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**MAGELLAN PIPELINE COMPANY, L.P.**  
**RESERVED CAPACITY PIPELINE TARIFF**

APPLYING ON THE TRANSPORTATION OF

**PETROLEUM PRODUCTS**

**MPL SOUTH**

TO POINTS NAMED HEREIN

Governed, except as otherwise provided herein, by rules and regulations published in Magellan Pipeline Company, L.P.'s F.E.R.C. No. 158.24.0 and/or Texas No. 49.14.0, supplements thereto and reissues thereof.

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

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

**EFFECTIVE: July 1, 2020**

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## WEST LEG RESERVED CAPACITY PROGRAM

|                 |   |
|-----------------|---|
| <b>ITEM NO.</b> | <p><b>From:</b> Galena Park, TX; East Houston, TX; Pasadena (MVP), TX; Pasadena, TX <sup>[Note 1]</sup>; Baytown, TX<sup>[Note 7]</sup> and/or Carrier's Origins defined in Item 200, F.E.R.C No. 161.42.0 <sup>[Note 2]</sup>, any supplements thereto and reissues thereof. ("Origin(s)")</p> <p><b>To:</b> El Paso, TX-Frontera Juarez Pipeline (PMI) <sup>[Note 3]</sup>; El Paso, TX-SFPP, LP (Kinder Morgan PL) <sup>[Note 4]</sup>; Albuquerque Station, NM <sup>[Note 8]</sup>; Belen Station, NM <sup>[Note 8]</sup> and Santa Teresa, NM <sup>[Note 8]</sup>; Tye (Abilene), TX <sup>[Note 6]</sup>; Odessa, TX<sup>[Note 6]</sup>; El Paso (MPL), TX <sup>[Note 3]</sup> <sup>[Note 6]</sup>; Midland, TX <sup>[Note 6]</sup> and/or EMPCo (ExxonMobil Pipeline Company) Wink, TX <sup>[Note 5]</sup> <sup>[Note 6]</sup>, ("Destination(s)")</p>  |
| <b>100</b>      | <p>1. <b><u>Definitions</u></b></p> <p>"Base Rate" means the local, uncommitted rate charged by MPL for transportation of Products from the Origins to the Destinations.</p> <p style="padding-left: 40px;">Base Rate from Origins(s): Galena Park, TX; East Houston, TX; Pasadena-MVP, TX and Baytown, TX<sup>[Note 7]</sup> to Tye (Abilene), TX <sup>[Note 6]</sup>; Odessa, TX<sup>[Note 6]</sup>; El Paso (MPL), TX <sup>[Note 3]</sup> <sup>[Note 6]</sup>; Midland, TX <sup>[Note 6]</sup> and/or EMPCo (ExxonMobil Pipeline Company) Wink, TX<sup>[Note 5]</sup> <sup>[Note 6]</sup>, are defined in Texas Nos. 50.18.0 and 78.4.1, any supplements thereto and reissues thereof.</p> <p>"Carrier" or "MPL" means Magellan Pipeline Company, L.P.</p> <p>"Petroleum Product" means any product specified in the Rules and Regulations tariff under Item 20, of either F.E.R.C. No. 158.24.0 and/or Texas No. 49.14.0, any supplements thereto and reissues thereof.</p> <p>"Final Monthly Reserved Capacity" shall equal the Term Shipper's actual monthly nomination, to a maximum level of the Total Reserved Capacity Commitment.</p> <p>"Force Majeure" shall have the meaning set forth in the VCA.</p> <p>"Term Shipper": Any shipper and/or inventory owner who signs a prior written Volume Commitment Agreement ("VCA") during the Open Season Periods referenced in Paragraph 4 of this Item.</p> <p>"Total Reserved Capacity Commitment" shall equal the applicable Daily Average Reserved Capacity chosen by Term Shipper from Paragraph 4, multiplied by the number of calendar days in the applicable month.</p> <p>2. <b><u>Available Program Capacity:</u></b></p> <p>This program provides up to a maximum Daily Average Reserved Capacity of 95,000 barrels per day (the "Pipeline Volume Available"), which includes the 45,000 barrels per day offered in the Original Open Season plus the 30,000 barrels per day offered in the first Supplemental Open Season and may include an additional 20,000 barrels per day offered in the second Supplemental Open Season. In the event the aggregate of all shippers' requests for Reserved Capacity in a particular open season exceeds the Pipeline Volume Available under this Item for that particular open season, Carrier will award capacity to Term Shippers based on the value of the Program Level selected or assess further expanding the project scope to provide additional capacity, as described in the VCA. In the event multiple Term Shippers select the same Program Level in the same open season, Carrier will prorate awarded capacity, as described in the VCA.</p> <p>Reserved Capacity will only be available to Term Shipper on the route from MPL East Houston, TX, Galena Park, TX and/or Pasadena (MVP), TX to the El Paso (MPL), TX area. Destinations beyond the El Paso delivery such as El Paso, TX-Frontera Juarez Pipeline (PMI); El Paso, TX-SFPP, LP (Kinder Morgan PL); Albuquerque Station, NM; Belen Station, NM and Santa Teresa, NM points are subject to available space on connecting pipelines. Destinations to third party connecting terminal facilities are subject to Term Shipper's ability to deliver to such facilities.</p> |

3. **Origin and Destination**

Rates set forth in Paragraph 5 of this Item (Reserved Capacity Rates) apply to Petroleum Products shipped and delivered from the defined Origins to any of the defined Destinations set forth herein.

Term Shipper agrees to nominate, ship and ultimately deliver to the Destinations from the Origins ratable volume of Petroleum Product as the original shipper and/or inventory owner.

Without limiting the foregoing, Term Shipper will not be allowed to count any volume toward its Total Reserved Capacity Commitment that is transferred via a product transfer order from Term Shipper to another shipper or from another shipper to Term Shipper, except Term Shipper will be allowed to receive product transfer orders as inventory owner at Origins prior to utilizing Reserved Capacity.

4. **Volume Commitment**

Any shipper desiring to participate in the West Leg Reserved Capacity Program, as set forth herein, must satisfy all of the following provisions:

4.1 Shipper must have entered into a prior written Volume Commitment Agreement (“VCA”) with Carrier during the Original Open Season Period which began on March 9, 2018 and ended on May 16, 2018 or the first Supplemental Open Season Period which began on June 4, 2018 and ended on July 11, 2018.

4.2 Upon entering into the prior written VCA by both the Carrier and shipper, shipper will be categorized as a Term Shipper for this program set forth herein.

4.3 The VCA and this program require Term Shipper to select a Daily Average Reserved Capacity (barrels per day) and an Initial Term (defined years plus 3 months) specified below.

4.3.1 Term Shipper shall select one of the following **Program Levels** specifying (1) the Daily Average Reserved Capacity in barrels per day and (2) the Initial Term (years plus 3 months) for the desired Program Level. The associated Tariff Premium will be in addition to the applicable Origin to Destination Base Rate. The Tariff Premium will remain unchanged for the duration of the selected Initial Term.

| <b>Program Level</b> | <b>Daily Average Reserved Capacity<br/>(Barrels Per Day)</b> | <b>Initial Term<br/>(Years)<br/>(plus 3 months)</b> | <b>Tariff Premium<br/>(\$ per barrel)<br/>(in addition to base tariff)</b> |
|----------------------|--|---|--|
| Level S              | 2,500  | 5   | \$.42  |
|                      |  | 7   | \$.35  |
|                      |  | 10  | \$.25  |
|                      |  | 15  | \$.20  |
| Level 1              | 5,000  | 5   | \$.19  |
|                      |  | 7   | \$.15  |
|                      |  | 10  | \$.10  |
|                      |  | 15  | \$.07  |
| Level 2              | 10,000   | 5   | \$.15  |
|                      |  | 7   | \$.10  |
|                      |  | 10  | \$.07  |
|                      |  | 15  | \$.05  |
| Level 3              | 15,000   | 5   | \$.10  |
|                      |  | 7   | \$.07  |
|                      |  | 10  | \$.05  |
|                      |  | 15  | \$.03  |
| Level 4              | 20,000   | 5   | \$.07  |
|                      |  | 7   | \$.05  |
|                      |  | 10  | \$.03  |
|                      |  | 15  | \$.01  |

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5. **Rates:**

Rates under this program are for Reserved Capacity and will be equal to the sum of the applicable Origin to Destination Base Rate plus the applicable Tariff Premium selected by Term Shipper. Any changes to the applicable Origin to Destination Base Rate will be applied to these rates pursuant to the VCA.

|   |  | Reserved Capacity Rates                |                     |                     |                     |                     |                     |
|---|--|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| FROM:<br>Origins  | TO: Destinations   | Initial Term<br>(yrs)<br>(+ 3<br>mos.) | LEVEL<br>S          | LEVEL<br>1          | LEVEL<br>2          | LEVEL<br>3          | LEVEL<br>4          |
| Galena Park, TX;<br>East Houston, TX;<br>Pasadena (MVP), TX;<br>Pasadena, TX <sup>[Note 1]</sup> ;<br>Baytown, TX <sup>[Note 7]</sup> | El Paso (MPL), TX<br><sup>[Note 3]</sup> <sup>[Note 6]</sup> ; | 5                                      | Base Rate<br>+\$.42 | Base Rate<br>+\$.19 | Base Rate<br>+\$.15 | Base Rate<br>+\$.10 | Base Rate<br>+\$.07 |
|   | Tye (Abilene), TX<br><sup>[Note 6]</sup> ;                     | 7                                      | Base Rate<br>+\$.35 | Base Rate<br>+\$.15 | Base Rate<br>+\$.10 | Base Rate<br>+\$.07 | Base Rate<br>+\$.05 |
|   | Midland, TX <sup>[Note 6]</sup> ;                              | 10                                     | Base Rate<br>+\$.25 | Base Rate<br>+\$.10 | Base Rate<br>+\$.07 | Base Rate<br>+\$.05 | Base Rate<br>+\$.03 |
|   | Odessa, TX <sup>[Note 6]</sup>                                 | 15                                     | Base Rate<br>+\$.20 | Base Rate<br>+\$.07 | Base Rate<br>+\$.05 | Base Rate<br>+\$.03 | Base Rate<br>+\$.01 |

6. **Nominations and Proration**

A Term Shipper must submit its monthly nomination in accordance with the provisions of Item 45 of MPL's F.E.R.C. No. 158.24.0 and/or Texas No. 49.14.0, supplements thereto and reissues thereof and specify the amount Term Shipper will move under its Total Reserved Capacity Commitment. This nomination will establish its **Final Monthly Reserved Capacity**.

The Final Monthly Reserved Capacity shall not be subject to prorationing except in the event Carrier is rendered unable to transport said nomination because of an event of Force Majeure.

- If Term Shipper's Final Monthly Reserved Capacity is less than its Total Reserved Capacity Commitment, then the short fall volume capacity that Term Shipper elected not to use will be included in the total monthly space available for spot shippers.
- If a Term Shipper's Final Monthly Reserved Capacity exceeds its Total Reserved Capacity Commitment, then the Term Shipper's Final Monthly Reserved Capacity will equal its Total Reserved Capacity Commitment for the month. The portion of volume in excess of Term Shipper's Total Reserved Capacity Commitment will be deemed to have been nominated as a "spot shipper" under the provisions of MPL's F.E.R.C. No. 158.24.0 or Texas No. 49.14.0, supplements thereto and reissues thereof, and will be subject to proration as stated in Item 50 of the applicable tariff. Additionally, the volume in excess of Term Shipper's Total Reserved Capacity Commitment will be shipped under the Base Rate.

7. Any deficiency of Term Shipper in meeting its Total Reserved Capacity Commitment shall be governed by the terms of the VCA.
8. Carrier will invoice the Term Shipper at the rates set out in Paragraph 5 of this item, at the time of shipment.
9. In addition to the terms and conditions contained in this item, all applicable charges, rules and regulations in MPL's F.E.R.C. No. 158.24.0, and/or Texas No. 49.14.0, supplements thereto and reissues thereof, shall apply.

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**References:**

Note1: Any movements from the Origin of Pasadena, TX will only have reserved capacity on the route from MPL East Houston, TX, Pasadena (MVP), TX and/or Galena Park, TX to the El Paso (MPL), TX area.

Note 2: Any movements from Carrier's Origins defined in Item 200, F.E.R.C No. 161.42.0, any supplement thereto and reissues thereof, are considered by Carrier as a reversal of the normal product flow and will only be made upon request by Term Shipper and upon Carrier's determination that such movement can operationally and efficiently be made to accommodate Term Shipper's request. Any such movement permitted by Carrier from Carrier's Origins defined in Item 200, F.E.R.C No. 161.42.0, any supplement thereto and reissues thereof, will only have reserved capacity on the route from Frost, TX to the listed Destinations (except as provided in Note 8).

Note 3: Deliveries of NEP Grade Product to this Destination require segregated storage in volume equivalent to Term Shipper's ten-day supply needs pursuant to a separate written agreement.

Note 4: Deliveries of Arizona Grade Product to this Destination require segregated storage in volume equivalent to Term Shipper's ten-day supply needs pursuant to a separate written agreement.

Note 5: Destination pending necessary connections between Carrier and respective counterparties and adequate commitments to such destination or, if applicable, Carrier's decision to construct a terminal at such destination and adequate commitments to such destination.

Note 6: Texas Intrastate movement.

Note 7: Baytown, TX origin is a joint rate with participating Carrier of ExxonMobil Pipeline Company. Any movements from the Baytown, TX origin defined in F.E.R.C. No. 190.2.0 or Texas No. 78.4.0, supplements thereto or reissues thereof, will only have reserved capacity on the route from Pasadena (MVP), TX Origin to the listed Destinations (except as provided in Note 8).

Note 8. Any movements to Albuquerque Station, NM; Belen Station, NM and Santa Teresa, NM will only have reserved capacity on the route from the listed Origins (except as provided in Note 1 and Note 7) to the El Paso (MPL), TX area.