

# MARATHON PIPE LINE LLC

## LOCAL TOLL

### NAMING LOADING AND TRANSFER CHARGE

APPLYING ON

### CRUDE PETROLEUM

AT

### WOOD RIVER TERMINAL AND BARGE DOCK FACILITY

The **toll rate** for the transfer and loading of CRUDE PETROLEUM are governed by the rules and regulations contained within this tariff.

Carrier will transfer CRUDE PETROLEUM from its tankage at Wood River, Illinois, and load same into barges through its terminal and dock facilities at Wood River, Illinois, at the rate of [I] 159.33 cents per barrel of 42 U.S. Gallons.

- [I] Increase
- [W] Change in wording only
- [U] Unchanged Rate

---

**ISSUED MAY 24, 2019**

**EFFECTIVE JULY 1, 2019**

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

**ISSUED BY**  
[W] ~~T. J. AYDT~~ **S. M. LYON**, President  
MARATHON PIPE LINE LLC  
539 South Main Street  
Findlay, Ohio 45840

**COMPILED BY**  
**A. J. HELDMAN**  
MARATHON PIPE LINE LLC  
539 South Main Street  
Findlay, Ohio 45840  
(419) 421-4048  
ajheldman@marathonpetroleum.com

# RULES AND REGULATIONS

This Carrier will undertake the Transportation of Crude Petroleum as defined herein, receiving and delivering the same through its own facilities and lines, and, where applicable, lines of connecting carriers, subject to the following rules and regulations:

## 1. Definitions

As used in these rules and regulations, the following meanings are applicable:

“API MPMS” means American Petroleum Institute Manual of Petroleum Measurement Standards.

“Barrel” means forty-two (42) United States gallons.

“Carrier” means and refers to Marathon Pipe Line LLC and, where applicable, other carriers participating herein.

“Crude Petroleum” means either the direct liquid products of oil wells, or a mixture of the direct liquid products of oil wells with the indirect liquid products of oil or gas wells including gasoline and liquefied petroleum gases, all of which are of merchantable quality when the API gravity is 50.9 degrees or less.

“Dock” is Carrier’s dock facility located in Wood River, Madison County, Illinois.

“High Gravity Petroleum” means either the direct product of oil wells, or a mixture of the direct liquid products of oil wells with indirect liquid products of oil or gas wells including gasoline and liquefied petroleum gases, all of which are of merchantable quality with an API gravity of 51 degrees through 78.9 degrees.

“Nomination” means a written designation by a Shipper to the Carrier of an approximate quantity of Crude Petroleum 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.

“Nomination Date” means the twentieth (20th) day of the month preceding the Operating Month.

“Operating Month” for a Shipper or Transferor means any calendar month in which the Carrier either transports Crude Petroleum or recognizes and records a change in ownership of Crude Petroleum for the account of such party. For purpose hereof the calendar month shall be deemed to begin on the first day of such month at 7:00 a.m. (Central Time).

“Shipper” means the party who contracts with the Carrier for the Transportation of Crude Petroleum subject to and in accordance with these rules and regulations subject to the rate on the applicable tariff.

“Tender” means an offer by a Shipper to the Carrier of an approximate quantity of Crude Petroleum for Transportation from a specified origin point(s) to a specified destination point(s).

“Transferor” means the party who requests the Carrier to recognize and record a change in ownership of Crude Petroleum from its account to a designated Transferee’s account.

“Transportation” means gathering at a specified location and/or terminaling service at a specified location and/or movement from a specified origin point(s) to a specified destination point(s).

## 2. Shipments of High Gravity Petroleum

High Gravity Petroleum will be received for Transportation only on condition that it shall be mixed with Crude Petroleum in the Carrier’s tanks or lines and provided that both the High Gravity Petroleum and the Crude Petroleum with which it is to be mixed are owned by the same Shipper or Consignee and are consigned in the same destination. Carrier reserves the right to reject deliveries of High Gravity Petroleum with a vapor pressure in excess of twelve (12) pounds per square inch as outlined in Item No. 6 herein.

## 3. Deductions and Quantities Deliverable of High Gravity Petroleum

All shipments of High Gravity Petroleum shall be subject to a deduction to cover the shrinkage resulting from the mixing thereof with Crude Petroleum according to the following table:

API GRAVITY	% DEDUCTION
51.0° through 78.9°	1

The quantity deliverable by Carrier shall be the net corrected volume, less the applicable deduction for shrinkage. Transportation charges will be assessed on the net balance thus reduced. After the High Gravity Petroleum has been so received and provisions for deductions made, any resultant mixture of “Crude Petroleum” and “High Gravity Petroleum” will be considered as Crude Petroleum for purposes of reference hereafter in this tariff.

#### **4. Commodity**

Carrier is engaged primarily in the Transportation of Crude Petroleum and will not accept any other commodity for Transportation under tariffs making reference hereto. Crude Petroleum Tendered for Transportation which differs in quality or characteristics from that usually transported by the Carrier, will, at the option of the Carrier, be transported under such terms as the Shipper and the Carrier may agree. Such shipments will only be considered when they can be transported, as time permits, with existing facilities and when they will not seriously impair the quality of other shipments.

#### **6. Quality of Crude Petroleum**

Carrier will accept for Transportation Crude Petroleum which can be commingled or intermixed with a grade of Crude Petroleum which Carrier regularly transports between the origin and destination points without substantially reducing the value or altering the quality of any grade of Crude Petroleum regularly transported over the route of shipment.

Carrier will accept Crude Petroleum for Transportation only on condition that Carrier shall not be liable to Shipper for changes in gravity or quality of the Shipper's Crude Petroleum which may occur from commingling or intermixing such Crude Petroleum with other Crude Petroleum in transit. The Carrier is not obligated to deliver to Shipper the identical Crude Petroleum Tendered by the Shipper. However, the Carrier will deliver a grade of Crude Petroleum as nearly like the grade of Crude Petroleum received as Carrier is regularly transporting as a common stream to the same destination point in the Operating Month.

Carrier will from time to time determine which grades of Crude Petroleum it will regularly transport as a common stream between particular receipt points and destination points on its pipeline System. Carrier will inform all interested persons of such determination upon request. Carrier may from time to time undertake to transport other or additional grades of Crude Petroleum and the Carrier may from time to time, after giving reasonable notice to persons who may be affected, cease to transport particular grades of Crude Petroleum.

Carrier will also accept for Transportation a grade of Crude Petroleum which does not meet the above conditions of this Item, provided that:

- (a) Carrier has available facilities to segregate such grade of Crude Petroleum while it is in transit from all other grades of Crude Petroleum and if required, Shipper shall provide such buffers as Carrier solely deems necessary; and
- (b) Carrier shall not be liable to Shipper for changes in the gravity or quality of such grade of Crude Petroleum while in transit: and
- (c) The Crude Petroleum Tendered for Transportation is made available at the receipt point in sufficient quantity as Carrier solely deems economically justifiable.

Carrier reserves the right to reject all Tenders of Crude Petroleum when, in Carrier's sole determination:

- (1) the Reid vapor pressure of the Crude Petroleum or any mixture thereof with indirect products, exceeds twelve (12) pounds at one hundred degrees Fahrenheit (100°F) and/or an API gravity in excess of 78.9 degrees;
- (2) the true vapor pressure of the Crude Petroleum, or any mixture thereto with indirect products, might result in Carrier's noncompliance with Federal, State, or local requirements regarding hydrocarbon emissions;
- (3) the Crude Petroleum contains impurities exceeding one-half (1/2) of one percent (%);
- (4) the Crude Petroleum has been partially refined;
- (5) the Crude Petroleum has been contaminated by the presence of any chemicals including, but not limited to, chlorinated and/or oxygenated hydrocarbons and lead;

Crude Petroleum delivered to Carrier's facilities which does not meet specifications shall be considered contaminated. If upon investigation, Carrier determines that a Shipper has delivered to Carrier's facilities contaminated Crude Petroleum, such Shipper will be excluded from further entry into applicable segments of the System until such time as quality specifications are met. Further, Carrier reserves the right to dispose of any contaminated Crude Petroleum blocking its System, provided such Crude Petroleum is not removed by the Shipper having title thereto upon reasonable notice to it by Carrier. Disposal thereof may be made by public sale if necessary.

The Carrier shall have no responsibility relative to the revaluations or settlements among Shippers and/or Transferors due to the mixing of component parts of Crude Petroleum streams between the receipt point and delivery point of such streams by the Carrier. The Carrier will however furnish to Shipper or its representative, such data as Carrier and Shipper shall agree as to the properties of Crude Petroleum received into and delivered out of the respective common streams.

## **7. Additives**

Carrier reserves the right to require, approve or reject the injection of corrosion inhibitors, viscosity or pour point depressants or other such additives in the Crude Petroleum to be transported.

## **8. Title**

A Tender of Crude Petroleum for Transportation shall be deemed a warranty of unencumbered title and merchantability at the time of Tender. The Carrier may, in the absence of adequate security, decline to receive any Crude Petroleum for Transportation.

## **9. Intrasystem Change in Ownership**

Notice of change in ownership of Crude Petroleum will be recognized and recorded only where such Crude Petroleum entered the Carrier's System and only on a monthly basis. Statements denoting ownership transactions will be provided to the applicable Transferors and Transferees. The Carrier will not provide any information as to the quality of the Crude Petroleum subject to changes in ownership except for gravity on current receipts when requested. Each Transferor will be charged **[I]** four and one hundredths cents (4.01¢) per barrel for recognizing and recording the change in ownership and, if required, shall pay said charge prior to the recognizing and recording of such change. The Transferor, at Carrier's option, shall provide an irrevocable letter of credit satisfactory to the Carrier prior to the recognizing and recording. The recognition by the Carrier of a change in ownership of Crude Petroleum requires the recording thereof, and the Carrier is entitled to a lien for all such charges and fees.

The Carrier shall not be obligated to recognize and record changes in ownership of Crude Petroleum during any Operating Month unless the Transferor and Transferee requesting the Carrier to recognize and record the change in ownership shall, each, on or before the Nomination Date provide written notice to the Carrier containing like data relative to the kind, quantity, source, location, Transferor and Transferee of the Crude Petroleum. The Carrier shall not be obligated to accept any modification in said notice unless confirmed in writing by the Transferor and Transferee on or before the last day of the calendar month preceding the Operating Month.

When the quantity of the Crude Petroleum received during the Operating Month is not equivalent to the quantity of the Crude Petroleum subject to the notice of change in ownership, the Carrier will recognize and record the change in ownership only to the extent of the quantity received.

A notice of change in ownership of Crude Petroleum shall be deemed: (1) a warranty that the Transferor has unencumbered title to the Crude Petroleum identified in its notice at the time of change in ownership, and (2) a representation that the change in ownership is effective on the first day of the Operating Month.

The Carrier may, in the absence of adequate security, decline to recognize and record any change in ownership of Crude Petroleum.

## **10. Time for Submitting Nominations**

The Carrier is under no obligation to accept a Tender of Crude Petroleum for shipment for any Operating Month unless the Shipper submits its Nomination to the Carrier on or before the Nomination Date.

## **11. Apportionment when Nominations are in Excess of Facilities**

When there shall be nominated to Carrier for Transportation more Crude Petroleum than can be immediately transported, based on the capacity of the system or any line segment thereof, the following proration policy will apply:

### **I. Definitions**

"Base Period" is the 24-calendar month period one month prior to the Calculation Month.

"Base Shipment Ratio For The Dock" is the value determined by dividing the volume of Crude Petroleum and all other refined products (commodities) moved for a Shipper over the Dock during the Base Period by the total Crude Petroleum and all other refined products (commodities) moved over the Dock for all Shippers during the Base Period.

"Binding Nominations": For any month, if the Carrier determines the Nominations exceed the line segment's capacity, then the Carrier will notify each Shipper and provide each Shipper an opportunity to reduce its Nomination, which shall be considered a Binding Nomination. If a Shipper does not submit a reduced Nomination then its initial Nomination shall be considered its Binding Nomination.

"Calculation Month" is the calendar month immediately preceding the Proration Month, during which allocations for the Proration Month will be determined.

"Proration Month" is the calendar month for which capacity is being allocated.

A "Regular Shipper" is any Shipper having a record of movements, in the line segment being prorated, during the Base Period.

A "New Shipper" is any Shipper who is not a Regular Shipper.

## **II. Proration Procedures for Dock**

When Binding Nominations for any month exceed the capacity of the Dock, such capacity shall be allocated among Shippers by the following procedure:

- (1) The capacity allocated to each Shipper will be determined by multiplying each Shipper's Base Shipment Ratio For The Dock times the capacity of the Dock being prorated during the Proration Month. If none of the Shippers have a Base Shipment Ratio For The Dock, the capacity of the Dock shall be allocated based upon Binding Nominations on a prorated basis.
- (2) If the result of the calculation in Item 11 II (1) for a Shipper is greater than that Shipper's Binding Nomination for the capacity of the Dock then that Shipper's allotted capacity will be reduced to equal its Binding Nomination of the capacity of the Dock. The remaining capacity of the Dock shall be allocated among prorated Shippers and all other prorated shippers of other products in proportion to their Base Shipment Ratio For The Dock.
- (3) If the result of the calculation in Item 11 II (1) for a Shipper is less than twenty thousand (20,000) Barrels, the Shipper will be considered a New Shipper.
- (4) New Shippers will be included in the allocation of the capacity of the Dock. Since New Shippers will have a Base Shipment Ratio For The Dock of zero, they will be allocated remaining capacity of the Dock based upon Binding Nominations on a prorated basis. At least one (1) twenty thousand (20,000) Barrel space will be available for the collective New Shippers and all other new shippers of other refined products (commodities) and such space will be allocated, if necessary, utilizing a lottery system.

The lottery system will be administered in the following manner:

New Shippers will be assigned a number from a list of numbers that was randomly generated for each month of a twelve month period. The first New Shipper nomination received, based on date and time nomination was received will be assigned the first number on the list of randomly generated numbers and the second New Shipper nomination received will be assigned the second number on the randomly generated list and so on. The New Shipper that has the lowest randomly generated number, for the month being prorated, will receive the New Shipper allotment of twenty thousand (20,000) Barrels for that month.

If there is a lottery, the random number listing utilized to award the allotment will be published on our Web site at [www.marathonpipeline.com](http://www.marathonpipeline.com) within twenty four (24) hours of the completion of the lottery process and will remain posted for thirty (30) days.

- (5) If a Shipper Tenders a volume greater than or equal to ninety-five percent (95%) of its Binding Nomination, then such Shipper will be invoiced based on its delivered volumes. If a Shipper Tenders less than ninety-five percent (95%) of its Binding Nomination then such Shipper shall be invoiced for its delivered volumes that month, plus the product of the applicable tariff and volume equal to the difference between the actual volume Tendered and a volume equal to ninety-five percent (95%) of the Shipper's Binding Nomination or the Shipper's prorated Binding Nomination, as adjusted by further prorating or operational factors.

## **III. General**

In no event will any portion of an allocation granted to a New Shipper be used in such manner that it will increase the allocation of another Shipper beyond what he is entitled to under this Proration Policy. Carrier may require a Shipper to give the final refinery destination of the Crude Petroleum being Nominated and may reject the Nomination of a potential New Shipper to a refinery destination for which a Regular Shipper is already making a Nomination if, in the sole judgment of the Carrier, the purpose of the New Shipper's Nomination is to circumvent the requirements of this Proration Policy. Carrier may also require written assurances from responsible officials of Shippers regarding use of allocated capacity stating that these Proration Policy requirements have not been violated. In the event any New Shipper shall, by any device, scheme or arrangement whatsoever, make available to another Shipper or in the event any Shipper shall receive and use any capacity from a New Shipper through violation of this requirement, the allocated capacity for both Shippers will be reduced to the extent of the excess capacity so made available or used in the shipping cycles next following discovery of the violation which are under proration.

When nominations submitted by Shippers to Carrier on or before the Nomination Date do not exceed the capacity of the system or any line segment thereof, additional Nominations may be accepted by the Carrier to fill capacity. These additional Nominations will be accepted only if they do not impair the movement of Crude Petroleum Nominated on or before the Nomination Date.

## **12. Minimum Tender-Minimum Delivery**

Barge loading "Tenders" must be a minimum batch size of twenty thousand (20,000) Barrels.

## **13. Reserved for Future Use**

## **14. Measuring, Testing and Deductions**

All Crude Petroleum accepted by Carrier for Transportation shall be gauged or metered and tested by a representative of the Carrier prior to its receipt and upon delivery. The Shipper shall have the privilege of being present or represented at the gauging or metering or testing. If tank tables are used, quantities will be computed from regularly compiled tank tables showing one hundred percent (100%) of the full capacity of the tanks. All tank measurements will comply with API MPMS Chapter 3.1A.

Whenever there is substantial evidence of meter malfunctions in a custody transfer measurement, the parties involved in the custody transfer shall negotiate an appropriate adjustment on the basis of the most reliable and accurate information available.

Quantities for receiving, delivering, assessing charges and all other purposes will be based on the latest addition of API MPMS. Deductions will be made for the full percent of basic sediment, water and other impurities shown by tests made by Carrier at time of receipt and upon delivery. All testing for basic sediment, water and other impurities will be based upon API MPMS Chapter 10.4, with sample acquisition via the Carrier installed automatic in-line sampler and operated in accordance with API MPMS Chapter 8.2.

Carrier shall account to each Shipper for one hundred percent (100%) of Crude Petroleum received for its account. Other Carriers participating in tariffs which make specific reference to this tariff may make adjustments for shortages in their pipeline systems. The authority and amount of any adjustment may be found in the rules and regulations of the participating Carriers.

## **15. Acceptance of Delivery**

On 24 hours' notice to Shipper, Carrier may begin delivery of a shipment to Shipper at its current rate of pumping. If all of such shipment cannot be received by Shipper, a demurrage charge of [U] one cent (1¢) per barrel per 24 hours shall accrue, from the time said notice expires, on that part of such shipment which is not received by Shipper.

If a Shipper is not able to receive Crude Petroleum from Carrier at the time when Carrier has scheduled a delivery, and if Carrier has no means of withholding delivery of such Crude Petroleum, then Carrier shall have the right to clear its line and sell such Crude Petroleum and apply the proceeds thereof to accrued Transportation charges and all other lawful charges and fees which shall be due as if delivery of such Crude Petroleum had been made at the rate specified in the applicable tariff; and to hold the balance of such proceeds for whomsoever may be entitled thereto.

The Shipper shall furnish, at its own expense, all labor required for loading at the Dock, including connecting and disconnecting. The Carrier will not provide Crude Petroleum storage and has the right to require Shipper, upon 24 hours' notice from the Carrier, to transport their Crude Petroleum by pipeline if Shipper's barge is not available to load when the Crude Petroleum becomes available. The Carrier will not provide any barge storage facilities and no provision will be made for barge deballasting or water bottom treating. Shipper shall indemnify and hold the Carrier harmless against any and all claims (whether made by the vessel owner or any party) for demurrage or any other charges arising out of any delay of such vessel except to the extent such delay is solely caused by the negligence of the Carrier.

## **16. Reserved for Future Use**

## **17. Destination**

All Crude Petroleum in Carrier's system shall at all times have a destination. Change in destination may be made if requested in writing by the Shipper prior to delivery at original destination point, subject to the rate, rules and regulations applicable from point of origin to point of final destination, provided that no out-of-line backhaul movement will be made.

## **18. Rate Applicable**

Crude Petroleum transported shall be subject to the rates, and governed by the rules and regulations in effect on date such Crude Petroleum is received by the Carrier.

## **19. Reserved for Future Use**

**20. Charge for Spill Compensation**

In addition to the Transportation charges and all other charges accruing on Crude Petroleum accepted for Transportation, per barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against the Carrier in connection with such commodity, pursuant to any Federal, State or local act or regulation which levies a tax, fee, or other charge, on the receipt, delivery, transfer or Transportation of such commodities within their jurisdiction for the purpose of creating a fund for the prevention, containment, clean up and/or removal of spills and/or the reimbursement of persons sustaining loss therefrom. If a charge is to be established, it will be reimbursed under current toll charges.

**21. Payment of Charges**

The Shipper or Transferor shall be obligated to pay Carrier all charges and fees upon Carrier's performance of the designated service(s). Payment of such charges and fees shall be made in accordance with invoice terms and these rules and regulations. The Carrier may, at its option, require the Shipper or Transferor to pay all such charges and fees in advance or to provide an irrevocable letter of credit satisfactory to the Carrier.

Carrier is entitled to a lien for all unpaid accrued charges and fees. Such lien attaches to any Crude Petroleum retained by Carrier for the Shipper's or Transferor's account. Carrier may, at its option, refuse to: (1) deliver to the Shipper, or (2) recognize and record any change in ownership of Crude Petroleum for the account of a Transferor until all charges or fees owed to Carrier have been paid in full by such party.

If any charge remains unpaid after the payment due date, then such amount due shall bear interest calculated at an annual rate equivalent to 125% of the base lending rate of interest charged by the Citibank N.A. of New York, New York, for loans made to substantial and responsible commercial borrowers from the payment due date of the invoice to the date payment is received by the Carrier.

If any such charges or fees remain unpaid for thirty (30) calendar days after the payment due date, the Carrier shall have the right, either directly or through an agent, to sell any of the Shipper's or Transferor's Crude Petroleum within the custody of the Carrier. From the proceeds of this sale, Carrier will deduct all Transportation charges, change in ownership charges, other lawful charges and fees and interest due to Carrier, including expenses incident to said sale, and the balance of the remaining proceeds, if any, shall be held by Carrier for whomsoever may be lawfully entitled thereto. If proceeds from such sale are not sufficient, Shipper or Transferor will remain liable for any deficiency including the above interest charges.

**22. Liability of Carrier**

Carrier, while in possession of any Crude Petroleum will not be liable for any loss thereof, damage thereto, or delay caused by the act of God, the public enemy, quarantine, the authority of law, strikes, riots or the act or default of the Shipper, or from any other cause not due to the negligence of Carrier. In the event there is any loss of Crude Petroleum other than through the negligence of the Carrier, the Shipper(s) whose Crude Petroleum has been Tendered to the Carrier and scheduled for Transportation over that segment of the System in which the loss occurs shall bear such loss in the same proportion that the amount of its Tendered Crude Petroleum scheduled for Transportation over such segment at the time of the loss bears to the total amount of Crude Petroleum then Tendered and scheduled for Transportation over such segment. Such Shipper(s) shall be entitled to receive only such remaining portion of its Tender as is left after deducting its due portion of the loss.

**23. Claims, Suits, Time for Filing**

As a condition precedent to recovery for loss or damage, claims must be filed in writing with the Carrier within ninety (90) days after delivery of the property, or, in case of failure to make delivery, then within ninety (90) days after a reasonable time for delivery has elapsed; and suits must be instituted against the Carrier within two (2) years and one (1) day from the day that the notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim or any part or parts thereof. Where claims are not filed or suits are not instituted in accordance with the foregoing provisions, Carrier is not liable and such claims will not be paid.

**24. Reserved for Future Use****25. Pipeage or Other Contracts Required**

Separate pipeage and other contracts in accord with this tariff and these rules and regulations covering further details may be required by the Carrier before any duty for Transportation