

Colonial Pipeline Company

Section Two Informational Topics

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2.1 Overview

2.1.1 General

Colonial provides common carrier transportation service for Petroleum Products. Colonial provides long-haul and short-haul interstate movements, which are regulated by Federal Energy Regulatory Commission (FERC), and intrastate movements, which are not regulated by FERC.

Colonial's interstate tariffs are filed with FERC and intrastate tariffs are filed as applicable with the appropriate state commissions. Colonial's tariffs are also included in Section 5 of the Shipper Manual and are available on our website at www.colpipe.com. The rates are listed in cents per barrel from an origin point to a destination area. Several of these "destination areas" will cover more than one of the specifically designated locations found in Colonial's location codes as used for scheduling purposes. The scheduling locations are more narrowly defined than a tariff location. For example, the Linden rate tariff covers all deliveries out of Colonial's Linden Junction tank farm.

Bulletins are the primary method used by Colonial to communicate with the shipping community. The bulletin system is used to communicate line allocations, line activities affecting shippers, notification of office closings, lifting times, changes in product specifications and other important information. Bulletins are transmitted via e-mail through Transport4 ("T4"). For questions related to T4 or to set up an account to receive bulletin notifications go to www.transport4.com.

2.1.2 Intra Harbor Transfer Short-Haul Movement

Through its Intra Harbor Transfer ("IHT") service, Colonial provides short-haul movements from its Linden facility. The IHT service allows product to be delivered to terminals and pipelines in the New York harbor area. For a further description of IHT or to submit transportation requests please submit your inquiry via email to CPL_IHT@colpipe.com.

2.2 Becoming a Colonial Shipper

2.2.1 Requesting Shipper Status

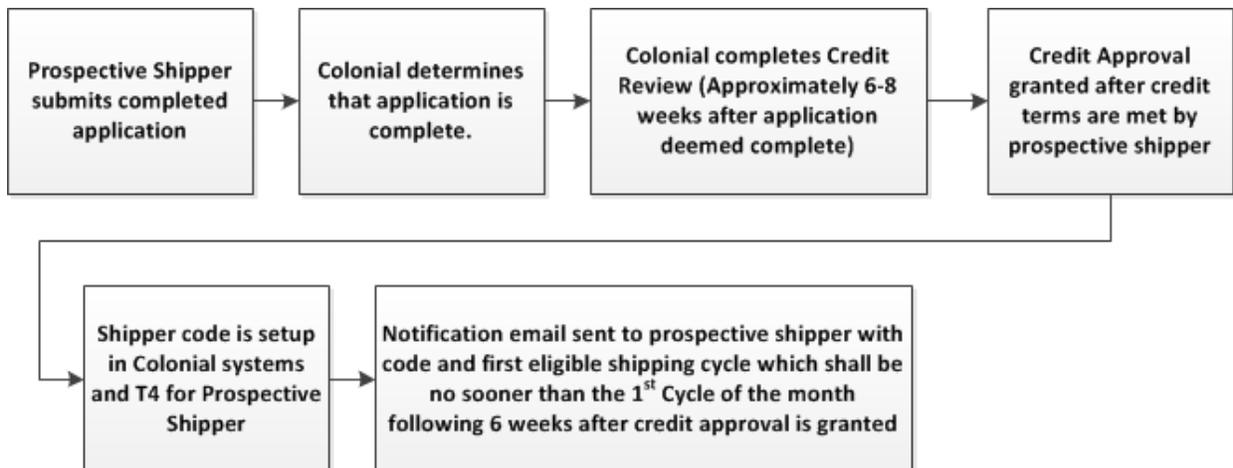
Prospective shippers that are interested in transporting petroleum products on Colonial's system must apply for shipper status by completing the prospective shipper application found on the Colonial website (<http://www.colpipe.com/home/customers>) and submitting to credit@colpipe.com.

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Information and documentation required may include financial statements or other evidence of financial assurance, an affidavit that certifies affiliation or non-affiliation with other Colonial shippers, and various federal and state registration documents. Please note that this process applies to all prospective shippers regardless of whether they are seeking New or Regular Shipper status. Also, every shipper code must be associated with a unique federal employer identification number.

Credit review of the prospective shipper application will take anywhere from six to eight weeks upon receipt of a **complete** application. The customer will be eligible to nominate no sooner than the first Cycle of the calendar month that is at least six weeks after receiving Credit Approval, which is defined as the date Colonial grants open credit or receives a Credit Instrument that is satisfactory to Colonial in its sole discretion. A Credit Instrument is a parental guaranty, letter of credit, or security deposit. A shipper's Credit Instrument will be returned upon payment by the shipper of the final settlement statement in the last month in which a shipper receives a delivery. Coincident with the return of the Credit Instrument, the shipper's code shall be deactivated. Notwithstanding the foregoing, a shipper who is transferring its history will remain an active Regular Shipper during the pendency of the transfer; therefore, any Credit Instrument provided to Colonial will be retained and must remain current until the transfer is complete.

Process Overview



Shipper status does not guaranty the ability to ship. During times of pro-rationing capacity is allocated on a Segment by Segment basis according to Colonial's capacity allocation program.

2.2.2 Types of Shippers

Colonial shippers can fall into two different categories, which are defined in Colonial's Rules and Regulations tariff: (1) Regular Shippers; or (2) New Shippers. These

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definitions are important for understanding Colonial's prorationing policies, set forth in the Rules and Regulations tariff and described below. Colonial's system is Segment-based therefore a shipper may fall into both categories if they ship on multiple Segments.

2.2.2.1 Regular Shippers

Regular Shippers are all shippers other than New Shippers. However, a Regular Shipper that does not maintain an average (per cycle) shipment history during the Base Period of at least 15,000 bbls on Main Lines 1 and 2 and at least 3,000 bbls on all other Segments ("Minimum Average Shipment History") shall have a Calculated Cycle Historical Allocation ("CCHA") of zero bbls for any Segment in which the Regular Shipper fails to maintain the Minimum Average Shipment History.

If a Regular Shipper does not maintain the Minimum Average Shipment History, it may submit a written request to the Colonial Credit team to return to New Shipper status. Regular Shippers may also request New Shipper status on any Segment for which it meets the New Shipper criteria. All requests for New Shipper status should be sent to credit@colpipe.com. If additional documentation is required, Colonial Credit will notify shipper. Information can be found on our website:

<http://www.colpipe.com/home/customers/prospective-shipper-process>.

A Regular Shipper requesting New Shipper status on a Segment is subject to the same approval process as a shipper not yet shipping on the Segment. If Colonial approves the return to New Shipper status, Colonial will advise the returning New Shipper of such approval and will specify the starting cycle of the return to New Shipper status (which will be the first cycle of a calendar month) and the Segment(s) on which the Shipper has New Shipper status.

If a Regular Shipper fails to submit a Nomination or fails to ship any petroleum products on an applicable Segment over a twelve (12) month period, the entity will lose its Regular Shipper status with respect to that Segment and will not be entitled to ship on that Segment unless and until it applies for and is granted Shipper status.

During the pendency of a history transfer, a shipper shall have Regular Shipper status.

2.2.2.2 New Shippers

New Shippers are those shippers that have been approved by Colonial for New Shipper status on a Segment. New Shipper status is granted by Segment. To qualify for New Shipper status the shipper **must not be an Affiliate** of a Regular Shipper or a New Shipper on that Segment. A shipper requesting New Shipper status with Affiliates (regardless of whether those Affiliates are New or Regular Shippers) will be denied New Shipper status and instead be deemed a Regular Shipper but will have a CCHA of zero

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bbbls per Segment until the shipper has the Minimum Average Shipment History. A New Shipper that subsequent to obtaining New Shipper status becomes Affiliated with a New or Regular Shipper on the Segment in which it holds New Shipper status will lose its New Shipper status.

An Affiliate is defined as:

Any entity that, directly or indirectly: (i) controls a Shipper; (ii) is controlled by another Shipper; or (iii) is controlled by the same entity that controls a Shipper. For purposes of this definition, the terms “controls” and “controlled by” mean the power to direct or cause the direction of the management of and policies of another entity whether through the ownership of shares, a contract, a trust arrangement, or any other means, either directly or indirectly, that results in control in fact, but notwithstanding the foregoing includes, with respect to the control of or by a corporation, partnership, or limited liability company, the ownership of shares or equity interests carrying not less than 50% of the voting rights regardless of whether such ownership occurs directly or indirectly. Without limitation, any one or more of the following shall conclusively evidence that entities are Affiliates of each other: (a) use of shared mailing or business addresses; (b) use of shared business telephone numbers; (c) use of common bank account(s) in relation to Colonial’s requirements as set forth in Item 55 or Item 105 of Colonial’s Rules and Regulations tariff; (d) the same or substantially the same management, general partner, or managing member; and/or (e) one Shipper directing or conducting business on behalf of another Shipper.

All prospective shippers seeking New Shipper status on a Segment must execute an affidavit attesting to its Affiliate status. Any active Shipper that becomes an Affiliate, or their Affiliation status changes, needs to notify Colonial’s Shipper Relations Coordinator.

A shipper will no longer be a New Shipper upon the earliest of the following events:

- A. The New Shipper’s average (per cycle) shipment history over the Base Period is at least 18,750 bbls (applicable to Main Lines 1 and 2) or 3,750 bbls (applicable to all other Segments), at which time the New Shipper will become a Regular Shipper on the applicable Segment(s); or
- B. If a New Shipper fails to submit a New Shipper Nomination or fails to ship any petroleum products on the Colonial System over a twelve (12) month period, the entity will lose its New Shipper status and will not be entitled to ship as a New or Regular Shipper on Colonial unless and until it applies for and is granted Shipper status in accordance with Colonial’s credit policy.

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2.2.3 Credit Requirements

Prior to becoming a shipper, a prospective shipper must submit to Colonial sufficient financial information to establish credit-worthiness. If, in the sole opinion of Colonial, shipper is not credit-worthy or if shipper's credit deteriorates, Colonial may require shipper to (i) provide a security deposit covering forty five (45) days of service, with a minimum deposit of three hundred fifty thousand dollars (\$350,000), (ii) supply a letter of credit with a term not less than one (1) year from an acceptable financial institution in a form acceptable to Colonial with a face amount of the higher of forty five (45) days of service or three hundred fifty thousand dollars (\$350,000), or (iii) provide a parental guaranty from a credit-worthy parent in a form acceptable to Colonial with a guaranty limit covering the higher of forty five (45) days of service or three hundred fifty thousand dollars (\$350,000) (collectively "Credit Instruments"). In the event a shipper provides a Credit Instrument in excess of the three hundred fifty thousand dollar minimum, a shipper may request a credit re-evaluation no sooner than three hundred and sixty five (365) days from the date the Credit Instrument was provided. In no event will Colonial perform more than one shipper requested credit re-evaluation within a three hundred and sixty five (365) day period. Colonial reserves the right to re-evaluate a shipper's credit at any time.

A shipper that has not nominated product on any Colonial pipeline Segment during any of the twelve (12) preceding months will lose its shipper status on Colonial's pipeline system and will have to comply with the requirements of Section 2.2.1 (Requesting Shipper Status) in order to re-obtain shipper status on Colonial's pipeline system.

Notwithstanding the foregoing, a shipper who is transferring its history will remain an active Regular Shipper during the pendency of the transfer regardless of whether it nominates product.

If a shipper wishes to deactivate and no longer ship on the Colonial system, the shipper can send that request to credit@colpipe.com. Colonial credit will notify the shipper when their credit instrument will be returned (if applicable). Please note, during history transfers, sellers must maintain their credit instrument throughout the transfer months. The shipper's ending inventory surplus amount will be zeroed out no later than the first close that is ninety (90) days after the last barrel is delivered for such shipper (the first close may be more than ninety (90) days after the last barrel is delivered).

2.2.4 Agents

All communications relating to a Shipper's nominations, deliveries to or from Colonial, payment of invoices or other matters pertaining to the Shipper's business with Colonial shall be conducted solely by an officer or employee of the Shipper. If a Shipper wishes to

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use an agent, the Shipper must designate, in writing, an agent to act on the Shipper's behalf in conducting such communications. The designation must acknowledge the following items to be effective:

- (i) the Shipper consents to disclosure of any and all information regarding the Shipper's nominations, deliveries to or from Colonial, payment of invoices, or other business with Colonial to such agent and releases Colonial and holds Colonial harmless from any and all liability relating to such disclosure; and
- (ii) such designation shall be valid and binding on Shipper until Colonial receives written notice from Shipper expressly terminating such designation.

The Agent Designation forms is available on the Colonial website (<http://www.colpipe.com/home/customers>). Completed forms should be returned to customerrelations@colpipe.com. Prospective shippers wishing to utilize an agent should return the agent form with their prospective shipper application (See Section 2.2.1).

2.3 Nominations & Scheduling

2.3.1 Minimum Tender, Batch Size, and Delivery Requirements

Colonial's current Rules and Regulations Tariff specifies the minimum tender, batch size, and delivery requirements. These requirements apply to fungible, joint, and segregated movements. In fungible movements, the total volume of all members moving in the fungible stream creates a joint batch.

2.3.1.1 Minimum Tender

The minimum quantity of petroleum products which will be accepted at one point of origin from a single shipper for inclusion in a joint, segregated or fungible batch shall be 15,000 barrels at all origin stations.

2.3.1.2 Origin Requirements

Minimum Batch - A segregated, fungible or joint batch shall consist of no less than the quantities of petroleum product indicated below:

- | | | |
|-----|------------------------|---|
| (1) | Main Lines | |
| | a) | Houston - Greensboro (either line) 75,000 |
| | b) | Greensboro - Dorsey 25,000 |
| | c) | Greensboro - Linden 25,000 |
| | d) | Woodbury - Linden 25,000 |
| (2) | Baton Rouge Barge Dock | 25,000 |

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(3)	All Stub Lines	5,000
(4)	IHT	15,000

2.3.1.3 Batch Size Requirements through Colonial Tankage

The minimum batch sizes for joint, fungible, or segregated batches pumped through Colonial tankage are shown below. Member batches that may make up these joint batches have a minimum of 5,000 barrels.

<u>Junction</u>	<u>Minimum Barrels</u>
Pelham	10,000
Atlanta	25,000
Greensboro	25,000
Mitchell	10,000
Woodbury	10,000
Aberdeen	10,000
All Other Tank Farms.....	5,000

2.3.1.4 Connecting Deliveries

Deliveries from a batch, other than the final termination of the batch, will be made to connecting facilities designated by shipper in quantities no less than the amounts indicated below.

a)	All Main Line Locations	5,000
b)	All Stub Line Locations	2,500
c)	Deliveries directly from carrier's tank farm	2,500
d)	IHT	5,000

2.3.1.5 Termination of Batches

The termination or end point of a joint, fungible, or segregated batch is restricted to the following locations and must meet the following size limitation.

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<u>Line 1 and Line 2</u>	<u>Minimum Size</u>
Collins	25,000
Atlanta	25,000
Greensboro	25,000
Charlotte, NC	25,000
Baton Rouge, LA	75,000
 <u>Line 3</u>	
Aberdeen	25,000
Booth	25,000
Woodbury	25,000
Linden.....	25,000
 <u>Line 4</u>	
Mitchell	25,000
Fairfax	25,000
Dorsey	25,000
Bull Run, VA	10,000
 <u>All Stub Lines</u>	 5,000

2.3.1.6 Miscellaneous

Colonial reserves the right to allow smaller volumes as necessary to achieve optimum utilization of its pipeline system. There is no minimum batch size requirement for aviation kerosene moving on the delivery lines serving airports.

2.3.2 Cycles

Colonial's cycles are scheduled for five (5) day periods during which a sequence of all in-season products is pumped. Colonial attempts to pump the same sequence of product every five (5) days.

2.3.3 Nominations – Overview

2.3.3.1 Nominations

Except for IHT nominations, shippers must enter nominations, which are a request for space to ship petroleum products from an origin location to a destination location via Colonial

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Pipeline, into T4. Shippers should submit their nominations in accordance with the following nomination and Nomination Integrity Program rules to ensure that their nominations will be accepted and that any changes can be facilitated in time and without incurring additional fees.

A separate nomination will be required for each origin point as each batch will only be allowed to have one origin point. An origin point may include multiple locations consistent with our current rates tariff (a summary of which locations map to which origin points is provided in the below table). Multiple delivery points for each batch are allowed. Certain services require a single origin and delivery (Deliveries to HTD, BMT, CFX, and Northeast origin batches for example)

<u>ORIGIN POINTS</u>	<u>Origin Locations Allowed in a Single Batch</u>
Houston	PDA, CBL, HTN
Hebert	HEB, NPA, PAP
Lake Charles	LKC
Krotz Springs	KSG
Baton Rouge	BRG, BEL
Collins	CLL, CSL, PWL
Moundville	MDL
Woodbury	EPL, TRL, PBL, BHL
Linden	FRL, SWL, CTL

The sequence field in the batch code is alphanumeric, e.g., AAA-A2-12D **(0-9 & A-T are available to shippers, U-Z is retained for Colonial usage)**.

Gain/loss assignments are batch assigned and thus track to the origin of that batch. Surplus assignments due to sales or other large single customer transactions will be a separate nomination and will be deemed to originate from Houston pursuant to our Rates Tariff.

Colonial scheduling personnel confirm availability and enter IHT nominations into Colonial's system on behalf of shippers. In order to request space for IHT movements, shippers must provide the product type, batch size, final delivery location and the timing for the batch movement. Please send nominations to CPL_IHT@colpipe.com.

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In periods when line Segments are allocated, nominations will be subject to the provisions of the Capacity Allocation Program, which is outlined in this Shipper Manual.

Nominations into Main Lines 1 and 2 from Baton Rouge Barge Dock Lifting must be in tankage at Baton Rouge Junction twenty-four (24) hours prior to the scheduled lifting time into the mainline. All other nominations into Colonial must be in tankage a reasonable amount of time ahead of lifting (Colonial recommends eight (8) hours) to allow for sampling and testing.

Deliveries to the Barge Dock Facility will be handled on a best-efforts basis and will be accepted only when Colonial is able to deliver corresponding fungible product from upstream origins. Collins and Moundville cannot be used as origins to the Barge Dock Facility.

2.3.3.2 Critical Time Periods

Initial Notification – The rules and regulations tariff specifies the due dates for nominations and nomination changes. Shippers must submit nominations for shipments that they wish to make in the following month, no later than the first Tuesday of the current month. This is accomplished by entering nominations in T4. These nominations provide Colonial with information to review and analyze the requirements necessary to handle all shippers' products.

Closing Dates (Dateinfo) - The Closing Date is the date that is approximately six (6) to eight (8) business days prior to the cycle lifting date at each major origin. The actual cycle closing dates are set three (3) weeks in advance and are provided in the DATEINFO bulletins posted on T4. A batch must be nominated and confirmed by any third parties involved in the batch, such as a supplier or tankage provider other than the shipper, by the Closing Date.

If a Closing Date is not provided for a product that you plan to ship, contact the Line 01 or Line 02 scheduler for the appropriate Closing Date.

2.3.3.3 Origin Changes

A change in origin should be made as soon as the shipper is aware of the change. Colonial has no obligation to honor a change in origin location unless it is received by 8:00 a.m. Eastern Time on Colonial's second business day prior to the earlier of (i) the scheduled pump date for the original origin or (ii) the scheduled pump date for the new origin.

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2.3.3.4 Delivery or Diversion Changes

A change in delivery location on a nomination should be made as soon as the shipper is aware of the change. Colonial has no obligation to honor a change in delivery location or diversion unless the change is received before 8:00 a.m. Eastern Time on Colonial's first business day prior to the day the batch is to be diverted or delivered. Changes made after this point in time will be subject to rejection.

2.3.3.5 Undesignated Batches

The following policy statements describe the nomination procedures for batches with an unconfirmed origin or delivery point ("XXX Batch(es)").

1. In the event Colonial "freezes" a cycle, while within the cycle, existing origin nominations designated XXX Batch for the "frozen" cycle will be eliminated from the nomination files, and will not preserve pipeline space for the nominating shipper.
2. For origin nominations, all XXX Batches must have confirmed supplier(s) by the close of business on the Closing Date for that origin as defined by the DATEINFO bulletin. XXX Batches not confirmed prior to the time limit will be removed from the nominations and subsequent schedules.
3. No XXX Batch nominations are allowed from the Baton Rouge Barge Dock.
4. For deliveries destined to Linden, XXX Batches must have a valid and confirmed destination by 8:00 a.m. Eastern Time three (3) business days prior to scheduled delivery into Colonial tankage at Linden. If XXX Batch nominations are not confirmed by the designated deadline, Colonial may elect to divert the product to a terminal of Colonial's choice and the shipper will be held responsible for all charges, including pipeline tariff and any fees charged by the terminal.
5. No XXX Batch nominations to any other delivery location, except Linden, will be accepted.

2.3.4 Nomination Codes

This section contains instructions for setting up nominations and nomination changes in T4. The initial nominations must be made in sufficient time to meet the critical dates as described in section 2.3.3.2.

2.3.4.1 Batch Coding

A batch consists of ten (10) characters as described below:

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SSS-PP-CCD

SSS	3 Character Shipper Code	Available on T4
PP	2 Character Product Code	Section 3, Product Specifications
CC	2 Character Cycle Number	01-72 See Schedule Calendar
D	Batch Designation within Cycle – Selected by the Shipper (0-9 and A-T) are available for Shipper (U-Z) are reserved for Colonial usage.	

Only one shipper code per FEIN will be issued and shipper codes will only be given to entities with an FEIN. In addition to the basic batch code used for identification, the following information may also be used with the code:

Supplier	A three-character code (which must be a valid Colonial shipper or supplier) designating the company supplying the batch at an origin location. Colonial provides the schedules and ticket information to the supplier relating to the part of the batch that they are supplying. Suppliers must confirm batches that they are supplying others by confirming the batch in T4, unless the tankage party for the batch is different from the supplier. Only one supplier code per FEIN will be issued and supplier codes will only be given to entities with an FEIN.
Consignee	A three-character code (which must be a valid Colonial shipper or consignee) designating the party to whom custody of the batch is delivered. Colonial provides schedule and ticket information to the consignee related to the part of the batch they are receiving. Certain states require Colonial to report consignees of batches and the volumes delivered monthly.
Tankage	A three-character code which must be a valid tankage provider connected to Colonial. Colonial provides schedule and ticket information to the tankage company related to the batch they are tanking. At origin locations, a tankage provider must confirm that tankage will be provided for a batch using T4 confirmations.

2.3.4.2 Other Codes (added only by Colonial scheduling personnel).

Occasionally batches are long or short of volume due to operational factors. The codes below are used to handle volume shortages or surpluses.

TFG	Surplus product pumped from tankage on all lines
TFL	Product shortage (volume short in tankage)

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- LL Shortage of a batch has occurred on a line during pipeline operations or represents a planned adjustment for in transit volume loss.
- LG In transit gain of product on a line.

2.3.4.3 Shippers' Product held in Colonial Tankage

Occasionally it will be necessary for product to remain in Colonial's tankage for a few days and to be shipped out with the next cycle or separated to another code. The following codes will be used to hold and release this product.

- HDI Product to be held from delivery at a breakout location (entered by Colonial Scheduler only).
- HDO Product of the shipper that was put in hold in Colonial's tankage and is being lifted at a later date with a different cycle designation.

2.3.5 Scheduling Process

The Scheduling Team prepares schedules for the line Segments on the Colonial system. The available schedules provide detailed information about the date, time, and volume of deliveries. Batches from all the Intra Harbor origins and the incoming mainline are sequenced together and pumped down the appropriate delivery lines.

There are two schedules that are produced by Colonial schedulers, the operating schedule and the long-range schedule.

2.3.5.1 Operating Schedule

The first schedule is the operating schedule. The operating schedule is a detailed projection of the date and times of events five (5) to ten (10) days into the future that is prepared by a scheduler.

2.3.5.2 Long Range Schedule

The second schedule is the long-range schedule, which is produced by Colonial's computer system. It starts at the end of the operating schedule and extends to thirty (30) days from the current date. Events in the long-range schedule are reviewed by the computer and assigned dates and times based on the sequence of products established by the scheduler. These dates and times are approximate times and can vary depending on future events in the schedule but nevertheless provide a good estimate for future events.

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2.3.5.3 Updating of Schedules

Main line schedules are typically updated daily. If there is a dramatic change of dates and times in the operating schedule, then a schedule will be updated as soon as possible.

Colonial's scheduling process occurs every business day from 7:15 a.m. Eastern Time until 4:00 p.m. Eastern Time. Nomination changes that were entered since the last schedule was issued are reviewed each morning by scheduling. The schedulers also review the operations of the pipeline that have occurred during the night. A new schedule is prepared, and posted for shippers and Colonial's field personnel to review.

If a nomination is changed on a pipeline after the process of assigning dates and times to each batch has begun, the change will not be in the new schedule. Instead, it will appear on the next schedule. Nomination changes after 8:00 a.m. Eastern Time will not be included in the schedule produced that day.

Colonial affords shippers with flexibility to change nominations as needed to the extent that changes can be operationally accommodated. If a change is requested that Colonial cannot accommodate for various reasons, such as a batch having already passed a junction or diversion point, the shipper is notified and the nomination is changed back to its original form.

Colonial's goal is to provide shippers and terminals with reliable lifting and delivering times. The shipper must make arrangements to supply and receive product based on the times provided by Colonial.

2.4 Nomination Integrity Program (NIP)

The origin nomination change fees imposed under the NIP were introduced to deter shippers from making changes to nominations outside of certain time periods. These changes result in inefficiencies in Colonial's operations, such as difficulty in planning for operations; placing five (5) day origin lifting frequency at risk and ultimately disrupting the shipping community. The Nomination Integrity Program is applied during periods when Colonial's Main Lines 1 and 2 are not under allocation.

2.4.1 Origin Nomination Change Fee Structure

There are two *Change Fee Periods* within each cycle's nomination window. Changes to total nomination volume are permitted; however, if they exceed a certain threshold, they will incur a fee.

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Change fees shall apply to changes in the sum of the volumes nominated for all gasoline products at all Gulf Coast Origin (GCO) locations, and likewise for changes in the sum of the volumes nominated for all distillate products at all GCO locations. GCO locations include: Houston and Hebert, Texas, Lake Charles, Krotz Springs, Baton Rouge and Baton Rouge Dock Facility, Louisiana, Collins, Mississippi, and Moundville Alabama (Main Lines 1 and 2).

Period Definitions:

Change Fee Period 1 – Commences on each *Change Fee Begin Date* and ends on each *Cycle Begin Date*.

Change Fee Period 2 – Commences on each *Cycle Begin Date* and ends on each *Cycle End Date*.

Where,

Change Fee Begin Date – The date 5 days prior to the *Cycle Begin Date*.

Cycle Begin Date –The published lifting date out of Houston of the first Petroleum Product Shipment within a cycle as defined in Colonial’s Origin Starts bulletin. The dates in the bulletin represent a close approximation of the targeted lifting date.

Cycle End Date – The date of the completion of the last gasoline or distillate lifting from any Gulf Coast origin location within a cycle.

Change Fee Calculation:

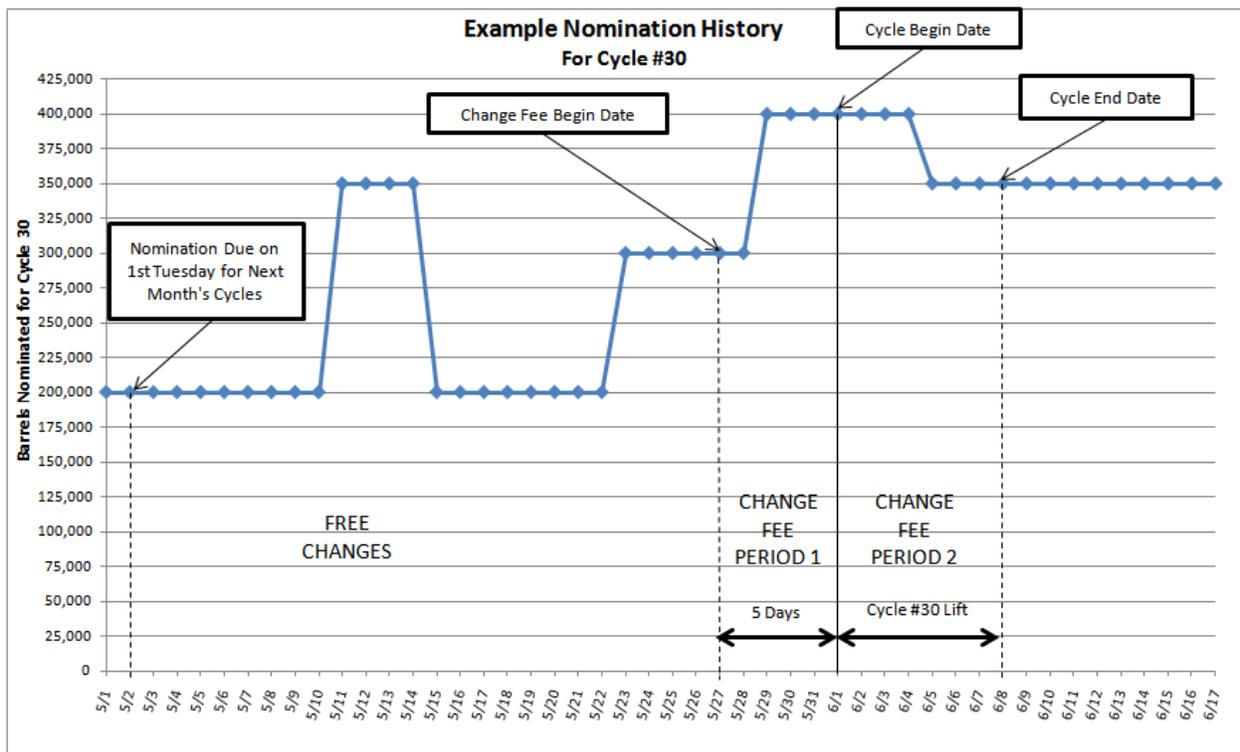
For each *Change Fee Period*, the total nominations changes are calculated as follows. Colonial compares the absolute difference between the sum of gasoline nomination volumes for all Gulf Coast origins (GCO) at the end of the last day of the change fee period and the sum of gasoline nominations volumes for all GCO at the end of the 1st day of the change fee period. This difference is the Total Nomination Change for that cycle. This same calculation process applies to distillate products as well.

Nomination change fees shall be applied to the positive difference between the Total Nomination Change less the greater of twenty five thousand (25,000) barrels or twenty (20) percent of the nomination volume recorded on the first day of each *Change Fee Period*. Nomination change fees for each Change Fee Period are set forth in the Rules and Regulations Tariff, Item 27.

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In the example depicted below, a shipper nominated 200,000 barrels of distillate for Cycle 30 on May 2nd. The shipper made several changes before May 27th without incurring a change fee. After *Change Fee Period 1* commenced, the shipper changed their nomination from 300,000 barrels to 400,000 barrels on May 30th. After *Change Fee Period 2* commenced, the shipper changed their nomination on June 5th, from 400,000 barrels to 350,000 barrels. This was the last change this shipper made.

NIP Example:



These nomination changes would have incurred the following change fees¹:

Period 1: *Change Fee Begin Date* Nomination = 300,000 bbls
Cycle Begin Date Nomination = 400,000 bbls
 Gross Nomination Change = 400,000 – 300,000 = 100,000 bbls
 Threshold = 0.20 X 300,000 = 60,000 bbls (greater than 25,000 bbls)
 Change Above Threshold = 100,000 – 60,000 = 40,000 bbls
 Change Fee = 40,000 bbls X \$0.015/bbl = \$600

Period 2: *Cycle Begin Date* Nomination = 400,000 bbls

¹ These are examples only. For the currently applicable change fee, please see the tariff.

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Cycle End Date Nomination = 350,000 bbls
Gross Nomination Change = 400,000 – 350,000 = 50,000 bbls
Threshold = 0.20 X 400,000 = 80,000 bbls (greater than 25,000 bbls)
Change Above Threshold = 0 bbls
Change Fee = 0 bbls X \$0.03/bbl = \$0

2.4.2 Credits

Volume credits shall be awarded to shippers who make nomination changes at Colonial's request to maintain or improve system ratability. Volume credits accrued shall be applied to subsequent barrels that would otherwise be subject to the nomination change fees until they are exhausted. All unused credits shall terminate after 180 days from accrual. There shall be no monies exchanged for credits.

Volume credits will be awarded for nomination changes arising from qualified trades of like product movements between shippers. Qualified trades of like product movements will consist of offsetting nomination changes involving the same product type if the movement is during the same cycle and from the same origin location. The amount of volume credits awarded for qualified trades shall be on a barrel for barrel basis equal to the volume of the offsetting nominations. All shippers participating in the trade must notify Colonial in writing to be eligible for volume credits by no later than the date corresponding to the end of the cycle in which the trade occurs. There will be no monies exchanged for volume credits.

2.5 Intra Harbor Transfer Reservation Program

To improve ratability of petroleum product short haul movements originating in Richmond County, New York and Middlesex County, New Jersey, fees will be assessed on a per shipper basis to discourage major changes or cancellations in nominations for IHT movements. Major changes are defined as a change in the (i) lifting or delivery location, or (ii) product type, or (iii) grade of product. As part of this Program, an IHT Reservation Fee, which is set forth in Item 28 of the Rules and Regulations Tariff, will be determined and assessed as follows:

- (a) There will be a fee assessed for major changes in, or cancellations of, IHT nominations within three (3) days (72 hours) of the scheduled pump date and time.
- (b) The charge for a shipper will be determined and applied by subtracting each IHT actual ticketed volume from 95% of the nominated volume for that movement. If the resulting volume is greater than zero then this volume will be multiplied by the IHT

Colonial Pipeline Company

Reservation Fee to determine the assessment under the IHT Reservation Program. This charge will be assessed during the Fourth Invoice Period.

2.6 Pro-rationing and Capacity Allocation Program (CAP)

During periods of allocation, Colonial will equitably allocate capacity of the applicable Segment to shippers as described in its Rules and Regulations tariff and summarized below.

2.6.1 Terminology

For a definition of capitalized terms not defined herein, please see the Rules & Regulations Tariff.

Adjusted Binding Request – The lower of a Regular Shipper’s Binding Request or their CCHA. The Committed Nomination may exceed the Binding Request.

Allocation – For Regular Shippers it is their CCHA. For New Shippers it is the results of the lottery.

Available Capacity – The total available capacity of a Segment for a particular Cycle, as determined by Colonial.

Available Excess System Capacity – A calculated volume determined by summing (i) all allocations to New Shippers (described further below), and (ii) for all Regular Shippers, the lesser of each individual Regular Shipper’s (1) Binding Request or (2) CCHA, and subtracting the total of (i) and (ii) from the Available Capacity.

Base Period – The period of twelve (12) months ending one month prior to the month of anticipated Segment capacity constraint.

Binding Request – For any segment on Main Lines 1 or 2, the nominated volume in the system as of 23:59 on the 2nd business day following the Notice of Allocation or, if Colonial issues a Freeze Notice, the nominated volume in the system as of 23:59 on the 1st business day following the Freeze Notice. For all other lines, the nominated volume in the system as of 23:59 on the 1st business day following the Notice of Allocation or, if Carrier issues a Freeze Notice, the nominated volume in the system as of 23:59 on the 1st business day following the Freeze Notice. A Binding Request shall be either (i) zero or (ii) not less than the 15,000 barrels or more than 5,000,000 barrels.

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Calculated Cycle Historical Allocation (CCHA) – Is calculated by multiplying a Regular Shipper’s Percentage Of Total Historical Shipments by the Available Capacity for that Cycle. The result is the “Raw Historical Allocation”. The Raw Historical Allocation is then rounded as follows: (i) if the Raw Historical Allocation is 15,000 bbls for Main Lines 1 and 2 or 3,000 bbls for other Lines, the Raw Historical Allocation will be rounded to 15,000 bbls for Main Lines 1 and 2 and 5,000 bbls for all other Lines; (ii) if the Raw Historical Allocation is less than 15,000 bbls for Main Lines 1 and 2 or 3,000 bbls for other Lines, then the Raw Historical Allocation shall be rounded to 0 bbls; and (iii) if the Raw Historical Allocation is in excess of the Minimum Tender, as set forth in Section 2.3.1.1 of the manual, the Raw Historical Allocation will be rounded, upwards or downwards, to the nearest 5,000 bbls for Main Lines 1 and 2 or the nearest 2,500 bbls for all other Lines. The rounded Raw Historical Allocation is the CCHA.

Calculated Minimum Nomination – A volume equal to (a) for a Regular Shipper, 80% of its Initial Nomination or its Initial Nomination less 25,000 barrels, whichever is less; provided that the Calculated Minimum Nomination of a Regular Shipper that does not submit an Initial Nomination will be zero, and (b) for a New Shipper, 80% of its New Shipper Nomination.

Cap Freeze – The closing and locking by Carrier of nominations for a Cycle if, prior to the Cycle Closing Date for Main Lines 1 and 2, but later than the time outlined in Section 2.6.2.1, such nominations rise to levels that indicate that Carrier’s system, or a Segment thereof, may be allocated.

Committed Nomination – The Adjusted Binding Request accepted by Colonial.

Cycle Closing Date – Defined for Main Line 1 and 2 as the first Closing Date scheduled for that line for a given Cycle.

Eligible New Shipper – A New Shipper that submits a New Shipper Nomination for a Cycle when a Segment is in pro-rationing.

Excess Requested – The difference between the Binding Request and the Adjusted Binding Request.

Final Ticketed Volume – The volume transported in an allocated line segment. For lines 1 and 2 it is the volumes passing downstream of the point of allocation for all other line segments it is the delivered barrels.

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Freeze – The closing and locking by carrier of nominations for a Cycle if, after the Cycle Closing Date for Main Lines 1 and 2, such nominations rise to levels that indicate that carrier’s system, or a Segment thereof, may be allocated.

Freeze Notice - bulletin issued by Carrier informing Shippers of a Freeze or Cap Freeze.

Initial Nomination – The nomination submitted by a Regular Shipper prior to a Notice of Allocation or a Freeze Notice being issued.

New Shipper Capacity – Five percent (5%) of the Available Capacity for Main Lines 1 and 2 and ten percent (10%) of the Available Capacity for all other Segments.

New Shipper Nomination – The initial nomination for a Shipper Batch Volume submitted by a New Shipper for a Segment that exists in Colonial’s system at the time when a Notice of Allocation or Freeze Notice is issued.

Notice of Allocation – Bulletin issued by Colonial informing shippers that a Segment will be allocated.

Percentage Of Total Historical Shipments – A Regular Shipper’s ticketed history during the Base Period divided by the total ticketed history during the Base Period.

Segment – A line segment of Colonial’s system.

Shipper Batch Volume – A batch volume of 25,000 bbls on Main Lines 1 and 2 and 5,000 bbls on all other Segments.

Threshold Volume – A calculated percentage (95%) of the Committed Nomination.

2.6.2 Prorationing Process

2.6.2.1 Issuance of Notice of Allocation

If Colonial determines that a Segment may be allocated, Colonial will issue a Notice of Allocation via T4 as follows:

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- A. For Segments on Lines 1, 2, 3 and 4, a minimum of four (4) business days prior to the Cycle Closing Date.
- B. For all other stub line Segments upstream of Greensboro, NC, a minimum of two (2) business days prior to the Cycle Closing Date.
- C. For all other Segments downstream of Greensboro, NC, a minimum of three (3) business days prior to the Cycle arriving in Greensboro, NC.

The Notice of Allocation will advise shippers when their Binding Request is due. Regular Shippers may change their Initial Nomination at any point prior to the nomination becoming a Binding Request. While New Shippers may change their New Shipper Nomination, the New Shipper Nomination will be used for the Lottery. On Main Lines 1 and 2, any Binding Request less than the Calculated Minimum Nomination is subject to adjustment up to the Calculated Minimum Nomination level as described below.

When a Notice of Allocation is issued, the shipper's CCHA, New Shipper allocation, and Calculated Minimum Nomination will be calculated and posted on T4.

2.6.2.2 Allocation of Capacity During Prorationing

Before the Notice of Allocation is issued, the lottery is run to assign the capacity set aside for New Shippers. **New Shippers must submit a New Shipper Nomination in order to receive an allocation and/or participate in the lottery.** The lottery generates a random number for each Eligible New Shipper. The lottery then organizes New Shippers into two tiers. New Shippers who have nominated in the current Cycle and in the last Cycle in which a lottery was held but did not win the lottery in the previous lottery or have become a New Shipper in this Cycle are Tier 1 Eligible New Shippers while the remaining Eligible New Shippers are Tier 2 Eligible New Shippers. The lottery orders each tier sequentially starting with the random number closest to zero. New Shipper Capacity is then allocated with the lowest number Tier 1 Eligible New Shipper receiving the first Shipper Batch Volume for the applicable Cycle. Shipper Batch Volumes will continue to be allocated to the Tier 1 Eligible New Shipper with the number closest to zero, who has not yet received a Shipper Batch Volume, until either all of the New Shipper Capacity that is subject to the lottery has been assigned (other than any final portion that is less than a Shipper Batch Volume) or all of the Tier 1 Eligible New Shippers have received capacity equal to the Shipper Batch Volume. If all Tier 1 Eligible New Shippers receive a Shipper Batch Volume and there is remaining New Shippers Capacity then the Tier 2 Eligible New Shipper with the lowest number will receive a Shipper Batch Volume for the applicable

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Cycle. Shipper Batch Volumes will continue to be allocated to the Tier 2 Eligible New Shipper with the number closest to zero, who has not yet received a Shipper Batch Volume, until either all of the New Shipper Capacity that is subject to the lottery has been assigned (other than any final portion that is less than a Shipper Batch Volume) or all of the Tier 2 Eligible New Shippers have received capacity equal to the Shipper Batch Volume.

Once Binding Requests have been set, Regular Shippers will be allocated the lower of their Binding Request or their CCHA. If after these allocations Available Excess System Capacity exists then the remaining Available Excess System Capacity will be allocated as discussed below.

Example 1: No Available Excess System Capacity

Shipper	Initial Nom	Calculated Minimum Nomination	Allocation*	Binding Request	Adjusted Binding Request (Adj. Allocation)	Available Excess System Capacity	Excess Requested	Excess Given	Committed Nomination
RS A	50,000	25,000	25,000	75,000	25,000	0	50,000	0	25,000
RS B	285,000	228,000	25,000	200,000	25,000	0	175,000	0	25,000
RS C	25,000	0	50,000	50,000	50,000	0	0	0	50,000
RS D	15,000	0	15,000	25,000	15,000	0	10,000	0	15,000
NS E	0	0	0	25,000	0	0	25,000	0	0
NS F	25,000	25,000	25,000	50,000	25,000	0	25,000	0	25,000
NS G	50,000	25,000	25,000	75,000	25,000	0	50,000	0	25,000
NS H	25,000	0	0	25,000	0	0	25,000	0	0

*Allocation: for RS this is their CCHA; for NS this indicates whether they have won or lost the lottery.

RS = Regular Shipper; NS = New Shipper

- NS E is ineligible to participate in the lottery due to no Initial Nomination and thus receives an Allocation of zero but still may submit a Binding Request.
- NS F and NS G won the lottery and are obligated to ship 25,000 barrels minimum.
- NS H participated in the lottery due to having an Initial Nomination but lost the lottery.

Based on all Regular Shippers and New Shippers Binding Requests equaling or exceeding their Allocation, no Available Excess System Capacity was available and shippers were allowed to ship their Allocation level.

2.6.2.3 Allocating Excess Capacity

The prorationing process is intended to allocate *all* Available Capacity; however, because shippers have the opportunity to change their nominations between the time when Colonial issues the Notice of Allocation and the deadline for Binding Requests, additional capacity may sometimes remain after the prorationing procedures

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described above. This “Available Excess System Capacity” will be allocated in the following order:

1. Regular Shippers whose Binding Requests are in excess of their CCHA will be allocated additional volume proportional to their history over the Base Period (relative to other Regular Shippers in this category), until such Binding Requests are fully satisfied, or until all Available Excess System Capacity has been consumed. If Available Excess System Capacity remains, Eligible New Shippers that did not receive any allocation of capacity in the lottery will receive a Shipper Batch Volume in the order of lottery number for the cycle.

2. If Available Excess System Capacity remains, it will be allocated proportionally among those New Shippers with Binding Requests that exceed their initial Allocation.

3. If Available Excess System Capacity remains, the volume will be allocated, on a pro rata basis, to Shippers whose Binding Requests are less than their Calculated Minimum Nominations until their Calculated Minimum Nominations are fully satisfied or all Available Capacity has been equitably allocated.

Example 2: Available Excess System Capacity (Regular Shipper Request Exceeds Excess Volume)

Shipper	Initial Nom	Calculated Minimum Nomination	Allocation	Binding Request	Adjusted Binding Request (Adj. Allocation)	Available Excess System Capacity	Excess Requested	Excess Given	Committed Nomination
RS A	50,000	25,000	25,000	0	0	25,000	0	0	0
RS B	285,000	228,000	25,000	200,000	25,000	0	175,000	25,000	50,000
RS C	25,000	0	50,000	50,000	50,000	0	0	0	50,000
RS D	15,000	0	15,000	25,000	15,000	0	10,000	0	15,000
NS E	0	0	0	25,000	0	0	25,000	0	0
NS F	25,000	25,000	25,000	50,000	25,000	0	25,000	0	25,000
NS G	50,000	25,000	25,000	75,000	25,000	0	50,000	0	25,000
NS H	25,000	0	0	25,000	0	0	25,000	0	0

*Allocation: for RS this is their CCHA; for NS this indicates whether they have won or lost the lottery.

RS = Regular Shipper; NS = New Shipper

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- NS E is ineligible to participate in the lottery due to no Initial Nomination and thus cannot receive an Allocation but still may submit a Binding Request.
- NS F and NS G won the lottery and are obligated to ship 25,000 barrels minimum.
- NS H participated in the lottery due to having an Initial Nomination but lost the lottery.
- RS B received all the Available Excess System Capacity.

Example 3: Available Excess System Capacity (Regular Shipper Binding Requests Do Not Exceed Available Excess System Capacity)

Shipper	Initial Nom	Calculated Minimum Nomination	Allocation	Binding Request	Adjusted Binding Request (Adj. Allocation)	Available Excess System Capacity	Excess Requested	Excess Given	Committed Nomination
RS A	50,000	25,000	25,000	0	0	25,000	0	0	0
RS B	285,000	228,000	25,000	25,000	25,000	0	0	0	25,000
RS C	25,000	0	50,000	25,000	25,000	25,000	0	0	25,000
NS D	0	0	0	25,000	0	0	25,000		0
NS E	25,000	0	25,000	50,000	25,000	0	25,000	5,000	30,000
NS F	50,000	25,000	25,000	75,000	25,000	0	50,000	15,000	40,000
NS G	25,000	0	0	25,000	0	0	25,000	25,000	25,000

*Allocation: for RS this is their CCHA; for NS this indicates whether they have won or lost the lottery.

RS = Regular Shipper; NS = New Shipper

- NS D is ineligible to participate in the lottery and thus did not receive an Allocation but did submit a Binding Request.
- NS E and NS F won the lottery and received an Allocation.
- NS G lost the lottery.
- In this example, only New Shippers requested to ship above their Allocation. The Available Excess Capacity was first given to New Shippers that had an Initial Nomination, were part of the Allocation, and did not win the lottery (NS G). After all lottery participants received 25,000 barrels, then the remaining capacity is allocated proportionally among those New Shippers whose Binding Requests exceed their CCHA. However, shippers receiving less than 15,000 in their Committed Nomination will be rounded to zero as they do not have sufficient volume to meet the Minimum Tender requirements..

Example 4: Available Excess System Capacity (Binding Request Total Is Lower Than Allocation Total)

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Shipper	Initial Nom	Calculated Minimum Nomination	Allocation	Binding Request	Adjusted Binding Request (Adj. Allocation)	Available Excess System Capacity	Excess Requested	Excess Given	Committed Nomination
RS A	50,000	25,000	25,000	0	0	25,000	0	0	0
RS B	285,000	228,000	25,000	50,000	25,000	0	25,000	25,000	99,200
RS C	25,000	0	50,000	0	0	50,000	0	0	0
RS D	15,000	0	15,000	0	0	15,000	0	0	0
NS E	0	0	0	0	0	0	0	0	0
NS F	25,000	0	25,000	0	25,000	0	0	0	25,000
NS G	50,000	25,000	25,000	30,000	25,000	0	5,000	0	35,400
NS H	25,000	0	0	0	0	0	0	0	0

*Allocation: for RS this is their CCHA; for NS this indicates whether they have won or lost the lottery.

RS = Regular Shipper; NS = New Shipper

- A Shipper’s Calculated Minimum Nomination is equal to the lesser of 80% of it’s Initial Nomination or its Initial Nomination less 25,000 barrels.
- NS E did not submit an Initial Nomination and therefore is ineligible to participate in the lottery and does not have a Calculated Minimum Nomination.
- NS F and NS G submitted an initial nomination; therefore, they have a Calculated Minimum Nomination.
- Even though NS G lost the lottery, NS G still has a Calculated Minimum Nomination.
- In this example, the Allocation total is 165,000 barrels but shippers only requested 105,000 barrels (RS B Binding Request 50,000, NS F Lottery Win 25,000, NS G Binding Request 30,000). The remaining 60,000 barrels is therefore allocated on a pro-rata basis to the shippers who are below their Calculated Minimum Nomination. However, shippers receiving less than 15,000 in their Committed Nomination will be rounded to zero as they do not have sufficient volume to meet the Minimum Tender requirements.

Once all Available Capacity has been allocated, shippers’ Committed Nominations will be posted in T4.

2.6.3 Capacity Allocation Program Fees (applicable to Main Lines 1 and 2 only)

The Committed Nomination is used to calculate a CAP Threshold Volume, which is equal to 95% of the Committed Nomination. The Threshold Volume is the volume a shipper is expected to move through the pipeline. Volumes lifted from Moundville will not be applied towards a shipper’s Threshold Volume.

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The CAP compares the Final Ticketed Volume to the Threshold Volume. When the shipper moves less than the Threshold Volume, they are subject to a Capacity Allocation Fee, as set forth in the tariff, on the positive difference between Threshold Volume less Final Ticketed Volume. All CAP charges are calculated and included on the fourth invoice of the subject month.

Committed Nomination	Threshold Volume	Final Ticketed Volume	Fee Volume
125,000	118,750	100,000	18,750
50,000	47,500	48,000	0

CAP charges may not be assessed in the event Colonial experiences significant events that impact shipping schedules.

2.6.4 CAP Freeze

In the event nominations rise above pipeline capacity on Main Lines 1 or 2 prior to the Cycle Closing Date, but less than four business days prior to the Cycle Closing Date, Colonial will issue a Freeze Notice via T4.

Following a Freeze Notice, each shipper will have one business day to confirm or resubmit nominations. This confirmation or resubmission will become the Binding Request as defined by the existing CAP. No Binding Request can be greater than the level of the nomination at the time of the Freeze Notice nor will any Binding Request be allowed that is less than the Calculated Minimum Nomination at the time of the Freeze Notice. Any submitted Binding Request that is less than the Minimum Nomination will be adjusted up to the Calculated Minimum Nomination level and be deemed a Committed Nomination and subject to the CAP rules for Committed Nominations.

2.6.5 Freeze

Colonial may find it necessary to close and lock nominations (after the Cycle Closing Date for Main Lines 1 and 2 and at any time for other lines) on a certain line segment to assure sufficient capacity exists to process existing nominations for that cycle for the affected line segment. This process is called a Freeze or freezing the line and a Freeze Notice will be issued via T4. During a line Freeze, shippers may reduce their nominations prior to lifting but may not increase their nominations above the level in T4 at the time the Freeze Notice is issued.

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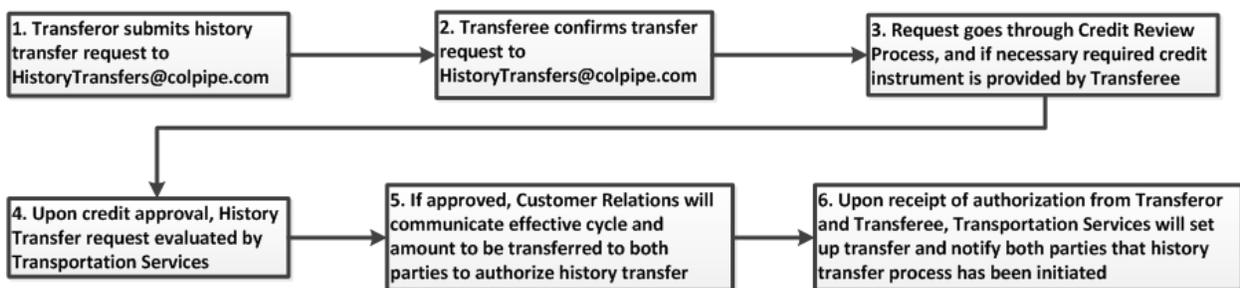
2.6.6 History Transfers

Shippers interested in transferring their history should complete the history transfer request form located at <http://www.colpipe.com/home/customers> and submit, copying the receiving shipper, to historytransfers@colpipe.com. The receiving shipper must confirm the transfer by replying to all in response to the initial request email.

A shipper may do either a 100% transfer or an exact volume transfer but not both; however, a New Shipper may only do a 100% transfer. A New Shipper may only receive transfer(s) if it is sufficient to bring their average (per cycle) shipment history over the Base Period to at least 18,750 bbls. History Transfers are irrevocable.

If the receiving entity is not already a shipper on Colonial, they must complete and submit a Prospective Shipper Application to Credit@colpipe.com (see Section 2.2.1). The receiving entity must be approved as a shipper before the history transfer request will be processed. During the term of the transfer, the transferring shipper is deemed an active Regular Shipper on all Segments in which the transfer is occurring. Thus per Section 2.2.3, the seller's credit instrument must remain active throughout the transfer months. Pursuant to Section 2.2.2.2, a New Shipper may not be affiliated with a Regular Shipper or another New Shipper on a Segment basis. A shipper may only transfer history that it has accrued. History is not accrued until the volumes are shipped.

Process Overview:



2.7 Ticketing/Inventory

2.7.1 Tickets

Colonial issues tickets via T4. Tickets are generated and issued by T4 in real time, in a variety of modes to include: e-mail, XML, and on demand via the internet. Colonial furnishes tickets only to the three parties on an origin or delivery ticket. These three parties are the shipper, the supplier or consignee, and the tankage provider supplying or receiving the product. Any other party wishing to have this ticket information must get it through one

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of the three parties listed on the ticket or receive access from one of the parties listed on the ticket to view it on T4.

Please contact Inventory at inventory@colpipe.com or T4 for re-transmission of missing, misplaced or old tickets. Users of T4 should note that invalidated tickets are available for viewing in real time as they occur.

Terminals that would like to receive tickets electronically need to set up a T4 account or be set up to receive ticket pushes. This can be done by contacting their T4 Company Administrator or T4. T4's contact information is: info@transport4.com or 1-888-844-9404.

Flow Weighted Average Ticket: A ticket for which the volume is measured by one to four meters and for which gravity, temperature, and pressure are measured multiple times during the delivery, denoted as FWA.

Meter Ticket: A ticket for which the volume is measured by one to four meters and for which the gravity, temperature, and pressure are observed by an operator during the delivery. A correction factor distribution percentage is determined for each meter associated with the delivery to determine the distributed meter correction factor.

2.7.2 Custody Transfer Information

The following is a description of ticket information as displayed on T4 tickets:

Type:

- 10 – RECEIPT – CUSTODY (into tanks)
- 11 – RECEIPT – CUSTODY (into line)
- 16 – RECEIPT – CUSTODY (out of tanks – credit)

- 21 – DELIVERY – CUSTODY (from line)
- 22 – DELIVERY – CUSTODY (from tanks)
- 24 – TRANSMIX DELIVERY (out of tanks)
- 31 – DELIVERY CREDIT (from line)
- 32 – DELIVERY CREDIT (from tanks)
- 60 – TRANSFER FROM
- 70 - TRANSFER TO

Location: Alphanumeric Colonial name for the origin or delivery location.

Location Number: Colonial numeric location designation.

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Line Segment: Colonial numeric designation of the mainline or stubline where the custody transfer occurred.

Line Description: Name of Colonial facilities from which the batch originated and terminated on the line segment.

2.7.3 Involved Parties

Carrier: CPL - Colonial Pipeline Company
P.O. Box 1624
Alpharetta, GA 30009

Shipper: Name and address of company shipping the batch.

Tankage: Any company providing tankage for all or part of the batch.

Supplier: Any company supplying all or part of the batch.

Consignee: Any company receiving all or part of the batch.

2.7.4 Ticket Details

Ticket #: Number of ticket – up to four digits and possibly an alpha character. An alpha character is used to indicate changes to the original ticket.

Batch Code: The 11 character Colonial batch number.

Ticket Date: The date and time the ticket was prepared. If original ticket, same as Created Date and Time. If an adjustment ticket, then the date and time the adjustment ticket is prepared.

Start Date: The date and time the origination or delivery is started or a new ticket is started.

Stop Date: The date and time origination or delivery is completed or a ticket switch is made.

Created Date: The date and time the ticket was originally prepared or changed.

Comment: Batch or ticket specific detail and explanation of any revisions.

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2.7.5 Product Information

Product Code:	The two character Colonial product code as listed in Section 3, Product Specifications.
Description:	Short description of product.
Net Volume:	The net barrels received or delivered.
Net Gallons:	The net barrels received or delivered converted to gallons.
Gross Volume:	The total meter counts of all meters used during the receipt or delivery covered by this ticket. No corrections factors or water deduction made.

2.7.6 Measures Information

Open Date:	Same as Start Date.
Close Date:	Same as Stop Date.
Obs Gravity:	The observed API gravity – For FWA tickets this will be the same as the Cor Gravity.
Obs Temp:	The temperature at which the API gravity was made – For FWA tickets this will always be 60.
Cor Gravity:	API gravity correct to 60 degrees F.
Avg Temp:	Average temperature of the product during the receipt or delivery.
Avg Pressure:	Average meter pressure during the receipt or delivery.
Avg Flow Rate:	Average flow rate during the receipt or delivery, currently not utilized and left blank.
Temp Correct:	Calculated API temperature correction factor.
Pres Correct:	Calculated API pressure correction factor.

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Composite Fact:	Resulting factor of multiplying distributed meter factor, temperature correction factor and pressure correction factor – available only for non FWA tickets.
Distr Meter Fact:	Composite factor of all meters used for the batch delivery or receipt.

2.7.7 Meter Information

Meter #:	The designated meter number for all meters utilized during the delivery or receipt. The meter number for FWA tickets will always be 1.
Barrels:	This field is not currently active, will always be blank.
Prover Report:	The number of the last prover report for each meter, this will always be zero for FWA ticket.
Meter Factor:	The meter factor from the prover report for the meter, this will always be the same as the Distr Meter Fact for FWA tickets.
Distribution %:	The percentage of the products, which went through each meter used, will always be 100 for FWA tickets.

2.7.8 Statements

EPA information specific to the product being delivered or received.

2.8 Invoices

Colonial's invoices are sent to the shippers by the use of electronic mail and are DUE AND PAYABLE UPON RECEIPT.

Invoices will bear interest at a rate of the Prime Interest Rate (posted by the Wall Street Journal on the first day of any given month) plus three percent (3%) on invoices which have not been paid and received by Colonial within fifteen (15) calendar days from the date of the invoice.

A shipper may have credit amounts on their account as a result of adjustments, duplicate payments, or prepayments. If the shipper has not applied the credit against an outstanding invoice within ninety (90) days, Colonial may issue a refund or apply to other past due balances the amount of the credit. No refund for a credit will be issued if any invoice or settlement statement due Colonial is shown as outstanding for fifteen (15) calendar days

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or more.

Colonial Pipeline Company's Transportation Invoices are generated and sent to the shippers of record four times per month for the following periods:

1. The 1st thru the 7th day of the month
2. The 8th thru the 14th day of the month
3. The 15th thru the 21st day of the month
4. The 22nd thru the last day of the month

Transportation charges are billed from the batch origin point to the point of delivery based on Colonial's current posted tariffs. The following example shows how the origin of a batch is represented on the invoice:

Example: Shipper AAA lifts 25,000 bbls from Hebert and delivers 24,999 bbls to Chattahoochee.

In this example, the Shipper's origin of Hebert is in the description column of invoice. The rate on the invoice is the rate from Hebert to Chattahoochee.

AAA-123456
 Test Shipper
 123 Main Street
 Suite 10000
 Any Town, TX 12345

INVOICE #: CPC123456
 FOR PERIOD: 01/22/2018 - 01/31/2018
 INVOICE DATE: 2/2/2018
 TERMS: DUE UPON RECEIPT

Atlanta-Chattahoochee (Fulton County) GA
546 CHATTAHOOCHEE

Date	Batch	Tkt #	Barrels	Description	Quantity	Rate	Charge	Source
01/23/18	AAA-A2-001	32	24,999	Transportation - Hebert Origin	24,999	1.0909	27,271.41	FERC 99.36.0
01/24/18	AAA-A2-002	33	24,998	Transportation - Lake Charles Origin	24,998	1.0613	26,530.38	FERC 99.36.0
01/25/18	AAA-A2-003	34	24,995	Transportation - Krotz Springs Origin	24,995	0.9632	24,075.18	FERC 99.36.0
01/29/18	AAA-A2-004	35	24,880	Transportation - Baton Rouge Origin	24,880	0.9321	23,190.65	FERC 99.36.0
01/30/18	AAA-A2-005	36	24,700	Transportation - Collins Origin	24,700	0.8162	20,160.14	FERC 99.36.0
546 Subtotal			124,572				121,227.76	

2.9 Settlement Statements

The settlement statement includes Gain / Loss Adjustments, Transmix Allocation, and the Product Loss Allocation charge. The final line of the settlement statement is the ending balance, which nets the various credits and debits and shows whether a shipper is due a settlement from Colonial or whether the shipper owes Colonial. In the event that the ending balance is a net credit to a shipper, Colonial will issue a check or ACH in payment of the

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credit balance on the 15th of the month after invoice date. For example, if the Settlement invoice date for June is July 5th, then the shipper will receive payment for the settlement credit on July 15th. If the 15th is a Saturday or Sunday, then payment will be made on the Friday before. In no case should a shipper deduct a credit from the payment of any other invoices. If the final balance is a charge to the shipper, then the invoice terms are the same as other invoices, DUE UPON RECEIPT.

2.9.1 Physical Adjustment

As a result of quality assurance product protective guidelines certain product gain/losses occur at the interface between products. To assist shippers in planning for those gains/losses, Colonial assigns predictive product gains and losses based upon historical system performance. Predictive gains and losses are applied to a shipper's most downstream delivery location. When assignments are made, the shipper of record receives a ticket reflecting the gain or loss. The barrels gained or lost on specified batches must be taken into account in all subsequent changes or references to these batches. Shippers may redistribute the gain or loss to a different delivery location if desired. All assignments are settled through Colonial's normal monthly settlement process for the month the assignment is incurred. Additional gains and losses may be assigned as needed to true up book to physical inventories as product moves through the system. Gain/loss assignments track to the origin of the batch. Each month ticketed volumes are reconciled to nominations and any necessary volume adjustments, either positive or negative, are assigned and included on the monthly settlement statement ("Physical Adjustment").

The nomination event codes used for predictive gains and losses are:

- TFG – Product gains to be distributed to a shipper.
- LL– Product lost in transit to mainline batch cutting.
- TFL – Product short in tankage.
- LG – Product gained in transit due to mainline batch cutting.

Shippers are notified of these predictive gains /losses via T4 as they are assigned by Colonial schedulers.

2.9.2 Physical Adjustment and Surplus Settlement Pricing

All settlements for Physical Adjustments and Surplus will be priced by product as follows:
(i) all origins other than those including and north of Woodbury, NJ (collectively the "Northeast") will be priced by product using an average of the "Spot Assessments" for "U.S. Gulf Coast - Pipeline" low posted prices published by Platt's US MarketScan for the 5th, 11th and 17th posted days (not calendar days) of the month for which settlement is being

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Atlantic Coast (New York) - Lowest
FOB Barge

PLATTS DESCRIPTION	PLATTS CODE	COLONIAL PRODUCT CODES
Unleaded RBOB	AAMGV00	F
Premium RBOB	AAMGY00	H
Unleaded 93	AAMHM00	V, 4L
Unleaded 87	AAMIT00	M, 1L - 3L
ULSD	AATGX00	61, 62, 63, 65, 67, 69, 83, 87
ULS Kero	AAVTI00	51
CBOB	AAWBL00	A, 90, 93, 96
Prem CBOB	AAWLC00	D
Jet	PJAAW00	52, 53, 54, 56, 57, 58
Low Sulfur (LS) Jet	PJABJ00	55
No. 2	POAEG00	59, 70, 71, 72, 73, 75, 77, 78, 79, 80, 84, 85, 88, 89

2.9.3 Surplus

Surplus inventory of certain products is generated as a part of normal operations due to cutting the interface between different products into the product with the lower quality specifications. Surplus inventory is also associated with manifold and station piping volumes as well as tank bottoms.

Additionally, the difference by product between system-wide physical volumes and book inventory (the “Surplus”) is also reconciled. This is done by subtracting the previous month’s Surplus by product from the current month’s Surplus by product and then allocating the positive difference to shippers in the proportion that the total number of barrels of each product delivered from the entire system for each shipper bears to the total number of barrels of each product delivered from the entire system for all shippers, provided that deliveries which originated in New Jersey or New York will be excluded from the Surplus calculation. While total Surplus allocation goes up, the shipper is only charged/credited for the difference between prior and current month. The following provides an example of the Surplus allocation calculation.

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	Month 1	Month 2
Ending System ULSD Surplus	40,000 bbls	45,000 bbls
System ULSD Surplus to be Allocated		5,000 bbls
<i>(Current month ending balance less prior month balance)</i>		

Shipper A's ULSD Deliveries		5,000 bbls
Total System ULSD Deliveries		25,000 bbls
Shipper A's % of Total Deliveries		20%
<i>(Shipper A's deliveries divided by total deliveries)</i>		

Beginning Surplus Allocation	2,000 bbls	
Shipper A Surplus Allocation		1,000 bbls
<i>(System surplus to be allocated multiplied by Shipper A's % of total deliveries)</i>		
Ending Surplus Allocation		3,000 bbls
<i>(Month 1 Surplus allocation plus month 2 Surplus allocation)</i>		

When the previous month's physical Surplus by product is greater than the current month's physical Surplus by product, the negative Surplus is allocated in the proportion that the shipper's surplus account for that product bears to the total. The following provides an example of the negative Surplus allocation calculation.

	Month 1	Month 2
Ending System ULSD physical Surplus	40,000 bbls	35,000 bbls
System ULSD physical Surplus to be Allocated		(5,000) bbls
<i>(Current month ending balance less prior month balance)</i>		

Shipper A's ULSD Surplus Account Balance	5,000 bbls	
Shipper A's % of Surplus in Month 1	14.30%	
<i>(Shipper A's surplus balance in Month 1 divided by total surplus in Month 2 prior to negative surplus allocation)</i>		

Shipper A's Beginning Surplus Balance	5,000 bbls	
Shipper A Surplus Allocation		(715) bbls
<i>(System surplus to be allocated multiplied by Shipper A's % of surplus)</i>		
Shipper A's Ending Surplus Balance		4,285 bbls
<i>(Month 1 plus Month 2)</i>		

Surplus allocations are made in the following generic grades:

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- 20 - Premium gasoline
- 44 - Regular gasoline
- 54 - Aviation kerosene
- 55 - Dual purpose kerosene
- 61 - Ultra low sulfur diesel fuel
- 88 - All other higher sulfur diesel fuels

If a shipper ceases shipping on Colonial, its surplus account will be zeroed out no later than the first close that is ninety (90) days after the last barrel is delivered for such shipper (the first close may be more than ninety (90) days after the last barrel is delivered).

Collectively the Physical Adjustments and Surplus allocation shall be the Gain Adjustment or Loss Adjustment. Product types subject to Gain/Loss Adjustment are listed within each month's settlement statements. The barrels of products gained or lost listed on the statement may be traced directly to the Statement in Barrels of Inventory in Carrier Custody.

2.9.4 Transmix

The Transmix Allocation, which can be a charge to shipper or a credit to a shipper, is based on the value of unsold transmix (or commingled product), which is calculated based on the average price of the transmix sold during the month, remaining in the system at the end of each month less transportation charges associated with those unsold barrels. At the end of each month, a credit will be given for the previous month's Transmix Allocation and the current month's Transmix Allocation will be charged.

Colonial disposes of the transmix on a bid and/or contractual basis during the month as it is accumulated. At the end of each month, Colonial allocates the value of any unsold barrels of transmix less transportation charges amongst the shippers in the proportion that the total number of barrels of petroleum product delivered from Colonial's system for each shipper bears to the total number of barrels delivered from Colonial's system for all shippers during that calendar month, provided that deliveries which originated in New Jersey or New York are excluded from this calculation. In other words, if a shipper's delivered barrels constitute 1% of the total delivered barrels for a month, then that shipper will be charged or credited for 1% of the Transmix Allocation. This methodology ensures that over a given period of time, the transmix allocation account will be a wash account where the charges and credits will offset each other.

Revenue generated from the sale of transmix is used to offset Loss Adjustments and Transmix Allocation credits.

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2.9.5 Product Loss Allocation Charge

The product loss allocation is a charge, which is designed to balance the account maintained on behalf of the shippers, assessed on each delivered barrel to recover, but not over recover, losses resulting from evaporation and downgrading of product in the operation of the pipeline. The charge being made to shippers at present time is 18.0 cents per delivered barrel. Short haul movements (delivered south of and inclusive of Collins or originated north of and inclusive of Woodbury) are charged 5.0 cents per delivered barrel. This charge will be adjusted from time to time based on the performance of the account maintained on behalf of shippers. Any changes will be communicated to shippers through a bulletin issued thirty (30) days prior to the change going into effect.

2.11 Miscellaneous

2.11.1 Ticket Discrepancies

In the course of routine product transportation a shipper may dispute a ticketed volume. Colonial's meters are proved on a regular basis and shippers may, at their request, witness a meter proving. Volumes shall be corrected by recognized means from observed temperature and pressure to a temperature of sixty (60) degrees Fahrenheit and a pressure of zero psi gauge. Full volume deductions will be made for all water and other impurities in products received or delivered as determined by recognized means.

To reconcile differences between tank & ticket volumes, Colonial and the shipper must first validate their own measurement processes (correctly applied factors, accurate calculations, physical property corrections, et. al.). Once validated, necessary corrections will be made if warranted.

2.11.2 Product Deliveries

Colonial will not initiate delivery of the shipper's nominated product until such time as the terminal operator provides notice to Colonial of a clear path. An operator's indication of a clear path shall serve as notice that the facility is currently prepared, without disruption to pipeline operations, to accept the entire nominated volume, regardless of the Colonial flow rate.

Nominated volumes will not exceed the terminal's available capacity to receive the nominated volume into one or more tanks. Terminal operators may make tank switches during a delivery; provided, however, Colonial shall have no obligation to adjust the pipeline flow rate or to provide flow rate changes to accommodate a tank switch.

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2.11.3 Segregated Batches of Specialty Products

Segregated batches require dedicated assets and special handling and can have the effect of reducing the total capacity of the pipeline. Therefore, shippers seeking to move segregated batches may be required to enter into term agreements for dedicated assets with Colonial.

Final approval for shipment of a specialty product must be granted by Colonial and is subject to review by Quality Assurance. All products must meet established specifications unless otherwise approved by Colonial and shipment of certain products may require additional provisions to ensure that the quality of adjacent batches is maintained.

2.11.4 State Reports

The State Report is a report which Colonial is required to send to all states where deliveries are made during any given month. The information Colonial supplies to the states is the location of the delivery, the shipper of the delivery, the consignee of the delivery and the total gallons of the delivery made within the confines of the state where the delivery is made.

Shippers and Consignees alike will receive a copy of the report that is rendered to any state where deliveries are made.

2.11.5 Statement in Barrels of Inventory in Carrier Custody

The shipper of record will receive a report from Colonial referred to as “The Statement in Barrels of Inventory in Carrier Custody.” The report lists all receipts into the pipeline and all deliveries made from the pipeline.

At the bottom of the page will be listed the beginning inventory, total receipts, total deliveries, book inventory, any gain or loss and the ending inventory which is the shipper’s physical inventory. Each grade of product a shipper has in inventory will be shown on a separate page of the report.

For those shippers who would like to view their inventory statement prior to receiving the hard copy, access the T4 system. The final information should be available on approximately the fifth business day of each month.

2.11.6 New Suppliers, Consignees or Tankers

Any company that would like to become a Supplier, Consignee or Tanker on the Colonial System, needs to complete the Supplier / Consignee or Tanker application

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and submit to credit@colpipe.com Only one supplier code per FEIN will be issued and supplier codes will only be given to entities with an FEIN. The Supplier/Consignee or Tanker Application is located on the Colonial website at <http://www.colpipe.com/home/customers/supplier-consignee-and-tanker-request>.

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2.12 Intrastate Service

Intrastate movements in New Jersey are subject to the same policies and procedures as short-haul movements on the Colonial system. The rates and origin and destination points for intrastate movements in New Jersey are set forth in the below table.

Rates in Cents per Barrel of 42 United States Gallons		
Origin	Destination	Rates Effective 07/01/2018
Paulsboro Lifting (Gloucester County), NJ	Trenton (Mercer County), NJ	58.75
	Pennsauken (Camden County), NJ	58.75
	Eagle Point (Gloucester County), NJ	44.61
Eagle Point Lifting (Gloucester County), NJ	Trenton (Mercer County), NJ	58.75
	Pennsauken (Camden County), NJ	58.75
	Eagle Point (Gloucester County), NJ	44.61

2.13 System Storage

Colonial reserves the right to physically store the shipper's petroleum products at any point on its system, and may, at its sole discretion relocate the stored barrels at any time. The shipper will be charged the full posted transportation rate from origin to the designated destination point regardless of where the barrels have been stored or for how long. Delivery time will be based on the Cycle timing associated with the nomination out of storage. Product gains and losses will be accounted for as if the barrels had not been in system storage.

2.14 Ancillary Services

2.14.1 Schedule of Services and Fees

Short Term Tank Leases	\$2,000 for 5,000 barrel increments (not prorated) per Cycle
In Transit Storage/ System Storage	Variable

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Product Transfer Order (IPTT)	10.0 cpb Downstream Product
Transfer (DPTT)	10.0 cpb
DPTT Minimum Transaction Fee	\$750 dollars
Red Dye Injection Fee	12.0 cpb
Baton Rouge Barge Dock Operations	Negotiable
Shipper Requested Product Re-grades	10.0 cpb

2.14.2 Short Term Tank Storage

To access short term storage a shipper must have a fully executed Short Term Storage Master Services Agreement in place. The Master Services Agreement is available on Colonial's website <http://www.colpipe.com/docs/default-source/customer-documents/MSA.pdf> or by email request to: Commercial_Affairs_Tank_Leasing@colpipe.com. The signed copy should be sent to the Commercial Affairs e-mail address above. Upon review and at its sole discretion, Colonial will countersign the Master Services Agreement and return the fully executed version to the shipper via e-mail. Customers are encouraged to submit MSAs and begin using the new process as soon as possible to avoid delays and become acclimated with the new process prior to the October 1, 2018 deadline.

Shippers will set up and manage their short term storage requests in T4 through the Nominations tab. Once the shipper enters the details, Colonial processes the request and, if accepted, approves the transaction. Detailed instructions and screens shots explaining the process of entering a short term storage request can be found at the following link <http://www.colpipe.com/home/customers/documents-forms>

2.14.3 Long-Term Storage

We currently offer long-term storage agreements at Colonial owned/leased tank facilities along the Colonial System. This tankage is intended for the in transit storage of products moving via Colonial from upstream origin facilities to downstream destinations. Availability is based upon location, volume, product, and duration. Charges for long-term storage service are based on the conditions of the contracted agreement. Please note that any "operational tankage" is subject to changing conditions throughout the year. Therefore, all contracts will contain a clause whereby Colonial Pipeline Company will

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reserve the right to cancel or adjust the terms with sufficient notice. For questions regarding long-term storage, please contact the Business Development Coordinator at Commercial_Affairs_Tank_Leasing@colpipe.com.

2.14.4 Product Transfer Orders (PTOs)

Colonial has two types of PTOs depending on the location where the title transfer occurs.

	Current Title Holder	Proposed (New) Title Holder
Tariff – Origin to Destination		X
Surcharges Assessed at Delivery (see Section 2.9)		X
DPTT/IPTT Charges	X	
Line History		
Colonial’s Main Lines 1 and 2 - DPTT	X	
Colonial’s Main Lines 1 and 2 - IPTT		X
Mainlines 3 and 4, if applicable – DPTT/IPTT		X
Stub lines/Delivery lines - DPTT/IPTT		X

2.14.4.1 In Line Product Title Transfer (IPTT)

Colonial’s In Line Product Title Transfer (IPTT) service facilitates the transfer of product ownership within Colonial’s upstream system storage, *i.e.*, system storage upstream of our point of allocation (currently North of Collins, Mississippi). The IPTT service provides our shippers the option of transferring all obligations and rights associated with being the shipper of a batch to another shipper while the subject product volume remains within Colonial’s custody. The “Product Title Transfer Ticket,” which documents the transaction, serves to finalize the product title transfer process between Colonial shippers. With an IPTT, the purchasing shipper pays the transportation fee from the origin point and receives the shipper history on Main Lines 1 and 2, provided the volume is delivered downstream of the point of allocation. The transferor neither pays any transportation fees nor receives any history. Volumes must be delivered downstream of the origin point but do not have to be delivered downstream of the point of allocation.

The charge for this service is assessed on a per barrel basis to the transferor (minimum 15,000 barrel transfers). The current IPTT charge rate can be found in the Schedule of Services and Fees section of the manual. All transactions will be processed on a weekly basis.

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2.14.4.2 Downstream Product Title Transfer (DPTT)

Colonial's DPTT service facilitates the transfer of product title within its breakout tankage downstream of the point of allocation. The DPTT service is available only to Colonial Shippers and is subject to Colonial's approval.

DPTTs are available for all volumes originating on Lines 1 and 2; however, volumes (i) may not deliver upstream of Pelham, AL, (ii) must deliver downstream of the origin point, and (iii) move in interstate commerce. The transferor will pay the DPTT fee, and the buyer will pay the tariff from origin to final destination. The transferor shall receive the shipper history on Main Lines 1 and 2 and therefore must have the allocated space to move the product downstream of the point of allocation. The buying shipper shall receive the shipper history for any movements on downstream Segments as history on those lines is determined based on delivered barrels. The *Product Title Transfer Ticket* documents the transaction and serves to finalize the product title transfer process between Colonial shippers.

The charge for the DPTT service is assessed on a per barrel basis, subject to a minimum transaction fee.. The current DPTT charge rate as well as the minimum transaction fee can be found in the Schedule of Services and Fees section of the manual. All transactions will be processed on a weekly basis.

Detailed instructions and screens shots explaining the product transfer instructions can be found at the following link <http://www.colpipe.com/home/customers/documents-forms>

2.14.5 Red Dye Injection

Colonial only accepts fuel oil at the origin that is dyed according to EPA regulations (visibly present) and not above a red dye concentration limit of 0.75 pounds per thousand barrels of solid dye standard Solvent Red 26. This policy was created in an effort to alleviate the significant product downgrading, dye dilution, and kerosene contamination that previous high dye concentrations caused within Colonial's main lines and tank farms.

Fuel oil liftings out of the origin should be nominated with either a seventy (70) series or eighty (80) series product code, depending on the shipper's desired dye quantity upon delivery by Colonial. Colonial will dye the eighty (80) series products to a minimum IRS dye concentration level prior to delivery, while Colonial will not dye the seventy (70) series products. At the following junction facilities, dye will be injected into eighty (80) series grade batches as product is outgoing from breakout tankage into stub lines or local delivery

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lines destined for terminal delivery. At the following delivery facilities, dye injection will occur as batches of eighty (80) series grade are delivered off our mainline system.

Junction Facilities			Delivery Facilities		
Mitchell	Dorsey	Woodbury	Trenton		
Linden					

The current Red Dye charge rate can be found in the Schedule of Services and Fees section of the manual. Shipper batch size minimums on the main lines (Lines 2, 3, and 4) apply to the combined 75, 80 and 85 grade nomination total; stub line minimums apply to 75, 80, 84 and 85 grade batches independent of one another.

Requests for product code changes to/from an eighty (80) series while product is in transit must be received by Colonial's schedulers forty-eight (48) hours in advance of the batch arriving into breakout tankage. These times for each batch may be checked via the Schedule feature of T4.

2.14.6 Baton Rouge Barge Dock Operations

Access to load or unload barrels across the Baton Rouge Barge Dock is available through Energy Logistics Solutions LLC ("ELS"). To obtain access to the Baton Rouge Barge Dock please send an e-mail to BRDock@colpipe.com.

2.14.8 Shipper Requested Product Re-grades

A Shipper may request re-grading of batches for any batch within Colonial's custody. Re-grade requests must be received forty-eight (48) hours prior to arriving in break-out tankage. Re-grades that are completed at the shipper's request will be subject to the fee set forth in the Schedule of Services and Fees Section of this manual and a ticket will be issued upon completion of the process. The charge for the re-grade service is assessed on a per barrel basis and will be invoiced each month. Re-grades not requested by the shipper will not be subject to a re-grade fee.