#### 20160531163653 Filed Date: 05/31/2016 State Corporation Commission of Kansas

### MID-AMERICA PIPELINE COMPANY, LLC

May 31, 2016

Via e-filing EXPRESS

Amy L. Gilbert, Secretary Kansas Corporation Commission 1500 S.W. Arrowhead Road Topeka, KS 66604-4027 (785) 271-3190

Dear Ms. Gilbert:

Enclosed is a Pleading filed by Mid-America Pipeline Company, LLC ("MAPL") regarding Kansas Corporation Commission ("K.C.C." or "Commission") tariff K.C.C. No. 19.5.0, issued on this day, May 31, 2016, and is proposed to be effective on July 1, 2016.

K.C.C. No. 19.5.0 is being issued to apply rate decreases, based on the annual rate indexing methodology established by the Federal Energy Regulatory Commission ("FERC"), on the general commodity rates for inbound and outbound shipments, Item Nos. 200 and 210, respectively.

Besides the rate decreases described above, K.C.C. No. 19.5.0 also reflects wording changes on the title page and page 9 to update the referenced FERC tariff numbers. The referenced FERC tariffs are attached as exhibits to this filing.

MAPL certifies that it has on or before this date sent one copy of this tariff filing, by electronic submission, to each shipper and tariff subscriber of the effected tariff publication. A sample subscriber distribution e-mail is attached.

MAPL respectfully requests that all protests, complaints, suspensions, motions, or orders which in anyway affect this publication be transmitted to Steve Miao, concurrent with their filing/issuance, via facsimile at (713) 381-8290 and confirmed at (832) 275-5189.

If you need further information concerning this tariff filing, please call me at (713) 381-4778.

Respectfully,

/s/ Steve Miao

Steve Miao Regulatory Affairs

**Enclosures** 

#### State of Texas

#### **County of Harris**

#### Affidavit of R. Danlel Boss

Before me, the undersigned notary public, this date personally came and appeared R. Daniel Boss, who upon first being duly sworn, did depose and upon his oath state as follows:

- That he is over the age of majority, is competent to attest to matters set forth in this affidavit and has personal knowledge of the matters expressed in this affidavit.
- That he is the President of Mid-America Pipeline Company, LLC.
- That the pleading filed on May 31, 2016 by Mid-America Pipeline Company, LLC regarding tariff K.C.C. No. 19.5.0, is true and correct.
- That the facts stated herein are true and correct to the best personal knowledge of the undersigned.

R Daniel Boss

SUBSCRIBED AND SWORN to before me this 31st day of May, 2016;

My Commission Expires 9 2 - 7010

Notary Public, State of Texas

KAREN D. HEARON
Notary Public, State of Texas
Comm. Expires 09-02-2016
Notary ID 479219-3

#### BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of Mid-America Pipeline Company, LLC Pleading relating to Liquid Pipeline Tariff K.C.C. No. 19.5.0 Filed May 31, 2016

DOCKET NO	
-----------	--

# MID-AMERICA PIPELINE COMPANY, LLC – K.C.C. No. 19.5.0 – LIQUID PIPELINE TARIFF IN COMPLIANCE WITH K.A.R. 82-10-2 AND KANSAS STATUTE NO. 66

Enclosed is Mid-America Pipeline Company, LLC's K.C.C. tariff No. 19.5.0 for review by the Commission. This tariff will replace K.C.C. No. 19.4.0 and is issued on May 31, 2016. The requested effective date is July 1, 2016.

The annual pipeline rate indexing methodology utilized by the FERC for annual tariff rate adjustments to compensate for inflationary & deflationary costs has been applied to the current Kansas intrastate rates resulting in a net decrease to the K.C.C. intrastate tariff rates currently published in Item Nos. 200 and 210 of K.C.C. No. 19.4.0.

Following is a list of the filing requirements in K.A.R. 80-10-2 and the status of each requirement as it relates to this filing.

#### **SECTION 2**

Aggregate Value of Decrease: Not Applicable. There is only one shipper currently utilizing this tariff under the incentive rate programs in Item Nos. 300 and 310, which are not being changed in the instant filing.

Reason for Filing: K.C.C. No. 19.5.0 is filed in order to apply to MAPL's Kansas intrastate oil pipeline tariff rates the annual rate indexing authorized by the FERC to compensate for annual inflationary and deflationary measures most readily applicable to oil pipeline costs.

Other: Shippers will be notified concurrently with this filing by copy of the tariff and transmittal letter. The electronic transmittal to shippers and subscribers is attached.

Press Releases: Not Applicable.

Map: Attached.

#### **SECTION 3**

FERC Form No. 6: On file with the Commission.

#### **SECTION 4**

Schedules and Exhibits:

- Notice of Annual Change in the Producer Price Index for Finished Goods (May 19, 2016)
- Index Ceiling Calculation Worksheet
- FERC No. 75.8.0
- FERC No. 82.13.0

## MID-AMERICA PIPELINE COMPANY, LLC PLEADING AS RELATES TO K.C.C. NO. 19.5.0 FILED MAY 31, 2016.

## SECTION 5 - PRE-FILED TESTIMONY BY STEVE MIAO, SENIOR SPECIALIST, REGULATORY AFFAIRS

K.C.C. No. 19.5.0 is filed to apply to MAPL's Kansas intrastate oil pipeline tariff rates the annual rate indexing authorized by the FERC to compensate for annual inflationary and deflationary measures most readily applicable to oil pipeline costs.

The FERC indexing formula (Annual change in Producer Price Index for Finished Goods plus 1.23%) is analyzed and reviewed every five years by the FERC for continued applicability to oil pipeline costs to ensure that this index continues to track with oil pipeline costs as reported annually on the FERC Form 6 Annual Report, and is the most applicable index for adjusting pipeline costs for inflationary and deflationary impacts.

MAPL therefore requests that it be permitted to apply the FERC's annual rate indexation methodology to decrease the Kansas general commodity rates set forth in Item Nos. 200 and 210, under K.C.C. No. 19.5.0. Attached is the Indexation Worksheet which computes the new ceiling rates utilizing the indexation methodology approved by the FERC.

MAPL respectfully seeks the Commission's approval so that the new indexed rates under K.C.C. No. 19.5.0 can go into effect July 1, 2016, or the date of issuance of the Commission's Final Order approving the requested tariff change(s)/rate(s), whichever date is later.

#### **SECTION 5 - VERIFICATION**

State of Texas

**County of Harris** 

Steve Miao, being first duly sworn, declared that the statements set forth in the attached Pre-Filed Testimony of Steve Miao are true and correct to the best of his knowledge, information and belief.

Steve Miero

SUBSCRIBED AND SWORN to before me this 31st day of May, 2016;

My Commission Expires 9-2-7014

Notary Public, State of Texas

KAREN D. HEARON Notary Public, State of Texas Comm. Expires 09-02-2016

Notary ID 479219-3

#### SAMPLE SUBSCRIBER DISTRIBUTION E-MAIL

To:

Shippers & Subscribers

From:

Mid-America Pipeline Company, LLC

On May 31, 2016, Mid-America Pipeline Company, LLC (MAPL) filed an application with the Kansas Corporation Commission ("K.C.C.") requesting authorization for a tariff change which will apply annual rate indexing on the general commodity rates for inbound and outbound shipments, Item Nos. 200 and 210, respectively, in K.C.C. No. 19.5.0.

The transmittal letter and tariff are attached for your use as a shipper or subscriber.

The following information is provided as requested by the K.C.C. Staff:

This application may be acted upon within thirty days of the filing. If you would like to protest this filing, you should do so within the thirty day period. You may file a protest utilizing one of three methods.

- Intervene in the docket by having an attorney submit a petition for intervention in accordance with K.A.R. 82-1-225 and filing a written protest; or
- Send an informal protest to the Commission without intervening by mailing it to the attention of Leo Haynos, Chief of Pipeline Safety, Kansas Corporation Commission, 1500 SW Arrowhead Drive, Topeka, Kansas 66604; or
- Telephone Leo Haynos, Chief of Pipeline Safety at (785) 271-3278.

If you have questions about this tariff or wish to discuss any aspect of the filing, please contact Steve Miao at (713) 381-4778.

This tariff and all other current MAPL tariffs are available for viewing and printing on-line at <a href="http://www.enterpriseproducts.com/customers/tariff-information">http://www.enterpriseproducts.com/customers/tariff-information</a>.

### 155 FERC ¶ 61,190 UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

Revisions to Oil Pipeline Regulations Pursuant to the Energy Policy Act of 1992

Docket No. RM93-11-000

# NOTICE OF ANNUAL CHANGE IN THE PRODUCER PRICE INDEX FOR FINISHED GOODS

(May 19, 2016)

The Commission's regulations include a methodology for oil pipelines to change their rates through use of an index system that establishes ceiling levels for such rates. The Commission bases the index system, found at 18 CFR § 342.3, on the annual change in the Producer Price Index for Finished Goods (PPI-FG), plus one point two three percent (PPI-FG + 1.23). The Commission determined in an *Order Establishing Index Level*, issued December 17, 2015, that PPI-FG + 1.23 is the appropriate oil pricing index factor for pipelines to use for the five-year period commencing July 1, 2016.

The regulations provide that the Commission will publish annually, an index figure reflecting the final change in the PPI-FG, after the Bureau of Labor Statistics publishes the final PPI-FG in May of each calendar year. The annual average PPI-FG index figures were 200.4 for 2014 and 193.9 for 2015.<sup>2</sup> Thus, the percent change (expressed as a decimal) in the annual average PPI-FG from 2014 to 2015, plus 1.23 percent, is negative 0.020135.<sup>3</sup> Oil pipelines must multiply their July 1, 2015, through June 30, 2016, index

<sup>&</sup>lt;sup>1</sup> 153 FERC ¶ 61,312 at P 52 (2015).

<sup>&</sup>lt;sup>2</sup> Bureau of Labor Statistics (BLS) publishes the final figure in mid-May of each year. This figure is publicly available from the Division of Industrial Prices and Price Indexes of the BLS, at 202-691-7705, and in print in August in Table 1 of the annual data supplement to the BLS publication Producer Price Indexes via the Internet at <a href="http://www.bls.gov/ppi/home.htm">http://www.bls.gov/ppi/home.htm</a>. To obtain the BLS data, scroll down to "PPI Databases" and click on "Top Picks" of the Commodity Data including "headline" FD-ID indexes (Producer Price Index – PPI). At the next screen, under the heading "Producer Price Index Commodity Data," select the box, "Finished goods – WPUFD49207," then scroll to the bottom of this screen and click on Retrieve data.

 $<sup>^{3}</sup>$  [193.9-200.4] / 200.4 = -0.032435 + 0.0123 = -0.020135

Docket No. RM93-11-000

-2-

ceiling levels by positive 0.979865<sup>4</sup> to compute their index ceiling levels for July 1, 2016, through June 30, 2017, in accordance with 18 CFR § 342.3(d). For guidance in calculating the ceiling levels for each 12 month period beginning January 1, 1995, see Explorer Pipeline Company, 71 FERC ¶ 61,416 at n.6 (1995).

In addition to publishing the full text of this Notice in the *Federal Register*, the Commission provides all interested persons an opportunity to view and/or print this Notice via the Internet through FERC's Home Page (<a href="http://www.ferc.gov">http://www.ferc.gov</a>) and in FERC's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street, NE, Room 2A, Washington, DC 20426. The full text of this Notice is available on FERC's Home Page at the eLibrary link. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field and follow other directions on the search page.

User assistance is available for eLibrary and other aspects of FERC's website during normal business hours. For assistance, please contact the Commission's Online Support at 1-866-208-3676 (toll free) or 202-502-6652 (e-mail at <a href="FERCOnlineSupport@ferc.gov">FERCOnlineSupport@ferc.gov</a>), or the Public Reference Room at 202-502-8371, TTY 202-502-8659. E-Mail the Public Reference Room at <a href="mailto:public.referenceroom@ferc.gov">public.referenceroom@ferc.gov</a>.

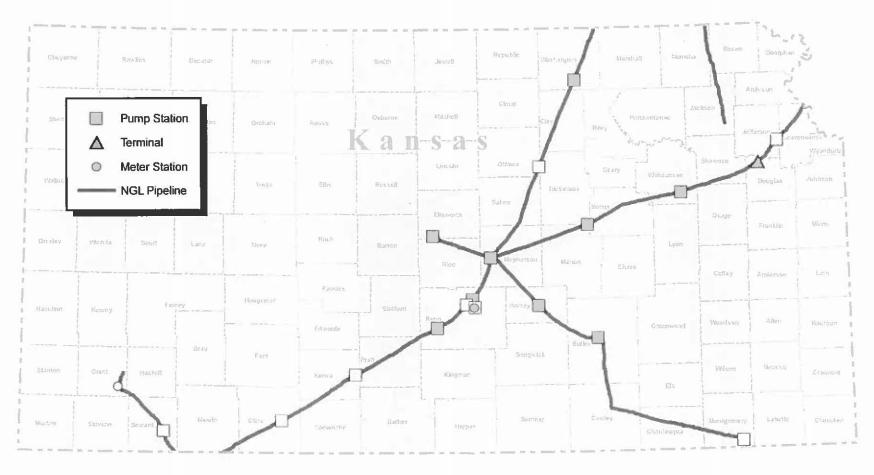
Kimberly D. Bose, Secretary.

 $<sup>^{4}</sup>$  1 - 0.020135 = 0.979865

<sup>&</sup>lt;sup>5</sup> For a listing of all prior multipliers issued by the Commission, see the Commission's website, http://www.ferc.gov/industries/oil/gen-info/pipeline-index.asp.



# **Enterprise Products Operating LLC**



# Mid-America Pipeline Company, LLC Index Summary (Cents per barrel)

State	Proposed Tariff	Item	Origin	Origin State	Destination	Dest State	Product	7/1/15 Ceiling	7/1/16 Ceiling	Current Rate	Proposed Rate
KCC	19.5.0	200	Conway Hold/G140	KS	Coffeyville Refinery	KS	NGL	225,40	220,86	225.40	220.86
KCC	19.5.0	210	Coffeyville Refinery	KS	El Darado Kaneb	KS	Refined Pertroleum Products	421.23	412.75	421.23	412.75

### MID-AMERICA PIPELINE COMPANY, LLC

In Connection with Participating Carriers

Local, Joint, Incentive and Proportional Pipeline Tariff

Containing

# LIST OF ORIGINS AND DESTINATIONS BY GROUP NUMBER AND PLANT NAME

For

### NATURAL GAS LIQUIDS AND REFINED PETROLEUM PRODUCTS

Transported by Pipeline

(N)Filed in compliance with 18 CFR §341.5 (Cancellation).

All movements relative to this tariff are subject to General Rules & Regulations provided in F.E.R.C. No. ]W]74.3.074.6.0, supplements thereto and reissues thereof, and the respective Pipeline System Rates Tariffs.

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

ISSUED: MAY 13, 2016 EFFECTIVE: JUNE 13, 2016

ISSUED AND COMPILED BY:

Steve Miao 1100 Louisiana Street Houston, TX 77002-5227 713-381-4778

### ITEM 10 - PARTICIPATING CARRIERS

Magellan Pipeline Company, L.P. Seminole Pipeline Company LLC [C]<del>West Texas LPG Pipeline Limited Partnership</del>

30 –ORIGINS		
STATE	GROUP NO.	PLANT NAME
(C)TX	120	Andrews
WY	100	Anschutz East
[C]UT	102	Bitter Creek
WY	100	Blacksfork
[C]NM	410	Bloomfield-Refinery
TX	130	Borger Phillips
[C] <del>WY</del>	100	Bridger Lake
(C)TX	925	8ryan
KS	140	Bushton
OK	135	Camrick
IA	220	Cantril Terminal
МО	220	Carrollton
WY	100	Carter Creek
MO	145	Carthage Magellan
[C] <del>T</del> X	130	Celanese Pampa
NM	110	Chaco
iL	220	Channahon
TX	120	Chaparral Pipeline Hobbs
[C]#F	220	Chatsworth Pipeline Phillips
UT	101	Chipeta
KS	140	Chisholm Pipeline
UT	101	Clay Basin
KS	220	Clay Center P Terminal
TX	950	Clemens
IA	220	Clinton
IA	220	Cochin Pipeline East Holding
MN	220	Cochin Pipeline West Holding
KS	145	Coffeyville Refinery
KS	140	Conway Fractionator
KS	140	Conway Kaneb Pipeline
KS	140	Conway Oneok N Pipeline
KS		Conway Holding
KS		Conway Holding East
KS	440	Conway Holding West
KS	140	Conway Oneok Storage
KS	140	Conway Mid-Continent  Dove Creek
[C] <del>CO</del> UT	104 102	Dragon Trail
IA MN	220 220	Dubuque Terminal Eagle Lake
WY	100	Echo Springs
KS	145	El Dorado Frontier
KS	145	El Dorado Nustar
K\$	145	El Dorado Magellan
WY	100	Emigrant Trail
TX	130	Fain
IL	220	Farmington Terminal
IA	220	Ft. Madison
WY	100	Granger
NE	100	Greenwood Holding
NE	220	Greenwood P Terminal
NE	220	Greenwood Underground Storage
TX	130	Grey Badger
	130	I CIEV DOUGH

STATE	GROUP NO.	PLANT NAME
TX	120	Hobbs Fractionator (Enterprise)
TX	120	Hobbs Fractionator (Ineos)
TX	120	Hobbs-Gaines
TX	***************************************	Hobbs Holding
TX	120	Hobbs Terminal
TX	120	Hobbs Truck Unloading
TX	925	Houston Central
[C]NM	110	Huerfane
KS	135	Hugoton
KS	140	Hutchinson EPOLP
KS	140	Hutchinson Oneok
co	105	Ignacio
TX	130	Indian Creek
MN	220	Inver Grove Heights
IA	220	Iowa City Holding
IA	220	Iowa City Terminal
IA	220	Iowa City Underground Storage
MN	220	Jackson
NM	115	Jai 4
WI	220	Janesville
WI	220	Janesville Terminal
MO	220	Kearney Terminal
[C]NM	110	Kutz-Truck
NM	110	Kutz Williams
TX	120	Lawson Junction
CITX	120	Lawson-Junction-Enterprise
KS	220	LeCompton
(C)TX	130	Lefors
TX	120	Linam Ranch
CIMY	100	Lincoln-Read
UT	104	Lisbon
NM	115	Lovington Pipeline
[C]NM	110	Lybrook
MN	220	Mankato P Terminal
KS	140	McPherson
CO	102	Meeker
MO	220	Moberly Terminal
TX	950	Mont Belvieu Cedar Bayou
TX	950	Mont Belvieu Enterprise Fractionator
TX	950	Mont Belvieu Enterprise Storage
TX	950	Mont Belvieu Gulf Coast Fractionator
TX	950	Mont Belvieu Oneok Fractionator
IL I	220	Morris

STATE	GROUP NO.	PLANT NAME
IA	220	Ögden Terminal
KS	140	Oneok Interconnect Pipeline East
KS	140	Oneok Interconnect Pipeline West
KS	140	Oneok ISOM Unit
KS	140	Oneok Junction Pipeline
WY	100	Opal
WY	100 400	Painter Painter
(C) <del>WY</del>	100	Painter Fractionator Patrick Draw
MN	220	Pine Bend Ferrellgas LP
MN	220	Pine Bend Flint Hills Resources
MN	220	Pine Bend Holding
MN	220	Pine Bend Terminal
WY	100	Pioneer
CO	101	Rangely Truck
CO	101	Rangely Weber Sand Unit
WY	100	Red Desert
UT	101	Red Wash Vernal
MN	220	Rosemount
(C)MN	220	Minneapolis (MPL)
NM	110	San Juan Basin
NM	110	San Juan River
IA	220	Sanborn Terminal
KS	135	Satanta
[C]TX	925	Sheridan-Pipeline
KS TX	140	Shocker Skelly-Belvieu Pipeline
TX	130	Skellytown
TX	120	Slaughter
[C]ŦX	925	Semerville
[C]GO	402	South Canyon
[N]NM	119	South Eddy
OK	135	Southern Hills
[C]TX	430	Spearman-Ripeline Phillips
TX	130	Spearman Penn Virginia
[C]MN	220	St. Paul Park
TX	950	Stratton Ridge Amoco
TX	950	Stratton Ridge Dow
[C]KS	140	Texaco Junction Pipeline
IL	220	Tuscola Amoco
IL	220	Tuscola Equistar
OK	135	Tyrone
WY	100	Vermillion
WY	100	Wamsutter
[C]TX	120	Welch
[C] <del>TX</del>	420	Wellman
TX	120	West Texas Pipeline Hobbs
MN IA	220 220	Westcott Whiting P Terminal

WY			
KS         Conway Holding East           KS         Conway Holding           NE         Greenwood Holding           TX         Hobs Holding           WY         100         Anschulz East           WY         100         Anschulz East           WY         100         Carter Creek           WY         100         Carter Creek           WY         100         Echo Springs           WY         100         Emigrani Trail           WY         100         Granger           CIWY         100         Carter Creek           WY         100         Emigrani Trail           WY         100         Granger           CIWY         400         Linceln-Read           WY         100         Opal           WY         100         Painter           CIWY         400         Painter           WY         100         Painter           WY         100         Painter           WY         100         Painter           CIWY         400         Painter-Freqionater           WY         100         Perintic Precionate           WY         100         <	STATE	GROUP NO.	PLANT NAME
NE	KS	\(\tau_{\text{\tint{\text{\tint{\text{\tinit}\\ \text{\texi}\text{\text{\text{\text{\text{\text{\text{\text{\texi}\text{\text{\text{\texit{\texi}\text{\texi}\text{\text{\text{\text{\text{\text{\tex{	Conway Holding
NE	KS	10.4	Conway Holding East
NE	KS		
TX			
WY			
WY			
C UMY			
WY			
WY			
WY			
C    WY		The second secon	
C  WY			
WY			
WY			
WY         100         Patrick Draw           WY         100         Ploneer           WY         100         Red Desert           WY         100         Vermillion           WY         100         Warnuter           (CI)WY         400         Walkiney-Garyen           (CI)WY         400         Walkiney-Garyen           (CI)WY         400         Walkiney-Garyen           UT         101         Chipeta           UT         101         Chipeta           CO         101         Rangely Truck           CO         101         Rangely Weber Sand Unit           UT         101         Red Wash Vernal           (CI)WT         402         Bitter-Greek           UT         102         Dragon Trail           CO         102         Meeker           (CICO         402         South-Canyon           (CICO         402         South-Canyon           (CICO         404         Dove-Creek           UT         104         Lisbon           CO         105         Ignacio           (CINM         410         Bloomfield-Reliney           NM         110 <td></td> <td></td> <td>Painter</td>			Painter
WY			
WY			
WY         100         Vermillion           WY         100         Wansutter           CIJWX         400         Whitney-Canyon           (CIJUT         400         Yellow-Creek           UT         101         Chipeta           UT         101         Chipeta           CO         101         Rangely Truck           CO         101         Rangely Weber Sand Unit           UT         101         Red Wash Vernal           (CIJUT         402         Bitter-Greek           UT         102         Dragon Trail           CO         102         Meeker           (CICO         102         Meeker           (CICO         402         South-Canyon           (CICO         404         Dove-Greek           UT         104         Lisbon           CO         105         Ignacio           (CINA         440         Bleomfield-Refinery           NM         110         Chaco           (CINA         440         Huerfane           (CINA         440         Huerfane           (CINA         440         Kutz-Truck           NM         110         Kut			
WY			
C WY			
C UT		The state of the s	
UT 101 Chipeta  UT 101 Clay Basin  CO 101 Rangely Truck  CO 101 Rangely Weber Sand Unit  UT 101 Red Wash Vernal  [C]UT 402 Bitter-Creek  UT 102 Dragon Trail  CO 102 Meeker  [C]GO 402 South-Canyon  [C]GO 404 Deve-Creek  UT 104 Lisbon  CO 105 Ignacio  [C]NM 140 Bleomfield-Refinery  NM 110 Chaco  [C]NM 140 Huerfane  [C]NM 140 Huerfane  [C]NM 140 Kutz-Truck  NM 110 Kutz Williams  [C]NM 140 Lybreek  NM 110 San Juan Basin  NM 110 San Juan River  NM 115 Jal 4  NM 115 Lovington Pipeline  NIM 115 Lovington Pipeline  NIM 119 South Eddy  TX 120 Hobbs-Fractionator (Enterprise)  TX 120 Hobbs-Fractionator (Ineos)  TX 120 Hobbs-Truck Unloading			
UT		The state of the s	
CO	MARKET BY STREET		
CO			
UT		10000	
UT		101	
CO		<del>102</del>	
C GO			
C GO			
UT         104         Lisbon           CO         105         Ignacio           [C]NM         410         Bleomfield-Refinery           NM         110         Chaco           [C]NM         410         Huerfane           [C]NM         410         Kutz Truck           NM         110         Kutz Williams           [C]NM         410         Lybreek           NM         110         San Juan Basin           NM         110         San Juan River           NM         115         Jal 4           NM         115         Lovington Pipeline           [N]NM         119         South Eddy           [C]TX         420         Andrews           TX         120         Chaparral Pipeline Hobbs           TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs Terminal           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading			
CO		The state of the s	
C NM			
NM         110         Chaco           [C]NM         410         Huerfane           [C]NM         410         Kutz Truck           NM         110         Kutz Williams           [C]NM         410         Lybreek           NM         110         San Juan Basin           NM         110         San Juan River           NM         115         Jal 4           NM         115         Lovington Pipeline           [N]NM         119         South Eddy           [C]TX         420         Andrews           TX         120         Chaparral Pipeline Hobbs           TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading		The state of the s	
C NM		- A Company of the Co	
C NM			
NM         110         Kutz Williams           [C]NM         4:10         Lybreek           NM         110         San Juan Basin           NM         110         San Juan River           NM         115         Jal 4           NM         115         Lovington Pipeline           [N]NM         119         South Eddy           [C]TX         420         Andrews           TX         120         Chaparral Pipeline Hobbs           TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading			
C NM			
NM         110         San Juan Basin           NM         110         San Juan River           NM         115         Jal 4           NM         115         Lovington Pipeline           [N]NM         119         South Eddy           [C]TX         420         Andrews           TX         120         Chaparral Pipeline Hobbs           TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading			
NM         110         San Juan River           NM         115         Jal 4           NM         115         Lovington Pipeline           [N]NM         119         South Eddy           [C]TX         420         Andrews           TX         120         Chaparral Pipeline Hobbs           TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading			
NM         115         Lovington Pipeline           [N]NM         119         South Eddy           [C]FX         420         Andrews           TX         120         Chaparral Pipeline Hobbs           TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading	NM	110	
NjNM			
C TX			
TX         120         Chaparral Pipeline Hobbs           TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading			
TX         120         Hobbs Fractionator (Enterprise)           TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading			
TX         120         Hobbs Fractionator (Ineos)           TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading			
TX         120         Hobbs-Gaines           TX         120         Hobbs Terminal           TX         120         Hobbs Truck Unloading	TV		
TX 120 Hobbs Terminal TX 120 Hobbs Truck Unloading	TX		Hobbs Gaines
TX 120 Hobbs Truck Unloading	TX		
	TX.	120	Lawson Junction
[C]TX 120 Lawson Junction Enterprise	[C] <del>TX</del> TX	120	Lawson Junction Enterprise Linam Ranch

STATE	GROUP NO.	PLANT NAME
TX	120	Slaughter
[C]TX	120	Welch
[C]TX	120	Wellman
TX	120	West Texas Pipeline Hobbs
TX	130	Borger Phillips
[C] <del>TX</del>	430	Celanese Pampa
TX	130	Fain
TX	130	Grey Badger
TX	130	Indian Creek
[C]TX	430	Lefors
TX	130	Skelly-Belvieu Pipeline
TX	130	Skellytown
[C]TX	430	Spearman Pipeline Phillips
OK OK	130 135	Spearman Penn Virginia Camrick
KS	135	Hugoton
KS	135	Satanta
OK	135	Southern Hills
OK	135	Tyrone
KS	140	Bushton
KS	140	Chisholm Pipeline
KS	140	Conway Fractionator
KS	140	Conway Kaneb Pipeline
KS	140	Conway Oneok N Pipeline
KS	140	Conway Oneok Storage
KS	140	Conway Mid-Continent
KS	140	Hutchinson EPOLP
KS	140	Hutchinson Oneok
KS	140	McPherson
KS	140	Oneok Interconnect Pipeline East
KS	140	Oneok Interconnect Pipeline West
KS	140	Oneok ISOM Unit
KS	140	Oneok Junction Pipeline
KS	140	Shocker
[C]KS	140	Texaco Junction Pipeline
МО	145	Carthage Magellan
KS	145	Coffeyville Refinery
KS	145	El Dorado Frontier
KS	145	El Dorado Nustar
KS IA	145 220	El Dorado Magellan Cantril Terminal
MO	220	Carrollon
IL	220	Channahon
[C]#L	220	Chatsworth Pipeline Phillips
KS	220	Clay Center P Term
1A	220	Clinton
1A	220	Cochin Pipeline East Holding
MN	220	Cochin Pipeline West Holding
lA	220	Dubuque Terminal
MN	220	Eagle Lake
IL I	220	Farmington Terminal
IA	220	Ft. Madison
NE	220	Greenwood P Terminal
MN	220	Inver Grove Heights
IA	220	lowa City Holding
IA	220	lowa City Terminal
IA	220	lowa City Underground Storage
MN	220	Jackson Janesville
WI		

- 1		
STATE	GROUP NO.	PLANT NAME
МО	220	Kearney Terminal
KS	220	LeCompton
MN	220	Mankato P Terminal
МО	220	Moberly Terminal
IL	220	Morris
IA	220	Ogden Terminal
MN	220	Pine Bend Ferrellgas LP
MN	220	Pine Bend Flint Hills Resources
MN	220	Pine Bend Holding
MN	220	Pine Bend Terminal
MN	220	Rosemount
[C]MN	220	Minneapolis (MPL)
IA I	220	Sanborn Terminal
[C]MN	220	St. Paul Park
IL	220	Tuscola Amoco
IL .	220	Tuscola Equistar
MN	220	Westcott
IA	220	Whiting P Terminal
[C]TX	925	Bryan
TX	925	Houston Central
(C)TX	925	Sheridan-Pipeline
[C] <del>TX</del>	<del>925</del>	Somerville
TX	950	Clemens
TX	950	Mont Belvieu Cedar Bayou
TX	950	Mont Belvieu Enterprise Fractionator
TX	950	Mont Belvieu Enterprise Storage
TX	950	Mont Belvieu Gulf Coast Fractionator
TX	950	Mont Belvieu Oneok Fractionator

### ABBREVIATIONS AND REFERENCE MARKS

Federal Energy Regulatory Commission Mid-America Pipeline Company, LLC Number Cancel F.E.R.C. MAPL

No. [C] [N] [W]

New Change in wording only

## MID-AMERICA PIPELINE COMPANY, LLC

#### LOCAL PROPORTIONAL PIPELINE TARIFF

Containing

#### RATES, RULES AND REGULATIONS

Applying On the Interstate Transportation of

#### REFINED PETROLEUM PRODUCTS

Transported by Pipeline

From and To Points Named Herein

Issued under the authority of 18 CFR §342.3 - Indexing.

[C|Issued-on-six (6) days' notice under authority of 18 CFR-§-341.11. This tariff publication is conditionally accepted subject to refund-pending a 30 day review-period.

The rates in this tariff are expressed in cents per barrel of 42 U.S. Gallons and are subject to change as provided by law, and are governed by the Rules and Regulations published herein, reissues hereof.

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

ISSUED: MAY 31, 2016 EFFECTIVE: JULY 1, 2016

ISSUED AND COMPILED BY:

Steve Miao 1100 Louisiana Street Houston, TX 77002-5227 713-381-4778

#### **GENERAL APPLICATION OF TARIFF**

Product, only as defined herein, will be transported and/or handled through Carrier's facilities only as provided in these rules and regulations.

#### **RULES AND REGULATIONS**

#### **ITEM 5 DEFINITIONS**

"Barrel" shall mean forty-two (42) United States gallons of 231 cubic inches of sixty degrees Fahrenheit (60°F) and equilibrium vapor pressure.

"Carrier" shall mean Mid-America Pipeline Company, LLC.

"Customer Information Solution" (CIS) shall mean the integrated business operating system utilized by Carrier for the coordination of all business conducted on Carrier's pipelines and facilities.

"Day" shall mean the twenty-four (24) hours between 7:00 a.m. and 7:00 a.m. the following day.

"Interface" shall mean the mixture occurring in pipeline operations between adjoining batches having similar or dissimilar physical characteristics.

"Month" shall mean 7:00 A.M. of the first day of a calendar month to 7:00 A.M. on the first day of the following calendar month.

"Nomination" shall mean an offer by a Shipper to Carrier of a stated quantity of Product for transportation from a specified origin(s) to a specified destination(s) pursuant to the terms of this tariff.

"Product(s)" shall mean individually and collectively, Refined Petroleum Products meeting specifications issued by Carrier, or any Interface generated by the movement of such Products as appropriate.

"Refined Petroleum Products" shall mean unleaded gasolines and petroleum distillates meeting specifications issued by Carrier.

"Shipper" shall mean any party who gives notice to transport Product under the provisions outlined in this tariff.

"Week" shall mean the one hundred sixty-eight (168) hours between 7:00 a.m. Monday and 7:00 a.m. the following Monday.

#### ITEM 10 SCHEDULING OF RECEIPT

Shippers desiring to originate Product shall furnish a nomination via CIS no later than the 15<sup>th</sup> calendar Day of the preceding Month in which the Shipper desires transportation.

A nomination shall specify the origins and destinations of the Product offered to Carrier. If Shipper does not furnish such nomination, Carrier will be under no obligation to accept such Product for transportation.

Product will be accepted for transportation, subject to items contained herein, at such time and in such quantity as scheduled by Carrier.

Carrier will transport and deliver Product with reasonable diligence and dispatch considering the quantity, distance of transportation, safety of operations, and other material factors, but will accept no Product to be transported in time for any particular market. Enhanced facilities or services may be requested by a Shipper and may be provided for a Pipeage Contract in accordance with Item 85.

#### ITEM 15 PRODUCT DELIVERABILITY REQUIREMENTS

Carrier reserves the right to refuse to accept any Product for transportation which does not meet Carrier's then current product specifications dated October 1, 2011, which are available upon request, or which is not good merchantable Product readily acceptable for transportation through Carrier's existing facilities.

Shipper may be required to furnish Carrier with a certificate setting forth the specifications of each shipment of Product to be transported in Carrier's facilities. Carrier reserves the right to sample and/or test any such shipment prior to acceptance or during receipt, and in the event of variance between Shipper's certificate and Carrier's test, the latter shall prevail.

If, upon investigation, Carrier determines that Shipper has delivered to Carrier's facilities Product that does not meet Carrier's Product specifications or which is not good merchantable Product as set forth above, Carrier reserves the right to treat or otherwise dispose of all such Product in any reasonable commercial manner at Shippers sole expense. Carrier reserves the right to collect its actual treating and handling charges plus an additional [U]104 cents per Barrel penalty charge.

#### **ITEM 20 MINIMUM SHIPMENT**

A shipment of 5,000 Barrels or more of the same quality and specifications shall be required on all Products. Carrier may elect to accept a shipment of less than 5,000 Barrels of Product of the same required specifications for transportation subject to delay until Carrier has accumulated 5,000 Barrels of the same specifications from the same or other Shippers.

Product shall be offered for transportation in quantities, which can be received into Carrier's pipeline. Carrier will specify the quantity to be delivered to Carrier from a single origin. Shipper will be subject to linefill requirements of up to 10 days receipts.

#### **ITEM 25 APPLICATION OF RATES**

Carrier shall assess transportation and all other lawful charges accruing on Product accepted for transportation at the rate in effect at date Product is delivered to destination. Carrier will invoice Shipper for transportation charges and all other lawful charges accruing on Product accepted in accordance with Carrier's then current payment policies and procedures at the rates published herein.

In order for Carrier to determine the correct rate to be charged Shipper on barrels moving in interstate commerce, Carrier requires information sufficient to determine which of Shipper's volumes that moved between the origin and destination set forth in this tariff ultimately moved in interstate commerce. Shipper therefore shall upon request provide a sworn affidavit certifying which of Shipper's volumes moved in interstate commerce. Shipper shall use its best efforts to identify all interstate volumes at the time of nomination. To the extent Shipper's nomination or any information provided to Carrier by Shipper pursuant to this item is later found by Shipper to be inaccurate, Shipper shall provide corrected information to Carrier in a timely manner. Carrier shall be under no obligation to provide transportation to any Shipper that fails to provide information requested pursuant to this item or which provides false information.

#### **ITEM 30 ORIGIN AND DESTINATION FACILITIES**

Carrier shall accept product only when Shipper has provided necessary facilities for receipt of Product into Carrier's pipeline and delivery of Product from Carrier's pipeline at pressures and pumping rates required by Carrier.

#### **ITEM 40 MEASUREMENT**

Except as otherwise provided, Carrier shall make no charge for metering Product upon receipt and delivery.

Observed volumes of Refined Petroleum Products at operating pressures and temperatures shall be corrected to net volume at 60°F and atmospheric pressure using Tables 5B and 6B, Chapter 11.1, API Standard 2540 and compressibility factors from API Standard 1101. These standards are subject to any future revisions or changes issued by the API.

#### **ITEM 45 IDENTITY OF SHIPMENTS**

Carrier may commingle Product received from the origins shown herein. Carrier reserves the right at any time to

substitute and deliver Product of the same specifications as the Product tendered.

#### **ITEM 55 DEMURRAGE**

Shipper shall remove Product, or cause Product to be removed, from Carrier's facilities following transportation to a nominated destination. In the event failure to remove Product threatens or prevents delivery of succeeding shipments into or out of Carrier's facilities, and\or threatens or causes congestion at Carrier's terminals, Carrier shall have the right, but not the obligation, without liability to Shipper, to make such disposition of unremoved Product as is necessary for the efficient operation of the pipeline, and Shipper shall pay Carrier all charges and costs associated with such disposition the same as if Shipper had authorized such, together with any associated additional costs and damages borne or incurred by Carrier.

Shipper shall indemnify and hold Carrier harmless from any loss sustained by Carrier by reason of Shipper's inability to take delivery of unremoved Product, including any Interface, out of the pipeline. In addition to the foregoing remedies:

- (1) in the event pipeline flow rates are reduced due to Shipper's inability to take delivery of Product, Shipper shall pay an hourly demurrage penalty equal to the product of a) the current tariff rate from the affected pipeline segment origin to the furthest destination on such segment and b) the pipeline hourly flow capacity and c) the number of hours that Shipper's Product remains in the pipeline; or
- (2) in the event pipeline flow rates are not reduced due to Shipper's inability to take delivery of Product, Shipper shall pay a daily demurrage charge on each undelivered Barrel equal to the product of a) the then-current Conway daily over storage rate in effect as part of MAPL's non-jurisdictional storage program and b) the number of Days Shipper's Product remains in the pipeline.

#### **ITEM 60 PAYMENT OF CARRIER CHARGES**

The Shipper or consignee shall pay all transportation and other lawful charges accruing on Product delivered to and accepted by Carrier for shipment and, if required, shall pay the same before delivery at destination. Carrier will invoice Shipper for transportation charges on a weekly basis. Shipper shall pay all charges within ten (10) days of the date of invoice from Carrier. For any charges that remain unpaid for more than thirty (30) days from the date of Carrier's invoice, Shipper shall pay an interest charge equal to the lesser of (i) 18% per annum, or (ii) the maximum non-usurious interest rate which may then be charged under Texas law.

Carrier shall have a lien on all Product in its possession belonging to Shipper or consignee to secure the payment of any and all unpaid transportation, or any lawful charges that are due Carrier, that are unpaid by Shipper or consignee, and may withhold such Product from delivery until all unpaid charges have been paid. If said charges remain unpaid ten (10) days after final notice and demand therefor, Carrier shall have the right, through an Agent, to sell such Product at public auction, on any day not a legal holiday, in not less than forty-eight (48) hours after publication of notice of such sale in a daily newspaper of general circulation published in the town or city where the sale is to be held, stating the time, place of sale, and the quantity and location of Product to be sold. At said sale, Carrier shall have the right to bid, and if the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier 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.

#### ITEM 65 ACCEPTANCE FREE FROM LIENS AND CHARGES

Carrier will refuse any shipment for transportation, which may be encumbered by a lien or charge of any kind, or which may be involved in litigation or the ownership thereof may be in dispute. When any Product so encumbered or subject to litigation or dispute is tendered for transportation, Carrier will require of Shipper satisfactory evidence of his perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any or all loss.

#### ITEM 70 LIABILITY OF CARRIER

Carrier shall not be liable for any delay in delivery or for any loss of Product caused by an act of God, public enemy, quarantine, authority of law, strikes, riots, fire, floods, or by act of default of consignor or consignee, or resulting from any other cause not due to the negligence of Carrier, whether similar or dissimilar to the causes herein enumerated. Any such loss shall be apportioned by Carrier to each shipment of Product or portion thereof involved in such loss in the proportion that such shipment or portion thereof bears to the total of all Product involved in the loss, and each consignee shall be entitled to receive only that portion of its shipment remaining after deducting his proportion as above determined of such loss. Carrier shall prepare and submit a statement to Shippers and consignees showing the apportionment of any such loss.

The Carrier operates under this tariff solely as a common carrier and not as an owner, manufacturer, or seller of the Product transported or stored hereunder, and Carrier expressly disclaims any liability for any expressed or implied warranty for Products transported or stored hereunder including any warranties of merchantability or fitness for intended use.

#### ITEM 75 CLAIMS - TIME FOR FILING

Notice of claims for loss or damage must be made in writing to Carrier within nine (9) Months after delivery of the Product, or in the case of a failure to make delivery, then within (9) Months after a reasonable time for delivery has elapsed. Suit against Carrier shall be instituted only within two (2) years and one (1) day from the day when notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and the Carrier shall not be liable.

#### ITEM 80 SCHEDULING OF DELIVERY

When Shippers request delivery from the pipeline to the requested destination of a volume of Product greater than can be immediately delivered, Carrier shall schedule delivery. Carrier shall not be liable for any delay in delivery resulting from such scheduling of delivery.

#### **ITEM 85 PIPEAGE CONTRACTS**

Separate agreements in accord with this tariff, and these regulations covering further details, may be required by Carrier before any duty for transportation shall arise.

#### ITEM 90 APPLICATION OF RATES FROM INTERMEDIATE POINTS

For Product accepted for transportation from any point on Carrier's pipeline not named in this tariff, which is an intermediate point from which rates are published herein, through such unnamed point, Carrier will apply from such unnamed point the rate published herein from the next more distant point specified in the tariff. If service is to be used on a continuous basis for more than 30 days, Carrier will file a tariff applicable to the transportation movement.

#### ITEM 95 APPLICATION OF RATES TO INTERMEDIATE POINTS

For Product accepted for transportation to any point on Carrier's pipeline named in this tariff, which is intermediate to a point to which rates are published herein, through such unnamed point, Carrier will apply to such unnamed point the rate published herein to the next more distant point specified in this tariff. If service is to be used on a continuous basis for more than 30 days, Carrier will file a tariff applicable to the transportation movement.

#### **ITEM 100 ALLOCATION**

When there is offered to Carrier, Product quantities greater than can be transported by Carrier, Carrier shall allocate transportation capacity based on each Shipper's historical volume. The historical volume is the Shipper's Product movement during the first twelve (12) calendar months following a date thirteen (13) calendar months prior to the first day of the calendar month during which capacity will be allocated.

Shippers that desire to ship, but have not shipped during the first twelve (12) calendar months following a date thirteen (13) calendar months prior to the first day of the calendar month during which capacity will be allocated, are designated "New Shippers." New Shippers will receive five hundred (500) barrels per day of capacity until the total barrels received by the New Shippers exceeds ten percent (10%) of the total capacity, at which time all New Shippers will receive an equal portion of the 10% of the total capacity.

#### **ITEM 110 ROUTING INSTRUCTIONS**

All rates apply via Mid-America Pipeline Company, LLC.

#### ITEM 120 TRANSPORTATION INVENTORY

Quantities of Product received into Carrier's custody for transportation to Shipper's nominated destination will constitute Shipper's Transportation Inventory prior to delivery. If Product cannot be accepted by the nominated destination through no fault of Carrier, undelivered quantities will be returned to Shipper's Holding (storage) inventory.

#### **ITEM 145 INTERFACE**

Shippers shall accept and be responsible for handling of any interface generated within or between Products.

#### RATES (In Cents per Barrel)

### ITEM 290 LOCAL PROPORTIONAL GENERAL COMMODITY RATE FOR REFINED PETROLEUM PRODUCTS FOR FURTHER MOVEMENT BEYOND DESTINATION

ORIGIN	DESTINATION	RATE
Coffeyville, Kansas	El Dorado, Kansas	[D] 412.75

## ITEM 300 INCENTIVE RATE PROGRAM FOR REFINED PETROLEUM PRODUCTS FOR FURTHER MOVEMENT BEYOND DESTINATION

The following incentive rates are available to all Shippers executing a contract for a minimum total volume (Contract Volume) to be transported from the origin to the destination listed hereunder.

Under provisions of this Incentive Rate Program, the Contract Volume to be transported from Coffeyville, Kansas to El Dorado, Kansas is defined as 3,259,589 Barrels of Qualifying Product for each Annual Period. As used hereunder and any related contract, Qualifying Product shall be Refined Petroleum Products, as defined in Item 5 Definitions.

The Annual Period will consist of 12 consecutive Months, beginning at the effective date of the contract and continuing through May 31, 2014, unless extended pursuant to the agreement between the Shipper and the Carrier. The first Annual Period shall be deemed to conclude on May 31, 2013, and if less than 12 Months in duration, the Contract Volume for the first Annual Period will be prorated for the number of Days comprising the first Annual Period. If the final Annual Period consists of less than 12 Months, the Contract Volume for the final Annual Period will be prorated for the number of Days comprising the final Annual Period.

The initial shipment under the Contract Volume in any Annual Period will be billed at the sum of the First Tier Volume Incentive Rate ("Tier-1 Rate") and a pipeline integrity recovery rate ("Outbound Recovery Rate") as calculated below. Any shipments in excess of 3,259,589 Barrels during each Annual Period will be charged the rate shown below for Above 3,259,589 Barrels.

If the actual shipment during any Annual Period is not equal to or greater than the Contracted Volume, Carrier will invoice the Shipper the deficient volume times the sum of the Tier-1 Rate and the Outbound Recovery Rate. Shipper shall make payment for the deficient revenue within 15 days of presentation of the invoice by Carrier.

Further, the Contract Volume hereunder is duplicative of and not in addition to the Contract Volume for the Outbound Shipment set forth in Item 310 under K.C.C 19.3.0, and successive issues thereof. For the purposes of determining the deficient revenue, Refined Petroleum Products tendered hereunder and the Refined Petroleum Products tendered pursuant to Item 310 under K.C.C 19.3.0, and successive issues thereof, shall be aggregated.

There shall be no increase in Tier-1 Rate for the initial two Annual Periods. For each of the Annual Periods after the first two Annual Periods, the Tier-1 Rate shall be increased by an amount equal to the increase, if any, in the Producer Price Index – Finished Goods, as published by the U.S. Bureau of Labor Statistics from the beginning to the end of the prior Annual Period. The term "Tier-1 Rate" shall only have the meaning defined within the context of this Item 300.

ORIGIN	DESTINATION	ANNUAL VOLUME INCENTIVE LEVELS	RATE
Coffeyville, Kansas	El Daniel Kanan	0 - 3,259,589 (Tier-1 Rate)	[U] 109.39
	El Dorado, Kansas	Above 3,259,589	[U] 1.02

## RATES (In Cents per Barrel)

### ITEM 300 INCENTIVE RATE PROGRAM FOR REFINED PETROLEUM PRODUCTS FOR FURTHER MOVEMENT BEYOND DESTINATION - Continued

In addition to the Tier-1 Rate shown above, Shipper shall pay the Outbound Recovery Rate on all Contract Volumes, which is calculated as follows:

- (a) For the Annual Period beginning June 1, 2012, and ending May 31, 2013, the Outbound Recovery Rate shall be equal to \$1.266 per barrel.
- (b) For the Annual Period beginning June 1, 2013, and each Annual Period thereafter, the Outbound Recovery Rate shall initially be calculated based on Carrier's estimate of pipeline integrity costs for the applicable Annual Period multiplied by Carrier's estimate of the incentive rate program shippers' share of total volumes on the line from the Coffeyville Refinery to El Dorado for the applicable Annual Period divided by the Contract Volume.
- (c) Estimated pipeline integrity costs for the Annual Period beginning June 1, 2013, and each Annual Period thereafter, shall be trued up to actual pipeline integrity costs for such Annual Period. The actual pipeline integrity costs shall not include any return or capitalized interest. The actual pipeline integrity costs will be multiplied by a percentage equal to the incentive rate program shippers' share of total volumes on the line from the Coffeyville Refinery to El Dorado during the prior calendar year. The result will then be divided by the Contract Volume to derive the actual Recovery Rate for the applicable Annual Period. Any such true-up will reflect either a payment by Shipper to Carrier if the Recovery Rate resulted in an underpayment by Shipper or will reflect a payment by Carrier to Shipper if the Recovery Rate resulted in an overpayment by Shipper. Such overpayment or underpayment shall be made no later than 90 days after the end of the applicable Annual Period.

#### ABBREVIATIONS AND REFERENCE MARKS

API American Petroleum Institute

F Fahrenheit

F.E.R.C. Federal Energy Regulatory Commission

GPA Gas Processors Association

MAPL Mid-America Pipeline Company, LLC

[C] Cancel
[D] Decrease
[U] Unchanged rate