

Filed on:

May 20 2022

Gas Services Department
Railroad Commission of Texas

Texas No. 3.12

Cancels Texas No. 3.11

GRAY OAK PIPELINE, LLC

Local Pipeline Tariff

Containing Rates

Applying on

The transportation of Crude Petroleum

From Origins to Destinations Named Herein

The rates published in this tariff are in cents per barrel of 42 U.S. Gallons each, for the intrastate transportation of crude petroleum by pipeline, subject to the rules and regulations published in Gray Oak Pipeline, LLC's Texas Tariff No. 1.3, supplements thereto and successive issues thereof.

[W] 2022 ~~2021~~ Indexation

[W] Change in Wording Only [U] Unchanged Rate [I] Increase

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

P5 No 663865

T4 Permit # 09879

ISSUED: May 20, 2022

EFFECTIVE: July 1, 2022

Issued by:

[W] Manny Cortez ~~Todd Denton~~, President
Gray Oak Pipeline, LLC
P.O. Box 421959
Houston, TX 77242-1959

Compiled by:

Alan Fairwell, Director, Tariffs
P.O. Box 421959
Houston, TX 77242-1959
PH: 832-765-1608
Fax: 918-977-8537

West Texas Origin Rates: MVC Committed Shipper Rates and Uncommitted Rates

All Committed [W] and Uncommitted Rates [I] Increased, unless otherwise noted

		7 Year Committed Shipper Rates ^{1 2 3} Volume Commitment in Barrels per Day			All Uncommitted Rates are [I] Increased
Origins (From)	Destinations (To)	5,000-34,999	35,000-64,999	65,000+	Uncommitted
Conan, Loving County, TX	Sweeny, Brazoria County, TX ⁶	174.57	169.26	163.95	457.56
	Three Rivers, Live Oak County, TX	156.53	153.88	151.23	407.95
	Louise, Wharton County, TX ⁶	161.83	156.53	151.23	413.46
Crane, Crane County, TX	Sweeny, Brazoria County, TX ⁶	153.35	148.04	142.73	402.44
	Three Rivers, Live Oak County, TX	137.42	132.12	126.82	385.89
	Louise, Wharton County, TX ⁶	137.42	132.12	126.82	385.89
Mentone, Loving County, TX	Sweeny, Brazoria County, TX ⁶	174.57	169.26	163.95	457.56
	Three Rivers, Live Oak County, TX	156.53	153.88	151.23	407.95
	Louise, Wharton County, TX ⁶	161.83	156.53	151.23	413.46
Orla, Reeves County, TX	Sweeny, Brazoria County, TX ⁶	185.18	179.88	174.57	485.68
	Three Rivers, Live Oak County, TX	166.08	163.42	160.77	435.51
	Louise, Wharton County, TX ⁶	179.88	174.57	169.26	441.03
Wink, Winkler County, TX	Sweeny, Brazoria County, TX ⁶	174.57	169.26	163.95	457.56
	Three Rivers, Live Oak County, TX	156.53	153.88	151.23	407.95
	Louise, Wharton County, TX ⁶	161.83	156.53	151.23	413.46

Eagle Ford to Sweeny Rates

		7 Year Committed Shipper Rates ^{1 2 5} Volume Commitment in Barrels per Day				
Origins (From)	Destinations (To)	5,000-34,999	35,000-64,999	65,000-103,499	103,500+	Uncommitted
Helena, Karnes County, TX	Sweeny, Brazoria County, TX	153.88	148.57	143.26	116.73	220.51
Helena West, Karnes County, TX		153.88	148.57	143.26	116.73	220.51
Highway 99, McMullen County, TX		153.88	148.57	143.26	116.73	220.51
Central Junction, Live Oak County, TX		153.88	148.57	143.26	NA	220.51

Eagle Ford to Louise Rates

		7 Year Committed Shipper Rates ^{1 2} Volume Commitment in Barrels per Day				
Origins (From)	Destinations (To)	5,000-34,999	35,000-64,999	65,000-103,499	103,500+	Uncommitted
EOG Trot, Live Oak County, TX	Louise, Wharton County, TX	NA	NA	NA	NA	189.13
Helena, Karnes County, TX		153.88	148.57	143.26	116.73	220.51
Helena West, Karnes County, TX		153.88	148.57	143.26	116.73	220.51
Highway 99, McMullen County, TX		153.88	148.57	143.26	116.73	220.51
Central Junction, Live Oak County, TX		153.88	148.57	143.26	NA	220.51

Eagle Ford to Sweeny Rates for Shipments in excess of Minimum Volume Commitment ⁴

		7 Year Committed Shipper Rates ¹²⁴⁵ Volume Commitment in Barrels per Day			
Origins (From)	Destinations (To)	5,000- 24,999	25,000- 49,999	50,000- 64,999	65,000+
Helena, Karnes County, TX	Sweeny, Brazoria County, TX	116.73	111.42	87.55	76.94
Helena West, Karnes County, TX		116.73	111.42	87.55	76.94
Highway 99, McMullen County, TX		116.73	111.42	87.55	76.94

Short Haul Rates

Origins (From)	Destinations (To)	Rate
Gray Oak Helena, Karnes County, TX	KMCC Helena, Karnes County, TX	1.65
Gray Oak Helena, Karnes County, TX	FHR Helena, Karnes County, TX	1.65
Gray Oak Helena, Karnes County, TX	Enterprise Helena, Karnes County, TX	8.82
EOG TROT, Live Oak County, TX	Central Junction, Live Oak County, TX	11.02
Corpus (Pin Oak), Nueces County, TX	Corpus (Valero), Nueces County, TX	11.02

Committed Tariff Rates for Segmented Path Movements

Committed Shippers may nominate, pursuant to the terms of each applicable TSA, a “Segmented Path Movement”, which is a combination of upstream and downstream segment movements on the Pipeline in a given month. For each Segmented Path Movement, the Committed Shipper shall pay the applicable committed rate for such movement as provided in its TSA (which is one of the tariff rates set forth above, with the particular applicable rate depending on the combination of movements that make up the Segmented Path Movement), multiplied by 1.5.

1. **Committed Tariff Rates for Qualifying Alternative Shipments:** A “Qualifying Alternative Shipment” means, for a Committed Shipper, a movement on the Pipeline that is from an origin point or to a destination point other than the origin point or destination point selected by such Committed Shipper in its TSA as the origin point or destination point for its committed volumes, and that is either named in its TSA as a “Path Origin Point” or “Path Destination Point”, as applicable, or that is within the path of an origin point/destination point combination selected by the Committed Shipper for its volume commitment.

For any Committed Shipper’s Qualifying Alternative Shipments in a month, the following shall apply:

For any Qualifying Alternative Shipments that, when combined with the Committed Shipper’s other volumes shipped in the applicable month that count towards its volume commitment, is not in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Qualifying Alternative Shipment shall be:

- a. if the destination point for such Qualifying Alternative Shipment is the Committed Shipper’s selected destination point under its TSA and is located on a segment within the “Applicable Segment Group” for the selected destination point (as defined in the TSA), the committed tariff rate set forth above that would otherwise apply to the Committed Shipper’s shipments from its selected origin point to its selected destination point under its TSA; or
- b. if (a) does not apply, the higher of
 - i. the committed tariff rate that would apply to a shipment from the Committed Shipper’s selected origin point to its selected destination point under its TSA, and
 - ii. the committed tariff rate set forth above that is applicable from the actual origin point to the actual destination point of such Qualifying Alternative Shipment.

For any Qualifying Alternative Shipment that, when combined with the Committed Shipper’s other volumes shipped in the applicable month for the committed path, is in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Qualifying Alternative Shipment shall be the committed tariff rate set forth

above that is applicable to such movement, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional [U] ten cents (\$0.10) per Barrel.

2. Committed Tariff Rates for Non-Qualifying Alternative Shipments: A “Non-Qualifying Alternative Shipment” means, for a Committed Shipper, a movement on the Pipeline that is from an origin point or to a destination point other than the origin point or destination point selected by such Committed Shipper in its TSA as the origin point or destination point for its committed volumes, and that does not qualify as a Qualifying Alternative Shipment.

For any Committed Shipper’s Non-Qualifying Alternative Shipments in a month, the following shall apply:

For any Non-Qualifying Alternative Shipments that, when combined with the Committed Shipper’s other volumes shipped in the applicable month for the applicable committed path, is not in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Non-Qualifying Alternative Shipment shall be the higher of:

- a. the committed tariff rate set forth above for the applicable committed path under the Committed Shipper’s TSA, and
- b. either
 - i. the committed rate set forth above for movements from the actual origin point to the actual destination point of such movement, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional [U] ten cents (\$0.10) per Barrel, or
 - ii. solely in the case that there is no rate that is applicable under (b)(i), the committed tariff rate applicable to such movement as if it were a movement originating at the next most upstream origin point with a rate set forth above to the actual destination point of such Non-Qualifying Alternative Shipment, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional ten cents [U] (\$0.10) per Barrel. Provided that if either the applicable actual origin point or applicable actual destination point of such Non-Qualifying Alternative Shipment is not within the continuous path of any origin point and destination point combination for any of the committed rates set forth above, the tariff rate applicable to such Non-Qualifying Alternative Shipments shall be equal to the applicable uncommitted tariff rate for the movement.

For any Non-Qualifying Alternative Shipment that, when combined with the Committed Shipper’s other volumes shipped in the applicable month for the applicable committed path, is in excess of the applicable monthly minimum volume commitment for a given origin point/destination point combination selected by the Committed Shipper under its TSA, the tariff rate applicable to such Non-Qualifying Alternative Shipments shall be equal to the committed tariff rate that would be applicable from the actual origin point for such movement to the actual destination point for such movement, plus in the case of any Committed Shipper making an acreage dedication under its TSA, where such applicable rate that is not one of the Acreage Dedication committed tariff rates above, an additional [U] ten cents (\$0.10) per Barrel.

3. With respect to the committed tariff rates in this table, the following shall apply:
- (i) If a Committed Shipper’s volume commitment is 5,000 – 34,999 bpd, and the Committed Shipper nominates and actually ships volumes in a given month to which the relevant committed tariff rate would apply that total: 35,000 – 64,999 bpd, then the relevant committed tariff rate shall be reduced by [I] \$0.0265 per Barrel; or 65,000+ bpd, then the relevant committed tariff rate shall be reduced by [I] \$0.0530 per Barrel.
 - (ii) If a Committed Shipper’s volume commitment is 35,000 – 64,999 bpd, and the Committed Shipper nominates and actually ships volumes in a given month to which the relevant committed tariff rate would apply that total: 65,000 – 84,999 bpd, then the relevant committed tariff rate shall be reduced by [I] \$0.0265 per Barrel; or 85,000+ bpd, then the relevant committed tariff rate shall be reduced by [I] \$0.0530 per Barrel.

- (iii) If a Committed Shipper's volume commitment is 65,000+ bpd, and the Committed Shipper nominates and actually ships volumes in a given month to which the relevant committed tariff rate would apply that total: 85,000 – 104,999 bpd, then the relevant committed tariff rate shall be reduced by [I] \$0.0265 per Barrel; or 105,000+ bpd, then the relevant committed tariff rate shall be reduced by [I] \$0.0530 per Barrel.

4. Shipments to Sweeny for Barrels in Excess of Minimum Volume Commitment:

- (i) The following applies only to a Committed Shipper that has selected the Origin Point of Helena or Highway 99 under its TSA, has an aggregate minimum volume commitment from such Origin Point(s) for such TSA that equals or exceeds 25,000 bpd, and has aggregate minimum volume commitments under such TSA and any other TSA(s) that equals or exceeds 80,000 Barrels per day (provided that the initial Committed Tariff Rate for such Committed Shipper's committed volumes under any such other TSA is equal to or greater than [U] \$1.195 per Barrel). If a Shipper is a qualifying Committed Shipper under the previous sentence, then for each Barrel of Crude Petroleum that the Committed Shipper ships from Helena or Highway 99 to Sweeny and that, when combined with Customer's other shipments of Crude Petroleum in the applicable Month from either Helena or Highway 99, exceeds the aggregate monthly minimum volume commitment for such committed path, Committed Shipper shall pay the Committed Tariff Rate under the table "Eagle Ford to Sweeny Rates for Shipments in excess of Minimum Volume Commitment" in this Local Pipeline Tariff, based on Committed Shipper's aggregate minimum volume commitments under its TSA(s).
- (ii) The following applies only to a Committed Shipper that has selected the Origin Point of Helena West under its TSA, has an aggregate minimum volume commitment from such Origin Point for such TSA that equals or exceeds 50,000 bpd, and has aggregate minimum volume commitments under such TSA and any other TSA(s) that equals or exceeds 65,000 Barrels per day (provided that the initial Committed Tariff Rate for such Committed Shipper's committed volumes under any such other TSA is equal to or greater than \$1.195 per Barrel). If a Shipper is a qualifying Committed Shipper under the previous sentence, then for each Barrel of Crude Petroleum that the Committed Shipper ships from Helena West to Sweeny and that, when combined with Customer's other shipments of Crude Petroleum in the applicable Month from Helena West, exceeds the aggregate monthly minimum volume commitment for such committed path, Committed Shipper shall pay the Committed Tariff Rate under the table "Eagle Ford to Sweeny Rates for Shipments in excess of Minimum Volume Commitment" in this Local Pipeline Tariff, based on Committed Shipper's aggregate minimum volume commitments under its TSA(s).

5. Committed Tariff Rate Reduction: The following applies only to a Committed Shipper that has selected the Helena West origin point for its committed volumes pursuant to its TSA, and that has an aggregate minimum volume commitment to Carrier under such TSA and any other TSA with Carrier that equals or exceeds 65,000 barrels per day (provided that the initial Committed Tariff Rate for Customer's committed volumes under such other TSA is equal to or greater than \$1.195 per barrel). If the cumulative revenue paid to Carrier by such a Committed Shipper with respect to shipments under its TSA from the Helena West origin point equal or exceed the following revenue thresholds, then the following Committed Tariff Rate reductions shall apply to such Committed Shipper for the remainder of its TSA term (for the Helena West origin) for shipments from the Helena West origin and for Qualifying Alternative Shipments:

- (i) If such cumulative revenue is greater than or equal to \$50,000,001 and less than or equal to \$100,000,000, the Committed Tariff Rate Reduction shall be [U] \$0.050 per barrel;
- (ii) If such cumulative revenue is greater than or equal to \$100,000,001 and less than or equal to \$150,000,000, the Committed Tariff Rate Reduction shall be [U] \$0.195 per barrel; and
- (iii) If such cumulative revenue is greater than or equal to \$150,000,001, the Committed Tariff Rate Reduction shall be [U] \$0.245 per barrel

6. Temporary Rate Reduction (West Texas): In a given Month, if a Committed Shipper nominates and ships volumes in excess of its cumulative minimum volume commitment, or if an uncommitted shipper ships volumes, in either case in the aggregate amounts set forth in the table below, for
- (i) all shipments that originate at Orla, Conan, Mentone, Wink, and Crane with
 - (ii) a destination of Louise and Sweeny,
 - (iii) and for the Committed Shipper, the shipments eligible for the rate reduction includes all shipments which include the minimum volume commitment volumes and volumes in excess of the minimum volume commitment volumes (i, ii and iii being “Eligible Shipments”),

then the applicable tariff rate (whether committed or uncommitted) will be reduced by the applicable percentage in the table below for all shipments that are Eligible Shipments (“Temporary Rate Reduction”). For the Committed Shipper, the origin point for the Committed Shipper’s shipments must be from its selected origin point under its TSA in order to be an Eligible Shipment. The volume calculation of the Temporary Rate Reduction shall include Eligible Shipments with a destination of Taft, Corpus and Ingleside as set forth in the applicable Federal Energy Regulatory Commission tariff.

The Temporary Rate Reduction cannot be combined with the tariff rate reductions in item 3. To qualify for the Temporary Rate Reduction each Quarter (or remainder of Quarter),

- (i) a shipper must provide fifteen (15) days advanced written notice to Carrier,
- (ii) the election must be in effect through the remainder of the Quarter (“Election Period”), and
- (iii) prepaid transportation credits may not be utilized during the Election Period.

Volume determination and discounts only apply to Eligible Shipments and do not apply to shipments that are not Eligible Shipments. If a Temporary Rate Reduction is applied to a volume in fulfillment of a Committed Shipper’s quarterly minimum volume commitment, then such volume shall count as a partial barrel, calculated as the product of the volume multiplied by the quotient of the rate charged divided by the rate that would have been charged had the Temporary Rate Reduction not been applied. The Temporary Rate Reduction is effective on March 1, 2021 and will continue on a Quarter to Quarter basis until modified or cancelled by Carrier at any time, upon which Carrier will provide at least forty (40) days’ notice to shippers.

Tier	Monthly Volumes in Excess of the Minimum Volume Commitment (for Committed Shippers) OR Monthly Volume (for uncommitted shippers) (BPD)	Temporary Rate Reduction For Eligible Shipments
1	20,000 - 29,999	7.8%
2	30,000 - 39,999	13.1%
3	40,000 - 49,999	17.7%
4	50,000+	21.7%