Section Two Informational Topics

This manual is effective on Cycle 61 2026.

Colonial Pipeline Company

Table of Contents

Section Two Informational Topics 1
2.1 Overview 4
2.1.1 General 4
2.1.2 Intra Harbor Transfer Short-Haul Movement 4
2.2 Becoming a Colonial Shipper 4
2.2.1 Requesting Shipper Status 4
2.2.2 Types of Shippers 5
2.2.3 Credit Requirements 7
2.2.4 Agents 8
2.3 Nominations & Scheduling 9
2.3.1 Minimum Tender, Batch Size, and Delivery Requirements 9
2.3.2 Cycles 9
2.3.3 Nominations – Overview 9
2.3.4 Nomination Codes 12
2.3.5 Scheduling Process 13
2.4 Nomination Integrity Program (NIP) 14
2.5 Intra Harbor Transfer Reservation Program 15
2.6 Pro-rationing and Capacity Allocation Program (CAP) 16
2.6.1 Terminology 16
2.6.2 Prorationing Process 16
2.6.4 CAP Freeze 16
2.6.5 Freeze 16
2.6.6 History Transfers 16
2.6.7 History Transfer FAQs 17
2.7 Ticketing/Inventory 20
2.7.1 Tickets 20
2.7.2 Custody Transfer Information 20
2.7.3 Involved Parties 21
2.7.4 Ticket Details 21
2.7.5 Product Information 22

2.7.6 Measures Information 22
2.7.7 Meter Information 23
2.7.8 Statements 23
2.8 Invoices 23
2.9 Settlement Statements 24
2.9.1 Physical Adjustment 25
2.9.2 Physical Adjustment and Surplus Settlement Pricing 25
2.9.3 Surplus and Transmix 28
2.9.4 Product Loss Allocation Charge 30
2.10 Miscellaneous 30
2.10.1 Ticket Discrepancies 30
2.10.2 Product Deliveries 30
2.10.3 Segregated Batches of Specialty Products 31
2.10.4 State Reports 31
2.10.5 Statement in Barrels of Inventory in Carrier Custody 31
2.10.6 New Suppliers, Consignees or Tankers 32
2.11 Intrastate Service 32
2.12 System Storage 33
2.13 Ancillary Services 33
2.13.1 Schedule of Services and Fees 33
2.13.2 Short Term Tank Storage 33
2.13.3 Long-Term Storage 34
2.13.4 Product Transfer Orders (PTOs) 34
2.13.5 Baton Rouge Barge Dock Operations 35
2.13.6 Shipper Requested Product Re-Grades 35

2.1 Overview

2.1.1 General

Colonial provides common carrier transportation service for Petroleum Products. Colonial provides long-haul and short-haul interstate movements, which are regulated by the Federal Energy Regulatory Commission ("FERC"), and intrastate movements, which are not regulated by FERC.

Colonial's interstate tariffs are filed with FERC, and intrastate tariffs are filed as applicable with the appropriate state commissions. Colonial's tariffs are also included in Section 5 of the Shipper Manual and are available on our website at www.colpipe.com. The rates are listed in cents per barrel from an origin point to a destination area. Several of these "destination areas" will cover more than one of the specifically designated locations found in Colonial's location codes as used for scheduling purposes. The scheduling locations are more narrowly defined than a tariff location. For example, the Linden rate tariff covers all deliveries out of Colonial's Linden Junction tank farm.

Bulletins are the primary method used by Colonial to communicate with the shipping community. The bulletin system is used to communicate line allocations, line activities affecting shippers, notification of office closings, lifting times, changes in product specifications and other important information. Bulletins are transmitted via e-mail through Transport4 ("T4"). For questions related to T4 or to set up an account to receive bulletin notifications go to www.transport4.com.

2.1.2 Intra Harbor Transfer Short-Haul Movement

Through its Intra Harbor Transfer ("IHT") service, Colonial provides short-haul movements from its Linden facility. The IHT service allows product to be delivered to terminals and pipelines in the New York harbor area. For a further description of IHT or to submit transportation requests please submit your inquiry via email to CPL_IHT@colpipe.com.

2.2 Becoming a Colonial Shipper

2.2.1 Requesting Shipper Status

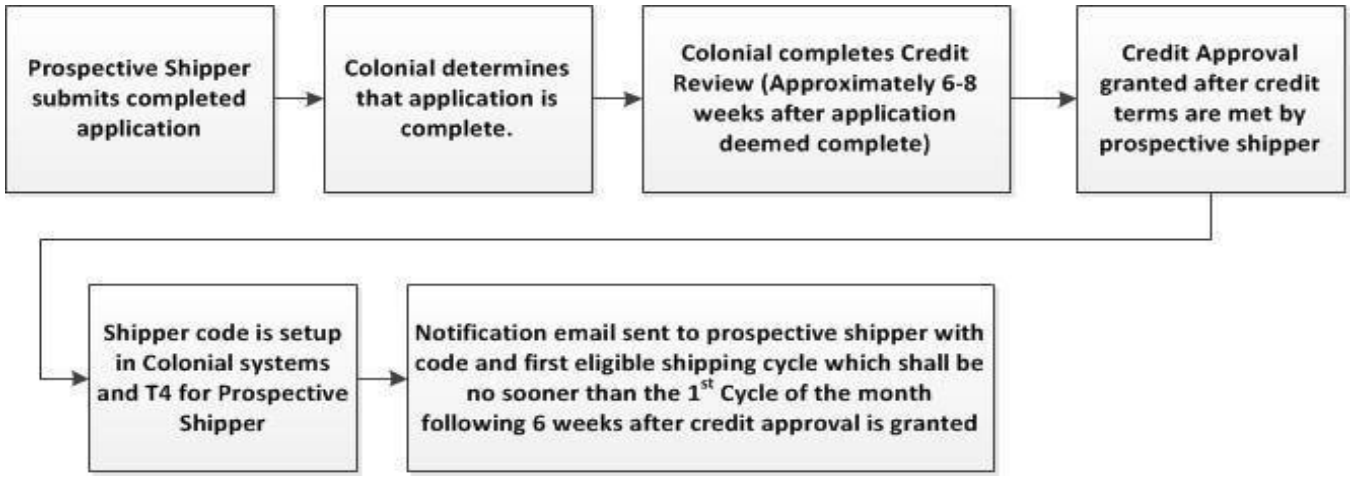
Prospective shippers that are interested in transporting petroleum products on Colonial's system must apply for shipper status by completing the prospective shipper application found on the Colonial website (http://www.colpipe.com/home/customers) and submitting to credit@colpipe.com.

Information and documentation required may include financial statements or other evidence of financial assurance, an affidavit that certifies affiliation or non-affiliation with other Colonial

shippers, and various federal and state registration documents. Please note that this process applies to all prospective shippers regardless of whether they are seeking New or Regular Shipper status. Also, every shipper code must be associated with a unique federal employer identification number.

Credit review of the prospective shipper application will take anywhere from six to eight weeks upon receipt of a **complete** application. The customer will be eligible to nominate no sooner than the first Cycle of the calendar month that is at least six weeks after receiving Credit Approval, which is defined as the date Colonial grants open credit or receives a Credit Instrument that is satisfactory to Colonial in its sole discretion. A Credit Instrument is a parental guaranty, letter of credit, or security deposit. A shipper's Credit Instrument will be returned upon payment by the shipper of the final settlement statement in the last month in which a shipper receives a delivery. Coincident with the return of the Credit Instrument, the shipper's code shall be deactivated. Notwithstanding the foregoing, a shipper who is transferring its history will remain an active Regular Shipper during the pendency of the transfer; therefore, any Credit Instrument provided to Colonial will be retained and must remain current until the transfer is complete.

Process Overview:



Shipper status does not guarantee the ability to ship. During times of pro-rationing capacity is allocated on a Segment-by-Segment basis according to Colonial's Capacity Allocation Program.

2.2.2 Types of Shippers

Colonial shippers can fall into two different categories, which are defined in Colonial's Rules and Regulations tariff: (1) Regular Shippers; or (2) New Shippers. These definitions are important for understanding Colonial's prorationing policies, set forth in the Rules and Regulations tariff and described below. Colonial's system is Segment- based therefore a shipper may fall into both categories if they ship on multiple Segments.

2.2.2.1 Regular Shippers

Regular Shippers are all shippers other than New Shippers. However, a Regular Shipper that does not maintain an average (per cycle) shipment history during the Base Period of at least 15,000 bbls on Main Lines 1 and 2 and at least 3,000 bbls on all other Segments ("Minimum Average Shipment History") shall have a Calculated Cycle Historical Allocation ("CCHA") of zero bbls for any Segment in which the Regular Shipper fails to maintain the Minimum Average Shipment History.

If a Regular Shipper does not maintain the Minimum Average Shipment History, it may submit a written request to the Colonial Credit team to return to New Shipper status. Regular Shippers may also request New Shipper status on any Segment for which it meets the New Shipper criteria. All requests for New Shipper status should be sent to credit@colpipe.com. If additional documentation is required, Colonial Credit will notify shipper. Information can be found on our website: http://www.colpipe.com/home/customers/prospective-shipper-process.

A Regular Shipper requesting New Shipper status on a Segment is subject to the same approval process as a shipper not yet shipping on the Segment. If Colonial approves the return to New Shipper status, Colonial will advise the returning New Shipper of such approval and will specify the starting cycle of the return to New Shipper status (which will be the first cycle of a calendar month) and the Segment(s) on which the Shipper has New Shipper status.

If a Regular Shipper fails to submit a Nomination or fails to ship any petroleum products on an applicable Segment over a twelve (12) month period, the entity will lose its Regular Shipper status with respect to that Segment and will not be entitled to ship on that Segment unless and until it applies for and is granted Shipper status.

During the pendency of a history transfer, a shipper shall have Regular Shipper status.

2.2.2.2 New Shippers

New Shippers are those shippers that have been approved by Colonial for New Shipper status on a Segment. New Shipper status is granted by Segment. To qualify for New Shipper status the shipper **must not be an Affiliate** of a Regular Shipper or a New Shipper on that Segment. A shipper requesting New Shipper status with Affiliates (regardless of whether those Affiliates are New or Regular Shippers) will be denied New Shipper status and instead be deemed a Regular Shipper but will have a CCHA of zero bbls per Segment until the shipper has the Minimum Average Shipment History. A New Shipper that subsequent to obtaining New Shipper status becomes Affiliated with a New or Regular Shipper on the Segment in which it holds New Shipper status will lose its New Shipper status.

An "Affiliate" is defined as:

Any entity that, directly or indirectly: (i) controls a Shipper; (ii) is controlled by another Shipper; or (iii) is controlled by the same entity that controls a Shipper. For purposes of this definition, the terms "controls" and "controlled by" mean the power to direct or cause the direction of the management of and policies of another entity whether through the ownership of shares, a contract, a trust arrangement, or any other means, either directly or indirectly, that results in control in fact, but notwithstanding the foregoing includes, with respect to the control of or by a corporation, partnership, or limited liability company, the ownership of shares or equity interests carrying not less than 50% of the voting rights regardless of whether such ownership occurs directly or indirectly. Without limitation, any one or more of the following shall conclusively evidence that entities are Affiliates of each other: (i) use of shared mailing or business addresses; (ii) use of shared business telephone numbers; (iii) use of common bank account(s) in relation to Colonial's requirements as set forth in Item 55 or Item 105 of Colonial's Rules and Regulations tariff; (iv) the same or substantially the same management, general partner, or managing member; and/or (v) one Shipper directing or conducting business on behalf of another Shipper.

All prospective shippers seeking New Shipper status on a Segment must execute an affidavit attesting to its Affiliate status. Any active Shipper that becomes an Affiliate, or their Affiliation status changes, needs to notify Colonial's Shipper Relations Coordinator.

A shipper will no longer be a New Shipper upon the earliest of the following events:

1. The New Shipper's average (per cycle) shipment history over the Base Period is at least 18,750 bbls (applicable to Main Lines 1 and 2) or 3,750 bbls (applicable to all other Segments), at which time the New Shipper will become a Regular Shipper on the applicable Segment(s); or

2. If a New Shipper fails to submit a New Shipper Nomination or fails to ship any petroleum products on the Colonial System over a twelve (12) month period, the entity will lose its New Shipper status and will not be entitled to ship as a New or Regular Shipper on Colonial unless and until it applies for and is granted Shipper status in accordance with Colonial's credit policy.

2.2.3 Credit Requirements

Prior to becoming a shipper, a prospective shipper must submit to Colonial sufficient financial information to establish credit-worthiness. If, in the sole opinion of Colonial, shipper is not credit-worthy or if shipper's credit deteriorates, Colonial may require shipper to (i) provide a security deposit covering forty five (45) days of service, with a minimum deposit of three hundred fifty thousand dollars ($350,000), (ii) supply a letter of credit with a term not less than one (1) year from an acceptable financial institution in a form acceptable to Colonial with a face amount of the

higher of forty five (45) days of service or three hundred fifty thousand dollars ($350,000), or (iii) provide a parental guaranty from a credit-worthy parent in a form acceptable to Colonial with a guaranty limit covering the higher of forty five (45) days of service or three hundred fifty thousand dollars ($350,000) (collectively "Credit Instruments"). In the event a shipper provides a Credit Instrument in excess of the three hundred fifty thousand dollar minimum, a shipper may request a credit re-evaluation no sooner than three hundred and sixty-five (365) days from the date the Credit Instrument was provided. In no event will Colonial perform more than one shipper requested credit re-evaluation within a three hundred and sixty-five (365) day period. Colonial reserves the right to re-evaluate a shipper's credit at any time.

A shipper that has not nominated product on any Colonial pipeline Segment during any of the twelve (12) preceding months will lose its shipper status on Colonial's pipeline system and will have to comply with the requirements of Section 2.2.1 (Requesting Shipper Status) in order to re-obtain shipper status on Colonial's pipeline system. Notwithstanding the foregoing, a shipper who is transferring its history will remain an active, Regular Shipper during the pendency of the transfer regardless of whether it nominates product.

If a shipper wishes to deactivate and no longer ship on the Colonial system, the shipper can send that request to credit@colpipe.com. Colonial credit will notify the shipper when their credit instrument will be returned (if applicable). Please note, during history transfers, sellers must maintain their credit instrument throughout the transfer months. The shipper's ending inventory surplus amount will be zeroed out no later than the first close that is ninety (90) days after the last barrel is delivered for such shipper (the first close may be more than ninety (90) days after the last barrel is delivered).

2.2.4 Agents

All communications relating to a Shipper's nominations, deliveries to or from Colonial, payment of invoices or other matters pertaining to the Shipper's business with Colonial shall be conducted solely by an officer or employee of the Shipper. If a Shipper wishes to use an agent, the Shipper must designate, in writing, an agent to act on the Shipper's behalf in conducting such communications. The designation must acknowledge the following items to be effective:

1. the Shipper consents to disclosure of any and all information regarding the Shipper's nominations, deliveries to or from Colonial, payment of invoices, or other business with Colonial to such agent and releases Colonial and holds Colonial harmless from any and all liability relating to such disclosure; and

2. such designation shall be valid and binding on Shipper until Colonial receives written notice from Shipper expressly terminating such designation.

The Agent Designation forms is available on the Colonial website (http://www.colpipe.com/home/customers). Completed forms should be returned to customerrelations@colpipe.com. Prospective shippers wishing to utilize an agent should return the agent form with their prospective shipper application (See Section 2.2.1).

2.3 Nominations & Scheduling

2.3.1 Minimum Tender, Batch Size, and Delivery Requirements

Colonial's current Rules and Regulations Tariff, specifically Item 20 (Minimum Tender, Batch and Delivery for a Fungible or Joint Batch) and Item 21 (and Minimum Tender, Batch, and Delivery for a Segregated Batch) specifies the minimum tender, batch size, and delivery requirements for each type of batch. In fungible movements, the total volume of all members moving in the fungible stream creates a joint batch.

2.3.2 Cycles

Colonial's cycles are scheduled for five (5) day periods during which a sequence of all in- season products are pumped. Colonial attempts to pump the same sequence of product every five (5) days.

2.3.3 Nominations – Overview

2.3.3.1 Nominations

Except for IHT nominations, shippers must enter nominations, which are a request for space to ship petroleum products from an origin location to a destination location via Colonial Pipeline, into T4. Shippers should submit their nominations in accordance with the following nomination and Nomination Integrity Program rules to ensure that their nominations will be accepted and that any changes can be facilitated in time and without incurring additional fees. Additional nominations procedures applicable to the shipment of any Segregated Batch that originates on Lines 1 and 2 and terminates at any location other than Baton Rouge, LA and Collins, MS are set forth in Item 22 of the Rules and Regulations Tariff.

A separate nomination will be required for each origin point as each batch will only be allowed to have one origin point. An origin point may include multiple locations consistent with our current rates tariff (a summary of which locations map to which origin points is provided in the below table). Multiple delivery points for each fungible or joint batch are allowed, but a Segregated Batch may not be split between multiple delivery points without the prior approval of Carrier. Certain services require a single origin and delivery (Deliveries to HTD, BMT, CFX, and Northeast origin batches for example.)

ORIGIN POINTS	Origin Locations Allowed in a Single Batch
Houston	PDA, CBL, HTN
Hebert	HEB, NPA, PAP
Lake Charles	LKC
Krotz Springs	KSG
Baton Rouge	BRG, BEL
Collins	CLL, CSL, PWL
Moundville	MDL
Woodbury	EPL, TRL, PBL, BHL
Linden	FRL, SWL, CTL

The sequence field in the batch code is alphanumeric, e.g., AAA-A2-12**D (0-9 & A- T are available to shippers, U-Z is retained for Colonial usage).**

Gain/loss assignments are batch assigned and thus track to the origin of that batch. Surplus assignments due to sales or other large single customer transactions will be a separate nomination and will be deemed to originate from Houston pursuant to our Rates Tariff.

Colonial scheduling personnel confirm availability and enter IHT nominations into Colonial's system on behalf of shippers. In order to request space for IHT movements, shippers must provide the product type, batch size, final delivery location and the timing for the batch movement. Please send nominations to CPL_IHT@colpipe.com.

In periods when line Segments are allocated, nominations will be subject to the provisions of the Capacity Allocation Program, which is outlined in this Shipper Manual.

Nominations into Main Lines 1 and 2 from Baton Rouge Barge Dock Lifting must be in tankage at Baton Rouge Junction twenty-four (24) hours prior to the scheduled lifting time into the mainline. All other nominations into Colonial must be in tankage a reasonable amount of time ahead of lifting (Colonial recommends eight (8) hours) to allow for sampling and testing.

Deliveries to the Barge Dock Facility will be handled on a best-efforts basis and will be accepted only when Colonial is able to deliver corresponding fungible product from upstream origins. Collins and Moundville cannot be used as origins to the Barge Dock Facility.

2.3.3.2 Critical Time Periods

Initial Notification – The rules and regulations tariff specify the due dates for nominations and nomination changes. Shippers must submit nominations for shipments that they wish to make in the following month, no later than the first Tuesday of the current month. This is accomplished

by entering nominations in T4. These nominations provide Colonial with information to review and analyze the requirements necessary to handle all shippers' products.

Closing Dates (Dateinfo) - The Closing Date is the date that is approximately six (6) to eight (8) business days prior to the cycle lifting date at each major origin. The actual cycle closing dates are set three (3) weeks in advance and are provided in the DATEINFO bulletins posted on T4. A batch must be nominated and confirmed by any third parties involved in the batch, such as a supplier or tankage provider other than the shipper, by the Closing Date.

If a Closing Date is not provided for a product that you plan to ship, contact the Line 01 or Line 02 scheduler for the appropriate Closing Date.

2.3.3.3 Origin Changes

A change in origin should be made as soon as the shipper is aware of the change. Colonial has no obligation to honor a change in origin location unless it is received by 8:00 a.m. Eastern Time on Colonial's second business day prior to the earlier of (i) the scheduled pump date for the original origin or (ii) the scheduled pump date for the new origin.

2.3.3.4 Delivery or Diversion Changes

A change in delivery location on a nomination should be made as soon as the shipper is aware of the change. Colonial has no obligation to honor a change in delivery location or diversion unless the change is received before 8:00 a.m. Eastern Time on Colonial's first business day prior to the day the batch is to be diverted or delivered. Changes made after this point in time will be subject to rejection.

2.3.3.5 Undesignated Batches

The following policy statements describe the nomination procedures for batches with an unconfirmed origin or delivery point ("XXX Batch(es)").

1. In the event Colonial "freezes" a cycle, while within the cycle, existing origin nominations designated XXX Batch for the "frozen" cycle will be eliminated from the nomination files and will not preserve pipeline space for the nominating shipper.

2. For origin nominations, all XXX Batches must have confirmed supplier(s) by the close of business on the Closing Date for that origin as defined by the DATEINFO bulletin. XXX Batches not confirmed prior to the time limit will be removed from the nominations and subsequent schedules.

3. No XXX Batch nominations are allowed from the Baton Rouge Barge Dock.

4. For deliveries destined to Linden, XXX Batches must have a valid and confirmed destination by 8:00 a.m. Eastern Time three (3) business days prior to scheduled delivery into Colonial tankage at Linden. If XXX Batch nominations are not confirmed by the designated deadline, Colonial may elect to divert the product to a terminal of Colonial's choice and the shipper will be held responsible for all charges, including pipeline tariff and any fees charged by the terminal.

5. No XXX Batch nominations to any other delivery location, except Linden, will be accepted.

2.3.4 Nomination Codes

This section contains instructions for setting up nominations and nomination changes in T4. The initial nominations must be made in sufficient time to meet the critical dates as described in section 2.3.3.2.

2.3.4.1 Batch Coding

A batch consists of ten (10) characters as described below:

SSS-PP-CCD

SSS	3 Character Shipper Code	Available on T4
PP	2 Character Product Code	Section 3, Product Specifications
CC	2 Character Cycle Number	01-72 See Schedule Calendar
D	Batch Designation within Cycle – Selected by the Shipper (0-9 and A-T) are available for Shipper (U-Z) are reserved for Colonial usage.	

Only one shipper code per FEIN will be issued and shipper codes will only be given to entities with a FEIN. In addition to the basic batch code used for identification, the following information may also be used with the code:

Supplier A three-character code (which must be a valid Colonial shipper or supplier) designating the company supplying the batch at an origin location. Colonial provides the schedules and ticket information to the supplier relating to the part of the batch that they are supplying. Suppliers must confirm batches that they are supplying others by confirming the batch in T4, unless the tankage party for the batch is different from the supplier. Only one supplier code per FEIN will be issued and supplier codes will only be given to entities with a FEIN.

Consignee A three-character code (which must be a valid Colonial shipper or consignee) designating the party to whom custody of the batch is delivered. Colonial provides schedule and ticket information to the consignee related to the part of the batch they

are receiving. Certain states require Colonial to report consignees of batches and the volumes delivered monthly.

Tankage A three-character code which must be a valid tankage provider connected to Colonial. Colonial provides schedule and ticket information to the tankage company related to the batch they are tanking. At origin locations, a tankage provider must confirm that tankage will be provided for a batch using T4 confirmations.

2.3.4.2 Other Codes (Added Only by Colonial Scheduling Personnel)

Occasionally batches are long or short of volume due to operational factors. The codes below are used to handle volume shortages or surpluses.

TFG Surplus product pumped from tankage on all lines
TFL Product shortage (volume short in tankage)
LL Shortage of a batch has occurred on a line during pipeline operations or represents a planned adjustment for in transit volume loss.
LG In transit gain of product on a line.

2.3.4.3 Shippers' Product Held in Colonial Tankage

Occasionally it will be necessary for product to remain in Colonial's tankage for a few days and to be shipped out with the next cycle or separated to another code. The following codes will be used to hold and release this product.

HDI Product to be held from delivery at a breakout location (entered by Colonial Scheduler only).
HDO Product of the shipper that was put in hold in Colonial's tankage and is being lifted at a later date with a different cycle designation.

2.3.5 Scheduling Process

The Scheduling Team prepares schedules for the line Segments on the Colonial system. The available schedules provide detailed information about the date, time, and volume of deliveries. Batches from all the Intra Harbor origins and the incoming mainline are sequenced together and pumped down the appropriate delivery lines.

There are two schedules that are produced by Colonial schedulers, the operating schedule and the long-range schedule.

2.3.5.1 Operating Schedule

The first schedule is the operating schedule. The operating schedule is a detailed projection of the date and times of events five (5) to ten (10) days into the future that is prepared by a scheduler.

2.3.5.2 Long Range Schedule

The second schedule is the long-range schedule, which is produced by Colonial's computer system. It starts at the end of the operating schedule and extends to thirty (30) days from the current date. Events in the long-range schedule are reviewed by the computer and assigned dates and times based on the sequence of products established by the scheduler. These dates and times are approximate times and can vary depending on future events in the schedule but nevertheless provide a good estimate for future events.

2.3.5.3 Updating of Schedules

Main line schedules are typically updated daily. If there is a dramatic change of dates and times in the operating schedule, then a schedule will be updated as soon as possible.

Colonial's scheduling process occurs every business day from 7:15 a.m. Eastern Time until 4:00 p.m. Eastern Time. Nomination changes that were entered since the last schedule was issued are reviewed each morning by scheduling. The schedulers also review the operations of the pipeline that have occurred during the night. A new schedule is prepared, and posted, for shippers and Colonial's field personnel to review.

If a nomination is changed on a pipeline after the process of assigning dates and times to each batch has begun, the change will not be in the new schedule. Instead, it will appear on the next schedule. Nomination changes after 8:00 a.m. Eastern Time will not be included in the schedule produced that day.

Colonial affords shippers with flexibility to change nominations as needed to the extent that changes can be operationally accommodated. If a change is requested that Colonial cannot accommodate for various reasons, such as a batch having already passed a junction or diversion point, the shipper is notified, and the nomination is changed back to its original form.

Colonial's goal is to provide shippers and terminals with reliable lifting and delivering times. The shipper must make arrangements to supply and receive product based on the times provided by Colonial.

2.4 Nomination Integrity Program (NIP)

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

As a guide to identifying NIP Fee Periods, the below table identifies the Colonial product codes and Points of Origin associated with each row and column header in Colonial's *Origin Starts* Transport 4 bulletin:

Origin Starts Row Header	Points of Origin included
HTN/PDA	Houston (Pasadena, Cedar Bayou) Harris County, Texas
CBL/HEB/NPA/PAP	Hebert (Beaumont – Port Arthur) Jefferson County, Texas
LKC	Lake Charles Calcasieu Parish, Louisiana
KSG/BRJ/BEL/BRL	Krotz Springs St. Landry Parish, Louisiana Baton Rouge, E. Feliciana Parish, Louisiana Baton Rouge Dock Facility W. Feliciana Parish, Louisiana
CLL/CSL/MDL/UVJ	Collins Covington County, Mississippi Moundville Hale County, Alabama
Origin Starts Column Header	Colonial Product Codes included
Regular CBOB / L Grade	1L, 2L, 3L, 4L, A2, A3, A4, A5, 1A, 2A, 3A, 4A, 5A
Conventional Regular	M2, M3, M4, M5, 2M, 3M, 4M, 5M
Premium	H1, H3, H4, H5, 1H, 3H, 4H, 5H, V2, V3, V4, 2V, 3V, 4V, D2, D3, D4, D5, 2D, 3D, 4D, 5D
Regular RBOB	F1, F3, F4, F5, 1F, 3F, 4F, 5F
Kerosene	51, 52, 53, 54, 55, 56, 57, 58
Ultra Low Sulfur Diesel	49, 61, 62, 63, 65, 67, 69, 78
Other Diesel / Fuel Oil	59, 70, 71, 72, 73, 75, 77, 79

2.5 Intra Harbor Transfer Reservation Program

To improve ratability of petroleum product short haul movements originating in Richmond County, New York and Middlesex County, New Jersey, fees will be assessed on a per shipper basis to discourage major changes or cancellations in nominations for IHT movements. Major changes are defined as a change in the (i) lifting or delivery location, or (ii) product type, or (iii) grade of product. As part of this Program, an IHT Reservation Fee, which is set forth in Item 28 of the Rules and Regulations Tariff, will be determined and assessed as follows:

1. There will be a fee assessed for major changes in, or cancellations of, IHT nominations within three (3) days (72 hours) of the scheduled pump date and time.

2. The charge for a shipper will be determined and applied by subtracting each IHT actual ticketed volume from 95% of the nominated volume for that movement. If the resulting volume is greater than zero, then this volume will be multiplied by the IHT.

Reservation Fee to determine the assessment under the IHT Reservation Program. This charge will be assessed during the Fourth Invoice Period.

2.6 Pro-rationing and Capacity Allocation Program (CAP)

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.1 Terminology

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.2 Prorationing Process

2.6.2.1 Issuance of Notice of Allocation

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.2.2 Allocation of Capacity During Prorationing

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.2.3 Allocating Excess Capacity

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.3 Capacity Allocation Program Fees

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.4 CAP Freeze

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.5 Freeze

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.6 History Transfers

The language applicable to this Item is now in our FERC Rules and Regulations Tariff.

2.6.7 History Transfer FAQs

Below are some frequently asked questions related to history transfers. It will be the responsibility of the transferring and receiving parties to fully understand how their history is calculated and the potential impacts these actions may cause to their business. Any decision or action you make with respect to the transfer of shipper history on the Colonial pipeline system shall be based solely on your own review and evaluation. While Colonial may provide you with exemplary or background information it does so solely as an accommodation and such information is not intended and may not be relied upon by any party as authoritative, accurate or complete. Neither Colonial nor any of its representatives makes any representation or warranty, express or implied, as to the accuracy, completeness or sufficiency of such information expressly disclaims any and all liability to you or any other person that may be based upon or relate to (i) the use of or reliance on such information or (ii) any errors therein or omissions therein.

How is my Ticketed History Calculated?
Ticketed history is a shipper's ticketed volumes during the Base Period. Base Period is a rolling 12 months ending one month prior to the allocation month. The history is used to calculate a shipper's allocation volume when line segments are allocated. The history is displayed on Transport4 on a cycle basis; however, the total ticketed volume during the Base Period is used to determine the shipper's allocation.

Base Period Example:
For January 2020 Cycles, the Base Period is December 2018 - November 2019.
For February 2020 Cycles, the Base Period is January 2019 - December 2019.
For March 2020 Cycles, the Base Period is February 2019 – January 2020, and so on.

What is my ticketed history used for?
The ticketed history is used in two ways: (i) a New Shipper must have a ticketed history of 18,750 bbls on a cycle basis to become a Regular Shipper and (ii) the ticketed history is used to calculate a Regular Shipper's allocation on each cycle.

What is Calculated Cycle Historical Allocation Volume and how is it calculated?
The Calculated Cycle Historical Allocation Volume ("CCHA") is the amount of volume allotted to a Shipper based on their ticketed history.

Cycle Allocation Volume is calculated by (i) dividing a shipper's ticketed history during the Base Period by the total ticketed volume during the Base Period ("Percentage of Total Historical Shipments"), (ii) multiplying a shipper's Percentage of Total Historical Shipments by the Available Capacity for that Cycle ("Raw Historical Allocation"), and (iii) rounding the Raw Historical Allocation result according to our currently effective rounding rules.

Example:

- Shipper's ticket history during Base Period = 1,671,096 bbls
- Total volume during Base Period= 420,000,000 bbls
- Percentage of Total Historical Shipments = 1,671,096/420,000,000 = 0.3979%
- Available Capacity* for the cycle = 6,100,000 bbls
- Raw Historical Allocation = 0.3979% * 6,100,000 bbls = 24,270 bbls
- Current Rounding (25,000 bbl multiple) = 25,000 bbls
- Allocation = 25,000 bbls

*Available Capacity fluctuates by Cycle. We recommend running your calculations assuming an Available Capacity of 85% to 90% to ensure the transferor understands the effects on their history when transfers are for less than 100%. To estimate the Raw Historical Allocation at the lower Available Capacity, multiply the shipper's ticket history by the lower percentage (85% to 90%) and divide by 72.

What are my options to transfer my history?

There are two types of history transfers (100% or Exact Volume). Regardless of the type of transfer, it is important to note that a transfer is merely providing the receiving shipper the opportunity to ship the transferring shipper's ticketed volume during the transfer period. The receiving shipper will only accrue this history if they ship the transferred volumes. The shipped volumes will then become part of the receiving shippers ticketed history in the future. If the volumes are not shipped, the receiving party will lose the benefit of the transferred history.

100% History Transfer (New Shippers and Regular Shippers)

A shipper transferring 100% of their history is transferring all of their ticketed history. A 100% transfer takes fourteen months to complete. The history to be transferred is based on the Base Period for each transferring month. So, each month the transfer is recalculated using the actual ticketed history volume for that month's Base Period. For example, if the transferring shipper's history for an October 2014 – September 2015 is 1,000,000 barrels, then 1,000,000 barrels is transferred starting for November Cycles.

However, if the 1,000,000 barrel history being transferred was completely shipped/ticketed in October 2014, and the remaining months had no ticketed volumes, then the next month's (December) transfer volume would be zero since it would be based on the November 2014 – October 2015 ticketed volumes.

When receiving 100% of a shipper's history, the receiving shipper should fully understand the transferring shipper's historical shipments by month. Also, based on the lag of one month to calculate the Base Period ticketed history, 100% transfers must be active for 14 months in the future to transfer volume shipped in months that are not reflected in the current Base Period.

Actual ticketed volumes are not reflected in a receiving shipper's ticketed history until the second month post shipment due to the one month lag in the historical calculation (e.g., shipments in October will not be reflected in your history until December.)

Exact Volume History Transfer (Regular Shippers Only)
Regular Shippers can transfer a portion of their history; provided however, the exact amount may not exceed 80% of the transferring shipper's ticketed history. An exact volume transfer takes twelve months to complete. For example, if the shipper's ticketed history is 3,000,000 barrels, then the shipper can transfer up to 2,400,000 barrels (Please see example below.) However, if the transferring shipper transfers a volume that results in their Raw Historical Allocation being less than 15,000 barrels on a given cycle, the transferring shipper will receive no allocation (zero volume). Set transfers are done on a declining basis over twelve months, as with the 100 % transfer, the months in which history is generated factors into the transfer volume. If the transferor does not have enough history in a particular month the transferee will only receive the allocation available to the transferor for that month. For instance, in the example above where 100% of the history was generated in October, the next month transfer would be reduced to zero regardless if the transfer was done with 100% or an exact volume amount.

Exact Volume Transfer Example:
Regular Shipper A is transferring 2,400,000 barrels (2,400,000/72 = 33,333 barrels/cycle) to Shipper B. During the first month, Shipper B will receive 2,400,000 barrels of history from Shipper A. This volume reduces by one-twelfth over the 12 month transferring period subject to transferor available history.

In this example, Shipper B receives the following for each of the 12 months:

- Month 1: 2,400,000 bbls
- Month 2: 2,200,000 bbls
- Month 3: 1,900,000 bbls – On a pro rata basis, transferee would receive 2,000,000 bbls but transferor only has 1,900,000 bbls of history that month. Accordingly transferee will receive 1,900,000 bbls in Month 3.
- Month 4: 1,800,000 bbls
- Month 5 – 12: process of reducing by 1/12th continues
- Month 13: 0 bbls

In this example, the transferring shipper's ticketed history in the first month of the transfer would be 600,000 barrels (3,000,000 – 2,400,000). The 600,000 barrels would result in the following calculated cycle historical allocation for the transferring shipper:

- Transferring Shipper's ticket history during Base Period = 600,000 bbls
- Total history during Base Period= 420,000,000 bbls
- Percentage of Total Historical Shipments = 600,000/420,000,000 = 0.1429%
- Available Capacity for the cycle = 6,100,000 bbls
- Raw Historical Allocation = 0.1429% * 6,100,000 bbls = 8,714 bbls

- Current Rounding (25,000 bbl multiple) = 0 bbls
- Allocation = 0 bbls

In this example, the transferring shipper transferred such a large portion of their history, the remaining history was not enough for the shipper to continue receiving an allocation.

2.7 Ticketing/Inventory

2.7.1 Tickets

Colonial issues tickets via T4. Tickets are generated and issued by T4 in real time, in a variety of modes to include: e-mail, XML, and on demand via the internet. Colonial furnishes tickets only to the three parties on an origin or delivery ticket. These three parties are the shipper, the supplier or consignee, and the tankage provider supplying or receiving the product. Any other party wishing to have this ticket information must get it through one of the three parties listed on the ticket or receive access from one of the parties listed on the ticket to view it on T4.

Please contact Inventory at inventory@colpipe.com or T4 for re-transmission of missing, misplaced or old tickets. Users of T4 should note that invalidated tickets are available for viewing in real time as they occur.

Terminals that would like to receive tickets electronically need to set up a T4 account or be set up to receive ticket pushes. This can be done by contacting their T4 Company Administrator or T4. T4's contact information is: info@transport4.com or 1-888-844- 9404.

Flow Weighted Average Ticket:	A ticket for which the volume is measured by one to four meters and for which gravity, temperature, and pressure are measured multiple times during the delivery, denoted as FWA.
Meter Ticket:	A ticket for which the volume is measured by one to four meters and for which the gravity, temperature, and pressure are observed by an operator during the delivery. A correction factor distribution percentage is determined for each meter associated with the delivery to determine the distributed meter correction factor.

2.7.2 Custody Transfer Information

The following is a description of ticket information as displayed on T4 tickets:

Type:
10 – RECEIPT – CUSTODY (into tanks)
11 – RECEIPT – CUSTODY (into line)
16 – RECEIPT – CUSTODY (out of tanks – credit)
21 – DELIVERY – CUSTODY (from line)

22 – DELIVERY – CUSTODY (from tanks)
24 – TRANSMIX DELIVERY (out of tanks)
31 – DELIVERY CREDIT (from line)
32 – DELIVERY CREDIT (from tanks)
60 – TRANSFER FROM
70 - TRANSFER TO

Location: Alphanumeric Colonial name for the origin or delivery location.

Location Number: Colonial numeric location designation.

Line Segment: Colonial numeric designation of the mainline or stub line where the custody transfer occurred.

Line Description: Name of Colonial facilities from which the batch originated and terminated on the line segment.

2.7.3 Involved Parties

Carrier: CPL - Colonial Pipeline Company
P.O. Box 1624
Alpharetta, GA 30009

Shipper: Name and address of company shipping the batch.

Tankage: Any company providing tankage for all or part of the batch.

Supplier: Any company supplying all or part of the batch.

Consignee: Any company receiving all or part of the batch.

2.7.4 Ticket Details

Ticket #: Number of ticket – up to four digits and possibly an alpha character. An alpha character is used to indicate changes to the original ticket.

Batch Code: The 11 character Colonial batch number.

Ticket Date: The date and time the ticket was prepared. If original ticket, same as Created Date and Time. If an adjustment ticket, then the date and time the adjustment ticket is prepared.

Start Date: The date and time the origination or delivery is started, or a new ticket is started.

Stop Date: The date and time origination or delivery is completed, or a ticket switch is made.

Created Date: The date and time the ticket was originally prepared or changed.

Comment: Batch or ticket specific detail and explanation of any revisions.

2.7.5 Product Information

Product Code: The two character Colonial product code as listed in Section 3, Product Specifications.

Description: Short description of product.

Net Volume: The net barrels received or delivered.

Net Gallons: The net barrels received or delivered converted to gallons.

Gross Volume: The total meter counts of all meters used during the receipt or delivery covered by this ticket. No corrections factors or water deduction made.

2.7.6 Measures Information

Open Date: Same as Start Date.

Close Date: Same as Stop Date.

Obs Gravity: The observed API gravity – For FWA tickets this will be the same as the Cor Gravity.

Obs Temp: The temperature at which the API gravity was made – For FWA tickets this will always be 60.

Cor Gravity: API gravity correct to 60 degrees F.

Avg Temp: Average temperature of the product during the receipt or delivery.

Avg Pressure: Average meter pressure during the receipt or delivery.

Avg Flow Rate: Average flow rate during the receipt or delivery, currently not utilized and left blank.

Temp Correct: Calculated API temperature correction factor.

Pres Correct: Calculated API pressure correction factor.

Composite Fact: Resulting factor of multiplying distributed meter factor, temperature correction factor and pressure correction factor – available only for non FWA tickets.

Distr Meter Fact: Composite factor of all meters used for the batch delivery or receipt.

2.7.7 Meter Information

Meter #: The designated meter number for all meters utilized during the delivery or receipt. The meter number for FWA tickets will always be 1.

Barrels: This field is not currently active, will always be blank.

Prover Report: The number of the last prover report for each meter, this will always be zero for FWA ticket.

Meter Factor: The meter factor from the prover report for the meter, this will always be the same as the Distr Meter Fact for FWA tickets.

Distribution %: The percentage of the products, which went through each meter used, will always be 100 for FWA tickets.

2.7.8 Statements

EPA information specific to the product being delivered or received.

2.8 Invoices

Colonial's invoices are sent to the shippers by the use of electronic mail and are DUE AND PAYABLE UPON RECEIPT.

Invoices will bear interest at a rate of the Prime Interest Rate (posted by the *Wall Street Journal* on the first day of any given month) plus three percent (3%) on invoices which have not been paid and received by Colonial within fifteen (15) calendar days from the date of the invoice.

A shipper may have credit amounts on their account as a result of adjustments, duplicate payments, or prepayments. If the shipper has not applied the credit against an outstanding invoice within ninety (90) days, Colonial may issue a refund or apply to other past due balances the amount of the credit. No refund for a credit will be issued if any invoice or settlement statement due Colonial is shown as outstanding for fifteen (15) calendar days or more.

Colonial Pipeline Company's Transportation Invoices are generated and sent to the shippers of record four times per month for the following periods:

1. The 1st thru the 7th day of the month
2. The 8th thru the 14th day of the month
3. The 15th thru the 21st day of the month
4. The 22nd thru the last day of the month

Transportation charges are billed from the batch origin point to the point of delivery based on Colonial's current posted tariffs. The following example shows how the origin of a batch is represented on the invoice:

Example: Shipper AAA lifts 25,000 bbls from Hebert and delivers 24,999 bbls to Chattahoochee.

In this example, the Shipper's origin of Hebert is in the description column of invoice. The rate on the invoice is the rate from Hebert to Chattahoochee.

AAA-123456
Test Shipper
123 Main Street
Suite 10000
Any Town, TX 12345

INVOICE #: CPC123456
FOR PERIOD: 01/22/2018 - 01/31/2018
INVOICE DATE: 2/2/2018
TERMS: DUE UPON RECEIPT

Atlanta-Chattahoochee (Fulton County) GA
546 CHATTAHOOCHEE

Date	Batch	Tkt #	Barrels	Description	Quantity	Rate	Charge	Source
01/23/18	AAA-A2-001	32	24,999	Transportation - Hebert Origin	24,999	1.0909	27,271.41	FERC 99.36.0
01/24/18	AAA-A2-002	33	24,998	Transportation - Lake Charles Origin	24,998	1.0613	26,530.38	FERC 99.36.0
01/25/18	AAA-A2-003	34	24,995	Transportation - Krotz Springs Origin	24,995	0.9632	24,075.18	FERC 99.36.0
01/29/18	AAA-A2-004	35	24,880	Transportation - Baton Rouge Origin	24,880	0.9321	23,190.65	FERC 99.36.0
01/30/18	AAA-A2-005	36	24,700	Transportation - Collins Origin	24,700	0.8162	20,160.14	FERC 99.36.0
546 Subtotal			**124,572**				**121,227.76**	

2.9 Settlement Statements

The settlement statement includes Gain / Loss Adjustments and the Product Loss Allocation charge. The final line of the settlement statement is the ending balance, which nets the various credits and debits and shows whether a shipper is due a settlement from Colonial or whether the shipper owes Colonial. In the event that the ending balance is a net credit to a shipper, Colonial

will issue a check or ACH in payment of the credit balance on the 15th of the month after invoice date. For example, if the Settlement invoice date for June is July 5th, then the shipper will receive payment for the settlement credit on July 15th. If the 15th is a Saturday or Sunday, then payment will be made on the Friday before. In no case should a shipper deduct a credit from the payment of any other invoices. If the final balance is a charge to the shipper, then the invoice terms are the same as other invoices, DUE UPON RECEIPT.

2.9.1 Physical Adjustment

As a result of quality assurance product protective guidelines certain product gain/losses occur at the interface between products. To assist shippers in planning for those gains/losses, Colonial assigns predictive product gains and losses based upon historical system performance. Predictive gains and losses are applied to a shipper's most downstream delivery location. When assignments are made, the shipper of record receives a ticket reflecting the gain or loss. The barrels gained or lost on specified batches must be taken into account in all subsequent changes or references to these batches. Shippers may redistribute the gain or loss to a different delivery location if desired. All assignments are settled through Colonial's normal monthly settlement process for the month the assignment is incurred. Additional gains and losses may be assigned as needed to true up book to physical inventories as product moves through the system. Gain/loss assignments track to the origin of the batch. Each month ticketed volumes are reconciled to nominations and any necessary volume adjustments, either positive or negative, are assigned and included on the monthly settlement statement ("Physical Adjustment").

The nomination event codes used for predictive gains and losses are:

TFG – Product gains to be distributed to a shipper.
LL– Product lost in transit to mainline batch cutting.
TFL – Product short in tankage.
LG – Product gained in transit due to mainline batch cutting.

Shippers are notified of these predictive gains /losses via T4 as they are assigned by Colonial schedulers.

2.9.2 Physical Adjustment and Surplus Settlement Pricing

All settlements for Physical Adjustments and Surplus will be priced by product as follows: (i) all origins other than those including and north of Woodbury, NJ (collectively the "Northeast") will be priced by product using a calendar month average of the "Spot Assessments" for "U.S. Gulf Coast - Pipeline" low posted prices published by Platt's US MarketScan for which settlement is being made; (ii) a product batch originating in the Northeast will be priced by product using a calendar month average of the "Spot Assessments" for "New York - Barge" low posted prices published by Platt's US MarketScan for which settlement is being made.

For products without a posting on Platt's US MarketScan:

- For product code 1A: the Platt's US MarketScan posted prices for CBOB will be adjusted by a value equal to the posted day's Platt's 'USGC RVP Adjustment' values for CBOB -1 psi (Platt's Code AGLOB00) multiplied by the RVP delta between 1A (8.8 psi RVP after blending) and the designated RVP of the daily posted CBOB Platt's code for the appropriate origin. Note: the USGC RVP Adjustment will be used even for Northeast originations of 1A.
  - RVP Adjustment Example:
    - For a 1A batch not originating in the Northeast:
      - Platt's code CBOB 87 (AARQU00) has a daily posted price of 195.00 and RVP of 10.0
      - Platt's USGC RVP Adjustment CBOB -1 psi (AGLOB00) has the same-day posted value of 2.00
      - Colonial's 1A value for that posted day will be calculated to be:
        - 195.00 + (2.00*(10.0-8.8=1.2)) = 195.00+2.40 = 197.40
    - For a 1A batch originating in the Northeast:
      - Platt's code CBOB 87 (AAWBL00) has a daily posted price of 195.00 and RVP of 9.0
      - Platt's USGC RVP Adjustment CBOB -1 psi (AGLOB00) has the same-day posted value of 2.00
      - Colonial's 1A value for that posted day will be calculated to be:
        - 195.00 + (2.00*(9.0-8.8=0.2)) = 195.00+0.40 = 195.40
- Otherwise, if there is no posting for a product, the low posted price for the closest comparable product, as determined by Colonial in its sole discretion, will be used.

The calendar month average low posted days (not calendar days) for each product grade will be:

i) summed in cents/gallon to the second decimal point; ii) Averaged by the number of Platts pricing days in the month and rounded to the second decimal point; iii) Converted to cents/barrel; and iv) Converted to dollars/barrel and stated to the fourth decimal point.

Pricing policy example using (62) ULSD pricing for the period ending January 2024, calculated on a product batch originating in the Gulf Coast:

1.	02-Jan-24	236.53	18-Jan-24	257.41
	03-Jan-24	245.99	19-Jan-24	254.21
	04-Jan-24	245.44	22-Jan-24	258.32
	05-Jan-24	248.75	23-Jan-24	257.79
	08-Jan-24	245.64	24-Jan-24	256.04
	09-Jan-24	253.14	25-Jan-24	267.85
	10-Jan-24	247.76	26-Jan-24	272.37
	11-Jan-24	255.83	29-Jan-24	270.86

12-Jan-24	255.83	30-Jan-24	269.06
16-Jan-24	253.26	31-Jan-24	270.82
17-Jan-24	253.56	**Total**	**5,376.46**

2. 5,376.46 / 21 = 256.02190 Rounded to the second decimal = 256.02

3. 256.02 x 42 = 10,752.84 Cents per Barrel

4. 10,752.84 / 100 = 107.5284 Dollars Per Barrel stated to the fourth decimal

The below table identifies the Colonial product code associated with each Platt's product:

Gulf Coast - Lowest Prompt Pipeline Price:

PLATT'S DESCRIPTION	PLATT'S CODE	COLONIAL PRODUCT CODES
RBOB 83.7	AAMF B00	F
RBOB 91.4	AAMN G00	H
CBOB 87	AARQ U00	A*, 1L, 2L, 93
CBOB 93	AARQ V00	D
Ultra Low Sulfur Diesel (ULSD)	AATG Y00	61, 62, 63, 65, 69, 83, 87
ULS Heating Oil	AAXF D00	67
ULS Kero	AAVT L00	51
Unleaded 87 **[C]** ~~RVP 9.0~~	PGACT 00	M, 3L, 44
Unleaded 93 **[C]** ~~RVP 9.0~~	PGAJB 00	V, 4L, 20
Jet 54	PJABO 00	52, 53, 54, 56, 57, 58
Jet 55	PJABP 00	55
No. 2	POAE D00	59, 70, 71, 72, 73, 75,77, 78, 79, 80, 84, 85, 88, 89, 96

*Product code 1A will be adjusted using Platt's Code AGLOB00 as described above.

Product code 90 will be settled at the average month's sales price that Colonial receives for transmix.

2.9.3 Surplus and Transmix

Surplus inventory of certain products (inclusive of transmix) is generated as a part of normal operations due to cutting the interface between different products into the product with the lower quality specifications. Surplus inventory is also associated with manifold and station piping volumes as well as tank bottoms.

Additionally, the difference by product between system-wide physical volumes and book inventory (the "Surplus") is also reconciled. This is done by subtracting the previous month's Surplus by product from the current month's Surplus by product and then allocating the positive difference to shippers in the proportion that the total number of barrels of each product delivered from the entire system for each shipper bears to the total number of barrels of each product delivered from the entire system for all shippers, provided that deliveries which originated in New Jersey or New York will be excluded from the Surplus calculation. While total Surplus allocation goes up, the shipper is only charged/credited for the difference between prior and current month. The following provides an example of the Surplus allocation calculation.

	Month 1	**Month 2**
Ending System ULSD Surplus	40,000 bbls	45,000 bbls
System ULSD Surplus to be Allocated		5,000 bbls
(Current month ending balance less prior month balance)		

Shipper A's ULSD Deliveries		5,000 bbls
Total System ULSD Deliveries		25,000 bbls
Shipper A's % of Total Deliveries		20%
(Shipper A's deliveries divided by total deliveries)		

Beginning Surplus Allocation	2,000 bbls	
Shipper A Surplus Allocation		1,000 bbls
(System surplus to be allocated multiplied by Shipper A's % of total deliveries)		
Ending Surplus Allocation		3,000 bbls
(Month 1 Surplus allocation plus month 2 Surplus allocation)		

When the previous month's physical Surplus by product is greater than the current month's physical Surplus by product, the negative Surplus is allocated in the proportion that the shipper's surplus account for that product bears to the total. The following provides an example of the negative Surplus allocation calculation.

	Month 1	Month 2
Ending System ULSD physical Surplus	40,000 bbls	35,000 bbls
System ULSD physical Surplus to be Allocated		(5,000) bbls
(Current month ending balance less prior month balance)		

Shipper A's ULSD Surplus Account Balance	5,000 bbls	
Shipper A's % of Surplus in Month 1	14.30%	
(Shipper A's surplus balance in Month 1 divided by total surplus in Month 2 prior to negative surplus allocation)		

Shipper A's Beginning Surplus Balance	5,000 bbls	
Shipper A Surplus Allocation		(715) bbls
(System surplus to be allocated multiplied by Shipper A's % of surplus)		
Shipper A's Ending Surplus Balance		4,285 bbls
(Month 1 plus Month 2)		

Surplus allocations are made in the following generic grades:

20 - Premium gasoline
44 - Regular gasoline
54 – Aviation kerosene
55 – Dual purpose kerosene
61 – Ultra low sulfur diesel fuel
88 – All other higher sulfur diesel fuels
90 - Transmix

Colonial disposes of the transmix on a bid and/or contractual basis during the month as it is accumulated. At the end of each month, Colonial allocates unsold barrels of transmix in a manner consistent with the surplus allocation based on the shipper's proportional use of the pipeline. Deliveries which originate in New Jersey or Pennsylvania are excluded from the calculation. Transmix is settled monthly using the average month sales price of transmix.

If a shipper ceases shipping on Colonial, its surplus account will be zeroed out no later than the first close that is ninety (90) days after the last barrel is delivered for such shipper (the first close may be more than ninety (90) days after the last barrel is delivered).

Collectively the Physical Adjustments and Surplus allocation shall be the Gain Adjustment or Loss Adjustment. Product types subject to Gain/Loss Adjustment are listed within each month's

settlement statements. The barrels of products gained or lost listed on the statement may be traced directly to the Statement in Barrels of Inventory in Carrier Custody.

2.9.4 Product Loss Allocation Charge

The product loss allocation is a charge, which is designed to balance the account maintained on behalf of the shippers, assessed on each delivered barrel to recover, but not over recover, losses resulting from evaporation and downgrading of product in the operation of the pipeline. The product loss allocation charge is published in the applicable Rules and Regulations Tariff and is applicable for all deliveries except those defined in section 2.12.

New Jersey Intrastate Product Loss Allocation Charge:
New Jersey Intrastate movements (as defined in section 2.12) are assessed an intrastate product loss allocation charge. This charge at present time is 11.25 cents per delivered barrel. This charge will be adjusted from time to time based on the performance of the account maintained on behalf of the shippers. Any changes will be communicated to shippers through a bulletin issued thirty (30) days prior to the change going into effect.

2.10 Miscellaneous

2.10.1 Ticket Discrepancies

In the course of routine product transportation, a shipper may dispute a ticketed volume. Colonial's meters are proved on a regular basis, and shippers may, at their request, witness a meter proving. Volumes shall be corrected by recognized means from observed temperature and pressure to a temperature of sixty (60) degrees Fahrenheit and a pressure of zero psi gauge. Full volume deductions will be made for all water and other impurities in products received or delivered as determined by recognized means.

To reconcile differences between tank & ticket volumes, Colonial and the shipper must first validate their own measurement processes (correctly applied factors, accurate calculations, physical property corrections, etc.) Once validated, necessary corrections will be made if warranted.

2.10.2 Product Deliveries

Colonial will not initiate delivery of the shipper’s nominated product until such time as the terminal operator provides notice to Colonial of a clear path. An operator’s indication of a clear path shall serve as notice that the facility is currently prepared, without disruption to pipeline operations, to accept the entire nominated volume, regardless of the Colonial flow rate.

Nominated volumes will not exceed the terminal's available capacity to receive the nominated volume into one or more tanks. Terminal operators may make tank switches during a delivery; provided, however, Colonial shall have no obligation to adjust the pipeline flow rate or to provide flow rate changes to accommodate a tank switch.

2.10.3 Segregated Batches of Specialty Products

Segregated Batches require dedicated assets and special handling and can have the effect of reducing the total capacity of the pipeline. Further, any request to ship a Segregated Batch that originates on Lines 1 and 2 and terminates at any location other than Baton Rouge, LA and Collins, MS must comply with the additional nominations procedure set forth in Item 22 of the Rules and Regulations Tariff.

Final approval for shipment of a Segregated Batch must be granted by Colonial and is subject to review by Quality Assurance. All products must meet established specifications unless otherwise approved by Colonial. Shipment of a Segregated Batch may require the use of buffer material, as set forth in Items 21(e) and 30 of the Rules and Regulations Tariff and may require additional provisions to ensure that the quality of adjacent batches is maintained.

Shipment of a Segregated Batch may be subject to an additional fee, as set forth in the applicable Rates Tariff.

2.10.4 State Reports

The State Report is a report which Colonial is required to send to all states where deliveries are made during any given month. The information Colonial supplies to the states is the location of the delivery, the shipper of the delivery, the consignee of the delivery and the total gallons of the delivery made within the confines of the state where the delivery is made.

Shippers and Consignees alike will receive a copy of the report that is rendered to any state where deliveries are made.

2.10.5 Statement in Barrels of Inventory in Carrier Custody

The shipper of record will receive a report from Colonial referred to as "The Statement in Barrels of Inventory in Carrier Custody." The report lists all receipts into the pipeline and all deliveries made from the pipeline.

At the bottom of the page will be listed the beginning inventory, total receipts, total deliveries, book inventory, any gain or loss and the ending inventory which is the shipper's physical inventory. Each grade of product a shipper has in inventory will be shown on a separate page of the report.

For those shippers who would like to view their inventory statement prior to receiving the hard copy, access the T4 system. The final information should be available on approximately the fifth business day of each month.

2.10.6 New Suppliers, Consignees or Tankers

Any company that would like to become a Supplier, Consignee or Tanker on the Colonial System, needs to complete the Supplier / Consignee or Tanker application and submit to credit@colpipe.com. Only one supplier code per FEIN will be issued and supplier codes will only be given to entities with a FEIN. The Supplier/ Consignee or Tanker Application is located on the Colonial website at http://www.colpipe.com/home/customers/supplier-conanee-and-tanker-request.

2.11 Intrastate Service

Intrastate movements are subject to the same policies and procedures as short-haul movements on the Colonial system, including the provisions specific to Fungible, Joint, and Segregated Batches, as applicable. The rates and origin and destination points for intrastate movements are set forth in the below table.

Rate in Cents per Barrel of 42 United States Gallons			
Origin	**Destination**	**Rates Effective 07/01/2026**	**Rates Effective 09/01/2026**
Paulsboro Lifting (Gloucester County), NJ	Trenton (Mercer County), NJ	64.03	67.23
	Pennsauken (Camden County), NJ	64.03	67.23
	Eagle Point (Gloucester County), NJ	49.18	51.64
	Linden (Union County), NJ	81.02	85.07
	Newark-Sun (Essex County), NJ	81.02	85.07
Eagle Point Lifting (Gloucester County), NJ	Trenton (Mercer County), NJ	64.03	67.23
	Pennsauken (Camden County), NJ	64.03	67.23
	Eagle Point (Gloucester County), NJ	49.18	51.64
	Linden (Union County), NJ	81.02	85.07
	Newark-Sun (Essex County), NJ	81.02	85.07
Baton Rouge (E. Feliciana Parish), LA	Baton Rouge Dock Facility W. Feliciana Parish, LA (Limited to deliveries of transmix	25.45	25.45
Houston (Pasadena) (Harris County), TX	Cedar Bayou (Harris County, TX)	8.14	8.14

2.12 System Storage

Colonial reserves the right to physically store the shipper's petroleum products at any point on its system, and may, at its sole discretion, relocate the stored barrels at any time. The shipper will be charged the full posted transportation rate from origin to the designated destination point regardless of where the barrels have been stored or for how long. Delivery time will be based on the Cycle timing associated with the nomination out of storage. Product gains and losses will be accounted for as if the barrels had not been in system storage.

2.13 Ancillary Services

2.13.1 Schedule of Services and Fees

Short Term Tank Leases	$2,000 for 5,000 barrel increments (not prorated) per Cycle
In Transit Storage/ System Storage	Variable
Product Transfer Order (IPTT)	10.0 cpb
Downstream Product Transfer (DPTT)	10.0 cpb
DPTT Minimum Transaction Fee	$750 dollars
Baton Rouge Barge Dock Operations	Negotiable
Shipper Requested Product Re-grades	10.0 cpb

2.13.2 Short Term Tank Storage

To access short term storage, a shipper must have a fully executed Short Term Storage Master Services Agreement in place. The Master Services Agreement is available on Colonial's website http://www.colpipe.com/docs/default-source/customer- documents/MSA.pdf or by email request to: Commercial_Affairs_Tank_Leasing@colpipe.com. The signed copy should be sent to the Commercial Affairs e-mail address above. Upon review and at its sole discretion, Colonial will countersign the Master Services Agreement and return the fully executed version to the shipper via e-mail.

Shippers will set up and manage their short term storage requests in T4 through the Nominations tab. Once the shipper enters the details, Colonial processes the request and, if accepted, approves the transaction. Detailed instructions and screens shots explaining the process of entering a short

term storage request can be found at the following link: http://www.colpipe.com/home/customers/documents-forms.

2.13.3 Long-Term Storage

We currently offer long-term storage agreements at Colonial owned/leased tank facilities along the Colonial System. This tankage is intended for the in-transit storage of products moving via Colonial from upstream origin facilities to downstream destinations.

Availability is based upon location, volume, product, and duration. Charges for long-term storage service are based on the conditions of the contracted agreement. Please note that any "operational tankage" is subject to changing conditions throughout the year. Therefore, all contracts will contain a clause whereby Colonial Pipeline Company will reserve the right to cancel or adjust the terms with sufficient notice. For questions regarding long-term storage, please contact the Business Development Coordinator at Commercial_Affairs_Tank_Leasing@colpipe.com.

2.13.4 Product Transfer Orders (PTOs)

Colonial has two types of PTOs depending on the location where the title transfer occurs.

	Current Title Holder	**Proposed (New) Title Holder**
Tariff – Origin to Destination		X
Surcharges Assessed at Delivery (see Section 2.9)		X
DPTT/IPTT Charges	X	
Line History		
Colonial's Main Lines 1 and 2 – DPTT	X	
Colonial's Main Lines 1 and 2 – IPTT		X
Mainlines 3 and 4 – DPTT	X	
Stub lines/Delivery lines - DPTT		X

2.13.4.1 In Line Product Title Transfer (IPTT)

Colonial's In Line Product Title Transfer (IPTT) service facilitates the transfer of product ownership within Colonial's upstream system storage, *i.e.*, system storage upstream of our point of allocation (currently North of Collins, Mississippi). The IPTT service provides our shippers the option of transferring all obligations and rights associated with being the shipper of a batch to another shipper while the subject product volume remains within Colonial's custody. The "Product Title Transfer Ticket," which documents the transaction, serves to finalize the product title transfer process between Colonial shippers. With an IPTT, the purchasing shipper pays the transportation fee from the origin point and receives the shipper history on Main Lines 1 and 2,

provided the volume is delivered downstream of the point of allocation. The transferor neither pays any transportation fees nor receives any history. Volumes must be delivered downstream of the origin point but do not have to be delivered downstream of the point of allocation.

The charge for this service is assessed on a per barrel basis to the transferor (minimum 15,000 barrel transfers). The current IPTT charge rate can be found in the Schedule of Services and Fees section of the manual. All transactions will be processed on a weekly basis.

2.13.4.2 Downstream Product Title Transfer (DPTT)

Colonial's DPTT service facilitates the transfer of product title within its breakout tankage downstream of the point of allocation. The DPTT service is available only to Colonial Shippers and is subject to Colonial's approval.

DPTTs are available for all volumes originating on Lines 1 and 2; however, volumes (i) may not deliver upstream of Pelham, AL, (ii) must deliver downstream of the origin point, and (iii) move in interstate commerce. The transferor will pay the DPTT fee, and the buyer will pay the tariff from origin to final destination. The transferor shall receive the shipper history on Main Lines 1 and 2 and therefore must have the allocated space to move the product downstream of the point of allocation. Shipper history for any movements on downstream segments will be in accordance with the table in Section 2.13.4 above. The *Product Title Transfer Ticket* documents the transaction and serves to finalize the product title transfer process between Colonial shippers.

The charge for the DPTT service is assessed on a per barrel basis, subject to a minimum transaction fee. The current DPTT charge rate as well as the minimum transaction fee can be found in the Schedule of Services and Fees section of the manual. All transactions will be processed on a weekly basis.

Detailed instructions and screens shots explaining the product transfer instructions can be found at the following link http://www.colpipe.com/home/customers/documents-forms

2.13.5 Baton Rouge Barge Dock Operations

Access to load or unload barrels across the Baton Rouge Barge Dock is available through Energy Logistics Solutions LLC ("ELS"). To obtain access to the Baton Rouge Barge Dock please send an e-mail to BRDock@colpipe.com.

2.13.6 Shipper Requested Product Re-Grades

A Shipper may request re-grading of batches for any batch within Colonial's custody. Re- grade requests must be received forty-eight (48) hours prior to arriving in break-out tankage. Re-grades that are completed at the shipper's request will be subject to the fee set forth in the Schedule of

Services and Fees Section of this manual and a ticket will be issued upon completion of the process. The charge for the re-grade service is assessed on a per barrel basis and will be invoiced each month. Re-grades not requested by the shipper will not be subject to a re-grade fee.