

**TEXAS TRANSPORTATION RATE SHEET NO. 249.1.0**

**ExxonMobil Pipeline Company**

LOCAL TARIFF

CONTAINING RATES AND RULES GOVERNING

THE TRANSPORTATION OF

Butadiene

BY

ExxonMobil Pipeline Company

Texas Butadiene System

RECEIVED  
R.R.C. OF TEXAS

MAR 16 2017

GAS SERVICES DIVISION  
AUSTIN, TEXAS

From Any Origin Point Named Below:	To Any Destination Point Below Different from Origin Point:	Rate in Cents per Pound
Intercontinental Terminals Company (Harris County), Texas	Intercontinental Terminals Company (Harris County), Texas	3.07
Equistar Pasadena (Harris County), Texas	Shell Deer Park (Harris County), Texas	
Shell Deer Park (Harris County), Texas	SI Group (Harris County), Texas	
TPC Pasadena (Harris County), Texas	Houston Plant - Goodyear Rubber Company (Harris County), Texas	
BASF/Total Plant (Jefferson County), Texas	Beaumont Plant - Goodyear Rubber Company (Jefferson County), Texas	
ExxonMobil's Baytown Olefins Plant (Harris County), Texas	Port Neches Plant - Lion Oil (Jefferson County), Texas	
	Orange Plant - Firestone Rubber Company (Orange County), Texas	
	ARLANXEO (Orange County), Texas	
	Invista (Orange County), Texas	
	ExxonMobil's Baytown Olefins Plant (Harris County), Texas	

The transportation rate set forth above shall remain in effect until changed by Carrier. Shippers shall be notified of any such change by a supplemental transportation rate sheet which shall specify a new rate and the effective date thereof. Such supplemental transportation rate sheet shall be attached to and become a part of the contract between Carrier and Shippers.

The rate named in this transportation rate sheet is for the transportation of butadiene by pipeline, subject to the rules and regulations published herein.

**ISSUE DATE: MARCH 16, 2017**

**EFFECTIVE DATE: APRIL 1, 2017**

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**ExxonMobil Pipeline Company  
Texas Butadiene System  
Rules and Regulations**

1. DEFINITIONS: As used in these rules and regulations, the following terms have the following meanings:

"Butadiene" means product meeting the specifications for butadiene, which are available upon request.

"Barrel" means forty-two (42) United States Gallons at sixty degrees Fahrenheit (60°F).

"Carrier" means ExxonMobil Pipeline Company.

"Pipeline" means ExxonMobil Pipeline Texas Butadiene System with origins at Baytown and Deer Park, and destinations of Houston, Beaumont, Deer Park, Port Neches and Orange.

"Shipper" means a party who has entered into a contract with Carrier for the transportation of butadiene.

"Tender" means an offer by a Shipper to the Carrier of a stated quantity of butadiene for transportation in the Pipeline from a specified origin or origins to a specified destination or destinations in accordance with these rules and regulations and the applicable Intrastate Transportation Rate Sheet.

2. MINIMUM TENDER: A Shipper desiring to tender butadiene shall make such tender to Carrier in writing on tender forms which will be supplied by Carrier on request. Such tender shall be for a quantity of not less than 10,000 barrels from one shipper to one consignee.

3. RECEIPT, DELIVERY, QUALITY, AND LEGALITY OF SHIPMENTS OFFERED: Butadiene offered for transportation will be received into the Pipeline of Carrier only on the condition that:

- a. Butadiene offered for shipments conforms to the specifications for butadiene, which are available upon request, being transported by Carrier and the transportation of such butadiene would result in no damage to the quality or characteristics of other shipments; and,
- b. A quantity of not less than ten thousand (10,000) barrels of butadiene is available for delivery in Carrier's Pipeline in one continuous movement, and
- c. Shipper has provided facilities at reception point for delivering butadiene to Carrier at pressures and pumping rates satisfactory to Carrier, and
- d. Shipper or the party receiving shipments has made necessary arrangements for accepting delivery of shipments of butadiene promptly on arrival at destination, at rates satisfactory to Carrier, and
- e. Shipper or the party receiving shipments has complied with all applicable laws, rules, regulations made by any governmental authorities regulating shipments of butadiene.

4. IDENTITY OF SHIPMENTS: Carrier cannot undertake to deliver the identical butadiene received, but will make delivery at destination from common stock in the Pipeline. Carrier will not be liable for discoloration, contamination, or deterioration of butadiene transported unless such discoloration, contamination, or deterioration is caused by negligence of Carrier.

5. APPLICATION OF RATES: Butadiene accepted for transportation shall be subject to the rates in effect on the date of receipt by Carrier, irrespective of the date of tender.

6. LIABILITY OF CARRIER: Carrier in possession of butadiene shall not be liable for any loss thereof; damage thereto; or delay caused by fire, explosion, storm, flood, epidemics, act of God, riots, strikes, insurrection, rebellion, war, act of the public enemy, quarantine, the authority of law, or from any other

cause not due to the negligence of Carrier. In case of loss of any butadiene from any such causes, after it has been received for transportation and before the same has been delivered to the party receiving shipments, Shipper shall stand a loss in such proportion as the amount of his shipment, already delivered to Carrier, bears to all of the butadiene then in the custody of Carrier, for shipment via the lines or other facilities in which the loss or damage occurs, and the Shipper shall be entitled to have delivered only such portion of his shipment as may remain after deduction of his due portion of such loss.

7. BUTADIENE INVOLVED IN LITIGATION: Butadiene which is in any way involved in litigation, or which is encumbered by a lien or charge of any kind, will not be accepted for shipment, unless and until the Shipper or the party receiving shipments shall furnish a bond or other form of indemnity satisfactory to Carrier, protecting it against any liability or loss arising as a result of such litigation, lien, or charge.
8. PAYMENT OF TRANSPORTATION CHARGES:  
The Shipper or Consignee shall pay, as provided below, all applicable gathering, transportation, and all other charges accruing on Butadiene handled by Carrier.

All payments are due within 10 days of receipt of the invoice, unless the Carrier determines in a manner not unreasonably discriminatory that the financial condition of Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines in a manner not unreasonably discriminatory it necessary to do so, in which case the payment due date shall be that specified in a written notice to the Shipper.

If any charge remains unpaid after the due date specified in Carrier's invoice, then such amount due may bear interest from the day after the due date until paid, calculated at an annual rate equivalent to the lesser of (1) 125% of the prime rate of interest, as of the date of Carrier's invoice, charged by the Citibank N.A. of New York, New York, for ninety (90) day loans made to substantial and responsible commercial borrowers or (2) the maximum rate allowed by law. In addition Shipper shall pay all documented costs incurred by Carrier to collect any unpaid amounts.

In the event Shipper fails to pay any such charges when due, Carrier shall not be obligated to provide Shipper access to Carrier's facilities or provide services pursuant to Carrier's tariff until such time as payment is received by Carrier and Shipper meets the requirements of the following paragraph. In addition, in the event Shipper fails to pay any such charges when due, Carrier shall have the right to setoff such amounts owed and future amounts owed against those amounts Carrier owes Shipper.

In the event Carrier determines in a manner not unreasonably discriminatory that the financial condition of Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines in a manner not unreasonably discriminatory it is necessary to obtain security from Shipper, Carrier, upon notice to Shipper, may require any of the following prior to Carrier's delivery of Shipper's Butadiene in Carrier's possession or prior to Carrier's acceptance of Shipper's Butadiene: (1) prepayment of all charges, (2) a letter of credit at Shipper's expense in favor of Carrier in an amount sufficient to ensure payment of all such charges and, in a form, and from an institution acceptable to Carrier, or (3) a guaranty in an amount sufficient to ensure payment of all such charges and in a form and from a third party acceptable to Carrier. In the event, Shipper fails to comply with any such requirement on or before the date supplied in Carrier's notice to Shipper, Carrier shall not be obligated to provide Shipper access to Carrier's facilities or provide services pursuant to this tariff until such requirement is fully met.

Carrier shall have a lien on all Butadiene delivered to Carrier to secure the payment of any and all gathering, transportation, or any other charges that are owed Carrier. Such lien shall survive delivery of Butadiene to Shipper. Such lien shall extend to all Butadiene in Carrier's possession beginning with Shipper's first receipt of transportation or other services from Carrier. The lien provided herein shall be in addition to any lien or security interest provided by statute or applicable law. Carrier may withhold delivery to Shipper of any of Shipper's Butadiene in its possession and exercise any other rights and remedies granted under this tariff or existing under applicable law until all such charges have been paid as provided above.

If Shipper fails to pay an invoice by the due date, in addition to any other remedies under this tariff or under applicable law, Carrier shall have the right, either directly or through an agent, to sell at a private

sale any and all Butadiene of such Shipper in its custody at fair market value at the time of sale. The proceeds of any sale shall be applied to the following order: (A) To the reasonable expenses of holding, preparing for sale, selling, and to the extent allowed by law, reasonable attorney's fees and legal expenses incurred by Carrier; and (B) To the satisfaction of the Shipper's indebtedness including interest herein provided from the date of payment is due. The balance of the proceeds of the sale remaining, if any, shall be paid to Shipper or, if there is a dispute or claim as to entitlement, held for whoever may be lawfully entitled thereto.

9. MEASURING AND TESTING: Shipper shall furnish Carrier a certificate setting forth in detail specifications of each shipment offered for transportation hereunder, and Shipper shall be liable for any contamination or damage to other butadiene in Carrier's custody, or to Carrier's pipeline or other facilities caused by failure of the shipment offered to meet the specifications stated in Shipper's certificate; however, Carrier may, but shall not be required to, sample and/or test any shipment prior to acceptance, or during receipt of shipment, and in the event of variance between said certificate and Carrier's test, Carrier's test shall prevail. Carrier reserves the right to reject any shipment if, in the Carrier's sole opinion, that shipment fails to conform to Carrier's specifications. Quantities will be measured by Carrier at time of receipt and delivery. Butadiene will be received and delivered on the basis of volume corrections for temperature from observed temperature to sixty degrees Fahrenheit (60°F) using the factors for specific gravity conversion and volume correction appearing in Table 24, ASTM-IP Petroleum Measurement Tables. Butadiene will be received and delivered on the basis of volume corrections for compressibility in accordance with curves showing Mean Compressibility of Liquid Hydrocarbons appearing in "Measurement of Petroleum Liquid Hydrocarbons by Positive Displacement Meter" published by the American Petroleum Institute (A. P. I. Standard No. 1101, First Edition, August, 1960, as revised and supplemented from time to time). Full deduction will be made for all water and other impurities in butadiene received or delivered hereunder.
10. EVIDENCE OF RECEIPTS AND DELIVERIES: Butadiene received from the Shipper and butadiene delivered to the party receiving deliveries shall, in each instance, be evidenced by tickets, showing all data essential to the determination of quantity. Such tickets shall be jointly signed by representatives of Carrier and the Shipper or the party receiving deliveries, as appropriate, and shall constitute full receipt for: (a) the butadiene received and (b) the butadiene delivered.
11. DELIVERY ADJUSTMENTS: The Carrier shall account to each Shipper of 100 percent of products received. Any overages or shortages not due to the negligence of the Carrier, including losses for shrinkage, evaporation, and interface commingled products, in any calendar month, will be allocated on a monthly accrual basis among the Shippers in the proportion that the total number of barrels delivered from the entire system for each shipper bears to the total number of barrels delivered for the entire system for all shippers.
12. MAINTENANCE OF LINE INVENTORY: Shipper will be required to provide a pro rata share of pipeline displacement, unavailable stocks below tank connections, and reasonable additional minimum quantities (product in transit) required for the efficient operation of the System. Shipper may not be permitted to have deliveries of butadiene made until such deliveries can be made without reducing Shipper's share of pipeline displacement.
13. COMMODITY: Carrier is engaged primarily in the transportation of butadiene and will not accept any other commodity for transportation except when Carrier determines that space in the pipeline is available for transportation of other commodities, provided that such service is offered on a temporary basis and may be restricted or canceled at any time after notice thereof as Carrier shall determine is necessary to permit it to properly transport butadiene.
  - a. Carrier reserves the right to set the minimum and/or maximum batch size of any such other commodity offered for transportation dependent on space available in the pipeline to the time.
  - b. Carrier reserves the right to refuse to accept any commodity that is not compatible with its system, its method of operation, or its transportation of butadiene.
  - c. To protect the integrity of the butadiene being transported, the Shipper of any other commodity must supply buffer liquids in such quantities and in accordance with such specifications as may be established by Carrier. Such buffer liquids will be considered a part of the shipment of the commodity

offered to the Carrier by such Shipper for all purposes other than Shipper's compliance with batch sized established by Carrier.

d. The Shipper of any such other commodity will be required to accept delivery of the interface material created by the movement of such commodity or pay any and all costs incurred by Carrier in disposing of same.

14. **TENDERS REQUIRED:** On or before the twenty-fifth day of the month preceding the month during which the transportation under the tender is to begin, Shipper shall furnish to Carrier in writing a tender showing the point at which the butadiene transported. If space is available for current shipment, Shipper may tender in writing butadiene for transportation after the twenty-fifth day of the month during which the transportation under the tender is to begin.
15. **APPORTIONMENT:** When pursuant to tenders hereunder, there shall be offered to Carrier more butadiene than can be immediately transported, the transportation shall be apportioned among all shippers in proportion to the rate at which deliveries are currently available for shipment under the tenders then in effect.
16. **NOTICE OF CLAIMS:** Notice of claims for loss, damage, or delay in connection with shipments must be made in writing to Carrier within ninety-one (91) days after such shall have accrued, or in case of failure to make delivery, within ninety-one (91) days after delivery should have been made to Shipper of Shipper's consignee.