MARKWEST LIBERTY ETHANE PIPELINE, L.L.C.

Local Pipeline Tariff

Containing RATES, RULES AND REGULATIONS

Applying on the Interstate Transportation of

ETHANE

From and To Points Named Herein

Filed in compliance with 18 C.F.R. § [W] § 342.2 and 342.4 342.3 (Indexing)

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

[N] SPECIAL PERMISSION REQUESTED

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Section I Rules and Regulations

ITEM NO. 5: DEFINITIONS

For the purposes of these Rules and Regulations, the following definitions shall apply:

"Barrel" means forty-two (42) United States gallons at sixty degrees Fahrenheit (60° F) and equilibrium vapor pressure.

"Carrier" means MarkWest Liberty Ethane Pipeline, L.L.C.

"Committed Shipper" means a Shipper that executed a TSA with Carrier and committed therein to ship or nonetheless pay for at least five thousand (5,000) Barrels of Ethane each Day on the System, for a term of at least fifteen (15) years.

"Day" means the twenty-four (24) hours between 10:00 a.m. Eastern Time and 10:00 a.m. Eastern Time the following day.

"Delivery Point" means the point or points on the System where Ethane is delivered to Shipper or its consignee, as specified in Section II of this tariff.

"Encumbered Ethane" has the meaning set forth in Item No. 10.

"Ethane" means and is limited to the liquid hydrocarbon product meeting the acceptance specifications prescribed in Item No. 100.

"Force Majeure" means, with respect to Carrier, an event that is unforeseen and beyond the reasonable control of Carrier that prevents Carrier from providing transportation services hereunder and which, by the exercise of due diligence, Carrier is unable to reasonably prevent, including, but not limited to: (a) acts of God or other unanticipated adverse weather conditions and actions of the elements not reasonably preventable by Carrier, including epidemics, landslides, lightning, earthquakes, fires, extreme temperatures, storms, washouts, hurricanes, floods; (b) acts of federal, state or local government or any agencies thereof, compliance with rules, regulations or orders of any Governmental Authority or any office, department, agency or instrumentality thereof, requisitions, directives, diversions, embargoes, priorities or expropriations of government or Governmental Authorities, legal or de facto, whether purporting to act under some constitution, decree, law or otherwise; (c) delayed actions, denials, rejections, failure to issue or delays in issuing certificates, permits, licenses, or any required approvals of any Governmental Authority, (d) inability or delays in obtaining right of ways, easements, materials, supplies or labor, (e) strikes, lockouts or other industrial disturbances; (f) acts of the public enemy, acts of terrorism, wars, blockades, insurrections, riots, arrests and restraint of rulers and people, civil disturbances; and (g) explosions, accidental disruption or breakdown of Carrier's System, machinery, pipe or other facilities that is not reasonably preventable, including the inability to obtain or delays in obtaining electric power, water, or fuel. It is understood and agreed that the settlement of strikes or differences with workers will be entirely within the discretion of Carrier.

"Governmental Authority" means any governmental, administrative or regulatory entity, authority, commission, board, agency, instrumentality, bureau or political subdivision, and any court, tribunal or judicial or arbitral body (whether national, federal, state or local or, in the case of an arbitral body, whether governmental, public or private), having jurisdiction over Carrier.

"Month" means the start of the first Day of a calendar month to the start of the first Day of the following calendar month.

"Monthly Deficient Barrels" means the difference between the Barrels of Ethane a Committed Shipper actually ships on the System during a Month and the Committed Shipper's Monthly Minimum Volume Commitment for such Month.

"Monthly Minimum Volume Commitment" means the volume of Ethane a Committed Shipper has committed to ship each Month on the System, as set forth in the Committed Shipper's TSA.

"Nomination," "Nominate" or "Nominating" means an offer by Shipper to Carrier of a stated quantity of Ethane for transportation from a specified Receipt Point(s) to a specified Delivery Point(s) pursuant to the terms of this tariff.

"Off-Spec Penalty" has the meaning in Item No. 100.

"Project In-Service Date" means January 1, 2014.

"Proration Month" means the Month for which capacity is to be allocated under Item No. 80.

"Receipt Point" means the point or points on the System where Ethane is received from Shipper or its consignee, as specified in Section II of this tariff.

"Shipper" means any party that ships Ethane on the System under the provisions outlined in this tariff.

"Shortfall Payment" has the meaning set forth in Item No. 115.

"System" means Carrier's pipeline system and related facilities necessary to transport Ethane pursuant to this tariff.

"Tender" or "Tendered" means the presentation by Shipper to Carrier of a stated quantity of Ethane for transportation from a specified Receipt Point to a specified Delivery Point.

"TSA" means a Transportation Service Agreement executed by a Committed Shipper and Carrier during the open season held by Carrier that commenced on November 8, 2013.

"Uncommitted Shipper" means a Shipper that is not a Committed Shipper.

ITEM NO. 10: ACCEPTANCE FREE FROM LIENS AND CHARGES

At the time of Nomination, Shipper shall inform Carrier if any Ethane Nominated and/or Tendered to Carrier for transportation may be: (i) encumbered by a lien or charge of any kind, (ii) may be involved in litigation or (iii) may be subject to a title dispute ("Encumbered Ethane"). When any Encumbered Ethane is Nominated for transportation, Carrier may require Shipper to provide one or more of the following: (i) satisfactory evidence of its perfect and unencumbered title of such product, (ii) satisfactory indemnity bond to protect Carrier against any or all loss, (iii) pre-payment of transportation charges, or (iv) a subordination agreement from the applicable lienholder. Carrier also has the right to refuse any shipment of Encumbered Ethane. By Nominating Ethane, Shipper agrees to hold Carrier harmless for any and all loss, cost, liability, damage and/or expense resulting from any title or lien issues; provided that acceptance for transportation shall not be deemed a representation by Carrier as to title.

ITEM NO. 15: APPLICATION OF RATES

Carrier shall assess transportation and all other lawful charges accruing on Ethane accepted for transportation at the rate in effect at the date Ethane is received for transportation on the System, irrespective of the date of the Nomination or the date of delivery.

ITEM NO. 20: APPLICATION OF RATES FROM INTERMEDIATE POINTS

For Ethane accepted for transportation from any point on Carrier's pipeline not named in its tariff(s), which is an intermediate point from which rates are published therein, through such unnamed point, Carrier will apply, from such unnamed point, the rate published therein from the next more distant point specified in the tariff. Within five (5) business days of Shipper Nominating to ship Ethane from any such point, Shipper shall notify Carrier if service is to be used on a continuous basis for more than thirty (30) Days, and Carrier will subsequently file a tariff applicable to the transportation movement.

ITEM NO. 25: APPLICATION OF RATES TO INTERMEDIATE POINTS

For Ethane accepted for transportation to any point on Carrier's pipeline not named in its tariff(s), which is intermediate to a point to which rates are published therein through such unnamed point, Carrier will apply to such unnamed point the rate published therein to the next more distant point specified in the tariff. Within five (5) business days of Shipper Nominating to ship Ethane from any such point, Shipper shall notify Carrier if service is to be used on a continuous basis for more than thirty (30) Days, and Carrier will subsequently file a tariff applicable to the transportation movement.

ITEM NO. 30: CLAIMS AND TIME FOR FILING

Notice of claims for loss or damage must be made in writing to Carrier within nine (9) Months after delivery of the Ethane, or in the case of a failure to make delivery, then within nine (9) Months after a reasonable time for delivery has elapsed. Suit against Carrier shall be instituted only within two (2) years and one (1) Day from the Day when notice in writing is given by Carrier to the claimant that 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, such claims will not be paid and Carrier shall not be liable.

ITEM NO. 35: FAILURE TO TAKE DELIVERY AT DELIVERY POINT

At any time after Carrier's receipt of Ethane from Shipper, Carrier may deliver such shipment to Shipper or its consignee at the Delivery Point, from Carrier's common stream at Carrier's current rate of pumping. Shipper shall remove Ethane, or cause Ethane to be removed, from Carrier's System upon its delivery to a Nominated Delivery Point. A demurrage charge of [U] one dollar (\$1.00) shall accrue for each Day and for each Barrel of Ethane offered for delivery by Carrier at the Nominated Delivery Point but not promptly taken by a Shipper. In the event that Shipper fails to promptly accept any shipment offered for delivery or any portion thereof, Carrier shall have the right, without liability to Shipper, to divert, reconsign, or make whatever arrangements for disposition of the subject Ethane that it deems appropriate to clear its System, including the right to sell the subject Ethane at private or public sale, and Shipper shall pay Carrier all charges associated with such disposition the same as if Shipper had authorized such, together with any associated additional costs and damages borne or incurred by Carrier, except to the extent that Shipper's failure to remove Ethane is caused by Carrier negligence, gross negligence or willful misconduct. Carrier may be a purchaser at any such sale. From the proceeds of any such sale, Carrier may pay itself all transportation and other charges and expenses in caring for and maintaining the subject Ethane and the costs of sale, and the balance shall be held for whomsoever may be lawfully entitled thereto.

ITEM NO. 40: IDENTITY OF SHIPMENTS

Carrier shall not be liable to Shipper for changes in gravity, specifications or quality of Shipper's Ethane that may occur from commingling or intermixing Shipper's Ethane with other Ethane in the same common stream while in transit, unless due to negligence of Carrier. Carrier is not obligated to deliver to Shipper the identical Ethane Nominated by Shipper; Carrier will deliver the Ethane it is regularly transporting as a common stream.

Carrier shall have no responsibility in, or for, any revaluation or settlements that may be deemed appropriate by Shippers and/or consignees because of mixing or commingling of Ethane between the receipt and delivery of such shipments by Carrier within the same common stream.

ITEM NO. 45 LIABILITY OF CARRIER

- 1. Carrier shall not be liable for, and Shipper hereby waives any claims against Carrier for, any loss or damage to Ethane prior to the delivery of Ethane at the Receipt Points and after delivery of Ethane at the Delivery Points. Additionally, Carrier shall not be liable to Shipper for any delay in delivery or for any loss of Ethane caused by Force Majeure. In no event shall Carrier be liable for any consequential or special damages sustained by Shipper. Any losses of Ethane shall be charged proportionately to each Shipper in the ratio that its Ethane or portion thereof, received and undelivered at the time the loss occurs, bears to the total of all Ethane then in Carrier's possession for transportation via the lines or other facilities in which the loss occurs, and Carrier shall be obligated to deliver only that portion of such Ethane remaining after deducting Shipper's proportion of such loss determined as aforesaid. Carrier shall prepare and submit a statement to Shipper and consignee, if any, showing the apportionment of any such loss.
- 2. Carrier operates under this tariff solely as a common carrier and not as an owner, manufacturer, or seller of the Ethane transported or stored hereunder, and Carrier expressly disclaims any liability for any expressed or implied warranty for Ethane transported or stored hereunder including any warranties of merchantability or fitness for intended use.

3. Carrier will not be liable for discoloration, contamination, or deterioration of Ethane transported except to the extent that such discoloration, contamination, or deterioration of Ethane transported results from the gross negligence of Carrier.

ITEM NO. 50: MEASUREMENT

- 1. All Ethane transported by Carrier will be measured at the applicable Receipt Point and Delivery Point(s), as well as at any other time deemed appropriate by Carrier, in accordance with applicable Carrier and industry accepted practices and procedures. All measurements and tests shall be performed by Carrier, but Shipper and any Consignee or their representatives may be present to witness such measurements and tests. Except as otherwise provided, Carrier shall not charge for such measurement and metering. Observed volumes of Ethane shall be corrected to net component volumes at 60° F and equilibrium vapor pressure by the use of flowing mass, a component analysis of a sample accumulated from the flowing stream, and component densities from the latest applicable GPA Standard. All measurements and tests performed by Carrier shall be determinative unless Shipper submits to Carrier within ninety (90) days of the date of the measurement and/or test, appropriate documentation contesting the measurement and/or test.
- 2. A representative of Carrier shall have the right to enter upon the premises where Shipper's Ethane is received or delivered and have access to any and all storage receptacles or meters for the purposes of measuring and testing and to make any examination, inspection, measurement or test required.

ITEM NO. 55: MINIMUM SHIPMENT

Ethane of the required specifications shall be Tendered for transportation in quantities of not less than three thousand five hundred (3,500) Barrels, except that Carrier may, in its sole discretion, accept any quantity of Ethane if such quantity can be consolidated with other Ethane such that Carrier can make a single delivery of not less than three thousand five hundred (3,500) Barrels. The term "single delivery" as used herein means a delivery of Ethane in one continuous operation to one or more consignees into a single facility, furnished by such consignee or consignees, to which Carrier is connected.

ITEM NO. 60: RECEIPT AND DELIVERY FACILITIES

Carrier shall accept Ethane only when Shipper has provided facilities for receipt of Ethane into Carrier's System at the Receipt Point and delivery of Ethane from Carrier's System at the Delivery Point, at pressures and pumping rates required by Carrier. The cost of such facilities shall be provided at the sole cost of Shipper seeking access to Carrier's System.

ITEM NO. 65: PAYMENT OF CARRIER CHARGES

1. Shipper or its consignee shall pay all transportation and other lawful charges accruing on Ethane delivered to and accepted by Carrier for shipment, and/or Shortfall Payment, if applicable, on Ethane not Tendered for transportation, within ten (10) Days of receipt of an invoice from Carrier. If any charge remains unpaid after the due date, then such amount due may bear interest from the day after the due date until paid, calculated at an annual rate equivalent to the lesser of (i) 125% of the prime rate of interest, as of the date of Carrier's invoice, charged by Citibank, N.A. of New York, New York, for ninety (90) day loans made to substantial and responsible commercial borrowers or (ii) the maximum rate allowed by law. In

addition, Shipper shall pay all documented costs incurred by Carrier to collect any unpaid amounts, including reasonable attorney fees and costs incurred by Carrier.

- 2. In the event Shipper fails to pay any charges when due, Carrier shall have the right, until such payments, including interest thereon, are made in full, to: (i) withhold delivery of Shipper's Ethane then in its possession, (ii) refuse to provide Shipper access to the System or provide services pursuant to this tariff or any other applicable tariffs, (iii) offset the current and future amounts owed by Shipper against any amounts Carrier owes Shipper, and (iv) exercise any other rights and remedies granted under the applicable tariffs or existing under applicable law.
- 3. Carrier shall have a lien on all Ethane in its possession belonging to Shipper or its consignee to secure the payment of any and all unpaid transportation, or any lawful charges that are due Carrier, that are unpaid by Shipper or consignee, and may withhold such Ethane from delivery until all unpaid charges have been paid. The lien provided herein shall be in addition to any lien or security interest provided by this tariff, statute or applicable law.
- 4. If Shipper fails to pay an invoice by the due date, and if Shipper has not remedied the failure ten (10) Days following receipt of notice from Carrier, in addition to any other remedies under this tariff or under applicable law, Carrier shall have the right, directly or through an agent, to sell such Ethane, on any day not a legal holiday, on such terms and conditions as Carrier may determine in its sole good faith discretion and in accordance with applicable law. From the proceeds of said sale, Carrier will pay itself the transportation and all other lawful charges, including expenses incident to said sale, and the balance remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.

ITEM NO. 70: PIPEAGE CONTRACTS

Separate agreements in accord with this tariff, and these regulations covering further details, may be required by Carrier before any duty for transportation shall arise.

ITEM NO. 75: LOSS ALLOWANCE

Any overage or shortage, including losses resulting from shrinkage, evaporation, other physical Ethane loss and interface mixture in any Month, will be allocated on a Monthly accrual basis among Shippers in the proportion that the total number of Barrels delivered from the entire System for each Shipper bears to the total number of Barrels delivered from the entire System for all Shippers.

ITEM NO. 80: PRORATION OF PIPELINE CAPACITY

1. Prorationing of System Capacity Prior to Project In-Service Date

Each Committed Shipper's TSA specifies that the Committed Shipper's Monthly Minimum Volume Commitment will become effective as of the Project In-Service Date. To the extent Carrier receives more Nominations for transportation on the System than the System is capable of transporting in a Month prior to the Project In-Service Date, Carrier shall allocate the capacity of the System on a pro-rata basis according to Nominations for such Month. Following the Project In-Service Date, Carrier will use the prorationing procedures set forth below in Item No. 80(2) to allocate available System capacity.

2. Prorationing of System Capacity Subsequent to Project In-Service Date

a. When Carrier receives more Nominations in a Month for transportation of Ethane on a line segment than Carrier is able to transport, Carrier shall apportion the Capacity of such line segment in the following manner:

- i. Under normal operating conditions, each Committed Shipper will be allocated an amount of capacity equaling the lesser of: (i) its Nomination for the Proration Month, or (ii) its Monthly Minimum Volume Commitment. In the event capacity is reduced on Carrier's System during the Proration Month, the allocation to each Committed Shipper under this subsection (a)(i) shall be reduced by the same percentage as the reduction in capacity to Carrier's System, with Carrier allocating, to the extent Nominated, ninety (90) percent of available System capacity to Committed Shippers.
- ii. All capacity not allocated to Committed Shippers in subsection (a)(i) above will be allocated among all Uncommitted Shippers on a pro-rata basis, according to each Uncommitted Shipper's Nomination for such month. In aggregate, Uncommitted Shippers will be allocated the lesser of their aggregate Nominations or ten (10) percent of available System capacity.
- iii. Any remaining capacity not allocated through subsections (a)(i) and (a)(ii) shall be allocated, pro rata, among all Committed Shippers having remaining unmet Nominations.
- b. During instances of allocation on a line segment, a Shipper will be deemed to have submitted a revised Nomination volume equal to its allocation determined by Carrier in accordance with the procedures set forth above.
- c. Allocation on a line segment will be given as a daily or monthly volume, at Carrier's discretion, and will be calculated for the Month.
- d. If, during a Proration Month, a Shipper fails to use all of its allocated capacity, such unused capacity shall be available to other Shippers, as follows:
 - i. Unused allocated capacity resulting from a Committed Shipper's failure to use all of its allocated capacity shall be reallocated among other Committed Shippers in accordance with their initial percentage allocation of available System capacity.
 - ii. Unused allocated capacity resulting from an Uncommitted Shipper's failure to use all of its allocated capacity shall be reallocated among other Uncommitted Shippers in accordance with the rules in subsection (a)(ii) of this Item No. 80.
- e. Except as provided below, an Uncommitted Shipper that fails to use all of its allocated capacity during a Proration Month shall have its allocation of capacity reduced in each subsequent Proration Month until the total reductions equal the amount of the deficiency. The amount of any such reduction shall be treated as unused allocated capacity and shall be reallocated among other Shippers in accordance with the rules in subsection 2(d) of this Item No. 80. Reduction of an

Uncommitted Shipper's allocation for failure to use its allocated capacity during a prior Month of prorationing may be waived, in whole or in part if Carrier determines, in its discretion, that Shipper's failure to use all or some of its allocated capacity was due to factors beyond Shipper's reasonable control.

ITEM NO. 85: SCHEDULING SHIPMENTS

- 1. Ethane for shipment through Carrier's System will be received only on a properly executed Nomination showing the point at which the Ethane is to be received, point or points of delivery, consignee, and the amount of Ethane to be transported. Carrier may refuse to accept Ethane for transportation unless documentation is furnished by Shipper, consignee, or connecting carrier that demonstrates that Shipper has made provisions for prompt receipt thereof at the Nominated Delivery Point.
- 2. Any Shipper desiring to Nominate Ethane for transportation shall submit a Nomination to Carrier in writing on or before the fifteenth (15th) day of the Month preceding the Month during which the transportation under the Nomination is to begin; except that, if space is available for current movement, a Shipper may Nominate Product for transportation after the fifteenth (15th) day of the Month preceding the Month during which the transportation under the Nomination is to begin. If the 15th day falls on a non-business Day, Nominations shall be due on the preceding business day.
- 3. Ethane will be accepted for transportation at such time and in such quantity as scheduled by Carrier. Carrier will transport and deliver Ethane with reasonable diligence and dispatch considering the quantity, distance of transportation, safety of operations, and other material factors, but will not be liable if it does not deliver Ethane by the time specified by Shipper.

ITEM NO. 90: STORAGE

Carrier will not provide any non-operational Ethane storage on its System. Any such storage must be provided by Shipper or Shipper's designee at the sole cost of Shipper.

ITEM NO. 95: LINEFILL

Each Shipper will supply a share of Ethane for linefill as Carrier determines is necessary to maintain effective operations of Carrier's System. In the event a Shipper's inventory balance drops below its share of the volume of Ethane necessary for linefill and reasonable additional minimum quantities required for the efficient operation of Carrier's System, then Carrier will require such Shipper to provide the necessary volume to meet its pro-rata part of such volume of Ethane before Carrier is obligated to make deliveries or shipments on behalf of Shipper.

Subject to the provisions of Item No. 65, Ethane furnished to Carrier pursuant to this Item No. 95 shall be returned to Shipper and charged applicable tariff rates after such Shipper has provided written notice to Carrier of Shipper's intent to cease shipping and after a reasonable period of time to allow for administrative and operational requirements associated with the withdrawal of such Ethane, such reasonable period being one hundred eighty days or less.

ITEM NO. 100: QUALITY SPECIFICATIONS

1. Shipper shall not Tender Ethane for transportation on the System unless the Ethane will

be readily susceptible to transportation through the System, it will not adversely damage the common stream or the System, and it otherwise conforms to the specifications set forth in this Item No. 100.

- 2. As a prerequisite to transportation on the System, Shipper's Ethane must also conform to the quality specifications of the connecting carrier or facility at Shipper's Nominated Delivery Point.
- 3. Shipper shall perform applicable tests to ensure that the Ethane it Tenders to Carrier at the Receipt Point for delivery on the System conforms to the specifications set forth in this Item No. 100. Should spot samples, analyses, or any other test (including tests performed by Carrier) indicate that the Ethane Tendered or to be Tendered does not meet the specifications required by Carrier, Shipper agrees to stop delivery of such off-specification Ethane to Carrier until such time as it is determined by additional testing that Shipper's product meets the definition of Ethane issued by Carrier.
- 4. The specifications set forth in this Paragraph 4 shall apply to each Barrel of Shipper's Tender and shall not be limited to the composite sample of the Tender.

COMPONENT	TEST METHODS	SPECIFICATIONS	
Methane	ASTM D-2163	3.0 Liq. Vol.% max.	
Ethane	ASTM D-2163	95.0 Liq. Vol.% min.	
Ethylene	ASTM D-2163	1.0 Liq. Vol.% max.	
Propane & Heavier	ASTM D-2163	3.5 Liq. Vol.% max.	
Corrosion, Copper Strip	ASTM D-1838	No. 1	
Total Sulfur	ASTM D-4045	30 ppm wt. max.	
Water Content	(1) Visual and	(1) No Free Water at 34	
	(2) ASTM D-5454	F and (2) 10 ppmw max	
Carbon Dioxide	ASTM D-2504	1000 ppm wt. in Liq. max.	

NOTES ON TEST METHODS ABOVE: Method numbers listed above, beginning with the letter "D," are ASTM Standard Test Procedures. The most recent year revision for the procedures will be used. Ethane is to be commercially free of any contamination that might render ethane unusable for its commonly used applications. Specific contaminants include (but are not limited to) dirt, rust, scale, and all other types of solid contaminants, caustics, chlorides, heavy metals, and oxygenates.

5. Carrier reserves the right to reject all Tenders or any part thereof and refuse transportation for such Tender, if Carrier determines that Shipper has delivered product that (i) does not conform to the quality specifications set forth in this Item No. 100, (ii) is not merchantable, (iii) is not readily acceptable for transportation through Carrier's System, (iv) would otherwise adversely affect the System or other Ethane on the System, and/or (v)

would, in Carrier's sole judgment, expose individuals or the System to an undue risk of harm or property damage.

- 6. In the event Shipper delivers product to the System that does not meet, individually and collectively, the quality specifications set forth in this Item No. 100: (i) Carrier may accept such Shipper's delivery if Carrier determines that the quality of the common stream will nonetheless meet the specifications set forth in this Item No. 100; and (ii) if Carrier does not make such a determination as provided for in Item No. 100(F)(i), Carrier may exclude such Shipper from further entry into applicable segments of Carrier's System until such time as Shipper returns the quality of its product to a level satisfactory to Carrier.
- 7. Carrier is not responsible for monitoring receipts or deliveries for contaminants. Further, Carrier reserves the right to dispose of any contaminated product on Carrier's System. Disposal thereof may be made in any reasonable manner including but not limited to commercial sales. Any liability associated with the contamination or disposal of any product shall be borne by Shipper introducing the contaminated product into Carrier's System. Shipper liability includes, but is not limited to, claims from other Shippers, carriers, or users of the contaminated product and the costs of any regulatory or judicial proceeding.
- 8. If product received by Carrier does not meet the quality specifications set forth in this Item No. 100, Carrier reserves the right to charge Shipper the greater of (i) the actual costs and expenses incurred by Carrier to treat, handle, or otherwise dispose of all such contaminated product and to restore the System to its condition prior to the receipt of such non-conforming product, or (ii) [U] a one-hundred (100) cents per Barrel charge for the volume of contaminated product transported by Carrier ("Off-Spec Penalty"). The Off-Spec Penalty is a penalty intended to discourage product Tenders that violate Carrier's quality specifications. If a composite sample, spot sample, or the results of any other test demonstrate that a Shipper's product delivered to Carrier fails to meet the quality specifications set forth in this Item No. 100, the total penalty will be assessed by multiplying the Off-Spec Penalty by the total volume of Shipper's product (in Barrels) received by Carrier during the Month when Carrier received the contaminated product.

ITEM NO. 105: CARRIER DISCRETION

Carrier will operate its System and implement the rules and regulations contained in this tariff, including those provisions providing for Carrier's discretion, in a manner that is not unduly discriminatory or unduly preferential.

ITEM NO. 110: FINANCIAL ASSURANCES

- 1. All prospective shippers shall, thirty (30) days prior to making their first Nomination, provide information to Carrier that will allow Carrier to determine the prospective shipper's capacity to perform any financial obligations that could arise from the transportation of that prospective shipper's Ethane under the terms of this tariff or under the terms of Committed Shipper's TSA with Carrier.
- 2. At any time, upon the request of Carrier, a Shipper shall, within ten (10) days of such request, provide information to Carrier that will allow Carrier to determine Shipper's capacity to perform any financial obligations that could arise from the transportation of that Shipper's

Ethane under the terms of this tariff and/or under the terms of Committed Shipper's TSA with Carrier, including the payment of transportation charges and/or Shortfall Payments.

- 3. At any time, Carrier upon written notice to Shipper or prospective shipper, may require one or more of the following financial assurances for the payment of all charges and costs as provided for in this tariff or in a TSA Committed Shipper has entered into with Carrier, or otherwise lawfully due to Carrier to be provided at the expense of such Shipper or prospective shipper:
 - a. payment security by wire transfer in an amount to be determined by Carrier, in its discretion, with such amount based upon Shipper's or prospective shipper's anticipated shipments on Carrier's System; and/or
 - b. a letter of credit in favor of Carrier in an amount equal to six (6) Months of transportation charges based on Shipper's or prospective shipper's likely actual shipments on such line segment during the six (6) Month period, in a form and from an institution acceptable to Carrier; and/or
 - c. a guaranty, executed by an acceptable guarantor in favor of Carrier, pursuant to which the guarantor guarantees to Carrier the prompt and full payment of the obligations of Shipper owing to Carrier pursuant to this tariff and/or any applicable TSA. Any such guarantor shall be a corporation, company, partnership or other legal entity whose credit-worthiness is reasonably satisfactory to Carrier.
- 4. In the event that Carrier reasonably determines that: (i) any Shipper's financial condition is or has become impaired or unsatisfactory; (ii) any financial assurances previously provided by Shipper no longer provide adequate security for the performance of such Shipper's obligations that could arise from the transportation of its Ethane under the terms of this tariff or Shipper's TSA, if applicable; or (iii) Carrier otherwise determines that it is necessary to obtain financial assurances from any Shipper or prospective shipper, then such Shipper or prospective shipper shall provide financial assurances to Carrier, in a form and substance reasonably satisfactory to Carrier, for the payment of the charges and costs as provided for in this tariff, under any applicable TSA, or otherwise lawfully due to Carrier relating to the transportation of such Shipper's or prospective shipper's Ethane by Carrier.
- 5. Any financial assurances received by Carrier in accordance with Item No. 110(3)(a) shall be retained by Carrier in a non-interest-bearing escrow account until such time as Carrier determines that Shipper or prospective shipper that provided such financial assurance is capable of performing its financial obligations to Carrier. Within ten (10) business days of such a determination by Carrier, the financial assurance provided in accordance with Item No. 110(3)(a) shall be returned to such Shipper or prospective shipper.
- 6. In the event Shipper fails to comply with any obligation in this Item No. 110 on or before the due date provided herein, Carrier shall not be obligated to provide Shipper with access to the System or to provide transportation services to Shipper pursuant to this tariff or any TSA until such requirement is fully met. Carrier's decision to withhold transportation services to a Committed Shipper pursuant to this Item No. 110 shall not relieve such Committed Shipper of its obligation to make any payments otherwise due, including Shortfall Payments, under its TSA.

ITEM NO. 115: SHORTFALL PAYMENTS

Beginning as of the Project In-Service Date, if the number of Barrels of Ethane that a Committed Shipper ships in Month is less than the Committed Shipper's Monthly Minimum Volume Commitment, the Committed Shipper shall make a payment to Carrier for the difference ("Shortfall Payment"), where such Shortfall Payment equals the transportation rate applicable to Committed Shipper's Monthly Minimum Volume Commitment for such Month times the Committed Shipper's Monthly Deficient Barrels.

ITEM NO. 120: CHARGE FOR FUND COMPENSATION

In addition to all other charges to Shipper accruing on Ethane accepted for transportation, a per Barrel charge will be assessed and collected by Carrier in the amount of any tax, fee, or other charge levied against Carrier in connection with such Ethane by any federal, state or local act, regulation or agency 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 a loss therefrom or any program where Carrier is acting as a collecting agent. Such charge will be included in the appropriate tariff filed with the Federal Energy Regulatory Commission.

Section II Rates for Transportation

All rates listed below are stated in [W] dollars cents per Barrel.

Receipt Point	Delivery Point	Barrels per Day	Uncommitted Shipper Rates	Committed Shipper Rates [Notes 1 & 2]
	Houston, Pennsylvania	0-5,000	[U] \$1.4646	N/A
Majorsville, West Virginia		5,000 – 20,000	[U] \$1.4123	[U] \$1.4228
	, and the second	Over 20,000	[U] \$1.3600	[U] \$1.3705
Sherwood Processing Facility, West Union, West Virginia (Located in Doddridge County)	Majorsville, West Virginia (Located in	N/A	[U] \$2.6259	[U] \$2.6363
Mobley Processing Facility, Smithfield, West Virginia (Located in Wetzel County)	Marshall County)			
[N] <u>Majorsville,</u> <u>West Virginia</u>	[N] <u>Cadiz,</u> <u>Ohio</u>	[N] <u>N/A</u>	[N] <u>\$1.6900</u>	[N] <u>\$1.7000</u>

NOTES

- 1. The Committed Shipper Rates are available to Committed Shippers only.
- 2. Committed Shippers may begin making shipments under the Committed Shipper Rates on the Project In-Service Date.

EXPLANATION OF REFERENCE MARKS

- [N] New.
- [U] Unchanged rate.
- [W] Change in wording only.