

BP Pipelines (North America) Inc.

LOCAL AND PROPORTIONAL TARIFF

APPLYING ON THE TRANSPORTATION OF

PETROLEUM PRODUCTS

As Defined Herein

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

TABLE OF RATES		
FROM	TO	Rates in Cents per Barrel of 42 United States Gallons
Dayton.....Ohio (Montgomery County)	Cincinnati.....Ohio (Hamilton County)	[I] 219.37
	Bromley.....Kentucky (Kenton County)	[I] 165.04
Bromley.....Kentucky (Kenton County)	Cincinnati.....Ohio (Hamilton County)	[I] 54.32

Filed in compliance with 18 CFR 342.3(Indexing).

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EFFECTIVE JULY 1, 2018

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

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RULES AND REGULATIONS

ITEM NO. 5 – ABBREVIATIONS AND DEFINITIONS

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

"API" means American Petroleum Institute.

"ASTM Color" means color determined by the American Society of Testing and Materials standard method of test ASTM Designation D-1500-64 or latest revision thereof.

"Barrel" means 42 United States gallons at 60 degrees Fahrenheit and zero psi gauge.

"Batch" means a quantity of petroleum products of like characteristics moved through the pipeline as an identifiable unit.

"Carrier" means BP Pipelines (North America), Inc. and other pipelines participating herein, if any.

"Consignee" means the party to whom a Shipper has ordered the delivery of Petroleum Products.

"F.E.R.C." means Federal Energy Regulatory Commission.

"IP" means the Institute of Petroleum.

"MPMS" means the Manual of Petroleum Measurement Standards.

"NACE" means the National Association of Corrosion Engineers.

"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.

"Operational Batch" means a batch of Petroleum Products meeting Carrier's specifications that may be commingled with other batches of Petroleum Products meeting the same specifications.

"Petroleum Products" means gasolines and petroleum oil distillates as further described in Item No. 15.

"PSIG" means pounds per square inch gauge.

"Shipper" means the party who contracts with the Carrier for transportation of Petroleum Products under the terms of this tariff.

"Tender" means delivery of Petroleum Products to Carrier for shipment.

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 - SPECIFICATIONS

(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 material affect the quality of shipments being transported, or cause a disadvantage to any other Shipper.

(b) Specification requirements for all products delivered into the pipeline are documented in Carrier's Miami Valley Pipeline Product Quality Assurance Manual dated January 1, 2016. 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 Products Movements Manager at the phone number listed in Item No. 80. Carrier may, but shall not be required to, sample and/or test any operational batch prior to acceptance (or during receipt) of operational batch. In the event of finding a variance from specification, Carrier reserves the right to reject such product.

ITEM NO. 20 – SEGREGATION AND VARIATIONS IN QUALITY AND GRAVITY

(a) Carrier shall not be liable for variation in gravity or quality of Petroleum Products occurring while in its custody, resulting from normal pipeline operations, and is under no obligation to deliver the identical Petroleum Products received. Carrier will not be obligated to deliver products in time to meet a specific market.

(b) Carrier has the right to recover any and all costs from a Shipper if a product Carrier has received from Shipper does not meet the pipeline specifications described in Item No.15, and has resulted in a pipeline shutdown or expenses resulting from the contaminated product.

(c) Subject to the foregoing, Carrier will, to the extent permitted by Carrier's facilities, endeavor to make delivery of substantially the same Petroleum Products at destinations; however, it being impractical to maintain absolute identity of each batch of Petroleum Products, reasonable substitution of barrelage of substantially the same specification of Petroleum Products will be permitted.

ITEM NO. 25 - MEASURING AND VOLUME CORRECTION

(a) Quantities at origin and destination shall be determined by meters. Volume shall be corrected from observed temperature and pressure to base conditions using a Type III calculation per API MPMS 11.1 – 2004 which is an Adjunct to: ASTM D1250-04 and IP 200/04 or latest revision thereof. Base condition shall be 60 degrees Fahrenheit at 0.0 psig. Full deductions will be made for all water and other impurities in products received or delivered. Shippers or Consignees shall have the privilege of being present or represented at the times of measuring and testing.

(b) Petroleum quantities transported will be adjusted to allow for inherent losses including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. The adjustment for losses or gains will be allocated among the Shippers in the proportion that the total number of barrels delivered out of the system for each Shipper bears to the total number of barrels delivered out of the system for all Shippers.

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

ITEM NO. 30 – MINIMUM BATCH

The minimum quantity of Petroleum Products which will be accepted, at point of origin by the Carrier from one Shipper for participation in an operational batch, shall be 5,000 barrels, except that Carrier shall have the option to move smaller batches when, in the opinion of the Carrier, the movement of smaller batches is necessary to achieve maximum utilization of its system between origin and destination.

ITEM NO. 35 - NOMINATIONS

Petroleum Products will be accepted for transportation only on properly executed Nominations, as defined in Item No.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. 40 - ORIGIN AND DESTINATION FACILITIES AND DISPOSITION OF PRODUCTS ON FAILURE TO ACCEPT DELIVERY

(a) Shipper shall furnish facilities to deliver Petroleum Products to the Carrier's manifold at origin stations at a pumping rate equal to Carrier's full line pumping rate, or injection rate if applicable, and at a minimum pressure of 30 psi gauge. Carrier will provide current information regarding maximum full line pumping rates upon request. Since full line pumping rate is subject to change, Carrier will provide notification to Shippers in the event that planned system modifications cause increased full line pumping rate revisions.

(b) Carrier 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. Terminals shall furnish adequate tankage at delivery points to handle scheduled volumes at specified delivery rates and adequate sized tanks so that the maximum back pressure at the terminus of Carrier's facilities shall not exceed 50 psig at the point of ownership change from the pipeline to the terminal. Carrier will provide current information regarding maximum full line pumping rates upon request.

(c) Shipper's receipt facilities at destination shall permit tank changes by terminal operator without interfering with operation of pipeline.

(d) No duty to transport will arise until evidence satisfactory to the Carrier has been furnished that Shipper has provided necessary facilities to which Carrier is connected at destination capable of receiving such shipments without delay, at pressures and at pumping rates required by Carrier, and has made necessary arrangements for accepting delivery of shipments promptly on arrival at destination.

(e) 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 take such Petroleum Products at destination as provided in paragraph (d) hereof, then and in such event Carrier shall have the right, to divert, reassign, or make whatever arrangements for disposition of the Petroleum Products it deems appropriate to clear its pipeline, including the right to sell the Petroleum Products at private sale for the best price obtainable. 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 for caring for and maintaining the Petroleum Products and the balance shall be held for whosoever may be lawfully entitled thereto.

ITEM NO. 45 - DIVERSION OR RECONSIGNMENT

Diversions, additions or deletions of batches may be made without charge if requested by the Shipper at least 48 hours prior to scheduled arrival at original destination (or by 1300 hours on Friday or the day prior to a holiday to cover the weekend, holiday(s) and next business day), 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 back-haul movement will be made.

ITEM NO. 50 – DELIVERY ADJUSTMENTS

It is inherent in the operation of a products pipeline that a commingled interface will occur between operational batches of different products. Carrier will make reasonable effort to hold such commingled interfaces to a minimum. Interfaces will be disposed of in the following manner:

(1) **Compatible Interfaces** - The interface occurring between products having similar basic physical characteristics (compatible interface) shall be divided equally between the shipments that precede and follow the interface. Carrier shall determine compatibility of interfaces. Carrier may divide the interface in unequal amounts in order to accommodate delivery or quality concerns.

(2) **Incompatible Interfaces** - The interface occurring between products having dissimilar basic physical characteristics, which cannot readily be absorbed into the shipments immediately preceding and following the interface (incompatible interface) shall be delivered into pipeline interface tankage at Bromley. The Shipper on the interface batch into Bromley storage shall be associated with the non-gas batch (typically diesel). The Carrier will inform the Shipper once their inventory in the interface tankage at Bromley is greater than 2,500 bbls. The Shipper shall nominate an interface batch (minimum of 2,500 bbls.) from Bromley to Cincinnati during the nomination cycle after notification from the Carrier. Shipper will coordinate with Cincinnati terminal operator to handle their interface batch.

(3) When a Shipper ships a product which can neither be blended, nor can absorb a blend of at least 5 percent of other conventional gasolines or distillates, that Shipper shall be required to accept delivery of the additional interface between two products. If the Shipper cannot accept delivery of interface with the tender, then the Shipper must provide space in an interface tank for the interface.

The provisions of Item No.30 with reference to minimum quantity will not apply to deliveries of product interfaces as provided in this item.

ITEM NO. 55 – TERMINAL AND PRIVILEGE RULES

Tenders transported under this tariff are entitled to such privileges and subject to such charges as are or shall be published by Carrier and as are lawfully in effect on date of shipment and lawfully on file with the Federal Energy Regulatory Commission, providing for reconsignment, storage, transit privileges, or any other privileges, charges or rules which in any way increase or decrease the amounts to be paid on any tender transported under this tariff, or which increase or decrease the value of the service to the Shipper.

ITEM NO. 60 – TRANSPORTATION CHARGES

(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 destination, after volume corrections as provided for in Item No. 25.

(b) Shipper shall be responsible for payment of transportation and all other charges applicable to the tender, and at the discretion of Carrier, may be required to prepay such charges or furnish guaranty of payment satisfactory to Carrier. Carrier's invoices will be sent to the Shipper of record and are due and payable upon receipt. Petroleum Products accepted for transportation shall be subject to the rates in effect on the date of receipt by Carrier, irrespective of the date of the tender. Carrier will have a lien on all Petroleum Products accepted for transportation to secure the payment of all charges, including demurrage charges, and may refuse to make delivery of the Petroleum Products until all charges have been paid. If said charges, or any part thereof, shall remain unpaid for five days as computed from the first seven o'clock a.m. after written notice is mailed to Shipper of Carrier's intention to enforce its lien as herein provided, Carrier shall have the right through an agent to sell said Petroleum Products. Carrier may be a bidder and purchaser at such sale. Out of the proceeds of said sale, Carrier shall pay itself for all transportation, demurrage, and other lawful charges, expenses of notice, advertisement, sale and other necessary expenses, and expenses of caring for and maintaining the Petroleum Products, and the balance shall be held for whomsoever may be lawfully entitled thereto; if the proceeds of said sale do not cover all expenses incurred by Carrier, the Shipper and/or consignee are liable to Carrier for any deficiency.

ITEM NO. 65 - 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. 70 – TITLE

An offer of Petroleum Products for tenders shall be deemed a warranty of title by the party offering, 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 are in litigation, or as to which a dispute over title may exist, or which is encumbered by any lien. Adequate security is considered to be Shipper's proof of perfect and unencumbered title or a satisfactory indemnity bond.

ITEM NO. 75 - 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 product, 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, Carrier hereunder shall not be liable, and such claims will not be paid.

ITEM NO. 80 – PRORATION OF PIPELINE CAPACITY

When there shall be tendered to the Carrier for transportation on the Carrier's pipeline system 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 Carrier's Proration Policy dated February 1, 2016. Copies of this proration policy will be made available by Carrier's Products Movement Manager*, upon request, to any Shipper or potential Shipper, either via the U.S. Mail or electronic mail.

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ITEM NO. 85 – LINEFILL 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.

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.

[I] Increase

[W] Change in wording only