

# **ExxonMobil Pipeline Company**

## **LOCAL AND PROPORTIONAL TARIFF**

### **APPLYING ON**

### **PETROLEUM PRODUCTS**

**FROM**  
**POINT IN LOUISIANA**

**TO**  
**POINT IN LOUISIANA**

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The rate named in this tariff is for the transportation of petroleum products by pipeline to destination herein for subsequent transportation beyond, subject to the rules and regulations herein.

This tariff is filed in compliance with 18 CFR 342.3

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

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**ISSUED: MAY 31, 2006**

**EFFECTIVE: JULY 1, 2006**

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Issued by:  
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## RULES AND REGULATIONS

### 1. DEFINITIONS:

"Petroleum Products," as used herein and hereinafter referred to as "Product" or "Products," means motor fuels, distillate fuels, aviation fuels, and kerosenes.

"Carrier," as used herein, means ExxonMobil Pipeline Company.

"Barrel," as used herein, means forty-two (42) gallons, United States measurement, at sixty (60) degrees Fahrenheit.

2. **TANKAGE FACILITIES:** Carrier does not provide or offer storage service at either receipt or delivery points. Shipments will be accepted for transportation only from tankage provided by shipper at established receiving points for delivery to connecting carriers at which point shipper has provided tankage.
3. **MINIMUM TENDERS:** Minimum tender quantity for each grade of Product accepted for shipment will be 25,000 barrels each.
4. **APPORTIONMENT WHEN TENDERS ARE IN EXCESS OF FACILITIES:** When there shall be tendered to Carrier for transportation greater quantities than can be immediately transported, the transportation shall be apportioned among all shippers in proportion to the amounts tendered by each; provided that no tender for transportation shall be considered beyond the amount which the shipper requesting the shipment has on hand available and ready for shipment. Carrier's proration procedure is available upon request. Carrier shall be considered as a shipper of quantities tendered by itself and held for shipment through its lines, and its shipment shall be entitled to participate ratably in such apportionment. When such apportionment becomes necessary, it shall be performed in accordance with Carrier's "Proration Procedures, Lower 48 States Systems," dated August 4, 1999, supplements thereto and reissues thereof, which is available upon request.
5. **PRODUCT INVOLVED IN LITIGATION:** When any Product tendered for transportation hereunder is involved in litigation, or when the ownership thereof may be in dispute, or may be encumbered by a lien or charge of any kind, Carrier may require of shippers an indemnity bond to protect it against all loss.
6. **PAYMENT OF TRANSPORTATION AND OTHER CHARGES:** The Shipper or Consignee shall pay, as provided below, all applicable gathering, transportation, and all other charges accruing on Petroleum Products 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 Petroleum Products in Carrier's possession or prior to Carrier's acceptance of Shipper's Petroleum Products: (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 Petroleum Products 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 Petroleum Products to Shipper. Such lien shall extend to all Petroleum Products 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 Petroleum Products 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 Petroleum Products 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.

7. **MEASURING, TESTING, AND DEDUCTIONS:** All shipments tendered Carrier for transportation shall be measured and tested by a representative of Carrier prior to, or at the time of receipt from the shipper; but the shipper shall at all times have the privilege of being present or represented at the measuring and testing. Quantities shall be corrected as to temperature from observed temperatures to 60° Fahrenheit. Full deduction will be made for all water and other impurities in Product received or delivered.
8. **IDENTITY OF SHIPMENTS TENDERED:** While Carrier will use due diligence to transport product received hereunder to destination with a minimum of contamination and mixing and will endeavor to maintain the identity of each shipment so far as is practicable, some contamination and mixing of products of the several specifications received is unavoidable. Carrier shall, therefore, be under no obligation to make delivery of the identical product received, but may make delivery of product of approximately the same specifications as that received. Carrier will not be liable for discoloration, commingling, contamination, or deterioration of petroleum products resulting from the normal operation of batching various kinds of products.
9. **LIABILITY OF CARRIER:** No risk of fire, storm, flood or act of God, and no risk resulting from explosion, strikes, sabotage, riots, insurrection, rebellion, war or act of the public enemy, or from quarantine or authority of law or any order, requisition or necessity of the government of the United States in time of war, or act or default of the shipper or owner from any other cause not due to negligence of Carrier shall be borne by the Carrier, nor shall any liability accrue to it for any damage or delay thereby occasioned. Losses not due to the negligence of Carrier will be allocated to the shippers as provided in Item No. 10. of this rule.

Statements of losses, ascertained and computed by Carrier's standard accounting procedure, are to be accepted by shipper as prima facie correct in the distribution of such losses under this rule.

The Carrier will be obligated to deliver only that portion of such Products remaining after deducting shipper's proportion of such losses determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.

- 10. DELIVERY ADJUSTMENT:** The Carrier shall account to each shipper for 100 percent of products received. Any overages or shortages not due to the negligence of the Carrier, including losses for shrinkage, evaporation, and interface of 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 from the entire system for all shippers.

It is inherent in the operation of a products pipeline that an interface of commingled products will occur between shipments of different products. Carrier will make reasonable effort during pipeline operation to hold such commingled interfaces to a minimum and will make reasonable effort to cooperate with the shipper and connecting Carrier regarding handling of interfacial mixtures.

- 11. 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 a reasonable time shall have elapsed.
- 12. RATES TO INTERMEDIATE POINTS:** For shipments accepted for transportation to any point not named in this tariff which is intermediate to a point to which rates are published herein, through such unnamed point, this Carrier will apply to such unnamed point the rate published herein to the next more distant point specified in the tariff.
- 13. LINE FILL:** Either prior to or after the acceptance of Product for transportation through the System, Carrier will require each shipper to provide a pro rata part of the Volume of Product necessary for pipeline fill and reasonable additional minimum quantities required for the efficient operation of the System or to safeguard Carrier's tankage during passage of a tropical storm or hurricane. Product provided by a shipper for this purpose may be withdrawn after reasonable written notice of Shipper's intention to discontinue shipment in the system pursuant to Carrier's applicable tariff or tariffs. Carrier may require advance payment of final transportation charges and settlement of any unpaid accounts receivable, before final delivery will be made.

In the event a Shipper's inventory balance drops below its pro rata part of the volume of Petroleum Products necessary for pipeline fill, unavailable stocks below tank connections, and reasonable additional minimum quantities required for the efficient operation of the system, then Carrier will require such Shipper to provide the necessary volume to meet its pro rata part of such volume of Petroleum Products.

In the event that Shipper maintains an inventory balance after Shipper ceases movements on the system or Shipper gives written notice of its intent to cease movements over the system and such Shipper is unable to schedule appropriate shipments to clear the inactive inventory balance, Shipper will be required to settle the inactive inventory balance through Carrier. In the event no such Shipper notice is given, then Carrier may require either an adjustment in Shipper's inventory balance in accordance with the preceding Line Fill provision or settlement of the Shipper's inventory balance at any time after Shipper has ceased making movements over the system for a period of six months. Such settlement will be based upon the fair market value of the Petroleum Products, as published by Platts, at the time Shipper informs Carrier in writing of its intention to discontinue shipments on the system pursuant to Carrier's applicable tariff or tariffs or if no such written notice is given, then at such time as Carrier calls for the settlement of the Shipper's inventory balance.

**14. TENDERS:**

- A. Applications for transportation of product shall be submitted in writing on Carrier's prescribed tender of shipment form.
- B. Any shipper desiring to tender products for transportation shall make such tender to Carrier in writing on or before the twenty-fifth (25) 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 products for transportation after the twenty-fifth day of the month preceding the month during which the transportation under the tender is to begin.

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**TABLE OF RATES**

<b>FROM</b>	<b>TO</b>	<b>Rate in Cents per Barrel of 42 United States Gallons</b>
ExxonMobil Baton Rouge Refinery (East Baton Rouge Parish, Louisiana)	ExxonMobil Pipeline Zachary Products Meter Station (East Feliciana Parish, Louisiana)	[I] 22.00

**EXPLANATION OF REFERENCE MARKS**

[I] Increase