

Enbridge Southern Lights Diluent Acceptance Practice *(July 1, 2017)*

Preamble

This Diluent Acceptance Practice is subject to the Rules Tariff for the Diluent Pipeline. With regard to any inconsistency between the Quality Specifications and the Rules Tariff, whichever is the more stringent shall apply. All other inconsistencies shall be resolved in conformance with the Rules Tariff. Defined terms not identified herein shall have the meaning given in the Rules Tariff.

This Diluent Acceptance Practice sets forth the procedures and mechanisms that Carrier shall utilize in approving for receipt into the Diluent Pipeline volumes of Diluent duly nominated by Shipper for transportation on the Diluent Pipeline.

Defined Terms

“Shipper Authorized Assay” means a written notice to Carrier from Shipper whereby Shipper represents that the Nominated Diluent is compliant with the Specifications as evidenced by Shipper’s provision of the physical and chemical Diluent characteristics set out in Attachment 1.

“Carrier” means Enbridge Pipelines (Southern Lights) LLC.

“Compliant Diluent” means Nominated Diluent from a specific source or an aggregation of sources or volumes that collectively are compliant with the Specifications.

“Certified Assay” means a wet assay or analysis applicable to the Nominated Diluent undertaken by a qualified party acceptable to Carrier of the (i) Diluent chemical properties and (ii) identification of the Diluent physical properties and attributes as set out in Attachment 1 hereto and submitted in the form of a signed certificate of analysis that is acceptable to Carrier.

“Diluent” shall have the meaning set forth in the Rules Tariff.

“Diluent Identifier” has the meaning set out in Section 5.

“Diluent Pipeline” means that Diluent pipeline system owned and operated by Carrier extending from a receipt facility in the Village of Manhattan, IL to the International Boundary near Neche, North Dakota.

“SDS” means, a material safety data sheet which is a document that contains information, as specified by Carrier, (i) on the potential health and environmental effects of exposure to Diluent; and (ii) on safe working procedures users should, or are required to, adhere to when handling such Diluent.

“Nomination Notification Date” shall have the meaning set out in the Rules Tariff.

“New Diluent” means Nominated Diluent for which Carrier has not already made a determination that such Nominated Diluent qualifies as Compliant Diluent in accordance with the Specifications and Rules Tariff or Nominated Diluent that does not have a Diluent Identifier.

“Non-compliant Diluent” means Nominated Diluent that does not comply, or may not comply, with the Specifications and Tariff Rules and is not Compliant Diluent.

“Rules Tariff” means the rules and regulations in force and governing the tolls, receipt, operations and delivery for Diluent transportation service on the Diluent Pipeline filed with, and approved by, the appropriate regulatory authority as may be amended from time to time.

“Shipper” shall have the meaning set forth in the Rules Tariff.

“Specifications” means those physical and chemical characteristics of Diluent as set out in the CRW Pool Quality Specifications, as may be modified by Carrier from time to time in conformance with this Practice, that Diluent shall comply with in order for Carrier to designate Diluent as Compliant Diluent.

“Nominated Diluent” means Diluent that a Shipper has duly nominated for transportation on the Diluent Pipeline in accordance with the Rules Tariff.

Diluent Approval for Receipt Procedure

1. In the event that Shipper proposes to deliver New Diluent to Carrier, then Shipper shall make application to the Carrier in accordance with the Rules Tariff and provide therewith a Shipper Authorized Assay to the Carrier no later than fifteen (15) Business Days prior to the Nomination Notification Date.
2. Carrier in its sole discretion, but acting reasonably, shall evaluate the submitted Shipper Authorized Assay and determine if the New Diluent qualifies to be designated as Compliant Diluent.
3. In the event that, pursuant to Section 2 above, Carrier determines that the New Diluent complies with the Specifications and Tariff Rules, Carrier will provide written notice to Shipper that the New Diluent has been designated a Compliant Diluent no later than five (5) Business Days after Carrier’s receipt of Shipper’s application pursuant to Section 1 above. If, pursuant to Section 2 above, Carrier determines that New Diluent does not comply with the Specifications and Rules Tariff, then Carrier will provide written notice of same no later than five (5) Business Days after Carrier’s receipt of Shipper’s application pursuant to Section 1 above.
4. New Diluent designated by Carrier as Compliant Diluent shall be accepted by Carrier for transportation on the Diluent Pipeline.
5. Carrier, upon designating Shipper’s New Diluent as Compliant Diluent, shall assign such Compliant Diluent a unique identifier name (“Diluent Identifier”). Thereafter, should a specific Shipper’s Nominated Diluent have the specification characteristics of Compliant Diluent having that Diluent Identifier, Shipper need only provide that Diluent Identifier to Carrier as part of the Diluent nomination procedures set forth in the Rules Tariff and such Nominated Diluent shall, at Carrier’s discretion, but acting reasonably, be accepted by Carrier for transportation on the Diluent Pipeline.
6. Should Carrier provide notice to Shipper that New Diluent is Non-compliant Diluent, then Carrier shall have no obligation to receive or transport Shipper’s Non-compliant Diluent.
7. Carrier, acting reasonably, shall have the right at any time to request that Shipper submit an MSDS for New Diluent, Compliant Diluent or Non-compliant Diluent as the case may be. In the event that Carrier requests that Shipper provide an MSDS and Shipper fails to comply

within a reasonable period of time with such request, Carrier shall designate Shipper's Nominated Diluent to be Non-compliant Diluent.

8. Notwithstanding Sections 3 and 4, but in conformance with the "Enforcement and Consequences" provisions of specifications, if Carrier determines that Nominated Diluent does not or may not comply with the Specifications or Rules Tariff, Carrier shall have the right to change the designation of such Nominated Diluent from Compliant Diluent to Non-compliant Diluent. In the event Carrier makes such determination, Carrier shall provide notice of such to Shippers in a timely manner.
9. Shipper accepts that it is Shipper's obligation to ensure that any Nominated Diluent delivered to the Carrier for transportation is Compliant Diluent.
10. In the event that Shipper becomes aware of any change that will or in its sole, but acting reasonably, determination, may cause Nominated Diluent to become Non-compliant Diluent, then Shipper shall be obligated to inform Carrier of such change, and at Carrier's discretion, Carrier may revise the designation of such Nominated Diluent to New Diluent.
11. Carrier may at any time, in its sole discretion, but acting reasonably, request Shipper to provide a Certified Assay (or select Specifications information) for Nominated Diluent. In the event Shipper fails to comply with such request within a reasonable period of time, Carrier shall designate such Nominated Diluent as Non-compliant Diluent.
12. In the event that either Carrier or Enbridge Southern Lights LP determines that a New Diluent qualifies as a Compliant Diluent, such determination shall be binding upon both Carrier and Enbridge Southern Lights LP and shall be accepted by both for transportation on the Southern Lights system.

Revisions to the Diluent Acceptance Practice

Upon its own initiative or at the request of any Shipper, Carrier will use reasonable efforts to determine, in its sole discretion, but acting reasonably, whether a revision to Diluent Acceptance Practice is warranted. Carrier shall give each Shipper sufficient notice of any such revision.



**Enbridge Pipelines (Southern Lights) LLC
Diluent Acceptance Practice Authorized Shipper Assay
Attachment 1- July 1, 2017**

Data Provided By: (Insert Company Name)
 Company Contact Name:
 Company Contact Phone #:
 Company Contact email:
 Data Source: (Analyzing laboratory Internal or Third Party)

Enbridge Pipelines New Diluent Stream Approval Assay Data - Southern Lights

Email to : cs.petroleum.quality@enbridge.com

Common Name:
 Crude Type:
 Location of Crude:

*Whole Crude to be utilized unless otherwise dictated by test method

TARIFF PROPERTIES	Test Method	Units	Result
Density, @ 15oC	ASTMD4052	kg/m3	
Kinematic Viscosity	ASTMD7042		
7.5°C		cSt	
10°C		cSt	
20°C		cSt	
30°C		cSt	
Vapor pressure (DVPE)	ASTM D5191	kPa	
S & W	ASTM D4007	Vol. %	
Organic chlorides in Naphtha Cut ¹	ASTM D4929 "B"	wppm	

Sample Date:
 Testing by:

OPERATIONAL PROPERTIES	Test Method	Units	Result
Sulphur, total	ASTM D4294	wt%	
Olefins, total ¹	H NMR	wt%	
Aromatics, total (BTEX)	PONAOX(U) ASTM D6729	Vol%	
Mercaptans, volatile (cumulative C12, C2, C3)	ASTM D5623	wppm	
H2S in Liquid Phase	ASTM D5623	wppm	
Benzene	PONAOX(U) ASTM D6729	Vol%	
Mercury ¹	UOP938	wppb	
Oxygenates	PONAOX(U) ASTM D6729	wppm	
Filterable Solids	ASTM 4807 "C"	wppm	
Phosphorous, volatile	ICP AES D86 (250 cut)	ppm	
Selenium	ICP	wppb	
Pour point	ASTM D5853	°C	
Salt content	ASTM D6470	wt. %	
Micro Carbon Residue (MCR)	ASTM D4530	wt%	

High Temp Simdis Cut Point Temp	Extended ASTM D2887 % Recovered (Vol%)
	IBP
	5%
	10%
	15%
	20%
	25%
	30%
	35%
	40%
	45%
	50%
	55%
	60%
	65%
	70%
	75%
	80%
	85%
	90%
	95%
	FBP

Naphtha (IBP-350°F) Vol% recovered
 Distillate (350-650°F) Vol% recovered
 Gas Oil (650 -980°F) Vol% recovered
 Resid (+980°F) Vol% recovered

Results to be submitted as a signed certificate of analysis.

NOTE: Data should be accompanied by a recent SDS. SDS must be supplied prior to transport. Updates will be requested as required.

Requestor information: Company: Name:
 Phone #: Date:

¹ For these properties, the intent is that blending not occur up to the specification limit

² Attach individual Sulphur composition results