

**COPANO NGL SERVICES LLC**

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**TEXAS RAILROAD COMMISSION TARIFF**

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CONTAINING  
RULES AND REGULATIONS

GOVERNING  
TRANSPORTATION

of

**NATURAL GAS LIQUIDS**

by

**BRENHAM NGL PIPELINE**

P-5 176394 and T407371

**Filed on:**

Nov 21 2022

Gas Services Department  
Railroad Commission of Texas

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GENERAL APPLICATION

Rules and Regulations published herein apply only under tariffs which make specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.

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**EFFECTIVE: July 1, 2022**

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**Issued by**

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Copano NGL Services, LP. (the Company) will accept Natural Gas Liquids (as defined herein) for transportation by pipeline from the Points of Delivery and Redelivery identified by this Tariff, subject to the following rules and regulations:

## **RULES AND REGULATIONS**

### **1. DEFINITIONS**

“Barrel”	Forty-two (42) United States gallons at sixty degrees Fahrenheit (60°F).
“Company”, “Carrier” or “Transporter”	Copano NGL Services, LP.
“Day”	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 day.
“Gallon”	A U.S. Gallon of 231 cubic inches at sixty degrees (60°) Fahrenheit and at the vapor pressure of the liquid.
“Historical Quantity”	The average monthly volume over the preceding 12 months, at a point on the system.
“Natural Gas Liquids”, “Purity Product”, “Mix”, or “NGL”	Ethane, iso-butane, natural gasoline, normal butane, propane and mixtures thereof.
“Nominations”	The written request for transportation by pipeline of a specified volume of natural gas liquids submitted to Company pursuant to the nominations provisions herein.
“Point of Delivery”	One of the locations identified on the attached Tariff Sheets for receipt of the product into Company’s pipeline facilities.
“Point of Redelivery”	One of the locations identified on the attached Tariff Sheets for delivery of product by Company to Shipper.
“Rates”	Beginning on the first July 1 <sup>st</sup> following the East Sheridan Pipeline In- Service Date of this Agreement, and on each July 1st thereafter, Copano shall escalate the Rates then in effect to reflect the inflationary index most recently promulgated by the Federal Energy Regulatory Commission (“FERC”) in accordance with FERC’s indexing methodology as specified in Section 342.3 of the FERC regulations; provided that if the index adjustment promulgated by FERC is negative for a year, Copano shall not be required to reduce the Rates. In the event that FERC terminates its indexing methodology

and does not adopt a new methodology, Copano shall submit an alternative index to be utilized.

“Shipper”	<p>Any party who has entered into a transportation contract with Company for transportation of NGL on the pipeline facilities covered by this tariff and who gives notice to transport NGL under the provisions outlined in this tariff.</p> <ul style="list-style-type: none"><li>• “Firm Shipper” - Any shipper who has entered into a contract for firm capacity and has reserved that firm capacity.</li><li>• “Interruptible Shipper” - Any shipper who is not a Firm Shipper.</li></ul>
“Shrinkage”	<p>Liability for damage to or loss of product shall be determined by the contract between Shipper and the Company.</p>
“Tariff Sheet”	<p>The tariffs included herein which set forth the rate for each movement on Company facilities subject to this tariff.</p>
“Taxes”	<p>Any or all ad valorem, property, occupation, severance, production, extraction, first use, conservation, Btu or energy, gathering, transport, pipeline, utility, gross receipts, gas or oil revenue, gas or oil import, privilege, sales, rentals, use, consumption, excise, lease, transaction, environmental, and other taxes, franchise fees, governmental charges, licenses, fees, permits, and assessments other than taxes based on net income or net worth;</p>

## 2. SPECIFICATIONS REQUIRED

Natural gas liquids will be accepted for transportation only if those liquids are of the same or similar quality and characteristics of other liquids being transported on the same facilities and meet the specifications set forth in Seminole Pipeline Company’s then in effect tariff. No liquids will be accepted for transportation if, in Company’s sole discretion, the transportation of other liquids will adversely affect the quality or market value of the liquids being transported by Company.

## 3. FACILITIES AT POINTS OF DELIVERY AND REDELIVERY

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

- a) When Shipper has provided facilities satisfactory to Company capable of delivering shipments at Point of Delivery at pressures required by Company, not to exceed the Company’s Maximum Allowable Operating Pressure (“MAOP”); and

- b) When Shipper is capable of receiving shipments at Point of Redelivery by pipeline at pressures required by Company.
- c) Other facility requirements may be included in the contract between Shipper and the Company.

Separate contracts and charges may be required of Shipper if other facilities of the Company other than the pipeline itself is to be used to effectuate Receipt from Shipper or Delivery to Shipper.

#### 4. TENDER OF VOLUMES

Natural Gas Liquids meeting Company's specification will be accepted for transportation only where the quantity scheduled for each Point of Delivery does not exceed the capacity available on Company's facilities at that point. No tenders will be accepted unless Shipper has entered into a contract for such shipment with Company. Company may, at its discretion, accept shipments of less than 5,000 barrels upon Shipper's agreement to pay a rate for that day equal to the charge for a shipment of 5,000 barrels.

#### 5. NOMINATIONS

Company will transport volumes tendered without the necessity of nominations unless such nominations become necessary for operations of the pipeline. If such nominations do become necessary, such nominations should be made in accordance with the following:

Company may require each shipper to submit written nominations for transportation of Natural Gas Liquids.

If Company requires submission of written nominations, any shipper desiring to nominate Natural Gas Liquids for transportation shall make such nomination to Company in writing on or before the twenty-fifth (25) day of the month preceding the month during which the transportation is to begin. Written nominations to the Company are to indicate the Points of Delivery and Redelivery for the natural gas liquids, the consignee, and the amount of Natural Gas Liquids to be transported. Transportation requests received after the 25<sup>th</sup> day will be accepted if capacity is available after Company first satisfies requests received on or before the 25<sup>th</sup> day. If capacity is available for current shipment, shipper may tender in writing a nomination for transportation after the twenty-fifth (25) day of the month preceding the transportation.

Shipper shall establish the ability to meet the minimum tender requirements to the satisfaction of Company before any duty of transportation shall arise. If requested by Company, Shipper shall furnish Company with a schedule of the expected tenders at Point(s) of Delivery and withdrawals at Point(s) of Redelivery setting forth Shipper's best estimate of daily rate of tenders and withdrawals and dates on which such deliveries and withdrawals shall commence. Acceptance of such schedule shall not constitute an obligation on the part of Company to meet such schedule.

Available pipeline capacity each month shall be first allocated to firm shippers according to their nominations not to exceed the firm capacity reserved by that Shipper. Firm capacity shall be allocated based on seniority of capacity rights. Shippers with the earliest date of contracting for firm capacity shall have a priority over Shippers with a later contract date. Available capacity will be allocated to the Shipper with the highest priority (earliest contract date) in accordance with

its full firm capacity reservation or contract capacity rights before any available capacity will be allocated to a Shipper with a lower priority. If a firm shipper nominates more than its reserved capacity, it shall be considered an interruptible shipper as to nominated volumes in excess of that firm capacity. Remaining capacity shall be allocated to interruptible shippers in accordance with their nominations for the month, subject to the following:

- a) If, on any day during the month, a firm shipper is not utilizing all of its nominated capacity, the Company at its sole discretion may allocate any unused capacity to interruptible shippers.
- b) A firm shipper may by 8:00 A.M. of each day, give notice to Company of its intent to use up to the total firm capacity for which that firm shipper has contracted. Upon such notice, capacity allocated to interruptible shippers shall be reduced, if necessary, to make such firm capacity available to the firm shipper.
- c) If interruptible shippers nominate for more total capacity than is available on an interruptible basis, the available interruptible capacity will be prorated in proportion to each interruptible shipper's nomination.
- d) During periods of proration, capacity will be allocated to each point in the respective proportion of the point's Historical Quantity to the total Historical Quantity of all points connected to the pipeline. Allocation will be given as an average daily quantity and will be calculated for the calendar month. Allocated capacity that is not used will be prorated among the remaining constrained points.
- e) Any point that comes on line during periods of allocation will be allocated as if its Historic Quantity is the amount of its nomination.

## 6. ACCEPTANCE FREE FROM LIENS AND CHARGES

Natural Gas Liquids will be accepted for transportation only when free from all liens and charges. Shipper shall notify Company when any NGL tendered for transportation is involved in litigation or is the subject of disputed ownership or is encumbered by lien or charge of any kind. Company shall have the right to reject any shipment, when offered for transportation, 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 Company may require of the Shipper satisfactory evidence of his perfect and unencumbered title or satisfactory indemnity bond to protect Company against any and all loss.

## 7. MEASURING, TESTING AND DEDUCTIONS

7.1 All shipments tendered Company for transportation shall be tested, and gauged, by representative of Company or metered prior to, or at the time of receipt from the Shipper. On all deliveries, quantities shall be determined in accordance with the American Petroleum Institute ("API") Manual of Petroleum Measurement Standards.

7.2 All quantities shall be corrected to standard conditions of 60° Fahrenheit and equilibrium vapor pressure in accordance with the API Manual of Petroleum Measurement Standards, Chapter 14, the current versions of the applicable standards of API and the American Society for Testing Materials ("ASTM"), if available.

7.3 Inspection procedures relating to quantity and quality of NGL delivered hereunder shall be as set forth herein. Each party shall be entitled to have its representatives present during all loadings, unloadings, tests and measurements involving NGL delivered hereunder. When an independent inspector is used, the inspector's determinations of quantity and quality shall be conclusive and binding on both parties, except to the extent that the findings are shown by either party to be erroneous under current standards in effect at the time of the measurement. In the event of such erroneous findings by the original independent inspector, the parties may designate a replacement inspector at any time by mutual agreement, the cost of which shall be shared equally by the parties.

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

7.5 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 Company 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 Company.
- b) By using any measurement equipment which Company may have in the flowing stream.
- c) By an independent third party chosen by Company and generally recognized in the industry as competent to perform such estimate.

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

Physical and legal transfer of custody of the NGL to Company shall be at the interconnection of Shipper's facilities and Company's facilities.

## 8. IDENTITY OF NATURAL GAS LIQUIDS

Natural Gas Liquids will be accepted for transportation only on condition same will be subject to changes in gravity, color, quality or characteristics while in transit or as may result from unavoidable contamination and Company will not be obligated to make delivery of the identical products received for transportation. Company may, therefore, make delivery of Natural Gas Liquids out of common stocks of similar Natural Gas Liquids on hand at Point of Redelivery.

9. LIABILITY OF COMPANY

Unless otherwise agreed in the applicable transportation contract, Company shall not be liable for any loss of the Natural Gas Liquids herein described, or damage thereto, or delay, because of an act of God, the public enemy, quarantine, the authority of law, rules, regulations or directions of any regulatory authority, strikes, riots, or the acts of default of the shipper or consignee, or from any other cause not due to the negligence of Company; in case of losses from such causes, other than the negligence of Company, losses shall be charged proportionately to each shipment in the 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 Company 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.

10. CREDIT

Shippers may be required to submit information to determine a satisfactory credit appraisal by Company. To enable Company to conduct such credit appraisal, potential shippers shall submit the information set out in subsections (i) through (iv) below; provided, however, that submission of such material shall not be deemed acceptance of a request for service by Company, which determination shall be made by Company only after submission of the material and information set forth below and a determination by Company that potential shipper is sufficiently creditworthy. Company shall apply consistent evaluation practices on a nondiscriminatory basis to determine creditworthiness.

- (i) Potential shipper must provide (a) a copy of its most recent audited financial statement; (b) a bank reference; and (c) at least three trade references, which indicate that potential shipper's obligations are being paid on a prompt basis. Such documents shall be provided to:

Copano NGL Services, L P.  
Attn: Vice President, Finance  
2727 Allen Parkway, Suite 1200  
Houston, Texas 77019  
Telephone: 713-621-9547  
Fax: 713-621-9545

In the event potential shipper cannot provide the information above, then potential shipper shall, if applicable, provide that information for its parent company.

- (ii) Company shall not be required to perform or to continue any transportation service on behalf of any potential shipper who is or has become insolvent; who fails to meet payment obligations, or has an unexcused failure to deliver NGL for three (3) days, or who, at Company's request, fails within a reasonable period to demonstrate creditworthiness acceptable to Company. Provided, however, such potential Shipper may receive transportation service if it prepays for such service, provides a standby irrevocable letter of credit acceptable to Company, or furnishes an acceptable guarantee by another person or entity which satisfies the credit requirements of Company, in an amount equal to three (3) months or the duration of the potential shipper's bid or Shipper's transportation service agreement,

whichever is shorter, of charges calculated on a one hundred percent (100%) load factor basis.

- (iii) For purposes herein, the insolvency of a potential shipper or Shipper shall be conclusively demonstrated if a potential shipper or Shipper or any parent entity thereof (hereinafter collectively referred to as "the Shipper") makes an assignment or any general arrangement for the benefit of creditors; files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the petition of creditors or has such petition filed against it and such proceeding remains undismissed for thirty (30) days; otherwise becomes bankrupt or insolvent (however evidenced); liquidates a substantial part of its property or affairs; or is generally unable to pay its debts as they become due.
- (iv) Company may reassess the creditworthiness of and performance by Shipper from time to time; and Shipper shall be required to demonstrate creditworthiness and/or provide adequate assurances of performance throughout the term of the executed service agreement.

A waiver of one or more of these requirements shall not be construed as a waiver of these requirements in general and such requirements may be invoked by Company at any time.

#### 11. CLAIMS, TIME FOR FILING

As a condition precedent to recovery, claims must be filed in writing with Company within ninety (90) days after delivery of the Natural Gas Liquids or in case of failure to make delivery, then within thirty (30) days after a reasonable time has elapsed. Suit shall be instituted against Company only within two (2) years and one (1) day from the day that notice is given in writing by Company to the claimant that Company 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 Company will not be liable.

#### 12. REQUEST FOR SERVICE

Separate transportation contracts in accord with this tariff and these regulations covering further details will be required of the proposed shipper before any duty of transportation shall arise.

#### 13. SERVICES PERFORMED

The rates published in this tariff cover only the transportation of Natural Gas Liquids by pipeline and include no other services.

#### 14. PAYMENT OF TRANSPORT

The charges for transportation of Product accepted for shipment shall be based on the applicable rate set forth in the Tariff Sheets. Shipments accepted for transportation shall be subject to a lien, in favor of Company for all charges hereunder.



Transportation charges incurred during any month will be invoiced and paid in accordance with the contract between the Shipper and the Company. Company may require that charges:

- a) Be prepaid at time of acceptance, or
- b) On demand be paid before release of Product from custody of Company. Company may charge Shipper interest of 1% percent (1.5%) per month (18 percent per annum) for overdue transportation charges, not to exceed the lawful rate Company is allowed to charge.

Company shall have a lien on all NGL until the charges are paid. If the charges shall remain unpaid for more than 10 days after Shipper receives written notice from the Company of Shipper's failure to pay, the Company shall have the right to take and sell Shipper's product to satisfy amounts due and owing. The Company may sell the NGL at public auction at the general office of the Company 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 Company is located. The notice shall give, the time and place of the sale and the quantity of the NGL to be sold. At said sale, NGL shall have the right to bid, and if the highest bidder, to become the purchaser. From the proceeds of such sale, NGL will pay itself the transportation 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 Company pursuant to the laws of the State of Texas.

#### 15. 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 Point(s) of Redelivery in accordance with Company's schedules, Company may make whatever disposition of such undelivered shipment which is necessary in order to free its pipeline. Including but not limited to storage in Company's storage facilities.

#### 16. FORCE MAJEURE

This provision is in addition to and not in substitution for paragraph 9 of the Rules and Regulations herein. No failure or omission by either the Company or Shipper (other than the payment of money) shall give rise to any claim against the other if such failure or omission arises from an event that a party is unable to prevent or overcome by the exercise of reasonable diligence (a "Force Majeure Event"). A Force Majeure Event includes acts of God, explosions, fires, storms, extreme weather. Lightning, epidemics, earthquakes, washouts, power outages or shortages, material shortages, accident breakage of lines of pipe or equipment, blockages, insurrections, acts of the public enemy, protests, riots, military disturbances, shutdowns for purpose of emergency repairs, relocation, or construction of facilities, the necessity for testing or environmental remediation (as required by governmental authority or as deemed necessary by the testing party for the safe operation of facilities), floods, acts of regulation by any governmental authority, acts of or threats of terrorism, court orders, strikes labor difficulties, civil unrest, war, breakdown of machinery or facilities (whether total or partial), or plant mechanical shutdown or turnaround. No curtailment or suspension of either party's obligations pursuant to a Force Majeure Event shall operate to extend the term of the applicable transportation contract, unless otherwise specified in that contract.

17. IMBALANCE

As between Shipper and the Company, the quantity of product delivered at the Point of Delivery is conclusively deemed to be the quantity of product delivered at the Point of Redelivery. No product imbalance will be carried between Shipper and the Company, and Shipper shall assume all liability for losses and imbalances.

## COPANO NGL SERVICES, L.P.

### APPLYING ON

#### Purity & Mix

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The rates published in this tariff are for the transportation of Purity & Mix by Company, subject to the rules and regulations published herein.

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FROM:	TO:	RATE:
The Point of Delivery, the Company's Brenham NGL Pipeline at the liquid meter facility at the outlet of Shipper's Houston Central Plant in Colorado County, Texas.	The Point of Redelivery, the Company's Brenham NGL Pipeline at the liquid meter facility at Company's proposed interconnection with Seminole Pipeline Company's 14-inch pipeline in Austin County, Texas.	\$0.462723 per Barrel.

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The rates published in this tariff are for the intrastate transportation of Natural Gas Liquids by pipeline within the State of Texas and are subject to the rules and regulations as shown herein.

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**EFFECTIVE: July 1, 2022**

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