

Westlake Ethylene Pipeline Corporation – T.R.R.C. No. 2  
[Cancels Westlake Ethylene Pipeline Corporation – T.R.R.C. No. 1]  
Filed pursuant to GUD No. 10358 Final Order dated August 24, 2016

WESTLAKE ETHYLENE PIPELINE CORPORATION  
Mont Belvieu to Longview Pipeline

LOCAL TARIFF  
Applying on

PETROLEUM PRODUCTS  
As Defined in This Tariff

TRANSPORTED OR EXCHANGED BY PIPELINE  
Between Points Within the State of Texas  
Subject to the Regulations  
Set Forth Herein

2016 AUG 31 PM 2:47  
DOCKET SERVICES  
RAILROAD COMMISSION  
OF TEXAS

FILED

ISSUED: August 31, 2016

EFFECTIVE: September 1, 2016

Filed With the Railroad Commission

DATE: August 31, 2016

Issued and Compiled By:

WESTLAKE ETHYLENE PIPELINE CORPORATION  
2801 Post Oak Boulevard, Suite 600  
Houston, Texas 77056

WESTLAKE ETHYLENE PIPELINE CORPORATION, hereinafter called "Carrier," will receive Product, as hereinafter defined, for its Mont Belvieu to Longview pipeline, for transportation or exchange under the conditions set forth below in Section III, "Rules and Regulations," at the rates set forth in Section II, "Product Specifications and Local Rates."

## **I. DEFINITIONS**

- a. The term "barrel" as used herein, means forty-two (42) United States gallons at sixty degrees Fahrenheit (60°F).
- b. The term "day," as used herein, means a period of twenty-four (24) hours, commencing at 7:00 a.m. on one calendar day (the date of which shall be taken as the date of the day in question) and extending until 7:00 a.m. on the following calendar day.
- c. The term "Delivery Point," as used herein, means one of the locations defined in Section II, "Product Specifications and Local Rates," for delivery of Product by Carrier to Shipper.
- d. The term "gallon," as used herein, shall mean one (1) United States gallon at sixty degrees Fahrenheit (60°F).
- e. The term "Origin Point," as used herein, means one of the locations defined in Section II, "Product Specifications and Local Rates," for introducing Product into the respective pipelines.
- f. The term "pound," as used herein, means one (1) pound avoirdupois.
- g. The term "Product" as used herein, means the liquid petroleum gas products defined in Section II, "Product Specifications and Local Rates," for the respective pipelines.
- h. The term "Shipper," as used herein, means the party or parties who contract with Carrier for the transportation or exchange of Product under the terms of this tariff.

As the context may require, the plural form shall be construed to include the singular, and the singular form shall be construed to include the plural.

## **II. PRODUCT SPECIFICATIONS AND LOCAL RATES**

- a. The rates published in this tariff are for transportation or exchange within the State of Texas through Carrier's Mont Belvieu to Longview pipeline and such transportation or exchange is subject to the rules and regulations contained herein and to all applicable rules, regulations, and orders of the Railroad Commission of Texas and other governmental authorities having jurisdiction.
- b. Rates apply to specified petroleum products from the established receiving facilities to the established delivery facilities at points named below.

Product: Liquefied petroleum gas meeting the following specifications:

<u>Components</u>	<u>Specifications</u>	<u>Test Method</u>
Ethylene (Minimum)	99.90 mol %	ASTM D 2505
Methane	350 ppmV	ASTM D 2505
Ethane	465 ppmV	ASTM D 2505
Acetylene	1.5 ppmV	ASTM D 2505
Propylene & Heavier	5 ppmV	ASTM D 2505
Carbon Dioxide	1 ppmV	ASTM D-2505
Carbon Monoxide	0.15 ppmV	ASTM D 2504
Water	2 ppm wt	Panametrics
Total Sulfur	1 ppm wt	ASTM D 3246
Oxygen	4 ppm wt	ASTM D 2504
Hydrogen	5 ppmV	ASTM D 2504
Ammonia	1 ppm wt	ASTM D 5234
Methanol	1 ppm wt	ASTM D 5234

Origin/Delivery Point: Carrier's stations located at or adjacent to the terminals of Equistar Chemicals, Williams Storage, and Flint Hills Resources at Mont Belvieu, Texas, when such points of origin are practicable and consistent with the operation of the pipeline, or such other points as the Carrier may designate and publish from time to time.

Origin/Delivery Point: Carrier's station in Gregg County, Texas, located adjacent to the Texas Operations Eastman Chemical Company facility (in Gregg and Harrison Counties, Texas), when such point of delivery is practicable and consistent with the operation of the pipeline, or such other points as the Carrier may designate and publish from time to time.

Rate: \$2.45 per 100 pounds for all pounds transported or exchanged in a single day.

### III. RULES AND REGULATIONS

#### 1. Testing

Product accepted for transportation or exchange under this tariff shall be delivered to Origin Point by Shipper and shall conform to the applicable Product definition. Shipper may be required to furnish Carrier with a certificate setting forth in detail specifications of each shipment offered for transportation or exchange hereunder, and Shipper shall be liable for any contamination or damage to other Product in Carrier's custody or to Carrier's pipeline or other facilities caused by failure of the shipment tendered to meet the specifications stated in Shipper's certificate. 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. In the event that any test indicates that the Product offered for transportation or exchange does not conform to applicable Product definition, Shipper agrees, either voluntarily or upon notification by Carrier, to cease delivery of off-specification Product to Carrier until such time as it is determined by additional testing that the Product conforms to the applicable Product definition.

#### 2. Measurement

Carrier will utilize meters located at the Origin Point and Delivery Point whereby the quantities of Product tendered by Shipper to Carrier will be measured and the temperature and pressure of such Product be recorded. The volume of Product delivered each day will be determined by reference to daily readings of such meters. Correction factors and calculations from such meter readings for the purpose of determining the daily quantities of Product delivered will conform with the standard procedures utilized by the owner or operator of such meters.

If for any reason the custody transfer meters are out of service so that the quantity of material delivered through such meters cannot be ascertained, the quantity of material delivered during the period the meters are out of service will be estimated by Carrier based upon the best available data, using in order of preference the following methods:

- a. By using the registration of any check measuring equipment of Carrier.
- b. By using any measurement equipment which Carrier may have in the flowing stream.
- c. By any independent third party chosen by Carrier and generally recognized in the industry as competent to perform such estimate.

Carrier shall have the right to go upon the premises where Shipper's Product is metered and tested for quality assurance before delivery to Carrier's pipeline. Carrier shall have access to any and all such metering and testing equipment for the purpose of making any examination, inspection, or test.

Product will be received and delivered on the basis of volume corrections from observed temperatures to temperatures on the basis of sixty degrees Fahrenheit (60°F) using gravities, correction factors, and volume corrections for compressibility appearing in American Petroleum Institute (API) Manual of Petroleum Measurement Standards (latest edition) or other method agreed to by Shipper and Carrier.

Physical and legal transfer of custody of the Product from Shipper to Carrier shall be at the point immediately downstream of applicable measuring and metering facilities at the Origin Point. Physical and legal transfer of custody of the Product from Carrier to Shipper shall be at the point immediately downstream of applicable measuring and metering facilities at the Delivery Point.

3. Facilities at Origin and Delivery Point

Carrier will provide such facilities at Origin Point and at Delivery Point as it deems necessary for the operation of the pipeline. Carrier will not provide tankage or storage facilities or receiving, loading, or unloading facilities at either the Origin Point or the Delivery Point. Shipments will be accepted for transportation or exchange hereunder only:

- a. When Shipper has provided facilities satisfactory to Carrier capable of delivering shipments at Origin Point at pressures and at pumping rates required by Carrier; and
- b. When Shipper is capable of receiving shipments at Delivery Point by pipeline at pressures and at pumping rates required by Carrier.

This paragraph means that a shipper is responsible for providing or arranging sufficient compression or other services to effectuate the entry of the Product into the pipeline at an Origin Point and the delivery of the Product out of the Pipeline at the Delivery Point.

Carrier is not obligated to transport or exchange any volumes of ethylene unless Shipper delivers those volumes into the common stream out of which deliveries are made to Pipeline's customers.

Separate pipage contracts in accordance with this tariff and these Rules and Regulations covering further details may be required of the proposed Shipper before any duty of transportation or exchange shall arise.

4. Minimum and Maximum Shipments

The quantity of a Product which Carrier may be obligated to accept at Origin Point shall be no less than 320,000 pounds delivered over a single day. Carrier may, at its sole election, accept a lesser quantity tender upon Shipper's agreement to pay Carrier, for said day, charges equal to those which would have resulted from transportation or exchange of said 320,000 pounds at the local rates provided herein.

5. Tender Deductions

A tender deduction of 1/2 percent by weight may be made on the quantity of Product received at Origin Point. Except as otherwise provided in this tariff (including, but not limited to, adjustments as provided in Paragraph 2, "Measurement"), Carrier will be accountable for delivery at Delivery Point of the quantity remaining after deduction of said tender deduction.

6. Payment of Transport or Exchange

The charges for transportation or exchange of Product accepted for shipment shall be based on the applicable rate set forth above in Section II before tender deduction, if any, is made. Shipments accepted for transportation or exchange shall be subject to a lien in favor of Carrier for all lawful charges hereunder.

Transportation or exchange charges incurred during any month will be invoiced about the 10th day of the succeeding month and shall be paid within 10 days of receipt of invoice. Carrier may require that charges:

- a. be prepaid at time of acceptance, or
- b. on demand be paid before release of Product from custody of Carrier. Carrier may charge Shipper interest of 1½ percent per month (18 percent per annum) for overdue transportation or exchange charges.

Carrier shall have a lien on all Product until the charges are paid. If the charges shall remain unpaid for more than five (5) days after notice of readiness to deliver, the Carrier may sell the Product at public auction at the general office of the Carrier on any day not a legal holiday. The date for the sale shall be not less than 48 hours after publication of notice in a daily newspaper of general circulation published in the city where the general office of the Carrier is located. The notice shall give the time and place of the sale and the quantity of the Product to be sold. At said sale, Carrier shall have the right to bid, and if the highest bidder, to become the purchaser. From the proceeds of such sale, Carrier will pay itself the transportation or exchange and all other lawful charges, including expenses incident to said sale, and the balance remaining, if any, shall be held for whomsoever may be lawfully entitled thereto. The remedies set forth in this tariff are in addition to, and not in limitation of, any statutory or common law remedy available to Carrier pursuant to the laws of the State of Texas. Shipper agrees that the venue of any suit regarding shipments shall be Gregg County, Texas.

7. Clear Title

Shipper shall notify Carrier when any Product tendered for transportation or exchange is involved in litigation or is the subject of disputed ownership or is encumbered by lien or charge of any kind. Carrier shall have the right to reject any shipment, when offered for transportation or exchange, which may be involved in litigation or the title of which may be in dispute or which may be encumbered by lien or charge of any kind, and Carrier may require of the Shipper satisfactory evidence of his perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any and all loss.

8. Tenders

All Shippers desiring to tender Product for transportation or exchange on Carrier's facilities shall furnish a written nomination to Carrier by the fifteenth (15th) day (excluding Carrier holidays) of the month prior to the month Shipper desires transportation or exchange. Nominations shall specify the quantity of Product to be transported or exchanged, the Origin Point, the Delivery Point, and any other information required by Carrier. If Shipper does not furnish such written nomination, Carrier shall be under no obligation to accept such Product for transportation or exchange.

Nominations shall be transmitted to Carrier to the attention of Westlake Ethylene Pipeline Corporation Scheduler as follows:

- a. by facsimile to the Westlake Ethylene Manager at (713) 960-8761, or
- b. by electronic mail, as arranged between Carrier and Shipper.

Any nominations accepted by Carrier will be delivered on a ratable basis.

9. Identity of Shipments

In view of the impracticability of maintaining the identity of shipments, shipments will not be segregated, but will be commingled and deliveries will be made at Delivery Point from Carrier's common Product streams.

10. Disposition of Shipments

In the event that Shipper does not have adequate facilities available to receive or is not capable of receiving any shipment at the Delivery Point in accordance with Carrier's schedules, Carrier may make whatever disposition of such undelivered shipment which is necessary in order to free its pipeline. Carrier shall not be liable to Shipper because of such disposition, and Shipper shall pay for all costs and fees thereof the same as if Shipper had requested or authorized such disposition.

11. Apportionment of Tenders and Withdrawals

In the event Shipper's tenders at Origin Point or Shipper's withdrawal requirements at the Delivery Point are greater than can be currently handled by Carrier, Carrier may restrict or suspend tenders or withdrawals in order to apportion deliveries among all Shippers on an equitable basis. The Carrier shall be considered as a Shipper of Product produced or purchased by itself and held for shipment through its line and its product shall be entitled to participate in such apportionment.

12. Transit Privileges

Carrier may not be required by Shipper to stop Product in transit for any reason.

13. Liability of Carrier and Indemnity

Carrier shall not be liable for any delay in delivery or for any loss of Product caused by an act of God, public enemy, quarantine, authority of law, order, rule or regulation of federal, state or local government, strikes, riots, fire, explosion, equipment breakage, floods or by act of default of Shipper, or resulting from any other cause outside of the reasonable control of the Carrier, whether similar or dissimilar to the causes herein enumerated. Any such loss shall be apportioned by Carrier to each shipment of Product or portion thereof involved in such loss in the proportion that such shipment or portion thereof bears to the total of all product in the loss, and each Shipper shall be entitled to receive only that portion of its shipment remaining after deducting its proportion as above determined of such loss. Carrier shall prepare and submit a statement to Shippers showing the apportionment of any such loss.

The Carrier operates under this tariff solely as a provider of transportation or exchange services and not as an owner, manufacturer, or seller of Product transported or exchanged hereunder, and the Carrier expressly disclaims any liability for any expressed or implied warranty for Product transported or exchanged hereunder including any warranties of merchantability or fitness for intended use.

**FOR ALL SERVICES PROVIDED FOR AND RECEIVED UNDER THIS TARIFF, SHIPPER SHALL INDEMNIFY AND DEFEND CARRIER FROM ANY CLAIMS, LIABILITIES, OR LOSSES (INCLUDING COSTS OF DEFENSE AND REASONABLE ATTORNEY'S FEES), INCLUDING CLAIMS FOR PERSONAL INJURY, DEATH OR PROPERTY DAMAGE INVOLVING THE CARRIER, SHIPPER, CONSIGNEES, OR THIRD PARTIES BASED ON OR ARISING OUT OF CARRIER'S PERFORMANCE OF SUCH SERVICES. THIS INDEMNIFICATION SHALL INCLUDE CLAIMS OF ANY NATURE, LEGAL, CONTRACTUAL OR EQUITABLE, WHETHER BASED ON STRICT LIABILITY, NEGLIGENCE, BREACH OF WARRANTY, OR ANY OTHER CAUSES OF ACTION. THE INDEMNITY PROVIDED IN THIS TARIFF IS INTENDED TO BE APPLICABLE TO THE FULL EXTENT ALLOWED BY LAW AND IS LIMITED ONLY IN ACCORDANCE WITH STATUTORY OR COMMON LAW. TO THE EXTENT NOT PROHIBITED BY LAW, THIS INDEMNITY APPLIES TO ANY ACT OR OMISSION, WHETHER NEGLIGENT OR NOT, ARISING OUT OF OR RELATING TO THE PERFORMANCE OF SERVICE BY CARRIER PURSUANT TO THIS TARIFF, INCLUDING THE SOLE OR CONCURRENT NEGLIGENCE OR GROSS NEGLIGENCE OF CARRIER.**

14. Claims

Notice of claims for loss, damage, or delay in connection with the shipment of Product must be made in writing to Carrier within 45 days after the damage, loss, or delay occurred. If the claim is for failure to make delivery, the claim must be made within 15 days after a reasonable time for delivery has elapsed.



15. Additives, Dyes, and Odorization

- a. Carrier may inject corrosion inhibitor compound in the Product to be transported or exchanged, and Shipper will accept delivery of Product at Delivery Point containing portions of corrosion inhibitor.
- b. Carrier will assume no liability for discoloration, contamination, or deterioration of Product transported or exchanged, unless negligent conduct by Carrier is determined to be the sole, proximate cause of the cost, expense, damage or liability incurred by Shipper.
- c. Except where required by law, Carrier will not inject dyes nor odorize any Product tendered. Should Carrier be required by law to inject dyes or to odorize any Product tendered, Shipper:
  - (1) Will furnish the dye to be injected and/or the malodorant to be added and
  - (2) May be required by Carrier to provide and/or install satisfactory equipment to effect such injection and/or odorizing.

16. Imbalance Charges

In the event that Shipper fails to deliver to Carrier at the Origin Point the equivalent volumes of Product which Carrier redelivers to Shipper at the Delivery Point during a calendar month, then Shipper will pay Carrier an imbalance charge of one cent (1¢) per pound per day for each day the imbalance continues. If Shipper delivers volumes to Carrier in excess of those volumes which Carrier redelivers to Shipper in any calendar month, then Shipper will pay an imbalance charge of one cent (1¢) per pound per day for each day the imbalance continues. Carrier may waive such imbalance charges if Carrier, in its sole discretion, determines that the imbalance is immaterial. The waiver of such charges for any particular imbalance period is not to be construed as a waiver of such charges for any other imbalance and Carrier maintains the right to collect such charges from Shipper for any imbalance not the subject of a written waiver.

17. Direction of Flow

In the event the pipeline is configured and equipped so that it is physically capable of bi-directional flow, Carrier at its sole discretion will choose the direction of flow between the Origin Point and Delivery Point. Carrier will make a reasonable attempt to accommodate Shippers through the exchange of Product at Origin and Delivery Points. Any exchanges will be subject to the same terms and conditions applicable to shipments pursuant to this tariff, including the rate charged for such exchanges. The provisions of this tariff apply to all shipments or exchanges regardless of the direction of flow or whether the product shipped or received is physically moved from one point to another.

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