20170724131451 Filed Date: 07/24/2017 State Corporation Commission of Kansas

LAW OFFICES OF

ANDERSON & BYRD

A Limited Liability Partnership

JOHN L. RICHESON
JAMES G. FLAHERTY
R. SCOTT RYBURN
KEITH A. BROCK
THOMAS H. SACHSE
JEFFREY A. WILSON

216 S. HICKORY, P. O. BOX 17 OTTAWA, KANSAS 66067 (785) 242-1234, Telephone (785) 242-1279, Facsimile www.andersonbyrd.com

ROBERT A. ANDERSON (1920-1994)

RICHARD C. BYRD (1920-2008)

July 24, 2017

via e-filing EXPRESS

Ms. Lynn M. Retz, Secretary Kansas Corporation Commission 1500 S. W. Arrowhead Road Topeka, Kansas 66604-4027

Re: ONEOK NGL Pipeline, L.L.C. - K.C.C. Tariff No. 9.4

Dear Ms. Retz:

ONEOK NGL Pipeline, L.L.C. ("ONGL") hereby submits its K.C.C. No. 9.4 tariff, issued July 24, 2017, and effective on August 1, 2017 with the Kansas Corporation Commission ("K.C.C."). Enclosed are a red lined copy of the proposed tariff that contains the changes to the existing tariff and a clean copy of the proposed tariff.

ONGL is issuing K.C.C. Tariff No. 9.4:

ONGL is filing herein K.C.C. Tariff No. 9.4 to revise Item No. 115 in its tariff to provide shippers with the flexibility to transport all products from Bushton, Kansas to Conway, Kansas. The rates and routes in the tariff will remain unchanged.

The estimated annual increase in revenue, due to this revision, is \$0.00 per year.

F.E.R.C. Form 6 for the year ended December 31, 2016, is on file with the K.C.C.

ONGL certifies that a copy of this filing has been sent via first class mail, or other means of transmission as agreed upon by the subscriber, to each subscriber of the affected tariff publication. ONGL requests that any protest to this filing be e-mailed to Sherlyn Johnson-Schumack at sherlyn.schumack@ONEOK.com.

Thank you for your assistance. If you have any questions regarding this filing, please call me.

Sincerely,

James G. Flaherty

iflaherty@andersonbyrd.com

JGF:rr Enclosure

cc: Sherlyn Johnson-Schumack

VERIFICATION

STATE OF KANSAS	
)ss
COUNTY OF FRANKLIN)

Re: In the Matter of ONEOK NGL Pipeline, L.L.C. - K.C.C. Tariff No. 9.4

James G. Flaherty, of lawful age, being first duly sworn on oath, states:

That he is the attorney for ONEOK NGL Pipeline, L.L.C., and is duly authorized to make this affidavit; that he has read the foregoing amended transmittal letter and knows the contents thereof; and that the information contained therein is true and accurate to the best of his knowledge, information and belief.

James G. Flaherty

Douda Dassoce

SUBSCRIBED AND SWORN to before me this 24th day of July, 2017.

NOTARY PUBLIC - State of Kansas RONDA ROSSMAN My Appt. Exp. 5/25/2018

Notary Public

Appointment/Commission Expires:

K.C.C. No. 9.43 Cancels K.C.C. No. 9.32

ONEOK NGL PIPELINE, L.L.C.

LOCAL PIPELINE TARIFF

Containing

Rates, Charges, and Regulations

Governing the Intrastate Transportation and Handling of

NATURAL GAS LIQUIDS AND REFINED PRODUCTS ("PRODUCT(S)")

FROM POINTS IN: TO POINTS IN:

Kansas Kansas

The rates published in this tariff are for the intrastate transportation of Natural Gas Liquids as described in Item No. 110 and Item No. 115 of this tariff. ONEOK NGL Pipeline, L.L.C. will receive and deliver such Natural Gas Liquids through its own pipelines and not otherwise, subject to the rules and regulations contained in this tariff.

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

ISSUED: May 1 July 24, 2017 EFFECTIVE: August 1, 2017*

* or the date of issuance of the Kansas Corporation Commission's Final Order approving the requested tariff change(s) pursuant to K.S.A. 66-117(d), whichever date is later.

Issued and Compiled by:
Sherlyn Johnson-Schumack, Senior Regulatory Analyst
ONEOK Partners
100 West Fifth Street
Tulsa, Oklahoma 74103
Voice (918) 588-7228
Fax (918) 732-1406
sherlyn.schumack@ONEOK.com

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RULES AND REGULATIONS

<u>Item No. 5 - Definitions</u>

"Barrel" is declared to be forty-two (42) United States gallons measured at a temperature of 60 degrees Fahrenheit.

"Buffer Material" means Product between batches of dissimilar Products.

"Carrier" as herein used means ONEOK NGL Pipeline, L.L.C.

"Consignee" means the person, entity and/or facility to whom Product is consigned.

"Force Majeure" means an act or occurrence beyond the reasonable control of and not proximately resulting from the fault or negligence of Carrier. Force Majeure includes, but is not limited to: acts of God, acts of the public enemy, terrorist acts and vandalism, civil disorder, hostilities, quarantine, authority of law, actions taken under color of law, strikes and other labor stoppages, fires, explosions, storms, floods, extreme weather, earthquakes, epidemics, biological, nuclear, or radioactive contamination, communications or power failures, failure or malfunction of equipment or software, and accidents.

"Linefill" means the static quantity of Product needed to occupy the physical space in the pipeline.

"Product(s)" used herein mean Natural Gas Liquids and Refined Product. Natural Gas Liquids are natural gasoline, normal butane, isobutane, propane, ethane-propane mix, demethanized mix and all mixtures thereof conforming to Carrier's specifications. Refined Product is refinery grade propylene ("RGP") and refinery grade butane ("RGB") conforming to Carrier's specifications. The Carrier reserves the right to reject any Product with constituents that would adversely affect the pipeline or another Product.

"Shipper(s)" shall mean any party who gives notice to transport Products under the terms and conditions of this tariff.

Item No. 10 - Commodity

Carrier is engaged in the transportation of Product as herein defined and will not accept any other commodity for transportation under this tariff. Product will be accepted for transportation only at such time Carrier is engaged in the transportation of Product as herein defined and will not accept any other commodity for transportation under this tariff. Product will be accepted for transportation only at such time as Product of the same quality and specifications are currently being transported or scheduled to be transported from receiving point to terminal point. Carrier will transport Product as defined herein with reasonable diligence, considering the quality of such Product, the distance of transportation and other material elements.

<u>Item No. 15 - Product Specifications</u>

Carrier reserves the right to refuse transportation for any Products that do not conform to Carrier's Product specifications (available upon request), is not merchantable and/or would otherwise adversely affect Carrier's pipeline or another Product. As a prerequisite to transportation, Shipper's Product must also conform to its nominated delivery point specifications.

Carrier may request a certificate from Shipper stating the specification of each shipment of Product. Carrier reserves the right to sample and/or test any such shipment prior to acceptance or during receipt, and in the event of a difference between the certificate and Carrier's test, Carrier's test shall prevail.

On Product received by Carrier that does not meet Product specifications or the requirements of the first paragraph of this Item No. 15, Carrier reserves the right to charge the greater of (1) the costs and expenses incurred to treat or otherwise dispose of all such noncompliance Product or (2) 100 cents per Barrel treating and handling charge.

Item No. 20 - Minimum Tender and Place of Delivery

Products of the required specifications shall be tendered for transportation in quantities of not less than 10,000 Barrels of the same specification. All tenders shall be for continuous transportation and delivery from one consignor, consigned to one Consignee, provided however, due to the configuration of Carrier's system, Carrier may for its convenience transport tenders by intermittent pumpings. As an incident to the acceptance of any tender, the Shipper shall furnish Buffer Material based upon the Product being shipped and that Buffer Material will be assessed transportation charges at the rates specified in Item No. 110 Rates Applicable to Transportation of Product and in Item No. 115 Rates Applicable to Transportation of ethane-propane mix and demethanized mix. Consignee shall accept delivery of Product containing portions of all of such Buffer Material.

Where delivery must be made by Carrier directly into a connecting pipeline, minimum shipments on approved tenders shall be of a volume equal to or in excess of the minimum shipment requirements of the receiving pipeline and such Product shall be of the same specification as that currently being pumped by such receiving pipeline.

Item No. 25 - Storage, Origin and Destination Facilities

Carrier does not furnish storage facilities or services at origins or destinations.

Product will be accepted for transportation only when the Shipper and the Consignee have provided equipment and facilities, including storage facilities, satisfactory to Carrier for delivering such tenders to Carrier at origin at a pumping rate equal to the current rate of pumping and for receiving same without delay upon arrival at destination. Satisfactory evidence may be required by Carrier showing that necessary facilities are available for delivering shipments at origin and receiving shipments at destination before any obligation to furnish transportation shall arise.

Item No. 30 - Title

Product will be accepted for transportation only when free from all liens and charges. When any Product tendered for transportation is involved in litigation, or when the ownership thereof may be in dispute, Carrier will require of Shipper an indemnity bond to protect it against all loss.

Item No. 35 - Measurement

All Products will be measured at the time of receipt and delivery by Carrier in accordance with applicable Carrier and industry accepted practices and procedures. All measurements and tests shall be performed by the Carrier, but Shipper or its representative may be present to witness such measurements and tests. All measurements and tests performed by Carrier shall be determinative unless they are contested within 90 days of receipt of appropriate documentation by Shipper.

Item No. 40 - Mixtures

Product will be accepted for transportation only on condition that it shall be subject to such changes in characteristics, while in transit as may result from the mixture with other Products, and Carrier shall be under no obligation to make delivery of the identical Product received, but may make delivery out of common stock. The right of Carrier to make such deliveries out of common stock and the requirement that Shipper accept delivery of common stream Products, the characteristics of which may have been changed due to mixing with other Products, shall be a prerequisite for shipping.

Item No. 45 - Notice of Tenders

Products for shipment through the line of Carrier will be received only on properly executed tenders from the Shipper showing the point at which the Products are to be received, point of delivery, Consignee and amount of Products to be transported.

Any Shipper desiring to tender Product for transportation shall make such tender to Carrier in writing on or before the fifteenth (15th) day of the month preceding the month during which the transportation under the tender is to begin, on forms which will be supplied by the Carrier upon request; except that, if space is available for current movement a Shipper may tender Product for transportation after the fifteenth (15th) day of the month preceding the month during which the transportation under the tender is to begin.

<u>Item No. 50 - Scheduling Shipments</u>

Carrier will transport and deliver Products with reasonable diligence and dispatch considering the quantity and quality of the Product, the distance of transportation, safety of operations, and other material factors, but will accept no Product to be transported in time for any particular market.

Item No. 52 - Line Reversals

The primary operation of Carrier's system between Hutchinson, Kansas and Conway, Kansas is a transportation movement having a South to North direction of flow. Carrier may, however, reverse the direction of flow from North to South with transportation service originating at Conway, Kansas and ending at Hutchinson, Kansas as scheduling and operating conditions permit. This shall be defined as a line reversal. Upon receiving from Shipper, a nomination for such a movement meeting the specific requirements of this Item No. 52, Carrier shall determine the feasibility for reversing the direction of flow.

Prior to the commencement of any movement requiring a line reversal, Shipper will be required to furnish to Carrier its pro rata share of Linefill to displace the existing Linefill in Carrier's pipeline. Linefill will vary depending on the characteristics of the particular Product tendered for transportation but will normally be at least 10,000 Barrels. Shipper will also be required to do the same upon final delivery of shipments flowing from North to South.

Carrier reserves the right to require a minimum shipment of 10,000 Barrels or more of Product when the tender of a shipment requires a line reversal. Shipper must also give Carrier proper notice as defined in Item No. 45 Notice of Tenders. Upon completion of delivery of movements requiring a line reversal, Shipper's pro rata share of the existing Linefill shall be delivered back to Shipper at Conway, KS.

All movements are subject to the transportation rates specified in Item No. 110 Rates Applicable to Transportation of Product. Deliveries (including deliveries back to Shipper) or displacements of Linefill, caused by a line reversal, will also be charged the same transportation rates. Displaced Linefill will be assumed to have originated from the point at which an injection is made to displace the Linefill.

Item No. 55 - Failure to Take Delivery at Destination

If Shipper fails to remove Products from Carrier's pipeline at the nominated destination, threatens or prevents succeeding shipments into or out of Carrier's pipeline or otherwise by Shipper's actions or inactions causes congestion on Carrier's pipeline, Carrier shall have the right, but without obligation or liability to the Shipper, to divert, reconsign, flare or make arrangements for the Products as Carrier deems appropriate. Shipper shall pay all charges, costs and damages associated with the disposition of Products to Carrier the same as if Shipper had authorized such.

In addition to any remedy available to Carrier, including remedies under Item No. 55, Shipper will pay a daily demurrage charge in the event Shipper fails to remove Products from Carrier's pipeline and that failure prevents or threatens the movement of succeeding shipments. The daily demurrage charge will be calculated by taking the tariff rate in Item No. 110 Rates Applicable to Transportation of Product and in Item No. 115 Rates Applicable to Transportation of ethane-propane mix and demethanized mix, based upon the nominated origin and destination, times the pipeline system Linefill.

<u>Item No. 60 - Payment of Carrier Charges</u>

Product accepted for transportation shall be subject to the rates in effect on the date and at the place of receipt of such Product from Shipper to the destination at which delivery is made and, shall be paid in accordance with invoice terms and this tariff on the net quantities of Product delivered. Carrier shall have a lien on all Products to cover all charges accruing under the tariffs of Carrier until such charges are paid. Carrier, at its option, may require Shipper to pay all such charges and fees in advance or to provide an irrevocable letter of credit satisfactory to Carrier. Products not released due to failure to pay or not taken by Shipper at the time of scheduled delivery are subject to sale. Such sale will be at a private sale for the best price obtainable. Carrier and/or affiliates of Carrier may be a purchaser at any such sale. Out of the proceeds of any such sale, Carrier may pay itself all lawful charges, including incidental expenses associated with the sale. Should the sales proceeds be insufficient to pay all lawful charges including incidental expenses, Shipper shall remain liable to Carrier for the unpaid balance. Should the sales proceeds exceed all lawful charges including incidental expenses due Carrier, Carrier will remit to Shipper the balance of the excess.

If transportation and other charges are not paid by the due date stated on the invoice, Carrier shall have the right to assess finance charges on the entire past due balance (including principal and accumulated but unpaid finance charges) until paid in full at the rate equal to one hundred twenty-five percent (125%) of the prime rate of interest charged by Citibank N.A., New York, New York, as of the due date or the maximum finance charge rate allowed by law whichever is less. Carrier reserves the right to set-off any charges due Carrier by Shipper against any monies owed to Shipper by Carrier or any Products of Shipper in Carrier's custody.

Item No. 65 - Other Charges

In addition to the transportation charges and all other charges accruing on Products accepted for transportation, a per Barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against Carrier in connection with such Product pursuant to any federal, state, or local act or regulation which levies a tax, fee, or other charge on the receipt, delivery, transfer, or transportation of such Product within its jurisdiction. Such charge shall, without limitation, apply to any tax, fee, or other charge levied against Carrier for the purpose of creating a fund for the prevention, containment, clean up, and/or removal of spills and/or the reimbursement of persons sustaining a loss therefrom or any program where Carrier is acting as a collecting agent.

Item No. 70 - Claims, Suits and Time for Filing

As a condition precedent to recovery, claims against Carrier must be filed in writing with Carrier within nine (9) months after delivery of the Product or in case of failure to make delivery, then within nine (9) months after delivery of the Product to Carrier for shipment. Suit shall be instituted against Carrier only within two (2) years and one (1) day from the day that notice is given in writing by Carrier to the claimant that Carrier 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 Carrier shall not be liable therefore.

Item No. 75 - Allocation of Capacity

When there shall be tendered to the Carrier for transportation more Product than can be immediately transported, the transportation furnished by the Carrier shall be apportioned among all Shippers in compliance with all applicable statutes and regulations so as to avoid discrimination among Shippers.

Item No. 80 - Liability of Carrier

Carrier shall not be liable for any loss of Products or damage thereto or delay, caused by Force Majeure or act of default of Shipper or Consignee, or from any other cause not due to the gross negligence of Carrier. Any such loss or damage to Products in Carrier's custody shall be apportioned to each shipment in the same proportion that such shipment, or part thereof, received and undelivered at the time such loss or damage occurs bears to the total of all shipments, or part thereof, then in the custody of Carrier for transportation. Each Consignee shall be entitled to receive only that portion of his shipment remaining after deducting his proportion, as so determined, of such loss or damage. Carrier will not be liable for discoloration, contamination, or deterioration of Products transported unless such discoloration, contamination, or deterioration results from negligence of Carrier.

Item No. 85 - Gains or Losses

In addition to Item No. 80 Liability of Carrier, Shippers are responsible for pipeline gains and losses (including component imbalances), calculated as the difference between measured receipts and measured deliveries. Gains or losses will be apportioned according to each Shipper's proportionate share of measured deliveries.

<u>Item No. 90 - Linefill Requirements</u>

Each Shipper will supply a pro-rata share of Product for Linefill as Carrier determines is necessary to maintain efficient operations of Carrier's pipeline. Each month Carrier shall adjust the Linefill so that each Shipper shall provide its pro-rata amount of Linefill based upon a ratio of the total shipments by the Shipper to the total shipments over the respective line for the preceding month. Subject to the provisions of Item No. 60 Payment of Carrier Charges, Product furnished to Carrier pursuant to this Item No. 90 shall be returned to Shipper and charged applicable tariff rates in Item No.110 Rates Applicable to Transportation of Product and in Item No. 115 Rates Applicable to Transportation of ethane-propane mix and demethanized mix after such Shipper has provided written notice to Carrier of Shipper's intent to cease shipping and after a reasonable period of time to allow for administrative and operational requirements associated with the withdrawal of such Product.

<u>Item No. 95 - Pipeage Contracts</u>

Separate pipeage contracts may be required of the proposed Shipper before any duty of transportation shall arise.

Item No. 100 - Intermediate Points

For Product shipments accepted for transportation from any point not named as an origination point in tariffs which is intermediate to a point from which rates are published in said tariffs, through such intermediate point, the rate published therein from the next more distant origination point specified in the tariffs will apply. For Product shipments accepted for transportation to any point not named in tariffs which is intermediate to a point to which rates are published in said tariffs, through such intermediate point, the rate published therein to the next more distant point specified in the tariffs will apply.

The termination points of all lateral pipelines of Carrier which allow for the placement of Product into the main line of Carrier shall be considered as intermediate points and the further transportation in the main line of said Product shall be at the published rate from the next more distant origination points specified in the tariff for main line transportation.

Item No. 110 - Rates Applicable to Transportation of Product

(In cents per Barrel)

From	То	Rate
Hutchinson, KS	Conway, KS	[U] 51.83 ¹ See Footnote
Conway, KS	Hutchinson, KS	[U] 31.63 See FOOTHOU

¹ See Item No. 52 of Rules & Regulations for line reversal requirements.

Item No. 115 - Rates Applicable to Transportation of Product ethane-propane mix and demethanized mix

(In cents per Barrel)

From	То	Rate
Bushton, KS	Conway, KS	[U] 51.83

Explanation of Abbreviations and Reference Marks

KS Kansas

[U] Unchanged

K.C.C. No. 9.4 Cancels K.C.C. No. 9.3

ONEOK NGL PIPELINE, L.L.C.

LOCAL PIPELINE TARIFF

Containing

Rates, Charges, and Regulations

Governing the Intrastate Transportation and Handling of

NATURAL GAS LIQUIDS AND REFINED PRODUCTS ("PRODUCT(S)")

FROM POINTS IN: TO POINTS IN:

Kansas Kansas

The rates published in this tariff are for the intrastate transportation of Natural Gas Liquids as described in Item No. 110 and Item No. 115 of this tariff. ONEOK NGL Pipeline, L.L.C. will receive and deliver such Natural Gas Liquids through its own pipelines and not otherwise, subject to the rules and regulations contained in this tariff.

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

ISSUED: July 24, 2017 EFFECTIVE: August 1, 2017*

* or the date of issuance of the Kansas Corporation Commission's Final Order approving the requested tariff change(s) pursuant to K.S.A. 66-117(d), whichever date is later.

Issued and Compiled by:
Sherlyn Johnson-Schumack, Senior Regulatory Analyst
ONEOK Partners
100 West Fifth Street
Tulsa, Oklahoma 74103
Voice (918) 588-7228
Fax (918) 732-1406
sherlyn.schumack@ONEOK.com

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RULES AND REGULATIONS

<u>Item No. 5 - Definitions</u>

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Product will be accepted for transportation only when the Shipper and the Consignee have provided equipment and facilities, including storage facilities, satisfactory to Carrier for delivering such tenders to Carrier at origin at a pumping rate equal to the current rate of pumping and for receiving same without delay upon arrival at destination. Satisfactory evidence may be required by Carrier showing that necessary facilities are available for delivering shipments at origin and receiving shipments at destination before any obligation to furnish transportation shall arise.

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Product will be accepted for transportation only when free from all liens and charges. When any Product tendered for transportation is involved in litigation, or when the ownership thereof may be in dispute, Carrier will require of Shipper an indemnity bond to protect it against all loss.

Item No. 35 - Measurement

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Item No. 40 - Mixtures

Product will be accepted for transportation only on condition that it shall be subject to such changes in characteristics, while in transit as may result from the mixture with other Products, and Carrier shall be under no obligation to make delivery of the identical Product received, but may make delivery out of common stock. The right of Carrier to make such deliveries out of common stock and the requirement that Shipper accept delivery of common stream Products, the characteristics of which may have been changed due to mixing with other Products, shall be a prerequisite for shipping.

Item No. 45 - Notice of Tenders

Products for shipment through the line of Carrier will be received only on properly executed tenders from the Shipper showing the point at which the Products are to be received, point of delivery, Consignee and amount of Products to be transported.

Any Shipper desiring to tender Product for transportation shall make such tender to Carrier in writing on or before the fifteenth (15th) day of the month preceding the month during which the transportation under the tender is to begin, on forms which will be supplied by the Carrier upon request; except that, if space is available for current movement a Shipper may tender Product for transportation after the fifteenth (15th) day of the month preceding the month during which the transportation under the tender is to begin.

<u>Item No. 50 - Scheduling Shipments</u>

Carrier will transport and deliver Products with reasonable diligence and dispatch considering the quantity and quality of the Product, the distance of transportation, safety of operations, and other material factors, but will accept no Product to be transported in time for any particular market.

Item No. 52 - Line Reversals

The primary operation of Carrier's system between Hutchinson, Kansas and Conway, Kansas is a transportation movement having a South to North direction of flow. Carrier may, however, reverse the direction of flow from North to South with transportation service originating at Conway, Kansas and ending at Hutchinson, Kansas as scheduling and operating conditions permit. This shall be defined as a line reversal. Upon receiving from Shipper, a nomination for such a movement meeting the specific requirements of this Item No. 52, Carrier shall determine the feasibility for reversing the direction of flow.

Prior to the commencement of any movement requiring a line reversal, Shipper will be required to furnish to Carrier its pro rata share of Linefill to displace the existing Linefill in Carrier's pipeline. Linefill will vary depending on the characteristics of the particular Product tendered for transportation but will normally be at least 10,000 Barrels. Shipper will also be required to do the same upon final delivery of shipments flowing from North to South.

Carrier reserves the right to require a minimum shipment of 10,000 Barrels or more of Product when the tender of a shipment requires a line reversal. Shipper must also give Carrier proper notice as defined in Item No. 45 Notice of Tenders. Upon completion of delivery of movements requiring a line reversal, Shipper's pro rata share of the existing Linefill shall be delivered back to Shipper at Conway, KS.

All movements are subject to the transportation rates specified in Item No. 110 Rates Applicable to Transportation of Product. Deliveries (including deliveries back to Shipper) or displacements of Linefill, caused by a line reversal, will also be charged the same transportation rates. Displaced Linefill will be assumed to have originated from the point at which an injection is made to displace the Linefill.

<u>Item No. 55 - Failure to Take Delivery at Destination</u>

If Shipper fails to remove Products from Carrier's pipeline at the nominated destination, threatens or prevents succeeding shipments into or out of Carrier's pipeline or otherwise by Shipper's actions or inactions causes congestion on Carrier's pipeline, Carrier shall have the right, but without obligation or liability to the Shipper, to divert, reconsign, flare or make arrangements for the Products as Carrier deems appropriate. Shipper shall pay all charges, costs and damages associated with the disposition of Products to Carrier the same as if Shipper had authorized such.

In addition to any remedy available to Carrier, including remedies under Item No. 55, Shipper will pay a daily demurrage charge in the event Shipper fails to remove Products from Carrier's pipeline and that failure prevents or threatens the movement of succeeding shipments. The daily demurrage charge will be calculated by taking the tariff rate in Item No. 110 Rates Applicable to Transportation of Product and in Item No. 115 Rates Applicable to Transportation of ethane-propane mix and demethanized mix, based upon the nominated origin and destination, times the pipeline system Linefill.

<u>Item No. 60 - Payment of Carrier Charges</u>

Product accepted for transportation shall be subject to the rates in effect on the date and at the place of receipt of such Product from Shipper to the destination at which delivery is made and, shall be paid in accordance with invoice terms and this tariff on the net quantities of Product delivered. Carrier shall have a lien on all Products to cover all charges accruing under the tariffs of Carrier until such charges are paid. Carrier, at its option, may require Shipper to pay all such charges and fees in advance or to provide an irrevocable letter of credit satisfactory to Carrier. Products not released due to failure to pay or not taken by Shipper at the time of scheduled delivery are subject to sale. Such sale will be at a private sale for the best price obtainable. Carrier and/or affiliates of Carrier may be a purchaser at any such sale. Out of the proceeds of any such sale, Carrier may pay itself all lawful charges, including incidental expenses associated with the sale. Should the sales proceeds be insufficient to pay all lawful charges including incidental expenses, Shipper shall remain liable to Carrier for the unpaid balance. Should the sales proceeds exceed all lawful charges including incidental expenses due Carrier, Carrier will remit to Shipper the balance of the excess.

If transportation and other charges are not paid by the due date stated on the invoice, Carrier shall have the right to assess finance charges on the entire past due balance (including principal and accumulated but unpaid finance charges) until paid in full at the rate equal to one hundred twenty-five percent (125%) of the prime rate of interest charged by Citibank N.A., New York, New York, as of the due date or the maximum finance charge rate allowed by law whichever is less. Carrier reserves the right to set-off any charges due Carrier by Shipper against any monies owed to Shipper by Carrier or any Products of Shipper in Carrier's custody.

Item No. 65 - Other Charges

In addition to the transportation charges and all other charges accruing on Products accepted for transportation, a per Barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against Carrier in connection with such Product pursuant to any federal, state, or local act or regulation which levies a tax, fee, or other charge on the receipt, delivery, transfer, or transportation of such Product within its jurisdiction. Such charge shall, without limitation, apply to any tax, fee, or other charge levied against Carrier for the purpose of creating a fund for the prevention, containment, clean up, and/or removal of spills and/or the reimbursement of persons sustaining a loss therefrom or any program where Carrier is acting as a collecting agent.

Item No. 70 - Claims, Suits and Time for Filing

As a condition precedent to recovery, claims against Carrier must be filed in writing with Carrier within nine (9) months after delivery of the Product or in case of failure to make delivery, then within nine (9) months after delivery of the Product to Carrier for shipment. Suit shall be instituted against Carrier only within two (2) years and one (1) day from the day that notice is given in writing by Carrier to the claimant that Carrier 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 Carrier shall not be liable therefore.

Item No. 75 - Allocation of Capacity

When there shall be tendered to the Carrier for transportation more Product than can be immediately transported, the transportation furnished by the Carrier shall be apportioned among all Shippers in compliance with all applicable statutes and regulations so as to avoid discrimination among Shippers.

Item No. 80 - Liability of Carrier

Carrier shall not be liable for any loss of Products or damage thereto or delay, caused by Force Majeure or act of default of Shipper or Consignee, or from any other cause not due to the gross negligence of Carrier. Any such loss or damage to Products in Carrier's custody shall be apportioned to each shipment in the same proportion that such shipment, or part thereof, received and undelivered at the time such loss or damage occurs bears to the total of all shipments, or part thereof, then in the custody of Carrier for transportation. Each Consignee shall be entitled to receive only that portion of his shipment remaining after deducting his proportion, as so determined, of such loss or damage. Carrier will not be liable for discoloration, contamination, or deterioration of Products transported unless such discoloration, contamination, or deterioration results from negligence of Carrier.

Item No. 85 - Gains or Losses

In addition to Item No. 80 Liability of Carrier, Shippers are responsible for pipeline gains and losses (including component imbalances), calculated as the difference between measured receipts and measured deliveries. Gains or losses will be apportioned according to each Shipper's proportionate share of measured deliveries.

<u>Item No. 90 - Linefill Requirements</u>

Each Shipper will supply a pro-rata share of Product for Linefill as Carrier determines is necessary to maintain efficient operations of Carrier's pipeline. Each month Carrier shall adjust the Linefill so that each Shipper shall provide its pro-rata amount of Linefill based upon a ratio of the total shipments by the Shipper to the total shipments over the respective line for the preceding month. Subject to the provisions of Item No. 60 Payment of Carrier Charges, Product furnished to Carrier pursuant to this Item No. 90 shall be returned to Shipper and charged applicable tariff rates in Item No.110 Rates Applicable to Transportation of Product and in Item No. 115 Rates Applicable to Transportation of ethane-propane mix and demethanized mix after such Shipper has provided written notice to Carrier of Shipper's intent to cease shipping and after a reasonable period of time to allow for administrative and operational requirements associated with the withdrawal of such Product.

<u>Item No. 95 - Pipeage Contracts</u>

Separate pipeage contracts may be required of the proposed Shipper before any duty of transportation shall arise.

<u>Item No. 100 - Intermediate Points</u>

For Product shipments accepted for transportation from any point not named as an origination point in tariffs which is intermediate to a point from which rates are published in said tariffs, through such intermediate point, the rate published therein from the next more distant origination point specified in the tariffs will apply. For Product shipments accepted for transportation to any point not named in tariffs which is intermediate to a point to which rates are published in said tariffs, through such intermediate point, the rate published therein to the next more distant point specified in the tariffs will apply.

The termination points of all lateral pipelines of Carrier which allow for the placement of Product into the main line of Carrier shall be considered as intermediate points and the further transportation in the main line of said Product shall be at the published rate from the next more distant origination points specified in the tariff for main line transportation.

Item No. 110 - Rates Applicable to Transportation of Product

(In cents per Barrel)

From	То	Rate
Hutchinson, KS	Conway, KS	[U] 51.83 ¹ See Footnote
Conway, KS	Hutchinson, KS	[U] 51.65 See Foothoo

¹ See Item No. 52 of Rules & Regulations for line reversal requirements.

Item No. 115 - Rates Applicable to Transportation of Product

(In cents per Barrel)

From	То	Rate
Bushton, KS	Conway, KS	[U] 51.83

Explanation of Abbreviations and Reference Marks

KS Kansas

[U] Unchanged