (100%) of Crude Oil received for its account. Adjustments for shortages, including losses for shrinkage and evaporation incident to Carrier transportation, will then be based on the proportion of such Shipper's total Deliveries from the Carrier to the total Deliveries of all Shippers from the Carrier. Overages or shortages will be calculated and prorated to Net Standard Volumes.

2.17.9 Carrier's representative, upon reasonable notice to Shipper, shall have the right to enter upon the Shipper's premises or the premises of a third party that is utilized by a Shipper where Petroleum or Crude Oil is stored and have access to any and all tankage for the purpose of making any examination, inspection, measurement, or test provided for under these Rules and Regulations.

2.18 REPRESENTATION AND WARRANTIES

2.18.1 Carrier represents and warrants that it shall operate its Facilities on a common carrier basis, providing transportation for remuneration without undue discrimination among its Shippers, and that Carrier shall operate its Facilities in accordance with all applicable laws and orders, directions, rules, regulations and Tariffs as may be made by the FERC or such other body having jurisdiction over Carrier.

2.18.2 Shipper represents and warrants that:

- ~~_____ (a) It has in place for all Tendered Petroleum or Crude Oil all required approvals, permits and authorizations for the removal and transportation of Petroleum or Crude Oil hereunder;~~
- ~~_____ (b) it owns or controls, has the right to Deliver or have Delivered for its account, the Petroleum or Crude Oil that is Delivered to Carrier;~~
- ~~_____ (c) it shall indemnify and hold harmless Carrier against all claims, actions or damages arising from any adverse claims by third parties claiming ownership or an interest in the Petroleum or Crude Oil Delivered for transport to Carrier, and~~
- ~~_____ (d) it will pay Carrier the charge(s) as derived herein by the Payment Due Date.~~

~~2.18.3 Carrier does not offer a storage service. However, Carrier does offer a storage in transit service, see Item 2.10.~~

~~2.19 GOVERNING LAW~~

~~2.19.1 The Tariff is subject to the provisions of the Interstate Commerce Act or any other legislation passed in amendment thereto or substitution therefor.~~

~~2.20 FINANCIAL ASSURANCES~~

~~2.20.1 Carrier may at any time request and Shipper shall provide if Carrier so requests, financial security for the payment of the charges to be paid by Shipper to Carrier for transportation service and for liabilities not stemming from transportation charges such as inventory settlement or potential batch contamination as may arise from time to time ("Financial Assurances"). If requested, Shipper's Financial Assurances must be provided to Carrier prior to Carrier accepting Shipper's Nominations or Binding Nominations. Carrier shall have the option to refuse Nominations or Binding Nominations at any time, in whole or in part, from Shipper until adequate Financial Assurances are provided. Shipper shall provide written notice to Carrier of any change in its financial or operational situation that could adversely affect the Shipper's financial position or Carrier's ability to exercise or realize value from Shipper's Financial Assurances.~~

~~_____ The Financial Assurances that Carrier may request from Shipper shall include any combination of the following items, which, evaluated together, are acceptable to Carrier as security for transportation service and for liabilities not stemming from transportation charges such as inventory settlement or potential batch contamination:~~

- ~~(a) Financial information including recent comparative financial statements, certified by an appropriate Shipper representative (Chief Financial Officer, Controller, or equivalent) as a fair representation of financial position in accordance with a widely recognized accounting framework (Generally Accepted Accounting Principles or International Financial Reporting Standards). Such financial statements shall include an auditor's opinion, where available;~~
- ~~(b) information on the date and jurisdiction of formation of the Shipper entity;~~
- ~~(c) a description of the nature of the Shipper's business and financing arrangements including source of funds, and any available annual reports, Securities and Exchange Commission (or an equivalent authority) filings, trade references, or credit rating information as may be available;~~
- ~~(d) an irrevocable letter of credit or such other equivalent financial guarantees satisfactory to Carrier, which arrangement shall remain in effect until payment in full for all service has been received by Carrier, at which time Carrier shall, upon request, return and/or cancel such financial guarantee forthwith. The following must be acceptable to Carrier:
 - ~~(i) The terms of any letter of credit;~~
 - ~~(ii) the adequacy of any equivalent financial guarantees; and~~
 - ~~(iii) the identity of the issuing institution of any letter of credit or equivalent financial guarantee; and~~~~
- ~~(e) prepayment of the charges applicable to such volumes Nominated by Shipper.~~

~~2.21 REQUESTED CHANGES BY SHIPPER~~

~~2.21.1 Shipper Requests: Following Shipper's Tender and upon the written request of Shipper, and successor Shipper, Carrier may allow Shipper to transfer its control over a shipment to another Shipper, provided that the successor Shipper:~~

- ~~(a) Satisfies the Financial Assurances requirement specified in Item 2.20 herein, and~~
- ~~(b) assumes all obligations under the Tariff as of the time Carrier approves the transfer. Subject to the operating conditions on Carrier's facilities, the Carrier may allow a Shipper to change the Delivery Point(s) designated in its Nomination or Binding Nomination to another Delivery Point(s).~~

2.22 INCORPORATION OF PRACTICES

In addition to these Rules and Regulations, Platte Pipe Line Company LLC's Crude Petroleum Tariff incorporates the following practice(s):

2.22.1 Practice Applicable to Automatic Balancing: All Shippers shall be responsible for their proportionate share of physical losses of Petroleum resulting from normal pipeline operations including line losses and shrinkage pursuant to the Practice Applicable to Automatic Balancing effective April 1, 2019, which is located on the Carrier's website at <http://www.enbridge.com/Projects-and-Infrastructure/For-Shippers/Tariffs/Platte-Pipe-Line-Company-LLC-Platte-Tariffs.aspx>.

2.22.2 Practice Applicable to Gravity Bank Adjustments: This practice is applicable to Common Stream Shipments and Upstream Common Stream Shipments. In order to provide a means whereby Shippers will not materially be disadvantaged or allowed to benefit due solely to changes in gravity as the result of commingling Petroleum or Crude Oil of different gravities within the Common Stream or Upstream Common Stream in the system, Carrier has established a gravity bank to calculate, collect and remit just and nondiscriminatory monetary adjustments among all Shippers Tendering within a stream for changes in gravity which result from Common Stream or Upstream Common Stream operations. The Practice Applicable to Gravity Bank Adjustments can found on the Carrier's website at <https://www.enbridge.com/Projects-and-Infrastructure/For-Shippers/Tariffs/Platte-Pipe-Line-Company-LLC-Platte-Tariffs.aspx>.

SYMBOLS:

[M] – Move

[N] – New