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GAS SERVICES DIVISION
AUSTIN, TEXAS

R.C.T. No. 2.5.0
Cancels R.C.T. No. 2.4.0

BRIDGETEX PIPELINE COMPANY, LLC

LOCAL TARIFF

APPLYING ON THE TRANSPORTATION OF

CRUDE PETROLEUM

TO AND FROM POINTS NAMED HEREIN

Governed, except as otherwise provided herein, by rules and regulations published in BridgeTex Pipeline Company, LLC's R.C.T. No. 1.2.0 and supplements thereto and reissues thereof.

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

Effective Date: July 1, 2016

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TABLE OF RATES

All Rates are for pipeline transportation only.
 [U] Unchanged Rate. All rates are Unchanged Unless Otherwise Noted.

FROM (Origin) (Note 1)	TO (Destination) (Note 2)	Local / Uncommitted Shipper Rate	Committed Shipper Rates (Notes 4 and 7)		
		Rate in Cents per barrel of 42 U.S. Gallons	Tier Level	Range of Daily Contract Volume Commitment (bpd)	Rates in Cents per barrel of 42 U.S. Gallons
Colorado City, TX	<u>Houston Gulf Coast area:</u> <ul style="list-style-type: none"> • East Houston • Speed Junction • Genoa Junction • Texas City 	[D] 378.14 (Note 3)	1 (Note 5)	10,000 – 30,000	401.60
			2 (Note 6)	100,000 – 200,000	248.91

NOTES APPLICABLE TO TABLE OF RATES

Note 1: The Origin ("Origin") for this Tariff is the inlet flange to the Carrier Facilities located in Colorado City, Texas.

Note 2: The Destination ("Destination") for this Tariff is the Houston Gulf Coast area, which includes any of the following delivery points that are connected to and capable of receiving Crude Petroleum from Carrier's pipeline facilities:

- (a) **East Houston:** That certain delivery location into Carrier's tankage at Magellan's East Houston Terminal located at 7901 Wallisville Road, Houston, Texas.
- (b) **Speed Junction:** That certain delivery station located at 1313 W. Pasadena Freeway, Pasadena, Texas 77506.
- (c) **Genoa Junction:** That certain delivery station located at the connection point with third party facilities, approximately 5.6 miles due south of Speed Junction.
- (d) **Texas City:** Those certain delivery stations in the Texas City, Texas area, which provide direct access to Valero's Texas City Refinery and Marathon's Texas City refineries.

Note 3: The "Local/Uncommitted Shipper Rate" set forth in the Table of Rates applies to those shippers that have not entered into a Transportation Services Agreement ("TSA") with Carrier during the open season held by Carrier beginning in June, 2012 or the supplemental open season held by Carrier beginning in July, 2014 and to Committed Shippers, as described in Notes 5 and 6 below.

Note 4: The "Committed Shipper Rates" set forth in the Table of Rates are available to those shippers that entered into a TSA with Carrier during the open season held by Carrier

beginning in June, 2012 or the supplemental open season held by Carrier beginning in July, 2014 and committed therein to ship the specified amount of Crude Petroleum per day ("Daily Volume Commitment") from the Origin to the Destination specified above for a specified term ("Committed Shipper").

Note 5: The Tier 1 Firm Committed Shipper Rate is available to Committed Shippers who committed in a TSA to ship, for a term of at least seven (7) years, a volume of Crude Petroleum in the indicated volume range at a rate that is higher than the rate available to Uncommitted Shippers, as well as higher than the rate available to Tier 2 Committed Shippers. The volumes of Crude Petroleum shipped by Tier 1 Committed Shippers are not subject to prorationing under Item 150 of Carrier's Rules and Regulations tariff under normal operating conditions. The Local/Uncommitted Shipper Rate shall apply to volumes shipped by Tier 1 Committed Shippers, on a monthly basis, in excess of such shipper's Daily Volume Commitment.

Note 6: The Tier 2 Committed Shipper Rate is available to Committed Shippers who committed in a TSA to ship a volume of Crude Petroleum in the indicated volume range for a term of at least ten (10) years. The Tier 2 Committed Shipper Rate is also available to such Committed Shippers shipping volumes, on a monthly basis, of up to 10% in excess of the Shipper's Daily Volume Commitment on a space-available basis. The Local/Uncommitted Shipper Rate shall apply to volumes shipped by Tier 2 Committed Shippers, on a monthly basis, in excess of 110% of the shipper's Daily Volume Commitment.

Note 7: All volumes of Crude Petroleum shipped by Carrier on behalf of a Committed Shipper during a Contract Quarter (defined below) from the Origin to the Destination under this Tariff will apply towards the Committed Shipper's "Minimum Contract Quarterly Volume Commitment," which is equal to the Committed Shipper's Daily Contract Volume Commitment multiplied by the number of days in the applicable Contract Quarter. A "Contract Quarter" is defined for purpose of a TSA to be a three-month period beginning on January 1, April 1, July 1, or October 1 of a calendar year (with a potential "stub quarter" during the first quarter following the Service Commencement Date.)

PAYMENTS AND DEFICIENCY PAYMENTS UNDER TSA

1. For each Contract Quarter a Committed Shipper is responsible for making a Minimum Quarterly Payment ("MQP") to Carrier, which equals the amount, in dollars, of the product of (a) the Committed Shipper's "Daily Actual Volume Commitment," which is (i) the Committed Shipper's Minimum Contract Quarterly Volume Commitment, reduced to account for any Barrels of Crude Petroleum that the Committed Shipper properly tendered to Carrier during the Contract Quarter but that Carrier was unable to transport for any reason, including but not limited to force majeure and/or prorationing (the "Minimum Actual Quarterly Volume Commitment"), divided by (ii) the number of days in the Contract Quarter; multiplied by (b) the number of days in such Contract Quarter; multiplied by (c) the Committed Shipper Rate applicable to such Daily Actual Volume Commitment, in effect for each such calendar day during such Contract Quarter.

2. If a Committed Shipper fails to ship its Minimum Actual Quarterly Volume Commitment (as such Minimum Actual Quarterly Volume Commitment may be reduced as stated above) in a Contract Quarter, then such Committed Shipper shall make a payment ("Deficiency Payment") to Carrier at the end of the Contract Quarter equal to the MQP less (a) any payment reductions resulting from force majeure situations, proration, or any other failure of Carrier to accept Crude Petroleum for transportation under the TSA for any reason other than the Committed Shipper's default or failure to perform, excluding however any payment reductions that have already been accounted for in the calculation of the Committed Shipper's Daily Actual Volume Commitment; (b) the aggregate payments received by Carrier from Committed Shipper with respect to shipments made during the Contract Quarter for transportation charges; and (c) any Deficiency Payment Credit(s) available to the Committed Shipper, as such term is defined below.

3. Any payment received by Carrier from a Committed Shipper in a Contract Quarter for shipments of Crude Petroleum delivered into Carrier's facilities at the Origin for shipment to the Destination in excess of the Committed Shipper's MQP will serve as a credit, on a dollar-for-dollar

basis, against any Deficiency Payments due from Committed Shipper with respect to the four (4) Contract Quarters immediately following the Contract Quarter with respect to which such excess payment was paid ("Deficiency Payment Credit").

4. In the event that a Deficiency Payment is made, the Committed Shipper will be credited for prepaid transportation, on a dollar-for-dollar basis, toward the Committed Shipper's payment obligations for its deliveries made during the twelve (12) Contract Quarters immediately following the Contract Quarter with respect to which the Deficiency Payment was paid. Such prepaid transportation credits will only apply to transportation fees in excess of the Committed Shipper's MQP in the applicable Contract Quarter. Any remaining credit that is not applied within the allotted time period and prior to termination of the TSA will remain available for use by Committed Shipper for one year after termination of the TSA, but will expire and be of no further use or effect thereafter.

UPPER TIER VOLUME INCENTIVE RATE

Any Shipper, Uncommitted or Committed (regardless of the elected Tier Level applicable to its Daily Volume Commitment), that transports greater than 220,000 barrels per day of Product during a given month shall receive an UPPER TIER VOLUME INCENTIVE RATE on the volumes transported in excess of 220,000 barrels per day to a maximum of 250,000 barrels per day in such month and such movements will be made pursuant to the proration policy in R.C.T. No. 1.2.0, Item 150 supplements thereto and reissues thereof. Carrier reserves the right to cancel this Upper Tier Volume Incentive Rate at its discretion.

MONTHLY UPPER VOLUME TIER	UPPER TIER VOLUME INCENTIVE RATE (Cents per Barrel)
GREATER than 220,000 BPD to a MAXIMUM of 250,000 BPD	[U] 251.00

[U] Unchanged.

[D] Decrease