

Tariff No. 2.1  
Cancels Tariff No. 2.0

[N] Cancellation Notice  
[C] ~~PHILLIPS 66 PIPELINE LLC~~

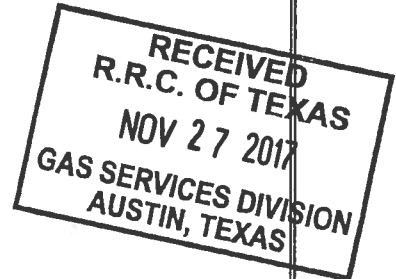
[C] CONTAINING  
~~GENERAL RULES AND REGULATIONS~~

AS

~~PRESCRIBED BY THE RAILROAD COMMISSION OF TEXAS~~

GOVERNING

~~THE GATHERING AND TRANSPORTATION OF CRUDE PETROLEUM BY PIPE LINE  
WITHIN THE STATE OF TEXAS~~



[C] ~~The Rules and Regulations published herein apply only under tariffs making specific reference by F.E.R.C. or state 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.~~

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

[C] ~~All rules and regulations have been brought forward unchanged from Conoco Pipe Line Company's Texas R. R. C. No. 2, in accordance with Phillips 66 Pipeline LLC's Adoption Notice Texas R.R.C. No. 1.0, effective April 12, 2012.~~

[N] Effective December 16, 2017 this tariff is hereby cancelled. No further rate or routing is available.

Issued November 15, 2017

Effective December 16, 2017

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[C] RULES AND REGULATIONS OF THE RAILROAD COMMISSION OF TEXAS

**RULE 71. PIPE LINE 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 per cent (2%) of basic sediment, water, or other impurities above a point six (6) inches below the pipe line connection with the tank. Pipe lines shall receive for transportation all such "marketable oil" tendered; but no pipe line shall be required to receive for shipment from any one person an amount exceeding three thousand (3000) barrels of petroleum in any one (1) day; and, if the oil tendered for transportation differs materially in character from that usually produced in the field and being transported therefrom by the line, then it shall be transported under such terms as the shipper and the owner of the pipe line may agree or the Commission may require.

(2) **Basic Sediment, How Determined—Temperature.**—In determining the amount of sediment, water or other impurities, a pipe line 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 pipe line 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 pipe line 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 ninety degrees Fahrenheit (90°F), 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 pipe line has to test before receiving from the shipper.

(3) **"Barrel" Defined.**—For the purpose of these rules, a "barrel" of crude petroleum is declared to be forty-two (42) gallons of 231 cubic inches per gallon at sixty degrees Fahrenheit (60°F).

(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 pipe line may require of shippers an indemnity bond to protect it against all loss.

(5) **Storage.**—Each pipe line 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 (5) days from the date of order of delivery at destination.

(6) **Identity of Oil, Maintenance of.**—A pipe line 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 pipe line transportation, or it may make delivery from its common stock at destination; provided, if this last be done, the deliver shall be of substantially like kind and market value.

(7) **Minimum Quantity to Be Received.**—A pipe line shall not be required to receive less than one (1) tank earload of oil when oil is offered for loading into tank cars at destination of the pipe line. When oil is offered for transportation for other than tank ear delivery, a pipe line shall not be required to receive less than five hundred (500) barrels.

(8) **Gathering Charges.**—Tariffs to be filed by pipe line shall specify separately the charges for gathering of the oil, for transportation, and for delivery.

(9) **Gauging, Testing and Deductions.**—All crude oil tendered to a pipeline for transportation shall be gauged and tested by a representative of the pipeline prior to its receipt by the pipeline. The shipper may be present or represented at the gauging and testing. Quantities shall be computed from correctly compiled tank tables showing 100% of the full capacity of the tanks, and adjustments shall be made for temperature from the nearest whole number degree to the basis of 60°F 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; 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.

The gauging and testing of oil by the pipe line representative is directed toward and intended to require tank gauge measurement of produced crude prior to the transfer of custody to the initial transporter from a producing property. A transfer of custody of crude between transporters is subject to measurement as agreed upon by the transporters.

(10) **Delivery and Demurrage**—Each pipe line 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 Section 6 of this rule, 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 Section 5 of this rule) shall begin at the expiration of such notice. At the expiration of the time allowed in Section 5 of this rule for storage at destination, a pipe line 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 per barrel; for the next ten (10) days at a rate of two-tenths of one cent per barrel; and thereafter at a rate of three-tenths of one cent 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 deliver, the pipe line may sell the oil at public auction at the general office of the pipe line 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 pipe line 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 pipe line 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.

[C] (12) **Notice of Claims**—Notice of claims 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 pipe line maintains a private telegraph or telephone line, shipper may use it without extra charge, for messages incident to shipments. However, a pipe line 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 pipe line 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 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 pipe line 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 rule.

(16) **Offers in Excess of Facilities**—If oil is offered to any pipe line for transportation in excess of the amount that can be immediately transported, the transportation furnished by the pipe line 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 pipe line 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**—Pipe lines shall provide the necessary connections and facilities for the exchange of tonnage at every locality reached by two or more pipe lines, 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 Necessary Facilities for**—Each pipe line 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 therefore, and under regulations by the Commission.

(19) **Fires, Lightning and Leakage, Reports of Loss from**—(a) Each pipe line shall immediately notify the Commission, by telegraph, telephone, or letter, of each fire that occurs at any oil tank owned or controlled by the pipe line, or of any tank struck by lightning. Each pipe line shall in like manner report each break or leak in any of its tanks or pipe lines from which more than five (5) barrels escapes. Each pipe line shall report in writing to the Commission, by the fifteenth (15th) day of each calendar month, the estimated amount of loss of oil by fire or leakage from its tanks and pipe lines for the preceding month; but not including leakage or evaporation ordinarily incident to transportation.

(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 pipe line, 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 have 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 pipe line 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 rule shall not apply if the loss occurs because of negligence of the pipe line.

(20) **Printing and Posting**—Each pipe line shall have Sections 1 through 19 of this rule printed on its tariff sheets, and shall post the printed sections in a prominent place in its various offices for the inspection of the shipping public. Each pipe line shall post and publish only such rules and regulations as may be adopted by the Commission as general rules or such special rules as may be adopted for any particular field.

#### APPLICATION OF RATES

The rates published in this Tariff apply from the established receiving stations of the Company to the established delivery station of the Company at or near the points named.

From any point not named in this Tariff which is intermediate to a point from which rates are published herein through such unnamed point, apply from such unnamed point the rate from the next more distant point and apply the gathering charge at the next more distant point, when gathering service is performed at the intermediate point.

#### Explanation of Reference Marks

[W] Change in wording only [C] Cancel [N] New