

PLANTATION PIPE LINE COMPANY

RULES AND REGULATIONS TARIFF

Governing the Transportation of

PETROLEUM PRODUCTS

As Defined Herein

By Pipeline

Carrier will accept and transport Petroleum Products offered for transportation through Carrier's facilities only as provided in this Rules and Regulations Tariff. To the extent that specific provisions published in other tariffs conflict with this Rules and Regulations Tariff, such specific rules and regulations shall prevail.

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

ISSUED: March 1, 2007

EFFECTIVE: April 1, 2007

Issued By:

Thomas A. Bannigan, President
Plantation Pipe Line Company
500 Dallas St., Suite 1000
Houston TX 77002

Compiled By:

Eileen S. Mizutani
Kinder Morgan Energy Partners, L.P.
1100 Town & Country Road
Orange, CA 92868
Voice (714) 560-4910; Fax (714) 560-4602
eileen_mizutani@kindermorgan.com

TABLE OF CONTENTS

<u>Subject</u>	<u>Item No.</u>	<u>Page</u>
Acceptance of Petroleum Products	70	6
Claims, Time for Filing	130	10
Connection to System	230	12
Definitions and Abbreviations	10	3
Demurrage Charges for In-Transit Tankage	280	12
Determination of Volumes	110	8
Duties of Carrier	90	7
Explanation of Reference Marks	--	14
Legality of Shipments	250	12
Liability of Carrier	160	10
Minimum Batch Size, Delivery Requirements and Product Cycles	40	5
Origin and Destination Facilities	60	6
Payment for Services Rendered	120	9
Petroleum Product Specifications	30	5
Pipeage Contracts Required	170	11
Pipeline Additives	150	10
Proration of Pipeline Capacity	50	6
Rates to Intermediate Points	190	11
Reconsignment	180	11
Security Surcharge	290	13
Shipper In-Transit Storage	115	8
System Map of Plantation Pipe Line	--	15
Tax Registration	140	10
Tender of Petroleum Products	100	8
Testing	220	11
Transmix Handling	80	7
Ultra-Low Sulfur Recovery Fee	295	13
Use of Electronic Data Interchange	200	11

ITEM 10 – DEFINITIONS AND ABBREVIATIONS

- 10.1 API** – American Petroleum Institute.
- 10.2 API Gravity** - Gravity determined in accordance with API Manual of Petroleum Measurement Standard, Chapter 11.1 Volume I, latest revision. Table 5A to be used for JP-4; Table 5B to be used for all other Petroleum Products.
- 10.3 ASTM** – American Society for Testing and Materials.
- 10.4 Barrel** - Forty-two gallons, United States measured at 60° Fahrenheit and zero PSIG.
- 10.5 Batch** - A quantity of Petroleum Products of like characteristics delivered by Shipper for transportation by Carrier as an identifiable unit.
- 10.6 Capacity** – The quantity of Petroleum Products the Pipeline Segment at issue is capable of transporting under the current operating conditions.
- 10.7 Carrier** – Plantation Pipe Line Company.
- 10.8 Color** – Color determined by the standard test method ASTM Designation D-1500, latest revision.
- 10.9 Consignee** – The party designated by Shipper to receive a Batch of Petroleum Products.
- 10.10 Cycle** – A period of time during which each type of Petroleum Products is pumped for each Shipper desiring transportation for such Petroleum Products.
- 10.11 Destination** – A point (i) named in a Local, Proportional or Joint Tariff or (ii) agreed to between Shipper and Carrier pursuant to Item 190 of this tariff, at which point Carrier will deliver Petroleum Products to Shipper or its Consignee after transportation from an Origin.
- 10.12 DRA** – Drag Reducing Agent.
- 10.13 Fungible Batch** – A Batch of Petroleum Product meeting Carrier’s specifications which Carrier may commingle with other Batches of Petroleum Products meeting the same specifications.
- 10.14 Joint Batch** – Two or more Batches of Petroleum Products which are joined by Carrier on order and authority of the participating Shippers for segregated movement as one single identifiable unit. Carrier does not prescribe specifications for Joint Batches other than specifications of Items 30 and 70 of this tariff.
- 10.15 Joint Tariff** – A tariff containing joint rates for movement over the lines or routes of two or more carriers.
- 10.16 Local, Proportional, and Volume Incentive Tariff** – A tariff containing specific rates for (a) Carrier’s local movements; (b) transportation having a prior movement, a subsequent movement, or both; and (c) movements under a volume incentive program.
- 10.17 Origin** – A point (i) named in a Local, Proportional or Joint Tariff or (ii) agreed to between Shipper and Carrier pursuant to Item 190 of this tariff, at which point Carrier will accept Petroleum Products for transportation.

Definitions and Abbreviations concluded

- 10.18 Petroleum Products** – Gasoline and petroleum oil distillates as further described in Item 30.
- 10.19 Pipeline Segment** – A section of the System, the limits of which are defined by two geographically identifiable points, that, because of the way that sections of the System are designed and operated, must be treated as a unit for purposes of determining Capacity.
- 10.20 Program Barrels** – All volumes shipped by any Shipper during a Program Year, which originate on the System at Collins, MS and are subsequently delivered to any of the Destinations listed in the Collins Origin Volume Incentive Program section of the Local, Proportional, and Volume Incentive Tariff.
- 10.21 Program Year** – In reference to the Collins Origin Volume Incentive Program (in the Local, Proportional, and Volume Incentive Tariff), the term Program Year shall be defined as the consecutive twelve-month period beginning January 1 and ending December 31.
- 10.23 PSIG** – Pounds per Square Inch Gauge.
- 10.24 Segregated Batch** – A Batch of Petroleum Product identifiable as the property of a single Shipper and moved through the System so as to maintain its identity and ownership.
- 10.25 Shipper** – The party for whom transportation services are provided under the terms and conditions of this tariff.
- 10.26 System** – All common carrier facilities of Carrier.
- 10.27 Tender** – Petroleum Products nominated by Shipper for transportation by Carrier.
- 10.28 Transmix** – A mixture which occurs in normal pipeline operations between non-compatible Petroleum Products.

ITEM 30 – PETROLEUM PRODUCTS SPECIFICATIONS

- 30.1 Petroleum Products shall be accepted for transportation only when such Petroleum Products meet all required Federal, state and local regulations and Carrier's published Petroleum Products specifications established for all Shippers. Said specifications are published in Carrier's Customer Information Manual①.
- 30.2 Carrier may require Shipper to demonstrate that Petroleum Products offered for transportation meet required specifications as prescribed in Item 30.1 herein.
- 30.3 Shipper shall be responsible for all expenses incurred by Carrier resulting from Carrier's receipt of any Petroleum Products tendered by Shipper which do not comply with the requirements of Item 30.1.
- 30.4 Petroleum Products with specifications falling outside the ranges set forth in the Customer Information Manual① may be transported, but only at Carrier's option.
- 30.5 Petroleum Products containing blending components other than pure hydrocarbons are not acceptable for transportation unless Shipper notifies Carrier of the identification and concentration of such components and has received Carrier's agreement to transport such Petroleum Products before they enter the System.

ITEM 40 – MINIMUM BATCH SIZE, DELIVERY REQUIREMENTS AND PRODUCT CYCLES

- 40.1 MINIMUM BATCH SIZE
Segregated Batches of Petroleum Products shall be transported in minimum quantities of not less than 25,000 Barrels.
Fungible Batches of Petroleum Products shall be transported in minimum quantities of not less than 15,000 Barrels. Commercial aviation turbine fuel destined for airport terminals will be moved as a Fungible Batch subject to specifications referred to by Carrier in Items 30 and 70.
Fungible or Joint Batches meeting required specifications and tendered to Carrier will be transported and delivered as such. Both Fungible and Joint Batches must meet minimum Batch size requirements as well as minimum delivery requirements of Item 40.2. Refer to Customer Information Manual①, Section III.
Carrier has the option to move smaller Batches when, in the opinion of the Carrier, the movement of smaller Batches is practicable.
- 40.2 MINIMUM DELIVERY AT DESTINATIONS
The quantity delivered at the final Destination of a Batch of gasoline moving through Carrier's trunk lines between Collins, MS and Greensboro, NC, must contain a minimum of 10,000 Barrels. This restriction also applies to movements of gasoline into Carrier's Greensboro tankage for destinations beyond. All other deliveries must be made in quantities of not less than 5,000 Barrels. Carrier has the option to deliver smaller quantities to any Destination when, in the opinion of the Carrier, the delivery of smaller quantities is practicable.
- 40.3 PRODUCT CYCLES
Petroleum Products will be scheduled through Carrier's facilities in repetitive cycles. Normal cycles for each Petroleum Product handled will be established by Carrier in order to meet operating conditions. Shippers may be required to schedule their Petroleum Products for delivery into the System at point of Origin to meet the cycle within which the Petroleum Products will move.

ITEM 50 – PRORATION OF PIPELINE CAPACITY

- 50.1 When a quantity of Petroleum Products is tendered by Shippers to Carrier which exceeds the Capacity of any Pipeline Segment, Petroleum Products tendered by each Shipper that require transportation on that Pipeline Segment will be transported in such quantities and at such times to the limit of the Capacity in that Pipeline Segment in a manner determined by Carrier to be equitable to all Shippers, pursuant to Carrier's Proration Policy, located in Customer Information Manual①

ITEM 60 – ORIGIN AND DESTINATION FACILITIES

- 60.1 Carrier will provide only such facilities at Origin and Destination as it deems necessary for the operation of the System.
- 60.2 Petroleum Products will be accepted for transportation hereunder only when Shipper has provided facilities satisfactory to Carrier capable of
- (i) delivering the Petroleum Products at the Origin specified by Shipper, at pressures and pumping rates required by Carrier; and
 - (ii) receiving such Petroleum Products at the Destination specified by Shipper, at pressures and pumping rates required by Carrier.
- 60.3 Upon arrival at Destination, Petroleum Products will be delivered to storage tanks through facilities provided by Shipper. Shipper shall receive from the System without delay and at Carrier's full delivery rate, Petroleum Products which have been transported to the Destination for Shipper's account. Carrier has the option to waive the requirement for full delivery rate to Shipper's facilities when practicable. Carrier shall not be liable for any damage to Shipper's receiving facilities or products within such facilities resulting from the process of transferring custody of products from Carrier to Shipper.

ITEM 70 – ACCEPTANCE OF PETROLEUM PRODUCTS

- 70.1 Petroleum Products will be accepted for transportation:
- At such time as Petroleum Products of compatible kind, quality and specification are being transported from the same Origin specified in the Tender;
 - Only if any additives and inhibitors, including DRA, to be included in Shipper's Petroleum Products have been approved by Carrier;
 - Only when Petroleum Products delivered by Shipper are free from all liens and charges;
 - Only when Petroleum Products are delivered by Shipper at the time specified by Carrier to meet Carrier's shipment schedule. If such Petroleum Products are not delivered by Shipper in time to meet said schedule, Carrier reserves the right to cancel, bypass or delay said shipment. Carrier reserves the right to require Petroleum Products to be available for transportation at Origin 24 hours prior to the time scheduled for transportation from Origin.
- 70.2 Carrier's acceptance and delivery of Petroleum Products from or to facilities provided by or designated by Shipper shall not evidence Carrier's approval of the adequacy of such facilities or the competency of Shipper's personnel; responsibility for such facilities and personnel shall be exclusively that of Shipper.

70 – Acceptance of Petroleum Products concluded

- 70.3 In the event Carrier has accepted Petroleum Products for transportation in reliance upon Shipper's representations as to acceptance at Destination, and there is failure to promptly accept such Petroleum Products at Destination, Carrier shall have the right, on 24-hours notice to Shipper, to divert, reconsign, or make whatever arrangements for disposition of the Petroleum Products Carrier deems appropriate to clear Carrier's pipeline facilities, including the right to sell the Petroleum Products at a private sale. The Carrier may be a purchaser at such sale. Out of the proceeds of said sale, Carrier may pay itself all transportation charges and other necessary expenses associated with the Petroleum Products of said sale. In addition, commencing after the expiration of the 24-hours notice, Carrier shall assess a demurrage charge on any part of the Petroleum Products shipment offered for delivery and not taken by Shipper. The demurrage charge will be [U] \$0.25 per barrel per day for each day of 24 hours or fractional part thereof.
- 70.4 If Shipper fails to comply with one or more of the provisions of this Item 70, Carrier may refuse Shipper's proffered delivery, or Carrier's may accept no more than a reduced delivery by Shipper in an amount determined by Carrier to be equitable to all Shippers.

ITEM 80 – TRANSMIX HANDLING

- 80.1 Transmix generated in each line of the System with the exception of Collins, MS to Greensboro, NC main line System will be delivered to Shippers at the terminus of each line. Each Shipper's share of Transmix will be that percentage which its movements through a line represent to the total movements for all Shippers through that line during a calendar month as near as operating conditions permit. Agreements between Shippers and/or Carrier for the handling of Transmix on such lines will be adhered to by Carrier as operating conditions permit.
- 80.2 Transmix generated in the main line System between Collins, MS and Greensboro, NC will be disposed of by Carrier.

ITEM 90 – DUTIES OF CARRIER

- 90.1 All Petroleum Products will be accepted for transportation on the condition that Carrier will use due diligence to transport same to Destination with a minimum of contamination and to maintain the identity of such Petroleum Products. However, it being impracticable to maintain absolute identity of each Shipment of Petroleum Products, reasonable substitution of Barrels of the same kind of commodity shall be permitted.
- 90.2 In the case of products such as reformulated gasoline or low-sulfur distillates which require extraordinary protection to avoid trace contaminants, Shipper must accept the interface mixture between such products and leading or trailing products or reimburse Carrier for all costs involved in degrading such interface mixture to lower-valued products.
- 90.3 Carrier reserves the right to maximize its operational efficiency and Capacity through fungible operations in which a reasonable substitution of the same quality of Petroleum Products meeting the same specifications will be permitted.

ITEM 100 – TENDER OF PETROLEUM PRODUCTS

- 100.1 Shipper shall nominate, no later than the fifth day of the month immediately proceeding the month in which shipments are to be made, Petroleum Products to be shipped by Carrier, pursuant to the Customer Information Manual, Section I, Product Scheduling①. Carrier will accept Petroleum Products for transportation in accord with schedules issued to Shippers by Carrier. Carrier may accept nominations received later than the fifth day of the month when acceptance of such nominations does not adversely affect scheduled line operations.

ITEM 110 – DETERMINATION OF VOLUMES

- 110.1 Petroleum Products received for transportation at Origin and delivered at Destination shall be measured by Carrier's meter or by tank gauges with certified tank volume tables. Shipper may have representatives present during meter calibrations or tank gauging. Carrier shall have the privilege to witness gauging of tanks supplied by Shipper or Consignee when used for volume measurement.
- 110.2 Measurements related to custody transfer of Petroleum Products will be made by meter or tank gauge and will be corrected to standard conditions (60°F and zero PSIG) by the application of correction factors listed in "Petroleum Measurement Tables," API Manual of Petroleum Measurement Standard, Chapter 11.1 Volume II, latest revision (Table 6A for JP-4; Table 6B for all other Petroleum Products). Pressure corrections will be made in accordance with the Manual of Petroleum Measurement Standards, Chapter 11.2.1, latest revision.
- 110.3 Shipper will be invoiced for the value of **[I]** one-fourth of one percent (1/4 of 1%) of the corrected volume (as provided for in Item 110.2) received for transportation at the point of Origin to cover loss due to normal operation incident to the transportation of Petroleum Products by pipeline. Settlement for overages and shortages (including the **[I]** 1/4 of 1% volume deduction) of Petroleum Products occurring in normal operation will be based on Platt's Oilgram average monthly low posting of "Estimated U.S. Gulf Coast Spot" for pipeline movements for selected product classifications. An overage is debited and a shortage is credited to each Shipper's account monthly.

ITEM 115 – SHIPPER IN-TRANSIT STORAGE

- 115.1 SHIPMENT DELAYS EN ROUTE
Shipments originating on the System at Origin locations shown in any Table of Local Rates in Carrier's tariffs, where in-transit tankage is provided by Shipper and facilities for injecting product from Shipper in-transit tankage into Carrier's main or lateral lines are provided by Carrier, shipments may be delayed in-transit for later movement to Destinations downstream. Volumes accepted for further movement shall be subject to requirements of operating schedules and physical limitations of injection facilities available. Such movements through in-transit tankage are subject to charges as described in Item 30 in current Carrier's Local, Proportional and Volume Incentive Tariff.

115 – Shipper In-Transit Storage concluded

115.2 SHIPMENTS TO DULLES INTERNATIONAL AIRPORT AND RONALD REAGAN WASHINGTON NATIONAL AIRPORT

Shipments destined to Dulles International Airport and Ronald Reagan Washington National Airport must first be delivered into tankage facilities provided by Shipper at Newington, VA terminal. Shipper shall subsequently notify Carrier when to inject such shipment(s) into the System at Newington, VA for delivery to the designated airport(s). Once Carrier has received notification, such shipment(s) shall be received into the System and delivered to the designated airport(s) as soon as practicable subject to requirements of operating schedules and physical limitations of injection facilities available.

ITEM 120 – PAYMENT FOR SERVICES RENDERED

- 120.1 Tariff charges will be assessed and collected at the rates named in the Local, Proportional, Volume Incentive or Joint Tariff, or in any other tariff of Carrier in effect on the date Petroleum Products are received by Carrier, on the basis of the number of Barrels of Petroleum Products actually delivered at Destination after volume corrections as provided for in Item 110.
- 120.2 Shipper shall pay all applicable tariff and all other lawful charges accruing on Petroleum Products delivered to and accepted by Carrier for transportation on behalf of Shipper, and, if required, shall prepay or guarantee the same before acceptance at Origin by Carrier, or pay the same before delivery. Shipper shall be responsible for payment of all tariff related charges applicable to the shipment within 15 days from the date of billing.
- 120.3 Prior to becoming a Shipper, a prospective Shipper must submit to Carrier sufficient financial information to establish credit-worthiness. If, in the sole opinion of Carrier, Shipper is not credit-worthy or if Shipper's credit deteriorates, Carrier may require Shipper to prepay tariff related charges and/or supply a letter of credit from an appropriate financial institution in a form acceptable to Carrier. See Carrier's Customer Information Manual①.
- 120.4 If charges are not paid by the due date stated on the invoice, Carrier shall have the right to assess finance charges on the entire past due balance (including principal and accumulated but unpaid finance charges) until paid in full, at a rate equal to 150% of the prime rate of interest as reported in the Wall Street Journal as of the first of the month in which the charges are due or the maximum finance rate allowed by applicable law, whichever is less.
- 120.5 Carrier shall have a lien on all Petroleum Products in its possession belonging to Shipper to secure the payment of any and all unpaid tariff or any lawful charges that are due Carrier that are unpaid by Shipper, and may withhold such Petroleum Products from delivery until all unpaid charges have been paid. If charges remain unpaid 60 days after the due date stated on the invoice, Carrier may apply any open credits or collect such charges by selling Shipper's Petroleum Products at a public or private sale in a commercially reasonable manner. The Carrier, or its affiliates, may be a purchaser at such sale. Out of the proceeds of said sale, Carrier may also pay itself for expenses of notice, advertising, and care and maintenance of the Petroleum Products.

ITEM 130 – CLAIMS, SUITS, TIME FOR FILING

130.1 As a condition precedent to recovery, claims for loss, damage or delay must be filed in writing with Carrier within nine months after delivery of the Petroleum Products or in case of failure to make delivery, within nine months after a reasonable time for delivery has elapsed. Suit shall be instituted against Carrier only within two years and one day from the day that notice in writing is given to the claimant that Carrier has disallowed the claim or any part or parts thereof as specified in the notice. Where claims for loss or damage are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and Carrier will not be liable.

ITEM 140 – TAX REGISTRATION

140.1 Upon request of Carrier, Shipper and its Consignee are required to provide proof of registration with, or tax exemption from, the appropriate federal, state or local authorities relating to the collection and payment of the fuel's excise tax or other similar taxes, levies or assessments. Failure of Shipper or its Consignee to do so shall not relieve Shipper or its Consignee from the obligation to pay any such tax, levy or assessment, or any fine or penalty associated therewith.

ITEM 150 – PIPELINE ADDITIVES

- 150.1 Carrier may inject corrosion inhibitor compound into the Petroleum Products to be transported and Shipper will accept delivery of such Petroleum Products at Destination containing corrosion inhibitor compound.
- 150.2 Carrier may inject DRA into the Petroleum Products to be transported and Shipper will accept delivery of shipments at Destination containing DRA compound.
- 150.3 Shippers will be given 30 days notice stating any changes in additive to be injected (generic and trade name), the maximum quantity, the Petroleum Products into which it will be injected, and the date the injection shall begin.

ITEM 160 – LIABILITY OF CARRIER

- 160.1 Carrier shall not be liable for any loss, damage or delay to Petroleum Products of Shipper caused by an act of God, public enemy, quarantine, authority of law, strikes, riots, nuclear or atomic explosions, fire, floods, the inherent vice or nature of the Petroleum Products, or act on default of Shipper or other Shippers of products, or for any other cause not due to the negligence of Carrier, whether similar or dissimilar to the causes herein enumerated. The Shipper of products involved in such loss or damage shall stand the entire loss or damage except that Shipper shall stand such loss or damage occurring in a fungible or joint movement only in the proportion Shipper's products volume bears to the total volume of the affected fungible or joint movement. Shipper shall be entitled to receive only such portion of its Petroleum Products as remains after deducting the due proportion of the loss or damage as above provided.
- 160.2 Carrier will not be liable for discoloration, commingling, contamination or deterioration of Petroleum Products transported unless such degradation is caused by the sole negligence of the Carrier. Negligence in this case shall be not construed to include contaminants absorbed by the material during transit through the System which is used for multi-product transportation.

160 – Liability of Carrier concluded

- 160.3 In any event, Carrier shall not be liable for any consequential or special damages sustained by Shipper.
- 160.4 Custody by the Carrier shall begin when the product enters the System and shall cease when it passes from the System.

ITEM 170 – PIPEAGE CONTRACTS REQUIRED

- 170.1 Separate agreements in association with pipeline connections or other related facilities ancillary to System in accord with this tariff and these regulations may be required of any Shipper or proposed Shipper before any obligation to provide transportation shall arise.

ITEM 180 – RECONSIGNMENT (Distribution Changes)

- 180.1 Reconsignment (distribution changes) can be made subject to the rates, rules and regulations applicable to point of delivery as listed in this tariff. Carrier reserves the right to require 48 hours' notice in advance of the scheduled delivery for any product reconsignment.

ITEM 190 – RATES TO INTERMEDIATE POINTS

- 190.1 For shipments of Petroleum Products accepted for transportation to any Destination which is not named in any of Carrier's tariffs, and which Destination is directly intermediate to any Destination to which a rate applying through such unnamed point is published in any of Carrier's tariffs, Carrier will apply to such unnamed intermediate point the rate published to the next more-distant Destination published in the applicable tariff, subject to 18 CFR § 341.10.

ITEM 200 – USE OF ELECTRONIC DATA INTERCHANGE

- 200.1 Carrier may utilize Electronic Data Interchange (EDI) for transmission/distribution to Shipper of System related documentation including, but not limited to, pipeline meter tickets and schedules. Carrier reserves the right to require Shipper to be capable of receiving such documentation via EDI systems. However, Carrier assumes no liability for errors, for delays in transmission or for interruption of services.

ITEM 220 – TESTING

- 220.1 Shipper shall be liable for any contamination or damage to other Petroleum Products being transported or to the System in the event Shipper's Petroleum Products include blending components (other than pure hydrocarbons) that have not been approved by Carrier, or such Petroleum Products are inconsistent with specifications stated in Shipper's Laboratory Report.
- 220.2 Carrier may, but shall not be required to, sample and/or test any Batch prior to acceptance or during receipt of Batch, and in the event of variance between Shipper's Laboratory Report and Carrier's test, Carrier's test shall prevail as to the specifications of Petroleum Products received.
- 220.3 Shipper shall furnish Carrier with a Laboratory Report (per Carrier's Customer Information Manual①, Section III) setting forth in detail the specifications of Batch delivered by Shipper for transportation.

ITEM 230 – CONNECTION TO SYSTEM

- 230.1 Requests for connections to System shall be made by formal written request to Carrier, to the address shown on the front page of this tariff. A connection shall only be made in accordance with Carrier's Connection Policy, located in the Customer Information Manual①.

ITEM 250 – LEGALITY OF SHIPMENTS

- 250.1 Carrier reserves the right to reject any and all Petroleum Products offered for transportation when Shipper fails to comply with all applicable laws, rules, regulations or requirements of any governmental authorities pertaining to Petroleum Products or regulating transportation or deliveries thereof, or fails to demonstrate Shipper's conformance with the provisions of this tariff and the applicable Local, Proportional, Volume Incentive or Joint Tariffs.
- 250.2 Shipper's offer of Petroleum Products for transportation shall be deemed a warranty of title by the Shipper offering, but acceptance shall not be deemed a representation by the Carrier as to title. Carrier may, in the absence of adequate security, decline to receive any Petroleum Products which are in litigation, or as to which a dispute over title may exist, or which are encumbered by a lien or by charges of any kind. Delivery of Petroleum Products to the Consignee designated by the Shipper shall relieve Carrier of all liability as to custody or title.

ITEM 280 – DEMURRAGE CHARGES FOR IN-TRANSIT TANKAGE

- 280.1 Carrier will transport and deliver to terminal points with reasonable diligence the quantity of Petroleum Products accepted under Item 70, and it will furnish reasonable facilities as are required for such transportation or will facilitate the efficient operation of Carrier's lines.
- 280.2 When Petroleum Products occupy Carrier's in-transit tankage for periods in excess of 5 days, counting from the time such Petroleum Products are received into such tankage, Shipper shall be subject thereafter to a demurrage charge of [U] \$0.25 per Barrel per day, or portion thereof, for each Barrel of rated working capacity of tank(s) utilized until such Petroleum Products are removed. If the failure to remove such Petroleum Products is due to the inability of Carrier to transport the same, no demurrage shall accrue so long as such inability of Carrier continues.

ITEM 290 – SECURITY SURCHARGE

- 290.1 As a result of the events of September 11, 2001, and pursuant to Docket No. PL01-6-000 under FERC's Statement of Policy issued September 14, 2001, Carrier has established a security surcharge to recover prudently incurred costs necessary to further safeguard the reliability and security of the pipeline.
- 290.2 The security surcharge rate is determined by dividing security related expenditures incurred at Carrier's facilities, plus interest, by total FERC jurisdiction Barrels transported over the prior 12 months by Carrier.
- 290.3 Interest cost will be included in the surcharge recovery amount using the published FERC interest rate, accumulating from the effective date of the surcharge. Interest rates are posted on the FERC website: www.ferc.gov/.
- 290.4 The security surcharge rate is published in Carrier's local and joint pipeline tariffs.
- 290.5 Refer to the table below for projected surcharge expenditure and recovery periods. The expenditure period for recoverable costs is September 11, 2001 through June 30, 2006. The recovery periods are either 12 or 24 month increments beginning with the effective date of the first surcharge (September 1, 2003) and ending August 31, 2007.
- 290.6 At the end of each surcharge recovery period any over/under collected amount will carry forward to the next recovery period amount. At the end of the final surcharge recovery period the Carrier will perform a reconciliation and true-up of the surcharge collected and actual expenditures. Shippers will be refunded/invoiced on a pro-rata basis of Barrels shipped during the entire recovery period. A surcharge balance that equates to less than 0.01 cents per Barrel will be retained/absorbed by Carrier.

ITEM 295 – ULTRA-LOW SULFUR DIESEL (ULSD) RECOVERY FEE

- 295.1 To recover the costs of complying with the Environmental Protection Agency's (EPA's) regulation of 40 CFR Part 80 Subpart I, Carrier has established a diesel handling fee for the recovery of prudently incurred costs necessary for Carrier to facilitate the handling of diesel products.
- 295.2 The ULSD Recovery Fee is published in Carrier's local and joint pipeline tariffs.
- 295.3 The ULSD Recovery Fee will be in effect ten years from the effective date of the applicable rate tariffs. Capital investment costs related to handling these diesel products will not be included in Carrier's ratebase. Within 60 days of the end of each annual period following effectiveness of the Fee, Carrier will assess the previous year's applicable actual volumes and costs and thereafter file to adjust the ULSD Recovery Fee accordingly.
- 295.4 At the end of each recovery fee period any over/under collected amount will carry forward to the next recovery period amount. At the end of the final recovery fee period the Carrier will perform a reconciliation and true-up of the fee collected and actual expenditures. Shippers will be refunded/invoiced on a pro-rata basis of Barrels shipped during the entire recovery period. A fee balance that equates to less than 0.01 cents per Barrel will be retained/absorbed by Carrier.

EXPLANATION OF REFERENCE MARKS

[I]	Increase
[U]	Unchanged rate
[W]	Word Change
①	<p>A current copy of Carrier's <u>Customer Information Manual</u> is located on Carrier's website using the following procedure:</p> <ul style="list-style-type: none">• Access Website www.plantation-ppl.com• Select <u>Customer Information Manual</u> located under General Operations.• The current copy of this manual is dated [W] April 1, 2007

PLANTATION PIPE LINE COMPANY
 F.E.R.C. No. 125, RULES AND REGULATIONS TARIFF

