



Cenex Pipeline, LLC • Post Office Box 909 • Laurel, Montana • 59044-0909 • Phone (406) 628-5200

---

June 5, 2018

Mr. Brad Johnson, Chairman  
Montana Public Service Commission  
1701 Prospect Avenue  
PO Box 202601  
Helena, MT 59620-2601

Re: Proposed Cenex Pipeline, LLC Tariff – Montana PSC No. 27

Dear Mr. Johnson:

Please accept for filing the attached Montana PSC tariff No. 27, issued by Gregory L. Brown, President of Cenex Pipeline, LLC on this date, June 5, 2018, to be effective August 1, 2018. The rates on this tariff reflect an increase in accordance with the FERC 2018 indexing rate, which is 4.4087 percent.

I've included a schedule which shows the calculations for ceiling levels from 2009 (the most recent index taken by Cenex) through 2018, the current rates, and the proposed new rates for this tariff.

I hereby certify that all shippers on the Cenex Pipeline, LLC have been notified and furnished a copy of this proposed tariff No. 27. Additionally, upon approval by the Commission, this tariff will be available on our website at <http://www.chsinc.com/pipelines/tariffs>. Questions regarding this tariff request may be directed to me at 620-241-9275.

Respectfully submitted,

A handwritten signature in blue ink that reads "Ellen Gilbert".

Ellen Gilbert  
Contract and Regulatory Analyst

Attachments

**CENEX PIPELINE, LLC**  
INDEX CEILING CALCULATION  
FOR YEAR JULY 1, 2009 THRU JUNE 30, 2019

TARIFF NUMBER		ROUTING		Multiplier	Multiplier	Multiplier	Multiplier	Multiplier	Multiplier	Multiplier	Multiplier	Multiplier	Current Rate	Multiplier	Proposed NEW RATE	
				1.076025	0.987026	1.068819	1.086011	1.045923	1.038858	1.045829	0.979865	1.009185		1.044087		
Current	New	FROM	TO	07-01-09 INDEX CEILING	07-01-10 INDEX CEILING	07-01-11 INDEX CEILING	07-01-12 INDEX CEILING	07-01-13 INDEX CEILING	07-01-14 INDEX CEILING	07-01-15 INDEX CEILING	07-01-16 INDEX CEILING	07-01-17 INDEX CEILING		2018 INDEX CEILING		
P.C.S. No. 26	P.C.S. No. 27	Laurel - Yellowstone County, MT	Billings - Yellowstone County, MT	20.99	20.72	22.15	24.06	25.16	26.14	27.34	26.79	26.84	19.82	28.02	20.69	
		Laurel - Yellowstone County, MT	Glendive - Dawson County, MT	88.29	87.14	93.14	101.15	105.80	109.91	114.95	112.64	112.86	112.86	83.18	117.84	86.85
		Billings - Yellowstone County, MT	Glendive - Dawson County, MT	88.29	87.14	93.14	101.15	105.80	109.91	114.95	112.64	112.86	112.86	83.18	117.84	86.85

No supplement to this tariff will be issued except for the purpose of canceling the tariff unless otherwise specifically authorized by the Commission.

**Montana P.S.C. No. 27  
Cancels and Supersedes  
Montana P.S.C. No. 26**

## **CENEX PIPELINE, LLC**

### **Local Tariff Applying On Petroleum Products**

**Subject to the Rules and Regulations Named Herein**

<b>From</b>	<b>To</b>	<b>Rate in Cents per Barrel of 42 United States Gallons</b>
Laurel, Yellowstone County, Montana	Billings, Yellowstone County, Montana	[ I ] 20.69
	Glendive, Dawson County, Montana	[ I ] 86.85
Billings, Yellowstone County, Montana	Glendive, Dawson County, Montana	[ I ] 86.85

[ I ] Increase

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

**Issued: June 5, 2018**

**Effective: August 1, 2018**

Issued by  
[N] Gregory L. Brown, President  
[C] ~~John Traeger, President and  
Chief Operating Officer~~  
Cenex Pipeline, LLC  
P. O. Box 909  
Laurel, Montana 59044

Compiled by  
[N] Ellen Gilbert, Contract & Regulatory Analyst  
[C] ~~Daniel Knepper, Vice President and Treasurer~~  
Cenex Pipeline, LLC  
P. O. Box 909  
Laurel, Montana 59044

## Rules and Regulations

### Item 1 - DEFINITIONS:

As used in these Regulations the following terms shall be defined as follows:

"ASTM" means American Society for Testing Materials.

"Barrel" means forty-two U.S. gallons.

"Carrier" means Cenex Pipeline, LLC.

"P.S.C." means Public Service Commission.

"No." means number.

"Shipper" means the party who contracts with Carrier for transportation of petroleum products.

"Petroleum Products" means gasoline, petroleum fuel oil distillate, jet fuel, and/or kerosene.

### Item 2 - SPECIFICATIONS:

No shipment hereunder will be received by carrier for transportation unless the same consists of good merchantable petroleum products free from water and other foreign substances. Petroleum products will be accepted for transportation at such time as petroleum products of same quality and specifications are currently being transported from receiving point to destination.

All additives and inhibitors to be included in shippers' petroleum products must first be approved by the carrier before such petroleum products will be accepted for transportation.

Petroleum products accepted for transportation must meet the following minimum specifications:

Gasoline- must meet the requirements for gasoline as specified in ASTM D-4814.

Petroleum fuel oil distillate- must meet the requirements for distillate as specified in ASTM D-975.

### Item 3 - MINIMUM SHIPMENTS AND DELIVERIES:

Shipments of petroleum products will be accepted for transportation in quantities of not less than 5,000 barrels for any one petroleum product of quality and specifications as described herein at one point of origin from one shipper. Carrier will make deliveries to destination in quantities of not less than 2,500 barrels for any one product.

### Item 4 - NOMINATIONS:

Any shipper desiring pipeline transportation of petroleum products hereunder will, on or before the 20th day of the month, submit to the carrier a notice of shipment of the kind and quantity of petroleum products to be shipped during the following month. Unless such notification be made, carrier will be under no obligation to accept petroleum products for transportation.

### Item 5 - ORIGIN AND DESTINATION FACILITIES:

Carrier will provide no storage facilities at origin or destination. Petroleum products will be accepted for transportation only when shipper has provided equipment and facilities satisfactory to the carrier for delivery of such shipments to carrier and for receiving same without delay upon arrival at destination at a pumping rate equal to carrier's current rate of pumping.

### Item 6 - CONNECTION CONTRACTS REQUIRED:

Separate connection contracts in accordance with this tariff and these regulations covering further details may be required of the proposed shipper before any duty of transportation shall arise.

### Item 7 - TITLE:

Carrier will not receive any petroleum products that are in litigation, or that involve a dispute of title, or that may be encumbered by any lien. Tenders submitted by shipper shall be considered as a warranty of title and carrier shall not be held responsible in the event of failure of title.

### Item 8 - GAUGING, METERING AND TESTING:

Twenty-four (24) hours prior to acceptance of petroleum products for transportation, carrier may test such petroleum products and may require from shipper a certificate setting forth in detail the specifications of each shipment of petroleum products which must indicate all additives and inhibitors included. The volume of petroleum products received and delivered will be measured in barrel units by tank gauges and computations made from correctly compiled tank tables or by meter at carrier's option. Measured volumes at recorded or observed temperatures will be converted to volumes at 60 degrees Fahrenheit using the latest applicable standards. All measurements shall be determined by carrier, but may be witnessed by the shipper or his representative.

### Item 9 - IDENTITY OF SHIPMENT:

Petroleum products will be accepted for transportation only on condition that same shall be subject to such changes in gravity, color, quality, or characteristics while in transit as may result from its mixture with other petroleum products. The carrier may inject corrosion inhibitor compound in the petroleum product to be transported and the shipper will accept delivery of shipments at destination containing portions of the corrosion inhibitor compound.

Carrier will use its best efforts to maintain identity of individual shipments. However, in view of the impracticability of maintaining the exact identity of shipments at all times, carrier reserves the right at any time to substitute and deliver petroleum products of the kind and quality comparable to the petroleum products shipped.

### Item 10 - DEDUCTIONS AND ADJUSTMENTS:

Pursuant to Item 11, the quantity of petroleum products transported may be adjusted to allow for inherent losses including but not limited to shrinkage, evaporation, interface losses and normal "over and short" losses. Carrier will make loss adjustments on the basis of total quantities transported and shall be based on actual historical loss experience.

**Item 11 - LIABILITY:**

While in possession of petroleum products for shipment, carrier shall not be liable for any loss thereof or damage thereto or delay caused by the acts of God, public enemy, civil disorder, quarantine, authority of law, strikes, riots, fire, floods, or act or default of shipper or from any other cause not due to the negligence of the carrier, whether similar or dissimilar to the causes herein enumerated. Any such loss or damage shall be apportioned to each shipment in the same proportion that such shipment, or part thereof, bear to the total amount of such kind of petroleum products then in the custody of the carrier for transportation. Each shipper shall be entitled to receive only that portion of his shipment remaining after deducting his proportion, as so determined, of such loss or damage, and transportation charges shall be assessed only on the quantity delivered.

Carrier will not be liable for discoloration, contamination or deterioration of petroleum products transported, unless such discoloration, contamination or deterioration's results from negligence of the carrier in movement or handling of the product through the facilities of the carrier. In the event of such damage, each shipper's share of the damaged petroleum products shall be in the same proportion as its share of the total quantity of the shipments involved, and each such shipper shall be allocated only his proportionate share of damaged petroleum product. The carrier shall prepare and submit a statement to the shippers showing the apportionment of the damaged product among the shippers involved.

**Item 12 - TRANSPORTATION CHARGES:**

Transportation charges accruing on any shipment of petroleum products will be based on the quantity actually delivered at destination after making adjustments as set forth in Items 10 and 11. Carrier may require that transportation charges be prepaid at point of origin or paid at destination prior to release of petroleum products from carrier's custody. Petroleum products accepted for transportation shall be subject to a lien for all lawful charges.

**Item 13 - RECONSIGNMENT:**

If no out-of-line movement or back haul or interference with shipping schedule is required, diversion or reconsignment may be made without charge, provided notice is given to carrier by shipper not less than twenty-four (24) hours before scheduled arrival at original destination, subject to the rates, rules and regulations applicable to the point of final delivery as provided in this tariff. In such event shipper and consignee shall be jointly and severally liable for the payment of transportation and other charges for all petroleum products delivered by carrier to consignee.

**Item 14 - RATES FROM INTERMEDIATE POINTS:**

For petroleum products accepted for transportation from any point on carriers lines not named in this tariff which is intermediate to any point from which rates are published herein, carrier will apply the rate published herein from the next more distant point specified in the tariff.

**Item 15 - PRORATION OF PIPELINE CAPACITY:**

If the total volume for shipment during one month exceeds the pipeline delivery capacity for such month, petroleum products offered by each shipper for transportation will be transported in such quantities and at such time to the limit of capacity so as to avoid discrimination among shippers. No shipper may nominate a volume for transportation in excess of the capacity of the pipeline between origin and destination points.

**Item 16 - NOTICE OF CLAIMS:**

As a condition precedent to recovery, claims must be filed in writing with carrier within nine (9) months after delivery of the petroleum products, or, in case of failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed; and suits shall be instituted against carrier 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.

**Item 17 - CHARGES FOR COMPENSATION FEES INCURRED BY CARRIER:**

In addition to the transportation charges and all other charges accruing on petroleum products accepted for transportation, a per barrel charge will be assessed and collected in the amount of any tax, fee, or other charge levied against the carrier in connection with such petroleum products pursuant to any Federal, State or local act or regulation which levies a tax, fee or other charge on the receipt, delivery, transfer or transportation of such petroleum products within their jurisdiction for the purpose of creating a fund for the prevention, containment, clean up, and/or removal of spills and/or reimbursement of persons sustaining such costs or losses therefrom.

**Item 18 - USE OF COMMUNICATION FACILITIES:**

Where carrier maintains private communication facilities, transmission of messages incident to a shipment may be made by carrier for the shipper without additional charge. Carrier, however, assumes no liability for non-delivery of messages, for error, or delay in transmission or for interruption of service.