

# Magellan Pipelines Holdings, L.P.

## LOCAL PIPELINE TARIFF

APPLYING ON THE TRANSPORTATION OF

### PETROLEUM PRODUCTS

TO POINTS NAMED HEREIN

AND CONTAINING

### RATES, RULES AND REGULATIONS

#### LOCAL RATES

All Rates are for Pipeline Transportation Only

[I] Increase. All rates on this page are increased, unless otherwise noted.

(Rates in Dollars per Barrel of 42 United States Gallons)

FROM *	TO *	RATE **	[N] Contract Rate***
Magellan Terminal, Corpus Christi, Texas	Buckeye Texas Processing LLC Terminal, Corpus Christi, Texas	[I] \$0.50	[N] <u>\$0.3316</u>
NuStar pipeline connection at Corpus Christi, TX			
Buckeye Texas Processing LLC Terminal, Corpus Christi, Texas	Magellan Terminal, Corpus Christi, Texas	[I] \$0.50	[N] <u>\$0.3316</u>
NuStar pipeline connection at Corpus Christi, TX			

\* Shipper is responsible for providing its own origination and destination facilities that are necessary and incident to the transportation of Petroleum Products hereunder.

\*\* Such rates may be escalated pursuant to applicable law or any separate written agreement between Carrier and Shipper.

[N]\*\*\*Rate available to Shippers with a separate written agreement with Carrier entered into prior to the effective date hereof. Rate will expire upon utilization or expiration of any credits available at the end of the term of such agreement.

Governed by the rules and regulations published in this tariff, supplements thereto and reissues thereof. The rates published in this tariff are for the intrastate transportation of Petroleum Products by pipeline. Rate is payable in U.S. currency.

The rates named in this tariff are expressed in dollars a barrel of 42 U.S. Gallons and are subject to change as provided by law.

The matters published herein will have no adverse effect on the quality of the human environment.

P-5 Operator ID: P-521330; T-4 Permit Information: T-09278.

Magellan Pipelines Holdings, L.P. is the owner of the pipeline providing service under this tariff.

**EFFECTIVE: June 1, 2022**

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**SECTION I**  
**Rules and Regulations of Railroad Commission of Texas**  
**Rule §3.71, Pipeline Tariffs**

**1. ALL MARKETABLE OIL TO BE RECEIVED FOR TRANSPORTATION**

By the term "marketable oil" is meant any crude petroleum adapted for refining or fuel purposes, properly settled and containing not more than two percent (2.0%) of basic sediment, water, or other impurities above a point six (6) inches below the pipeline connection with the tank. Pipelines shall receive for transportation all such "marketable oil" tendered; but no pipeline shall be required to receive for shipment from any one person an amount exceeding three thousand (3,000) barrels of petroleum in any one day; and, if the oil tendered for transportation differs materially in character from that usually produced in the field and being transported there from by the pipeline, then it shall be transported under such terms as the shipper and the owner of the pipeline may agree or the commission may require.

**See Item 20 for further definition.**

**2. BASIC SEDIMENT, HOW DETERMINED – TEMPERATURE**

In determining the amount of sediment, water or other impurities, a pipeline is authorized to make a test of the oil offered for transportation from an average sample from each such tank, by the use of centrifugal machine, or by the use of any other appliance agreed upon by the pipeline and the shipper. The same method of ascertaining the amount of the sediment, water, or other impurities shall be used in the delivery as in the receipt of oil. A pipeline shall not be required to receive for transportation, nor shall consignee be required to accept as a delivery, any oil of a higher temperature than 90 degrees Fahrenheit, except that during the summer oil shall be received at any atmospheric temperature, and may be delivered at like temperature. Consignee shall have the same right to test the oil upon delivery at destination that the pipeline has to test before receiving from the shipper.

**3. "BARREL" DEFINED**

For the purpose of these sections, a "barrel" of crude petroleum is declared to be forty-two (42) gallons of 231 cubic inches per gallon at 60 degrees Fahrenheit.

**See Item 20 for further definition.**

**4. OIL INVOLVED IN LITIGATION, ETC – INDEMNITY AGAINST LOSS**

When any oil offered for transportation is involved in litigation, or the ownership is in dispute, or when the oil appears to be encumbered by lien or charge of any kind, the pipeline may require of shippers an indemnity bond to protect it against all loss.

**5. STORAGE**

Each pipeline shall provide, without additional charge, sufficient storage, such as is incident and necessary to the transportation of oil, including storage at destination or so near thereto as to be available for prompt delivery to destination point, for five days from the date of order of delivery at destination.

**See Item 30 for further information.**

**6. IDENTITY AND MAINTENANCE OF OIL**

A pipeline may deliver to consignee, either the identical oil received for transportation, subject to such consequences of mixing with other oil as are incident to the usual pipeline transportation, or it may make delivery from its common stock at destination; provided, if this last be done, the delivery shall be of substantially like kind and market value.

## **7. MINIMUM QUANTITY TO BE RECEIVED**

A pipeline shall not be required to receive less than one tank car-load of oil when oil is offered for loading into tank cars at destination of the pipeline. When oil is offered for transportation for other than tank car delivery, a pipeline shall not be required to receive less than five hundred (500) barrels.

**See Item 40 for further information.**

## **8. GATHERING CHARGES**

Tariffs to be filed by a pipeline shall specify separately the charges for gathering of the oil, for transportation and for delivery.

## **9. MEASURING, TESTING AND DEDUCTIONS**

- (A) Except as provided in subparagraph (B) of this paragraph, all crude oil tendered to a pipeline shall be gauged and tested by a representative of the pipeline prior to its receipt by the pipeline. This shipper may be present or represented at the gauging or testing. Quantities shall be computed from correctly compiled tank tables showing 100% of the full capacity of the tanks.
- (B) As an alternative to the method of measurement provided in subparagraph (A) of this paragraph, crude oil and condensate may be measured and tested, before transfer of custody to the initial transporter, by:
  - (i) lease automatic custody transfer (LACT) equipment, provided such equipment is installed and operated in accordance with the latest revision of the American Petroleum Institute (API) Manual of Petroleum Measurement Standards, Chapter 6., or;
  - (ii) any device or method, approved by the commission or its delegate, which yields accurate measurements of crude oil or condensate.
- (C) Adjustments to the quantities determined by the methods described in subparagraphs (A) or (B) of this paragraph shall be made for temperature from the nearest whole number degree to the basis of 60 degrees Fahrenheit and to the nearest 5/10 API degree gravity in accordance with the volume correction Tables 5A and 6A contained in API Standard 2540, American Society for Testing Materials 01250, Institute of Petroleum 200, first edition, August 1980. A pipeline may deduct the basic sediment, water, and other impurities as shown by the centrifugal or other test agreed upon by the shipper and pipeline; and 1.0% for evaporation and loss during transportation. The net balance shall be the quantity deliverable by the pipeline. In allowing the deductions, it is not the intention of the commission to affect any tax or royalty obligations imposed by the laws of Texas on any producer or shipper of crude oil.
- (D) A transfer of custody of crude between transporters is subject to measurement as agreed upon by the transporters.

## **10. DELIVERY AND DEMURRAGE**

Each pipeline shall transport oil with reasonable diligence, considering the quality of the oil, the distance of transportation, and other material elements, but at any time after receipt of a consignment of oil, upon twenty-four (24) hours notice to the consignee, may offer oil for delivery from its common stock at the point of destination, conformable to Item No. 6 of this section, at a rate not exceeding ten thousand (10,000) barrels per day of twenty-four (24) hours. Computation of time of storage (as provided for in Item No. 5 of this section) shall begin at the expiration of such notice. At the expiration of the time allowed in Item No. 5 of this section for storage at destination, a pipeline may assess a demurrage charge on oil offered for delivery and remaining undelivered, at a rate for the first ten (10) days of one-tenth of one cent (\$0.001) per barrel; and thereafter at a rate of three-fourths of one cent (\$0.0075) per barrel, for each day of twenty-four (24) hours or fractional part thereof.

**11. UNPAID CHARGES, LIEN FOR AND SALE TO COVER**

A pipeline shall have a lien on all oil to cover charges for transportation, including demurrage, and it may withhold delivery of oil until the charges are paid. If the charges shall remain unpaid for more than five (5) days after notice of readiness to delivery, the pipeline may sell the oil at public auction at the general office of the pipeline on any day not a legal holiday. The date for the sale shall be not less than forty-eight (48) hours after publication of notice in a daily newspaper of general circulation published in the city where the general office of the pipeline is located. The notice shall give the time and place of the sale, and the quantity of the oil to be sold. From the proceeds of the sale, the pipeline may deduct all charges lawfully accruing, including demurrage, and all expenses of the sale. The net balance shall be paid to the person lawfully entitled thereto.

**This Item shall be given no effect. See Item 110 for further information.**

**12. NOTICE OF CLAIM**

Notice of claim for loss, damage or delay in connection with the shipment of oil must be made in writing to the pipeline within ninety-one (91) days after, the damage, loss, or delay occurred. If the claim is for failure to make delivery, the claim must be made within ninety-one (91) days after a reasonable time for delivery has elapsed.

**13. TELEPHONE – TELEGRAPH LINE – SHIPPER TO USE**

If a pipeline maintains a private telegraph or telephone line, a shipper may use it without extra charge, for messages incident to shipments. However, a pipeline shall not be held liable for failure to deliver any messages away from its office or for delay in transmission or for interruption of service.

**14. CONTRACTS OF TRANSPORTATION**

When a consignment of oil is accepted, the pipeline shall give the shipper a run ticket, and shall give the shipper a statement that shows the amount of oil received for transportation, the points of the origin and destination, corrections made for temperature, deductions made for impurities, and the rate for such transportation.

**15. SHIPPER'S TANKS, ETC. - INSPECTION**

When a shipment of oil has been offered for transportation, the pipeline shall have the right to go upon the premises where the oil is produced or stored, and have access to any and all tanks or storage receptacles for the purpose of making any examination, inspection, or test authorized by this section.

**16. OFFERS IN EXCESS OF FACILITIES**

If oil is offered to any pipeline for transportation in excess of the amount that can be immediately transported, the transportation furnished by the pipeline shall be apportioned among all shippers in proportion to the amounts offered by each; but no offer for transportation shall be considered beyond the amount which the person requesting the shipment then has ready for shipment by the pipeline. The pipeline shall be considered as a shipper of oil produced or purchased by itself and held for shipment through its line, and its oil shall be entitled to participate in such apportionment.

**17. INTERCHANGE OF TONNAGE**

Pipelines shall provide the necessary connections and facilities for the exchange of tonnage at every locality reached by two or more pipelines, when the Commission finds that a necessity exists for connection, and under such regulations as said Commission may determine in each case.

**18. RECEIPT AND DELIVERY – FOR NECESSARY FACILITIES**

Each pipeline shall install and maintain facilities for the receipt and delivery of marketable crude petroleum of shippers at any point on its line if the Commission finds that a necessity exists therefor and under regulations by the Commission.

**19. REPORTS OF LOSS FROM FIRES, LIGHTNING AND LEAKAGE**

- (A) Each pipeline shall immediately notify the commission district office, electronically or by telephone, of each fire that occurs at any oil tank owned or controlled by the pipeline, or of any tank struck by lightning. Each pipeline shall in like manner report each break or leak in any of its tanks or pipelines from which more than five (5) barrels escapes. Each pipeline shall file the required information with the commission in accordance with the appropriate commission form within thirty (30) days from the date of the spill or leak.
- (B) No risk of fire, storm, flood, or act of God, and no risk resulting from 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, shall be borne by a pipeline, nor shall any liability accrue to it from any damage thereby occasioned. If loss of any crude oil from any such causes occurs after the oil has been received for transportation, and before it has been delivered to the consignee, the shipper shall bear a loss in such proportion as the amount of his shipment is to all of the oil held in transportation by the pipeline at the time of such loss, and the shipper shall be entitled to have delivered only such portion of his shipment as may remain after a deduction of his due proportion of such loss, but in such event the shipper shall be required to pay charges only on the quantity of oil delivered. This Item No. 19 shall not apply if the loss occurs because of negligence of the pipeline.
- (C) Common carrier pipelines shall mail (return receipt requested) or hand deliver to landowners (persons who have legal title to the property in question) and residents (persons whose mailing address is the property in question) of land upon which a spill or leak has occurred, all spill or leak reports required by the commission for that particular spill or leak within thirty (30) days of filing the required reports with the commission. Registration with the Commission by landowners and resident for the purpose of receiving spill or leak reports shall be required every five years, with the renewal registration starting January 1, 1999. If a landowner or resident is not registered with the commission, the common carrier is not required to furnish such reports to the resident or landowner.

**SECTION II**  
**Supplemental Carrier**  
**Rules and Regulations Governing Petroleum Products Transportation By Pipeline**

**20. DEFINITIONS**

“Barrel” means forty-two (42) United States gallons.

“Carrier” means Magellan Pipelines Holdings, L.P.

“Consignee” means and refers to the party having ownership of Petroleum Products transferred to them.

“Consignor” means and refers to the party having tendered Petroleum Products to Carrier.

“Buckeye Texas processing LLC Terminal” means the petroleum terminal owned by Buckeye Texas Processing LLC located at 1501 Southern Minerals Road, Corpus Christi, Texas 78409.

“Magellan Terminal” means the petroleum terminal owned by Magellan Terminals Holdings, L.P. located at 1802 Poth Lane, Corpus Christi, Texas 78408.

“Petroleum Products” means the following products that Carrier will accept for shipment under this tariff: (i) crude oil/condensate, (ii) naphtha, (iii) kerosene, (iv) jet fuel, and (v) distillate.

“Shipper” means the party who contracts with Carrier for transportation of Petroleum Products pursuant to the terms of this tariff.

“U.S.” means United States.

**30. STORAGE**

Shipper is solely responsible for storage necessarily incident to transportation.

**40. MINIMUM SHIPMENTS**

Quantities of Petroleum Products will be accepted for transportation as a single batch shipment to destinations shown herein in amounts of not less than 20,000 Barrels. Quantities of less than 20,000 Barrels may be accepted for transportation if operating conditions permit.

**50. DESTINATION FACILITIES**

Carrier will deliver Petroleum Products to Shipper at either the Magellan Terminal or the Buckeye Texas Processing LLC Terminal, as applicable. Shipper is solely responsible for arranging adequate facilities at either the Magellan Terminal or the Buckeye Texas Processing LLC Terminal, as applicable.

**60. MEASUREMENT AND GAINS/LOSSES**

The volume of Petroleum Products received and delivered by Carrier will be measured in Barrel units by meter or by gauge. Measured volumes at recorded or observed temperatures will be converted to volumes at sixty degrees Fahrenheit (60°F).

The volume of impurities in Petroleum Products received and delivered by Carrier will be measured by an electrical or mechanical device or by physical test and such volume will be deducted from the volume of such receipts and deliveries.

Carrier shall determine all measurements, but Shipper and Consignee or their representatives may be present to witness them.

Actual gains or losses incurred on each shipment of Petroleum Products tendered to Carrier will be allocated to Shipper.

**70. TENDERS REQUIRED**

Petroleum Products for shipment through lines of Carrier will be received only on proper notice showing the point at which the Petroleum Products are to be received, point or points of delivery, Consignee, and amount of Petroleum Products to be transported. The notice shall be received by Carrier on or before the fifteenth (15<sup>th</sup>) day of the calendar month preceding the desired shipment date. If the fifteenth (15<sup>th</sup>) day of the month falls on a weekend or holiday, nominations are due on the last workday before the fifteenth (15<sup>th</sup>). The nomination may be e-mailed, faxed or submitted via Carrier's scheduling system. A nomination must specify, for each shipment, the quantity, type of Petroleum Product, origin, destination, supply sources and Shipper.

**80. TITLE**

The act of delivering Petroleum Products to Carrier for transporting shall constitute a warranty that Shipper or Consignee has title thereto, and that such Petroleum Products were produced in accordance with concerned laws and regulations.

**90. LIABILITY OF CARRIER**

Carrier shall not be liable for any loss or damage or delay caused by act of God, public enemy, quarantine, authority of law, strike, riots, fire or the act or default of Shipper, or for any other cause not due to the negligence or willful misconduct of Carrier whether similar or dissimilar to the causes herein enumerated; and in case of loss from any such causes after Petroleum Products have been received for transportation and before the same have been delivered to Consignee, Shipper shall bear a loss in such proportion as the amount of its shipment is to all of the Petroleum Products in the custody of Carrier at the time of such loss, and Shipper shall be entitled to have delivered only such portion of its shipment as may remain after a deduction of its due proportion of such loss but in such event Shipper shall be required to pay charges only on the quantity of Petroleum Products delivered.

**100. DUTY OF CARRIER**

Carrier shall not be required to transport Petroleum Products except with reasonable diligence, considering the quality of the Petroleum Products, the distance of transportation and other material elements; but in the event Shipper fails to provide or arrange for adequate facilities for receipt at destination, or has not ascertained from Carrier that it has facilities available for receipt at destination, Carrier shall have the right on 24 hours notice, to divert or reconsign, subject to the rates, rules and regulations applicable from point of origin to actual final destination, or make whatever arrangements for disposition as are deemed appropriate to clear Carrier's pipeline facilities, including the right of private sale for the best price reasonably obtainable. Carrier may be a purchaser at such sale. Out of the proceeds of said sale, Carrier shall pay itself all transportation and all other applicable lawful charges and necessary expenses of the sale and the expense of caring for and maintaining the Petroleum Products until disposed of and the balance shall be held for whomsoever may be lawfully entitled thereto.

**110. PAYMENT OF TRANSPORTATION AND OTHER CHARGES**

Shipper shall pay the transportation and all other charges accruing on Petroleum Products delivered out of Carrier's pipeline system, adjusted to sixty degrees Fahrenheit (60°F). Carrier shall have a statutory lien, as provided by Chapter 7 of the Texas Uniform Commercial Code, on all Petroleum Products in Carrier's pipeline system to secure the payment of all charges, and may withhold said Petroleum Products from delivery until all of the said charges shall have been paid.

Carrier will bill Shipper each month for transportation and other charges incurred during the previous month. If such a bill is not paid within ten (10) days after date of invoice, Carrier shall have the right to assess a late charge at an interest rate of 1.5% per month, unless such rate is greater than the maximum rate allowed by law, in which case the maximum rate allowed by law will be used. Such late charge shall accrue from ten (10) days after date of invoice until payment is made.

Carrier may require that all payments to Carrier for services pertaining to the transportation of Petroleum Products be by wire transfer in accordance with the instructions on Carrier's invoice to Shipper.

In the event Carrier determines that the financial condition of a Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines it is necessary to obtain security from a Shipper, Carrier, upon notice to Shipper, will require any of the following: (1) prepayment of all charges for the ensuing ninety (90) days by wire transfer and shall be held by Carrier without interest accruing thereon until credited to Shipper, (2) a letter of credit at Shipper's expense in favor of Carrier in an amount sufficient to ensure payment of all such charges for the ensuing ninety (90) days 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 for the ensuing ninety (90) days, and in a form, and from a third party acceptable to Carrier. In the event Shipper fails to comply with any such requirement within three (3) business days of Shipper's receipt of such notice from Carrier, Carrier shall not be obligated to provide Shipper access to Carrier's pipeline facilities or provide services pursuant to this tariff until such requirement is fully met.



**120. CLAIMS TIME FOR FILING**

Claims for loss or damage must be made in writing to Carrier within ninety-one (91) days after delivery of the property, or in case of a failure to make delivery, then within ninety-one (91) days after a reasonable time for delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after delivery of the property, or in the case of failure to make delivery, then within two (2) years and one (1) day after a reasonable time for delivery has elapsed; provided, however, that where claims have been duly filed with Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and Carrier will not be liable.

**130. DIVERSION OR RECONSIGNMENT**

Provided no back haul is required, diversion or reconsignment will be made on written request from Consignor or Consignee. No additional charge will be made for the diversion or reconsignment service. The rate to be applied under this rule is the rate from point of origin to final destination.

**140. LINE FILL INVENTORY REQUIREMENTS**

Prior to delivering Barrels out of Carrier's pipeline system, each Shipper will be required to supply a pro rata share of Petroleum Products necessary for pipeline and tankage fill to ensure efficient operation of Carrier's pipeline system. Petroleum Products provided by Shippers for this purpose may be withdrawn only after: (1) shipments have ceased and Shipper has notified Carrier in writing of its intention to discontinue shipments in Carrier's pipeline system, and (2) Shipper balances have been reconciled between Shipper and Carrier. Carrier, at its discretion, may require advance payment of transportation charges on the volumes to be cleared from Carrier's pipeline system, and any unpaid account receivables, before final delivery will be made. Carrier shall have a reasonable period of time, not to exceed ninety (90) days, from the receipt of said notice to complete administrative and operational requirements incidental to Shipper withdrawal not to exceed ninety (90) days.

**150. ORIGATION FACILITIES**

Carrier will receive Crude Petroleum from Shippers at origins on its trunk lines. Petroleum Products will be received only from pipelines, tanks, or other facilities that are provided by Shipper or Shipper's designee, or a connecting carrier, or a marketer of Petroleum Products. Carrier will determine and advise Shippers of the size and capacity of pipelines and tanks to be provided at the point of receipt to meet the operating conditions of Carrier's pipeline facilities at such point. Carrier will not accept Petroleum Products for transportation, unless such facilities have been provided.

**160. SEPARATE PIPELINE AGREEMENTS**

Separate agreements, if applicable, in association with pipeline connections or other facilities ancillary to Carrier's pipeline system and in accordance with this tariff shall be required of any Shipper or Consignee before any obligation to provide transportation shall arise.

**170. CHARGES FOR ENVIRONMENTAL RELATED MEMBERSHIPS AND FEES AND OTHER CHANGES IN LAW**

To the extent Barrels transported over Carrier's pipeline facilities are the basis of a charge by any public or private agency or organization (such as the Marine Preservation Association), which charge is related to compliance with federal, state or local environment laws or regulations (such as the Oil Pollution Act of 1990) or in the event Carrier is otherwise required by Law to incur any additional expense in order to provide the services contemplated hereunder, Carrier shall have the right to assess Shipper for any such charge or expense on a pro-rata basis based on Shipper's actually transported Barrels, provided Carrier has first given thirty (30) days advance written notice to Shipper of its intention to make such assessment.

**180. APPORTIONMENT WHEN TENDERS ARE IN EXCESS OF FACILITIES**

When there shall be tendered to Carrier for transportation more Petroleum Products than can be immediately transported, the transportation furnished by Carrier shall be apportioned among Shippers as provided in Carrier's Pipeline Proration Procedures, which are available upon request.

**190. SUPREMACY OF SECTION II**

In case of inconsistency between the provisions of Section I of this tariff and those of Section II, the provisions of Section II shall prevail.

**[I]** Increase **[D]** Decrease **[W]** Change in wording only **[C]** Cancel **[U]** Unchanged **[N]** New