

TRI-STATES NGL PIPELINE, L.L.C.

Local, Proportional, Volume, and Quality Incentive Tariff

Applying On

LIQUEFIED PETROLEUM PRODUCTS

Transported by Pipeline

From and To Points Named Herein

The rates in this tariff are expressed in cents per barrel of 42 U.S. Gallons and are subject to change as provided by law, also to the Rules and Regulations published herein, supplements hereto and reissues hereof.

All rates in this tariff remain unchanged as result of a five(5) year Settlement Agreement filed with the Federal Energy Regulatory Commission on December 5, 2009. See Docket IS10-81-000 for specific details.

[C] ~~NOTE THE FOLLOWING CORRECTION: The FERC tariff number designation in the upper right hand corner of the title page to F.E.R.C. No. 17.1.0 should have read 17.1.0 cancels 17.0.0.~~

[C] ~~Issued on 6 days' notice under authority of 18 CFR §341.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.~~

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

GENERAL APPLICATION

The general rules and regulations published herein apply in their entirety to the services covered by this tariff, that is, to the interstate transportation of product from the origins to the destinations named herein.

GENERAL RULES AND REGULATIONS

ITEM 5 DEFINITIONS

"Barrel" shall mean forty-two (42) United States gallons of two hundred thirty-one (231) cubic inches at sixty degrees Fahrenheit (60°F) and equilibrium vapor pressure.

"Calendar Week" shall mean the one hundred sixty-eight (168) hours between 7:00 A.M. Monday and 7:00 A.M. the following Monday.

"Carrier" shall mean Tri-States NGL Pipeline, L.L.C.

"Consignee" shall mean a party to which the ownership of Product is transferred upon delivery at a destination.

"Consignor" shall mean a party which transfers Product to a Consignee.

"Day" shall mean the twenty-four hours between 7:00 A.M. and 7:00 A.M. the following day.

"Demethanized Mix" shall mean a mixture of any or all of the following components: ethane, propane, isobutane, normal butane and natural gasoline.

"Ethane Component" shall mean the ethane and lighter portion of a Demethanized Mix stream.

"Month" shall mean 7:00 A.M. of the first day of a calendar month to 7:00 A.M. on the first day of the following calendar month.

"Product" shall mean Demethanized Mix meeting specifications issued by Carrier.

"Propane Plus Component" shall mean the portion of Demethanized Mix stream containing only the following components: propane, isobutane, normal butanes, and natural gasoline.

"Receipt" shall mean point at which product is received into the pipeline.

"Shipper" shall mean any party who gives notice to transport Product under the provisions outlined in this tariff.

ITEM 10 SCHEDULING OF RECEIPT AND DELIVERY

Shipper desiring to originate Product shall furnish a Shipment Notice, by the 20th day of the Month prior to the Month in which Shipper desires transportation.

Shipment Notice shall specify the origins, destinations and the Product offered to Carrier. If Shipper does not furnish such notice, Carrier will be under no obligation to accept such Product for transportation. Carrier will then confirm with connecting pipelines the acceptance of the Shipper's nomination before accepting shipment.

Product will be accepted for transportation at such time and in such quantity as scheduled by Carrier.

When Shippers request delivery from the pipeline, at a specified destination, of a volume of Product greater than which can be immediately delivered, Carrier shall schedule delivery with reasonable efforts. Carrier shall not be liable for any delay in delivery resulting from such scheduling of delivery.

ITEM 15 PRODUCT REQUIREMENTS AND TESTING

Carrier reserves the right to refuse to accept any Product for transportation through Carrier's existing facilities which does not meet Carrier's Product specifications as published and distributed by Carrier in "Tri-States NGL Pipeline, L.L.C. Product Specifications" dated 8/1/2007, or any subsequent issuance or supplement thereof. Copies of the Procedure are available upon request.

Shipper may be required to furnish and certify that the lab results of Product to be transported in Carrier's facilities meet Carrier's specifications. Carrier reserves the right to sample and/or test any such shipment prior to acceptance or during receipt, and in the event of variance between Shipper's lab results and Carrier's test, the latter shall prevail.

If, upon investigation, Carrier determines that Shipper has delivered into Carrier's facilities Product that has contaminated the common fungible stream, rendering all or a portion of the fungible Product stream undeliverable, Carrier reserves the right to treat or otherwise dispose of all contaminated Product in any reasonable commercial manner at Shipper's sole expense.

In addition to Shipper's obligation to deliver Product meeting Carrier's specifications, and Carrier's right to dispose of off-specification Product as provided for herein, Shipper shall pay any fees set forth by Carrier for the incident and shall indemnify, defend, reimburse, and hold Carrier harmless from and against all claims, penalties, losses, costs, expenses, liabilities or damages of any kind or nature whatsoever (including reasonable attorneys' fees and court costs associated therewith) (collectively, "Losses"), whether the Losses be suffered by Carrier or any third party, arising out of or related to Shipper's delivery to Carrier of off-specification Product, regardless whether Carrier had prior knowledge of such delivery, including without limitation, Losses to Carrier's property, the property of others (including other Shippers), or treating or blending fees.

ITEM 25 APPLICATION OF RATES

Rates published in this tariff will be those in effect on the date of receipt of the product to be transported into the Carrier. Carrier will bill Shipper for transportation charges and all other lawful charges accruing on Product accepted for transportation on a monthly basis based on receipts into the pipeline at the rates published herein.

ITEM 30 ORIGIN AND DESTINATION FACILITIES

Product shall be accepted by Carrier only when Shipper has provided necessary facilities for receipt of Product into Carrier's pipeline and delivery of Product from Carrier's pipeline at pressures and pumping rates required by Carrier.

ITEM 40 MEASUREMENT

Except as otherwise provided, no charge shall be made by Carrier for metering Product upon receipt and delivery. Carrier is responsible for metering and the Carrier's meter will act as the custody transfer point.

Observed volumes of mixed Products 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 GPA 2145 Standard.

Carrier will perform all measurements in accordance with industry standards and any gains or losses resulting from measurement will accrue to the Carrier, pursuant to and consistent with Item 43 Component Balancing, subject to Item 70.

ITEM 43 COMPONENT BALANCING

Participation in the Carrier's Inventory Balancing Procedure is required. Carrier reserves the right to refuse service to any Shipper not willing to participate. For complete details of Carrier's Balancing Procedure, please refer to the Tri-States NGL Pipeline L.L.C. Inventory Balancing Procedure published and effective January 1, 2010 or any subsequent issuance or supplement thereof. Copies of the Procedure are available upon request.

ITEM 45 IDENTITY OF SHIPMENTS

Carrier may commingle product received from the origins shown herein. Carrier reserves the right at any time to substitute and deliver Product of the same specification as the Product shipped.

ITEM 55 DEMURRAGE

Shipper shall remove Product, or cause Product to be removed, from Carrier's facilities following transportation to a nominated destination. In the event failure to remove Product threatens or prevents delivery of succeeding shipments into or out of Carrier's facilities, Carrier shall have the right, without liability to Shipper, to make such disposition of unremoved Product as is necessary for the efficient operation of the pipeline, and Shipper shall pay Carrier all charges associated with such disposition the same as if Shipper had authorized such, and Shipper shall defend, indemnify, reimburse and hold Carrier harmless from and against any and all cost, expense, damage, or liability whatsoever arising out of or related to Shipper's failure to timely remove the Product.

ITEM 60 PAYMENT OF CARRIER CHARGES

The Shipper shall pay all transportation and other lawful charges accruing on Product received and accepted by Carrier for shipment. Carrier shall have a lien on all Product in its possession belonging to Shipper to secure the payment of any and all unpaid transportation, or any lawful charges that are due Carrier, that are unpaid by Shipper,

and may withhold such Product from delivery until all unpaid charges have been paid. If said charges remain unpaid ten (10) days after notice and demand therefore, Carrier shall have the right, through an Agent, to sell such Product at public auction, on any day not a legal holiday, in not less than forty-eight (48) hours after publication of notice of such sale in a daily newspaper of general circulation published in the town or city where the sale is to be held, stating the time, place of sale, and the quantity and location of Product to be sold. At said sale, Carrier shall have the right to bid, and if the highest bidder, to become the purchaser. 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. All charges that remain unpaid for more than 30 days from the date of Carrier's invoice shall accrue an interest charge of the lesser of (a) 18% percent per annum, or (b) the maximum non-usurious interest rate which may then be charged under Oklahoma law.

ITEM 65 ACCEPTANCE FREE FROM LIENS AND CHARGES

Carrier may refuse any shipment for transportation which is encumbered by a lien or charge of any kind, or which is involved in litigation, or the ownership thereof is in dispute. When any Product so encumbered or subject to litigation or dispute is tendered for transportation, Carrier may require of Shipper satisfactory evidence of its perfect and unencumbered title or satisfactory indemnity bond to protect Carrier against any or all loss.

ITEM 70 LIABILITY OF CARRIER

Carrier shall not be liable for any damage, delay, or failure in delivery or for any loss of Product caused by an act of God, public enemy, quarantine, authority of law, strikes, damage by riots, fire, or failure, floods or by act of default of Shipper, or resulting from any other cause not due to the negligence of Carrier, whether similar or dissimilar to the causes herein enumerated. Any such loss shall be apportioned by Carrier to each shipment of Product or portion thereof involved in such loss in the proportion that such shipment or portion thereof bears to the total of all Product in the loss, and each Shipper shall be entitled to receive only that portion of its shipment remaining after deducting its proportion as above determined of such loss. Carrier shall prepare and submit a statement to Shippers showing the apportionment of any such loss.

The Carrier operates under this tariff solely as a provider of transportation services and not as an owner, manufacturer or seller of the Product transported hereunder, and the Carrier expressly disclaims any liability for any expressed or implied warranty for Products transported hereunder including any warranties of merchantability or fitness for intended use.

Without limiting any other rights of Carrier hereunder, for all services provided for and received under this tariff, Shipper will indemnify and defend Carrier from any claims, liabilities, or losses (including costs of defense and reasonable attorney's fees), including claims for personal injury, death, or property damage involving the Carrier, Shipper, Consignee, or third parties based on or arising out of Carrier's performance of such services where such services are performed in accordance with applicable federal, state, or local statutes, regulations or ordinances. This indemnification shall include but not be limited to services such as the provision of emergency response numbers and shall include claims of any nature, legal or equitable, whether based on strict liability, negligence, breach of warranty, or any other causes of action. Shipper shall not be obligated to indemnify, hold harmless, and defend Carrier to the extent Carrier's failure to perform a service herein stated shall have caused the loss, claims, or liabilities covered under this Item 70. This indemnification obligation shall not apply to losses or damages to the Product transported or handled under this tariff, or for the negligent failure of the Carrier's obligation to maintain and operate its facilities in a proper operating condition.

ITEM 75 CLAIMS-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 Product, or in the case of a failure to make delivery, then within (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. The foregoing notice and time for instituting suit requirements are conditions precedent to the validity of any claims against Carrier, and if notice of claims is not given or suits not instituted thereon in accordance with the foregoing provisions, such claims will not be paid and the Carrier shall not be liable.

ITEM 85 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 90 APPLICATION OF RATES FROM INTERMEDIATE POINTS

For Product accepted for transportation from any point on Carrier's pipeline not named in this tariff, which is an intermediate point from which rates are published herein, through such unnamed point, the Carrier will apply from such unnamed point the rate published herein from the next more distant point specified in the tariff. If such intermediate point is used in continuous service for more than thirty (30) days, a rate will be published for such point.

ITEM 95 APPLICATION OF RATES TO INTERMEDIATE POINTS

For Product accepted for transportation to any point on Carrier's pipeline named in this tariff, which is intermediate to a point to which rates are published herein, through such unnamed point, the carrier will apply to such unnamed point the rate published herein to the next more distant point specified in this tariff. If such intermediate point is used in continuous service for more than thirty (30) days, a rate will be published for such point.

ITEM 110 ROUTING INSTRUCTIONS

All rates apply via Tri-States NGL Pipeline, L.L.C.

ITEM 120 TRANSPORTATION INVENTORY

Quantities of Product accepted for transportation to Shipper's nominated destination will constitute Shipper's transportation inventory prior to delivery. Initially, the line fill for the Tri-States NGL Pipeline system will be owned by Carrier. At any time, upon sixty (60) days written notice to Shippers, Carrier may transfer the line fill ownership requirement to the Shippers. If Product cannot be received by the nominated destination through no fault of Carrier, see Item 55.

ITEM 130 ALLOCATION OF TRANSPORTATION

When the total volume of Product offered for shipment on Carrier's facilities, in accordance with the procedures for scheduling shipments, is greater than can be transported within the period covered by such schedules, then the Product offered by each Shipper, including any new Shipper, for transportation will be transported in such quantities and at such times, to the limit of the Carrier's normal operating capacity, so as to avoid unjust discrimination or undue preference among Shippers and to fulfill requirements of government agencies. The Carrier's specific allocation procedures are outlined in the document "Tri-States NGL Pipeline, L. L.C. Allocation Procedures" dated 1/13/1999 which shall be provided upon request.

RATES
(In Cents Per Barrel)
[U] All rates in this page remain unchanged

ITEM 200 APPLICATION OF GENERAL COMMODITY RATES

- (a) Rates contained in this Tariff contain transportation rates from the origins on Carrier's pipeline system, and shall apply to all shipments from said origins to the destinations when such shipments meet the volume and other requirements and conditions of rates indicated per Barrel in Items 220-230. Any shipper not qualifying for the Item 310 Volume Incentive Program will be charged the Item 220-230 Commodity Rates.
- (b) Rates contained in Items 220-230 will be applied in the following manner:
1. If the volume of Product the Carrier receives during a Month from all Origins is less than 750,000 Barrels, the rates specified as "Pipeline Level I" will apply.
 2. If the volume of Product the Carrier receives during a Month from all Origins is greater than or equal to 750,000 Barrels, the rates specified as "Pipeline Level II" will apply.
 3. It has been concluded that a major segment of the pipeline between Mandeville and Canal-Kiln must be replaced ("Pipeline Replacement Project"). In order to execute the Pipeline Replacement Project, the rates below will be applied beginning January 1, 2010.

ITEM 220 ETHANE COMPONENT COMMODITY RATES

FROM	TO	PIPELINE LEVEL 1	PIPELINE LEVEL 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	178.55	153.05

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

ITEM 230 PROPANE PLUS COMPONENT COMMODITY RATES

FROM	TO	PIPELINE LEVELS 1 & 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	204.04

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

RATES
(In Cents Per Barrel)
[U] All rates in this page remain unchanged

ITEM 300 ETHANE AND PROPANE PLUS VOLUME INCENTIVE PROGRAM

All of the following provisions must be satisfied for a shipper to qualify for the Volume Incentive rates under this Item.

- (a) The volume incentive rates published in this Item will be charged to any Shipper who commits to ship a minimum of three hundred thousand (300,000) Barrels of Product ("Monthly Commitment") in a given Month from a single origin. If this provision is satisfied, all of Shipper's volumes from all origins will be charged the Item 310-320 Volume Incentive rates.
- (b) Prior to making any shipment under the provisions of this Item, Shipper must notify Carrier in writing of its intention to use this Volume Incentive Program prior to 7:00 AM of the first day of the Month.
- (c) Shipper's commitment will automatically renew for subsequent Months unless Shipper notifies Carrier prior to 7:00 AM of a given Month of Shipper's intention to no longer use the provisions of this Item.
- (d) If, at the end of the Month, Shipper has not satisfied the Monthly Commitment, Shipper shall pay the Item 220-230 Commodity Rates.
- (e) It has been concluded that a major segment of the pipeline between Mandeville and Canal-Kiln must be replaced ("Pipeline Replacement Project"). In order to execute the Pipeline Replacement Project, the rates below will be applied beginning January 1, 2010.

ITEM 310 VOLUME INCENTIVE RATES - ETHANE COMPONENT

FROM	TO	PIPELINE LEVEL 1	PIPELINE LEVEL 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	155.18	129.69

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

ITEM 320 VOLUME INCENTIVE RATES – PROPANE PLUS COMPONENT

FROM	TO	PIPELINE LEVELS 1 & 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	180.68

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

ITEM 400 QUALITY INCENTIVE PROGRAM

- (a) Rates corresponding to this Item apply to Ethane and Propane Plus Component from the origins on Carrier's system as specified in Item 410.
Any Shipper desiring to avail itself of the Quality Incentive Rates as set forth herein must satisfy all of the following provisions.
 1. Shipper must enter into a written commitment with Carrier prior to 7:00 AM, February 1, 2001.
 2. The Commitment Term will be on a monthly basis with an automatic renewal for subsequent Months unless Shipper notifies Carrier in the preceding month by the normal tendering date that Shipper no longer intends to utilize the provisions of this Item.
- (b) The Effective Date of this commitment will be no sooner than the first day of the first calendar month following receipt by Carrier of an executed written commitment from the Shipper. Carrier must receive said executed written commitment from Shipper at least 20 days prior to the effective date.

- (c) The quality incentive program will be applicable from February 1, 2001 through January 1, 2016.
- (d) In addition to the terms and conditions contained in this Item, all applicable rules and regulations within this Tariff, supplements thereto and reissues thereof, also apply.
- (e) The Guaranteed Quality Commitment under this Item shall apply to any Shipper who commits to tender shipments of Ethane Components containing less than or equal to 0.35 L.V.% of CO₂ in their Ethane Component receipts as specified in Item 410.
- (f) *Failure to Meet Guaranteed Quality Requirement:*
Notwithstanding Item 15 of this Tariff, if Shipper fails to meet the Quality Commitment Requirements specified within this Item, Shipper shall pay the applicable Commodity or Volume Incentive rate as specified in Items 220, 230, 310 and 320 of this Tariff.
- (g) It has been concluded that a major segment of the pipeline between Mandeville and Canal-Kiln must be replaced ("Pipeline Replacement Project"). In order to execute the Pipeline Replacement Project, the rates below will be applied beginning January 1, 2010.

**RATES
(In Cents Per Barrel)**

[U] All rates in this page remain unchanged

ITEM 410 QUALITY INCENTIVE PROGRAM - RATES

QUALITY INCENTIVE ON COMMODITY RATES – ETHANE COMPONENT

FROM	TO	PIPELINE LEVEL 1	PIPELINE LEVEL 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	172.99	147.49

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

QUALITY INCENTIVE ON COMMODITY RATES – PROPANE PLUS COMPONENT

FROM	TO	PIPELINE LEVELS 1 & 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	198.48

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

QUALITY INCENTIVE ON VOLUME INCENTIVE RATES – ETHANE COMPONENT

FROM	TO	PIPELINE LEVEL 1	PIPELINE LEVEL 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	149.62	124.13

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

QUALITY INCENTIVE ON VOLUME INCENTIVE RATES – PROPANE PLUS COMPONENT

FROM	TO	PIPELINE LEVELS 1 & 2
Mobile County, AL Jackson County, MS	Kenner, LA Junction ¹	175.12

¹ Kenner, LA Junction represents the end point of Tri-States NGL Pipeline, L.L.C.

MISCELLANEOUS

ITEM 900 ABBREVIATIONS AND REFERENCE MARKS

CO ₂	Carbon Dioxide
F.E.R.C.	Federal Energy Regulatory Commission
L.V. %	Liquid Volume Percentage
No.	Number
[U]	Unchanged Rate
[C]	Cancel
[W]	Change in Wording only