

RECEIVED

By Railroad Commission of Texas at 9:24 am, Jul 01, 2020

Ocelot Tariff No. 1.2.0
(Cancels Ocelot Tariff No. 1.1.0)

Ocelot Energy Management LLC Pipe 801

LOCAL TARIFF

CONTAINING

RULES, REGULATIONS AND RATES

GOVERNING THE TRANSPORTATION

OF

PRODUCTS

(as defined herein)

BY PIPELINE

Rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such references will include subsequent reissues thereof.

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

P-5 Operator ID: 617571

T-4 Permit Number: 08740 (expires November 25, 2020)

Easton Live Oak LLC is the owner of the pipeline providing service under this tariff.

EFFECTIVE DATE: July 1, 2020

ISSUED BY:

Tyler Wharton

Easton Live Oak LLC

15375 Memorial Dr., Suite 850

Houston, Texas 77079

twharton@easton.energy

(281) 767-2511

COMPILED BY:

Tyler Wharton

Easton Live Oak LLC

15375 Memorial Dr., Suite 850

Houston, Texas 77079

twharton@easton.energy

(281) 767-2511

SECTION I RULES AND REGULATIONS

1. DEFINITIONS

“Barrel” or “BBL” means forty-two (42) U.S. gallons.

“Products” means and is limited to MTBE, Alkylate and C5 Raffinate.

“Carrier” means and refers to Ocelot Energy Management LLC.

“Committed Shipper” has the meaning set forth in Section II (Table of Rates).

“Consignee” means the party to whom a Shipper has ordered the delivery of Products.

“Consignor” means the Person from whom a Shipper has ordered the receipt of Products.

“FERC” means the Federal Energy Regulatory Commission.

“Shipper” means the party who contracts with Carrier for transportation of Products.

“801 System” means Carrier’s 801 Black Lake Pipeline that consists of pipeline, custody transfer measurement facilities, pipeline connections, and all other necessary equipment which extends from Channelview, Texas to Channelview, Texas and Pasadena, Texas.

2. COMMODITY

Carrier is engaged in the transportation of Products by pipeline and will not accept any other commodity under this tariff. Products will be accepted for transportation only at such time as Products are of the same quality and specifications as defined in Item 8 herein.

3. TENDERS

Tenders will be accepted for the same kind and quality of product aggregating ten thousand (10,000) barrels or more per batch. Carrier may, at its option for its convenience, transport such commodity by intermittent pumpings.

- a) Products will be transported only under a tender accepted by Carrier from facilities connected to Carrier’s system when a tariff covering the movement is lawfully in effect.
- b) Any Shipper desiring to tender Products for transportation shall make such tender to Carrier in writing on or before the 15th 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 at a later date.

4. RECEIPT, DELIVERY, AND LEGALITY OF SHIPMENTS TENDERED

Products tendered for shipment will be received into the pipelines of Carrier only under the conditions that:

- a) Shipper has provided adequate pumping equipment and facilities to Carrier for injecting Products into Carrier's pipeline at a pumping rate satisfactory to Carrier; and
- b) Products tendered for shipment are of the same kind and quality as that being transported by Carrier and the transportation of such Products would result in no damage to the quality or characteristics of other shipments; and
- c) Shipper or Consignee has provided adequate facilities for receiving the shipment as it arrives at the destination; and
- d) Shipper and Consignee have complied with all applicable laws, rules, and regulations made by any government authorities regulating the shipment of Products.

5. IDENTITY OF PRODUCTS

Carrier will use its best efforts to maintain the identity of individual shipments of Products. However, in view of the impracticability of maintaining the exact identity of shipments at all times, Carrier reserves the right at any time to substitute and deliver a product of the kind and quality comparable to the Products shipped. Carrier will not be liable for discoloration, contamination, or deterioration of Products in transit as may result from normal pipeline operations.

6. DETERMINATION OF QUANTITIES AND QUALITY OF PRODUCT

Carrier shall provide metering for custody transfer of commodity on both receipts and deliveries. Connections will be provided for sample accumulation for quality analysis. Carrier will not be responsible for quality. Sample container changing and quality analysis shall be the responsibility of the Shipper.

7. APPORTIONMENT WHEN CURRENT OFFERINGS ARE IN EXCESS OF CAPACITY

For purposes of this item, the following definitions shall apply:

"Average Monthly Product Volume" means the average of a Regular Shipper's monthly tendered volumes of a particular Product (*i.e.*, MTBE, Alkylate, and C5 Raffinate) during the Base Period.

"Base Period" means a cumulative rolling period of twelve (12) months ending one month prior to the month of prorationing.

"New Shipper" means a Shipper that is not a Regular Shipper.

“Proportionate Share” means, at any given time, the percentage equal to a Regular Shipper’s Average Monthly Product Volume divided by the total combined Average Monthly Product Volumes of all Regular Shippers.

“Regular Shipper” means a Shipper that has actual shipments in nine (9) of the twelve (12) months during the Base Period. A Regular Shipper ceases to be a Regular Shipper if it has no actual shipments for three or more consecutive months during the Base Period, and thereafter, that Shipper will be treated as a New Shipper unless and until it meets Regular Shipper criteria again.

“Remaining Capacity” means the system capacity remaining after allocating up to five percent (5%) of system capacity to New Shippers.

When, pursuant to tenders hereunder, there shall be offered to Carrier more Product than can be immediately transported, the transportation shall be apportioned among all Shippers in accordance to the following procedure:

- A. No individual nomination beyond the physical capacity of the system will be considered. Nominations in excess of the physical capacity of the system will be reduced to reflect a nomination of one hundred percent (100%) of system capacity.
- B. Up to ninety-five percent (95%) of system capacity will be allocated to Committed Shippers that have a minimum volume commitment in accordance with each Committed Shipper’s respective transportation services agreement.
- C. Up to five percent (5%) of system capacity will next be allocated to New Shippers. Each New Shipper will receive the lesser of its nomination, or its pro rata share of five percent (5%) of system capacity in the event nominations by New Shippers exceed five percent (5%) of system capacity.
- D. Any Remaining Capacity will be allocated to Regular Shippers by Product based on the lesser of the Average Monthly Product Volume or its nominated volume. If Remaining Capacity is insufficient to fulfill all Regular Shippers’ nominations up to all Regular Shippers’ Average Monthly Product Volume, each Regular Shipper will receive the lesser of its nomination or its Proportionate Share of Remaining Capacity.
- E. Any Remaining Capacity not allocated through the application of Items 7(B) or 7(C) will first be allocated among all Regular Shippers. Each Regular Shipper will receive the lesser of its remaining unmet nomination or a pro rata share of Remaining Capacity until either all Regular Shipper nominations have been fulfilled or all Remaining Capacity has been allocated. If there is Remaining Capacity following this additional allocation to Regular Shippers, then Remaining Capacity will next be allocated among all New Shippers having remaining unmet nominations. Each New Shipper will receive the lesser of its remaining unmet nomination or its pro rata share of Remaining Capacity until all New Shipper nominations have been fulfilled or all Remaining Capacity has been allocated.

- F. Allocated volumes may not be assigned, conveyed, loaned, transferred to, or used in any manner by another Shipper. However, a Regular Shipper's shipment history may be transferred as an incident of the bona fide sale of substantially all of the Shipper's business or to a successor to substantially all of the Shipper's business. Transfers of a Shipper's shipment history must be approved in advance by Carrier and shall be irrevocable once the transfer is approved.

8. QUALITY SPECIFICATIONS

Carrier offers transportation of Products only when they meet the following specifications:

MTBE

Gravity 0 API, typical	58.0
MTBE, wt. % (GC), Min	9.5
Methanol, %, Max	0.5
Total C4's % (GC), Max.	0.5
RVP, psia (D323), Max.	11
Water, wt. ppm. (D1744), Max.	1500
Copper Corrosion (D849), Max.	1A
Appearance (visual)	Clear & Bright Colorless Liquid

Alkylate

Gravity 0 API (D287), typical	70.0
Distillation, 0 F, (D86) IPD, typical	128
10%	150-200
50%	200-240
90% Max.	325
EP, Max.	430
RVP, psia (D323), Max.	5.0
Sulphur, % (D3120), Max.	0.01
Corrosion, 2hrs/2120 F (D130), Max.	1B
Gum mg/100ml (D381), Max	2.0
(R + M)/2, Min.	92

C5 Raffinate

Gravity 0 API (D287) IPB, typical	85.0
Distillation, 0F, (D86) IPB, typical	45
10%	65-85
50%	85-105
90%	120
EP, Max	190
RVP, psia (D323), Max.	22.0
Sulphur, % (D3120), Max.	0.01
Corrosion, 2hrs/21120F (D130), Max.	1B
Gum mg/100ml (D381), Max	2.0

9. TITLE

The act of delivering Products to Carrier for transportation shall constitute a warranty by Shipper that Shipper or Consignee has unencumbered title thereto and that the same was produced in accordance with law. Acceptance by Carrier shall not be deemed as a representation by Carrier of title.

10. LIABILITY OF CARRIER

Carrier shall not be liable for any loss of Products herein described, or damage thereto, or delay, because of an act of God, the public enemy, quarantine, the authority of law, strikes, riots, or the acts of default of Shipper or Consignee, or from any other cause not due to the negligence of Carrier; in case of losses from such causes, other than negligence of Carrier, losses shall be charged proportionately to each shipment in ratio that such shipment, or portion thereof, received and undelivered at the time the loss or damage occurs, bears to the total of all shipments, or portions thereof, then in the custody of Carrier for shipment via the line or other facilities in which the loss or damage occurs; the Consignee shall be entitled to receive only that portion of his shipment remaining after deducting his proportion of such loss or damage, determined as aforesaid and shall be required to pay transportation charges only on the quantity delivered.

11. PAYMENT OF CHARGES

Carrier shall have a lien on all Products to cover charges for transportation, including demurrage, and may withhold delivery of Products until said charges are paid. Carrier may require Shipper or Consignee to prepay said charges.

12. TIME LIMITATIONS OF CLAIMS

As a condition precedent to recovery of loss, damage or delay, claims must be filed in writing with the originating or delivering Carrier within nine months and one day after delivery of the property, or in the case of failure to make delivery, then within nine months and one day after a reasonable time for delivery has elapsed; and suits shall be instituted against the Carrier only within two years and one day from the day when 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 are not filed or suits are not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable and such claims will not be paid.

13. QUANTITIES DELIVERABLE

The quantity of Products deliverable at destination shall be the quantity received at origin, less shrinkage, evaporation, or other loss in transit, including leaks and breaks, resulting from any cause other than negligence on the part of Carrier.

14. TRUNK RATE ESCALATION

The trunk rate may be increased by Carrier annually, effective June 12 of each year, in accordance with the annual FERC index, set forth in FERC regulation 18 C.F.R. § 342.3 or any successor thereto.

**SECTION II
 TABLE OF RATES**

Transportation Fees on the MTBE/Alkylate/C5 Raffinate System are as follows:

Origin Point	Destination Points	Shipper Status	Rates in Cents/[W] BBL Gallon
Equistar Chemical Channelview (Harris Co), TX	Kinder Morgan Channelview (Harris Co), TX	Committed [Note 1]	Negotiated
		Uncommitted	[I] 2.5 <u>2.66</u>
	Houston Refinery Pasadena, TX	Committed [Note 1]	Negotiated
		Uncommitted	[I] 2.75 <u>2.92</u>

Note 1: A Committed Shipper is a shipper that has executed a transportation services agreement with Carrier agreeing to tender, or otherwise pay for failing to tender, a certain volume of Product on Carrier's system each month.

Explanation of Reference Marks:

[I] Increased Rate

[W] Change in wording only