

# BP Midstream Partners LP

## LOCAL AND PROPORTIONAL TARIFF

Applying on the Transportation of

### PETROLEUM PRODUCTS

The rates named in this tariff are for the transportation of Petroleum Products by Carrier, subject to the rules and regulations published herein.

**TABLE 1: RATES**

Rates in Cents per Barrel of 42 United States Gallons

TO	FROM
	BP's Whiting Refinery (Lake County, IN)
	RATES
South Bend Terminal (St. Joseph County, IN)	[U] 69.88
Jackson Terminal (Jackson County, MI)	[U] 136.92
Dearborn Terminal (Wayne County, MI)	[U] 139.74
River Rouge Terminal (Wayne County, MI)	[U] 139.74
Detroit (Buckeye) Terminal (Wayne County, MI)	[U] 139.74

~~[C] Issued under authority of 18 CFR § 341.6 (Adoption of tariff by a successor). Effective October 30, 2017, BP Midstream Partners LP hereby adopts and makes its own, the tariff rates, rules and regulations of BP Pipelines (North America) Inc. for transportation movements from Whiting, Indiana to destinations in Indiana and Michigan. The tariff has been brought forward unchanged from BP Pipeline (North America) Inc.'s F.E.R.C No. 282.12.0.~~

~~[C] Issued on less than one (1) day's notice under authority of 18 CFR § 341.14 (Special Permission). This tariff is conditionally accepted for filing subject to refund pending a thirty(30) day review period.~~

- [C] Cancel
- [N] New
- [U] Unchanged Rate

ISSUED OCTOBER 31, 2017

EFFECTIVE DECEMBER 1, 2017

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

Compiled and Issued by:  
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## **RULES AND REGULATIONS**

Petroleum products will be transported through carrier's facilities only as provided in these rules and regulations.

### **ITEM NO. 5 ABBREVIATIONS AND DEFINITIONS**

As used in these rules and regulations, the following terms have the following meanings:

"a.m." means a time of day after midnight and before noon.

"Barrel" means forty-two United States gallons.

"Carrier" means and refers to BP Midstream Partners LP.

"p.m." means a time of day after noon and before midnight.

"Petroleum Products" means gasoline [W] and, petroleum oil distillates [C] and biofuel blends of commercially acceptable character.

"RFG" means reformulated gasoline pursuant to 40 C.F.R., Part 80, Subpart D.

"Nomination" means an application by a Shipper to the Carrier for transportation of a stated quantity of Petroleum Products from a specified origin or origins to a specified destination or destinations in accordance with these rules and regulations.

"Tender" means delivery of Petroleum Products to Carrier for Shipment

"ULSD" means ultra-low sulphur diesel fuel with sulphur levels 15 parts per million or lower pursuant to 40 C.F.R., Part 80, Subpart I.

### **ITEM NO. 10 COMMODITY**

Under this tariff the Carrier is engaged in the transportation of Petroleum Products by pipe line and will not accept any other commodity for transportation.

### **ITEM NO. 15 NOMINATIONS**

Petroleum Products will be accepted for transportation only on properly executed Nominations, as defined in Item 5. Shippers desiring to tender Petroleum Products for transportation shall make in writing a separate Nomination for each calendar month on or before the 15th day of the preceding month with weekly updates provided on the Monday of the week preceding the shipment. The Nomination will be accepted only when the total quantity covered by such Nomination will be made available for transportation within the calendar month.

### **ITEM NO. 20 QUANTITIES**

Petroleum Products will be accepted from facilities to which the Carrier is connected in shipments of not less than 5,000 barrels of the same kind, quality, and characteristics from one point of origin for delivery at one destination unless operating conditions as determined solely by Carrier permit smaller batch sizes.

### **ITEM NO. 25 QUALITY**

(a) No Petroleum Products will be accepted for transportation except good merchantable Petroleum Products of acceptable character readily susceptible of transportation through Carrier's existing facilities, and which will not materially affect the quality of shipments being transported, or cause a disadvantage to any other Shipper.

(b) Subject to the foregoing, Carrier will, to the extent permitted by its existing facilities, endeavor to segregate such Petroleum Products during transportation and to make delivery of substantially the same Petroleum Products at destination; provided that Carrier may require Shipper to make such Petroleum Products available to Carrier in such quantities and at such specified times as may be necessary to permit such segregated movements via its existing facilities.

(c) The current Carrier quality policy is published in the Carrier's Whiting to River Rouge Product Quality Assurance Manual, dated October 30, 2017. All Tenders must be in compliance with the policies stated in the current version of this manual. The manual can be obtained from Carrier's Oil Movements Manager at the address listed in Item 30.

**ITEM NO. 30 ORIGIN AND DESTINATION FACILITIES**

(a) Shipper shall furnish pumping facilities of sufficient capacity to move said Petroleum Products to Carrier's origin station at Carrier's scheduled pumping rate, provided however, that the Carrier may for its convenience operate at pumping rates less than scheduled rate.

(b) No duty to transport will arise until evidence satisfactory to the Carrier, such as an executed connection agreement, has been furnished that Shipper has provided necessary facilities to which Carrier is connected at destination capable of receiving at the scheduled pumping rate, and has made necessary arrangements for accepting delivery of shipments promptly on arrival at destination.

(c) In the event Shipper or Consignee does not have adequate facilities available to receive Petroleum Products from the line without delay at the time any shipment or portion thereof arrives at a destination to which it is consigned, Carrier may reconsign said shipments or any undelivered portion thereof to a destination where facilities are available to receive it and Carrier shall not be liable for any damage, loss in transit, or loss in storage which may occur by reason of such reconsignment. Such reconsignment shall have the same effect as though requested by Shipper and Shipper shall pay transportation charges and all other charges from point of origin to actual final destination.

(d) Carrier's storage is limited to certain products. Shipper must provide adequate facilities at all origin and destination locations needed to deliver or receive segregated batches of any product at locations that Carrier does not normally provide service for that product. Information on the normal products that Carrier ships can be obtained by contacting Carrier's Oil Movements Manager at the following address: BP Midstream Partners LP, 4502 E. 41st Street, Suite 300, Tulsa OK 74135.

**ITEM NO. 35 MEASUREMENT AND DEDUCTIONS**

(a) Quantities for receiving, delivering, assessing charges and all other purposes will be corrected to a standard pressure and to a temperature of sixty degrees Fahrenheit, after deduction of impurities shown by tests made by the Carrier prior to receipt and upon delivery. Quantities will be determined by measurement devices where installed, otherwise quantities will be computed from tank tables compiled or accepted by the Carrier.

(b) Petroleum quantities transported may be adjusted to allow for inherent losses, including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. A deduction based on losses will be made to cover evaporation, interface losses and other normal losses during transportation.

(c) The net quantities as determined under paragraphs (a) and (b) of this item will be the amounts accountable at destination.

**ITEM NO. 40 RATES APPLICABLE**

Petroleum Products accepted for transportation shall be subject to the rates and charges in effect on the date of receipt of such Petroleum Products by the Carrier. Transportation and all other lawful charges will be collected on the basis of the net quantities of Petroleum Products delivered. All net quantities will be determined in the manner provided in Item 35.

**ITEM NO. 45 PAYMENT OF TRANSPORTATION AND OTHER CHARGES**

[N] (a) Transportation charges will be computed and collected at the rates provided herein, on the basis of the number of barrels of Petroleum Products delivered at destinations, after volume corrections as provided for in Item No. 35.

(b) All payments are due within 10 days of receipt of the invoice, unless the Carrier determines in a manner not unreasonably discriminatory that the financial condition of Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines in a manner not unreasonably discriminatory it is necessary to do so, in which case the payment due date shall be that specified in a written notice to the Shipper.

(c) If any charge remains unpaid after the due date specified in Carrier's invoice, then such amount due may accrue an interest penalty from the day after the due date until paid, calculated at a rate per annum equal to the U.S. prime rate as published in the Wall Street Journal plus two percent (2%) per annum, or, if less, the maximum interest rate permitted by Applicable Law. In addition Shipper shall pay all documented costs incurred by Carrier to collect any unpaid amounts, including but not limited to reasonable attorney fees.

(d) In the event Shipper fails to pay any such charges when due, Carrier shall not be obligated to provide Shipper access to Carrier's facilities or provide services pursuant to Carrier's tariff until such time as payment is received by Carrier and Shipper meets the requirements of the following paragraph. In addition, in the event Shipper fails to pay any such charges when due, Carrier shall have the right to setoff such amounts owed and future amounts owed against those amounts Carrier owes Shipper.

(e) In the event Carrier determines in a manner not unreasonably discriminatory that the financial condition of Shipper or Shipper's guarantor (if any) is or has become impaired or unsatisfactory or Carrier determines in a manner not unreasonably discriminatory it is necessary to obtain security from Shipper, Carrier, upon notice to Shipper, may require any of the following prior to Carrier's delivery of Shipper's Petroleum Products in Carrier's possession or prior to Carrier's acceptance of Shipper's Petroleum Products: (1) prepayment of all charges, (2) a letter of credit at Shipper's expense in favor of Carrier in an amount sufficient to ensure payment of all such charges and, in a form, and from an institution, acceptable to Carrier, or (3) a guaranty in an amount sufficient to ensure payment of all such charges and in a form, and from a third party, acceptable to Carrier. In the event, Shipper fails to comply with any such requirement on or before the date supplied in Carrier's notice to Shipper, Carrier shall not be obligated to provide Shipper access to Carrier's facilities or provide services pursuant to this tariff until such requirement is fully met.

(f) Carrier shall have a lien on all Petroleum Products delivered to Carrier to secure the payment of any and all transportation or any other charges that are owed Carrier. Such lien shall survive delivery of Petroleum Products to Shipper. Such lien shall extend to all Petroleum Products in Carrier's possession beginning with Shipper's first receipt of transportation or other services from Carrier. The lien provided herein shall be in addition to any lien or security interest provided by statute or applicable law. Carrier may withhold delivery to Shipper of any of Shipper's Petroleum Products in its possession and exercise any other rights and remedies granted under this tariff or existing under applicable law until all such charges have been paid as provided above.

(g) If Shipper fails to pay an invoice by the due date, in addition to any other remedies under this tariff or under applicable law, Carrier shall have the right, either directly or through an agent, to sell at a private sale any and all Petroleum Products of such Shipper in its custody at fair market value at the time of sale. The proceeds of any sale shall be applied in the following order: (A) To the reasonable expenses of holding, preparing for sale, selling, and to the extent allowed by law, reasonable attorney's fees and legal expenses incurred by Carrier; and (B) To the satisfaction of the Shipper's indebtedness including interest herein provided from the date of payment is due. The balance of the proceeds of the sale remaining, if any, shall be paid to Shipper or, if there is a dispute or claim as to entitlement, held for whoever may be lawfully entitled thereto.

~~[C]The Shipper or Consignee shall pay the transportation and other lawful charges accruing on Petroleum Products tendered for shipment and, if required, shall pay the same in advance of transportation or before delivery, or furnish guaranty of payment satisfactory to Carrier. Payment of such charges shall be made in accordance with invoice terms and these rules and regulations. The Carrier may withhold such Petroleum Products from delivery until all such unpaid charges shall have been paid. If said charges shall remain unpaid 30 days after the date set for payment in Carrier's invoice to Shipper, or, in the absence of unpaid charges, when there shall be failure to take the Petroleum Products at the destination point, the Carrier shall have the following option, in its sole discretion.~~

~~In circumstances in which Carrier can secure no storage facilities or other means of holding and maintaining Shipper's Petroleum Products, and inability to deliver Petroleum Products will cause a shutdown of a line segment of the Carrier's transportation facilities, Carrier may, without notice but in the~~

~~most commercially reasonable manner as is possible under the circumstances, dispose of Shipper's Petroleum Products. If such disposal shall result in proceeds after payment of Carrier's charges and expenses, proceeds shall be held for whomsoever may be entitled thereto. If such disposal does not result in proceeds, Shipper and Consignee shall remain liable for all charges due to Carrier and expenses incurred by Carrier.~~

#### **ITEM NO. 50 LIABILITY OF CARRIER**

(a) The Carrier, while in possession of any Petroleum Products, will not be liable for any loss thereof, or damage thereto, or delay, caused by an act of God, the public enemy, quarantine, the authority of law, or of public authority, strikes, riots, insurrection, inherent nature of the goods, or the act or default of the Shipper or Consignee or for any other cause not due to the negligence of the Carrier.

(b) Any losses of Petroleum Products will be charged proportionately to each Shipper in the ratio that his Petroleum Products, or portion thereof, received and undelivered at the time the loss occurs, bears to the total of Petroleum Products then in the custody of the Carrier for transportation via the lines or other facilities in which the loss occurs; and the Carrier will be obligated to deliver only that portion of such Petroleum Products remaining after deducting shipper's proportion of such loss determined as aforesaid. Transportation charges will be assessed only on the quantity delivered.

(c) Carrier will not be liable for discoloration, commingling, contamination, or deterioration of Petroleum Products resulting from the normal operation of a products pipe line system in batching various kinds of products, and the products so commingled or contaminated will be equitably apportioned among and delivered to the Shippers participating in the products cycle or cycles in which the commingling or contamination occurs.

#### **ITEM NO. 55 TITLE**

A Tender of Petroleum Products shall be deemed a warranty of title by the party tendering, but acceptance shall not be deemed a representation by the Carrier as to title. The Carrier may, in the absence of adequate security, decline to receive any Petroleum Products which is in litigation, or as to which a dispute over title may exist, or which is encumbered by any lien of which the Carrier has notice. Adequate security is considered to be Shipper's proof of perfect and unencumbered title or a satisfactory indemnity bond.

#### **ITEM NO. 60 TIME LIMITATION ON CLAIMS**

As a condition precedent to recovery for loss, damage, or delay to shipments, claims must be filed in writing with the Carrier within nine months and one day after delivery of the property, or in case of failure to make delivery then within nine months and one day after reasonable time for delivery, based on Carrier's normal operations, has elapsed; and suits shall be instituted against the Carrier only within two years and one day from the day when notice in writing is given by the Carrier to the claimant that the Carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, no Carrier hereunder will be liable, and such claims will not be paid.

#### **ITEM NO. 65 RFG COMPLIANCE**

By submitting to Carrier a Tender of Petroleum Products for transportation, Shipper certifies to Carrier that, as to any Petroleum Products which are required to be reformulated gasoline pursuant to 40 C.F.R. Part 80, Subpart D ("RFG Regulations"), the Shipper has a Quality Assurance Program ("QAP") for reformulated gasoline that has been properly designed and implemented pursuant to 40 C.F.R. 80.79(c). In cases in which the Shipper uses one or more connecting carriers prior to transfer of custody to Carrier, the Shipper certifies that its QAP includes appropriate measures to ensure that the product handled by the connecting carriers remains in full compliance with the RFG regulations. Upon Carrier's request, Shipper shall promptly provide Carrier with all pertinent documentation constituting and describing Shipper's QAP, including all pertinent sampling and testing results. Shipper shall cooperate fully with Carrier, with respect to providing documentation and otherwise, in instances in which Carrier seeks to rebut a presumption of liability under the Reformulated Gasoline Regulations. Shipper shall notify Carrier immediately upon learning that Petroleum Products Shipper has tendered for transportation are not in

compliance with the RFG Regulations. Carrier shall be free to refuse Tender for transportation any Petroleum Products which Carrier has reason to believe are not in compliance with the RFG Regulations.

With respect to the transfer of custody from Shipper to Carrier, Shipper acknowledges that it retains full responsibility for compliance with all of the product transfer document requirements specified at 40 C.F.R. 80.77 and 80.106. Given that Carrier is the only party in a position to verify the precise volume of product actually shipped, Carrier agrees to generate a document that provides the volume of gasoline which is being transferred to Carrier's custody. Carrier agrees to provide a copy of this document to Shipper. Carrier's agreement to generate a volume document in no way renders Carrier responsible for the generation of the required product transfer document.

**ITEM NO. 70 PRORATION PROCEDURES**

When there shall be tendered to the Carrier for transportation on the Carrier's pipeline system or any part thereof under applicable tariffs more Petroleum Products than can be currently transported, the transportation furnished by the Carrier shall be apportioned among Shippers in accordance with BP Midstream Partners LP Products Proration Policy dated October 30, 2017. Copies of this proration policy will be made available by Carrier's Oil Movement Office\*, upon request, to any Shipper or potential Shipper, either via the U.S. Mail or electronic mail.

\*Oil Movements Manager  
c/o BP Pipelines (North America) Inc.  
4502 E. 41st Street, Suite 300  
Tulsa, Oklahoma 74135  
bptariffs@bp.com

**ITEM NO. 75 ULSD COMPLIANCE**

Tenders for the transportation of ULSD products must be in compliance with the current version of the Carrier's Whiting to River Rouge Quality Assurance Manual, dated October 30, 2017. Copies of this manual will be made available by Carrier's Oil Movements Manager, either via the U.S. Mail or via facsimile copy at the address listed in Item 70.

**ITEM NO. 80 DIVERSION OR RECONSIGNMENT**

Diversion or reconsignment may be made without charge if requested in writing by the Shipper, prior to delivery at original destination, subject to the rates, rules and regulations applicable from point of origin to point of final destination, upon condition that no out-of-line or backhaul movement will be made.

**ITEM NO. 85 DELIVERY AND DEMURRAGE**

(a) Carrier will transport and deliver Petroleum Products with reasonable diligence and dispatch, but will accept no Petroleum Products to be transported in time for any particular market.

(b) After any shipment has had time to arrive at destination, and on twenty-four hour notice to consignee, Carrier may begin delivery at its current rate of pumping.

(c) Commencing after the first seven o'clock a.m. after expiration of said notice, a demurrage charge of one cent per barrel per day of twenty-four hours shall accrue on any part of said shipment offered for delivery and not taken as prescribed in paragraph (b) of this item. After expiration of said notice, Carrier's liability for loss, damage, or delay shall be that of warehouseman only.

**ITEM NO. 90 APPLICATION OF RATES FROM AND TO INTERMEDIATE POINTS**

For Petroleum Products accepted for transportation from any point on Carrier's lines not named in a particular tariff, which is intermediate to a point from which rates are published in said tariff, through such unnamed point, the rate published from the next more distant point specified in such tariff will apply. This is in accordance with 18 C.F.R. § 341.10.

**ITEM NO. 95 PIPEAGE CONTRACTS**

Separate pipeage contracts in accordance with this tariff and these regulations covering further details may be required of a Shipper before any duty to transport shall arise.

**ITEM NO. 100 LINE FILL AND TANK BOTTOM INVENTORY**

Prior to delivering barrels out of Carrier's pipeline system, each Shipper will be required to supply a pro rata share of Petroleum Products necessary for pipeline and tankage fill to ensure efficient operation of Carrier's pipeline system. Petroleum Products provided by Shippers for this purpose may be withdrawn only after: (1) Shipments have ceased and the Shipper has provided 60 days notification to Carrier in writing of its intention to discontinue shipments in Carrier's system, and (2) Shipper balances have been reconciled between Shipper and Carrier. Carrier shall have 60 days from the receipt of said notice to complete administrative and operational requirements incidental to Shipper withdrawal.