

CHEVRON PHILLIPS CHEMICAL PIPELINE COMPANY, L.L.C.

RULES AND REGULATIONS TARIFF

GOVERNING THE
TRANSPORTATION OF

PETROCHEMICAL PRODUCTS

(As Defined Herein)

BY PIPELINE
BETWEEN POINTS IN TARIFFS MAKING REFERENCE HERETO

GENERAL APPLICATION

Carrier will accept and transport Petrochemical Products offered for transportation through Carrier's Facilities only as provided in this Rules and Regulations tariff. Specific rules and regulations published in individual tariffs will take precedence over the general Rules and Regulations published in this tariff.

The Rules and Regulations, published herein, apply only under tariffs making specific reference by [W] T.R.S. Numbers to this tariff; such reference will include supplements thereto and successive issues hereof.

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

EXPLANATION OF REFERENCE MARKS:

[W] Denotes changes in wording only

All Rules and Regulations in this tariff are unchanged from Chevron Phillips Chemical Pipeline Company, L.L.C.'s [W] T.R.S. No. 2

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Item No.	Subject	Rules, Regulations and Conditions
1	Specifications and Restrictions	See individual tariffs for specifications and restrictions.
10	Tenders	<p>Any Shipper desiring to tender Petrochemical Products for transportation hereunder shall on, or before the 25th day of the calendar month, place a notice in writing of 1) the quantity of Petrochemical Products to be tendered during the following month 2) the number of Carrier's applicable tariff, and 3) any other data required by Carrier, to Carrier's Customer Service Center, at one of the following addresses:</p> <p style="padding-left: 40px;">a) by mail to: P.O. Box 4879, Houston, Texas 77210-4879, or</p> <p style="padding-left: 40px;">b) by facsimile to : (281) 596-2876, or</p> <p style="padding-left: 40px;">c) by electronic mail, as arranged between Carrier and Shipper</p> <p>Unless such notification is made, and received by Carrier, Carrier shall be under no obligation to accept Petrochemical Products for transportation.</p>
20	Minimum Batch at Origin	Petrochemical Products will be accepted for transportation at the point of origin in quantities of not less than five thousand (5,000) barrels from one Shipper, for any one commodity of quality and specifications as described herein.
30	Minimum Delivery at Destination	Carrier will deliver all or part of any shipment of Petrochemical Products at any destination provided that the quantity of Petrochemical Products of the same specification delivered to Shipper or one Consignee at any destination is not less than two thousand five hundred (2,500) barrels.
40	Origin and Destination Facilities	Petrochemical Products will be accepted for transportation only when Shipper has provided equipment and facilities satisfactory to Carrier at both the origin and destination points. Shipper's pumping pressures and rates must meet Carrier's requirements. Carrier may require satisfactory evidence that the necessary facilities are available at origin and destination before Carrier is obligated to accept tenders for transportation.
50	Measurement	All shipments tendered to the Carrier for transportation shall be tested, gauged or metered by a representative of Carrier prior to, or at the time of Receipt or Delivery. The Shipper or Consignee shall at all times have the privilege of being present or represented during the testing, gauging or metering. Quantities shall be corrected as to temperature from observed temperature to sixty degrees (60°) Fahrenheit basis by use of applicable API-ASTM volume correction factor tables, deductions may be made for inherent system losses, water and other impurities in Petrochemical Products received or delivered, and the resulting balance will be the quantity deliverable by the Carrier.
60	Product Temperature	The maximum temperature of any Petrochemical Products accepted for transportation will be one hundred and twenty degrees (120°) Fahrenheit.
80	Overages and Shortages	<p>In systems with one Shipper, overages and shortages will be the sole responsibility of the Shipper. In systems with two or more Shippers, the following procedures will apply.</p> <p>At the end of each year, Carrier will calculate the total system overage or shortage by product type. If the system overage exceeds the established measurement tolerance, Carrier shall invoice Shipper for its proportional share of volume outside the measurement tolerance. If the system shortage exceeds the established measurement tolerance, Carrier will reimburse Shipper for its proportional share of volume outside measurement tolerance.</p> <p>Settlement of any proportional share of volume will be based on the twelve month average of the monthly average value of Petrochemical Products at the point where transportation originated, as quoted in an industry-accepted price service selected by Carrier.</p>

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90	Identity of Petrochemical Products	Petrochemical Products will be accepted for transportation only on condition that such Petrochemical Products shall be subject to such changes in quality while in transit as may result from the mixture of such Petrochemical Products with other Petrochemical Products in the lines of Carrier. In view of the impracticability of maintaining the exact identity of Petrochemical Products at all times, the Carrier reserves the right at any time to substitute and deliver Petrochemical Products of like kind as the Petrochemical Products accepted for transportation.
100	Petrochemical Products Involved in Litigation	When any Petrochemical Product(s) tendered for transportation is involved in litigation, disputed ownership, or encumbrance by lien or charge of any kind, Shipper shall so advise Carrier in writing. Carrier may refuse to accept Receipt of such Petrochemical Product(s) or may require of the Shipper or Shippers an indemnity bond or other form of financial undertaking deemed sufficient by Carrier to protect it against any and all loss.
110	Delivery at Destination, Demurrage	<p>Carrier shall notify the Shipper or Consignee of the arrival at destination of each shipment. Upon arrival at destination, the Petrochemical Products will be delivered to storage tanks of Shipper or consignee, through the facilities provided by the Shipper or Consignee.</p> <p>If the Shipper or Consignee is unable or refuses to receive without delay said Petrochemical Products upon arrival at destination, the Carrier reserves the right to make whatever arrangements for disposition of the Petrochemical Products it deems appropriate in order to clear its pipeline. All expense incurred by the Carrier in making such arrangements shall be borne by the Shipper.</p>
120	Scheduling, Special Transit Conditions	For each calendar month, Carrier will establish a sequence for pumping Petrochemical Products and will schedule the approximate time when Petrochemical Products tendered for shipment will be received by Carrier at origin points and delivered by Carrier at destination points. Carrier will inform each Shipper of the time within each calendar month when Petrochemical Products will be received from such Shipper at origin points. Carrier will inform each Shipper or its Consignee of the approximate time within each calendar month when Petrochemical Products will be delivered to such Shipper or Consignee at destination points. Carrier does not guarantee to transport shipments of Petrochemical Products in continuous movement.
130	Rates Applicable	Petrochemical Products transported shall be subject to the tariff rate(s) in effect on the date such Petrochemical Products are received by the Carrier.
150	Payment of Transportation and Other Charges	<p>See individual tariffs for payment of transportation and other charges.</p> <p>Transportation charges will be computed and collected at the applicable tariff rate on the quantity of deliverable Petrochemical Products as determined pursuant to these rules. Shipper shall be responsible for all charges applicable to the particular shipment and, if required by Carrier, shall prepay all charges or furnish guaranty of payment satisfactory to Carrier. Carrier shall have a security interest in all Petrochemical Products accepted from Shipper under this tariff. This security interest shall secure: (1) All transportation and any other charges due or to become due from Shipper under the terms of this tariff; and (2) All costs and expenses of Carrier in exercising any of its rights detailed below, including, but not limited to, reasonable attorney fees, storage charges, and settlement of conflicting liens. The security interest provided herein shall be in addition to any lien provided by statute or common law.</p>

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150	Payment of Transportation and Other Charges (con't)	In the event Shipper fails to satisfy when due any obligation to Carrier, Carrier shall have all of the rights and remedies accorded a secured party under applicable state law and in addition may in its sole discretion and without notice take any or all of the following actions: (1) Refuse to deliver Petrochemical Products in its custody until all such obligations have been paid; (2) Proceed to sell such Petrochemical Products, in accordance with the applicable provisions of state law, and apply the proceeds to such obligations; (3) Store such Petrochemical Products or contract for storage of such products pending sale or other disposition; or (4) Take any other action it deems necessary for the proper protection and sale of such Petrochemical Products.
160	Apportionment when Tenders are in Excess of Facilities	When there shall be tendered to the Carrier for transportation, more Petroleum Products than can be immediately transported, the transportation furnished by the Carrier shall be apportioned among all Shippers in proportion to the amounts tendered by each, based on the capacity of the system. Provided, however, no tender shall be considered beyond the amount which the party requesting shipment has readily accessible for shipment. If a Shipper fails to deliver for transportation during the month of shipment the volumes so tendered by it, its volumes for the succeeding month may be reduced by the amount of allocated throughput not utilized during the preceding month.
170	Liability of Parties	<p>As a condition to Carrier's acceptance of Petrochemical Products under this tariff, each Shipper agrees to hold harmless, indemnify and defend Carrier against claims or actions for injury and/or death of any and all persons whomever and for damage to property of Carrier, Shipper, Consignee and/or any third party resulting from or arising out of 1) any breach of or failure to adhere to any provision of this tariff by Shipper, Consignee, their agents, employees or representatives, and 2) the negligent act(s) or failure(s) to act of Shipper, Consignee, their agents, employees or representatives in connection with Delivery or Receipt of Petrochemical Products.</p> <p>The Carrier, while in possession of Petrochemical Products herein described, shall not be liable for any loss, damage, or delay caused by act of God, war, act of public enemy, quarantine, the authority of law, strikes, riots, civil disorder, requisition or necessity of the Government of the United States in time of war, default of Shipper, Consignee, their agents, employees or representatives, or from any cause not due to the sole negligence of the Carrier.</p> <p>In case of loss of any Petrochemical Products from any such causes, after it has been received for transportation and before the same has been delivered to Shipper or Consignee, such loss will be charged proportionally to each Shipper in the ratio that its Petrochemical Products, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of all Petrochemical Products then in the custody of the Carrier for transportation via the lines or other facilities in which the loss occurs.</p> <p>Carrier will be obligated to deliver only that portion of such Petrochemical Products remaining after deducting Shipper's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.</p> <p>For Petrochemical Products losses for which Carrier is liable, Carrier may obtain and deliver to Shipper other Petrochemical Products of the same quantity and substantially the same grade as that which is lost, but Carrier shall not be obligated to do so. In the alternative, Carrier may compensate Shipper for such loss in United States currency at market price as quoted in an industry-accepted price service selected by Carrier.</p>
180	Intrasystem Transfers	No transfers of ownership by Shipper of Petrochemical Products in Carrier's custody will be recognized or recorded by the Carrier.

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190	Application of Rates from/to Intermediate Origin/Destination Points	<p>For Petrochemical Products accepted for transportation from any origin point on Carrier's lines not named in the individual tariff, which is intermediate to any published origin and/or destination points for which rates are published, Carrier will apply from such unnamed point the rate published from the next more distant point specified. If branch or diverging lines create two or more "next more distant points," Carrier will apply the rate which will result in the lowest charge.</p> <p>For Petrochemical Products accepted for transportation to any destination point on Carrier's lines not named in the individual tariff, which is intermediate to any published destination and/or origin points for which rates are published, Carrier will apply to such unnamed point the rate published to the next more distant point specified. If branch or diverging lines create two or more "next most distant points," Carrier will apply the rate which will result in the lowest charge.</p> <p>Carrier will file a tariff applicable to such transportation movements within 30 days of the start of the service if the intermediate point is to be used on a continuous basis for more than 30 days.</p>
200	Claims, Time for Filing	<p>Claims for loss or damage must be made in writing with Carrier within nine (9) months after Delivery of the Petrochemical Products, or in case of a failure to make Delivery, then within nine (9) months after a reasonable time for Delivery has elapsed. Suits for loss or damage shall be instituted only within two (2) years and one (1) day after Delivery of the Petrochemical Products, or in case of a failure to make Delivery, then within two (2) years and one (1) day after a reasonable time for Delivery has elapsed; provided, however, that where claims have been duly filed with the Carrier, suit must be brought within two (2) years and one (1) day after notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim for any part or parts thereof specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and the Carrier shall have no liability therefor.</p>
210	Use of Communication Facilities	<p>Where the Carrier maintains private communication facilities, messages incident to shipment may be transmitted by Carrier for Shipper without extra charges. However, the Carrier shall not be liable for non-delivery of messages, for error or delay in transmission, or for interruption of service.</p>
220	Pipeage Contracts Required	<p>Separate contracts, in accordance with these rules and regulations, covering facilities, rights of way, actual connection to Carrier, and other details, may be required by the Carrier before any duty for transportation shall arise.</p>
230	Connection Policy	<p>Connections to Carrier's pipeline(s) will only be considered if made by formal written notification to Carrier and after signing a connection agreement with Carrier. All connections will be subject to design requirements necessary to protect the safety, security, integrity and efficient operation of the Carrier's pipeline(s) in accordance with generally accepted industry standards. Acceptance of any request for connection will be subject to compliance with governmental regulations.</p>
240	Pumping Service	<p>See Individual Tariffs for pumping service.</p>

Item No.	Subject	Rules, Regulations and Condition	
250	Terms and Abbreviations	API	American Petroleum Institute
		ASTM	American Society for Testing Materials
		Barrel	Forty-two (42) United States gallons at sixty degrees (60°) Fahrenheit and zero ("0") gauge pressure if the vapor pressure of the Petrochemical Product is at or below atmospheric pressure, or at equilibrium pressure if the vapor pressure of the Petrochemical Product is greater than atmospheric pressure
		Batch	Volume of Petrochemical Product moved through Carrier's system as an identifiable unit
		Carrier	Chevron Phillips Chemical Pipeline Company, L.L.C.
		Consignee	Party, including a connecting pipeline system, to whom Shipper has ordered delivery of Petrochemical Products
		°	Degrees
		Delivery	Transfer from Carrier at destination point to Shipper's or Consignee's facilities
		F.E.R.C.	Federal Energy Regulatory Commission
		Gross Standard Volume	Volume corrected to a temperature of sixty degrees (60°) Fahrenheit, in accordance with the latest API/ASTM measurement standards, and at equilibrium vapor pressure
		No.	Number
		Petrochemical Products	Petrochemical Products conforming to standards of applicable governmental authority at scheduled destinations, current ASTM Standard Specifications, and requirements established by Carrier
		Receipt	Transfer from Shipper at origin to Carrier for transportation
		Shipper	Party who contracts with Carrier for the transportation of Petrochemical Products under the terms of this tariff
		Tender.	Written designation by a Shipper to the Carrier of an approximate quantity of Petrochemical Products for transportation from a specified origin point(s) to a specified destination point(s) over a period of one operating month in accordance with these Rules and Regulations
T.R.S.	Texas Rate Sheet		