

**WEST SHORE PIPE LINE COMPANY
PRORATION POLICY**

**Approved April 9 1985
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During any period of time when the aggregate volume of petroleum products to be received and / or transported by West Shore exceeds the available capacity, space in West Shore's facilities shall be equitably allocated among all shippers in compliance with West Shore's obligations under Part 1 of the Interstate Commerce Act, as amended, and the following Proration Policy:

- (a) In order to determine if it is necessary to allocate space in any portion of West Shore's facilities, West Shore requires that monthly tenders be received by the 10th of each month for the next month's product movement. If the shipper makes such tender by telephone, it shall promptly confirm the tender to West Shore in writing, fax or email.**

- (b) When the total tendered volume for any month including available space by cycle, exceeds the capacity available for any line segment, all shippers tendering on the affected line segment will be called and notified of West Shore's intent to prorate pending verification of shipments from all shippers. At this time, a shipper must confirm to West Shore its intent to move the volume specified in its original tender, or a lower volume, but a shipper cannot change its original**

tender to increase its forecasted movements in excess of its original tendered volume, on a gasoline equivalent basis.

- (c) If total verified tenders for any month or available space by cycle exceeds available capacity, the space will be allocated by shipper in proportion to that shipper's total average barrels shipped the previous [W] twelve months. Such allocation, as it may be reduced by application of paragraph "d" below, is hereafter called the "Allocated Volume." If the Allocated Volume for any shipper is less than the minimum tender requirement set forth in West Shore's tariff, such Allocated Volume shall be increased to equal the minimum tender requirement. All of the foregoing calculations will be made on a gasoline equivalent basis.
- (d) The final schedule for each month will be faxed or made electronically available to each shipper by the 24th. This schedule shows planned product movements to begin on the 1st of the following month. If a shipper fails to move its Allocated Volume, such shipper's Allocated Volume for the first prorated scheduling month occurring after the next scheduling month (if such prorated month occurs within the next twelve scheduling months) will be reduced by the difference between its Allocated Volume and actual shipments for the month; except that to the extent that such failure is, in the sole opinion of West Shore, due

to causes beyond the reasonable control of shipper. All of the foregoing calculations will be made on a gasoline equivalent basis.

- (e) Allocated space of one shipper may not be assigned, conveyed, or used by another shipper during such time as prorationing may be in effect.**

- (f) If a product is not available at the time allocated in the schedule, it will be dropped from the schedule. In such event, West Shore may redistribute space allocation among other shippers to efficiently utilize the pipeline capacity. Lost product tenders may be picked up at the end of the cycle or month, if time permits, but may not be carried forward into any subsequent month.**

[W] Change in Wording Only