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Priority of Service 1 Line Changes Summary

May 16, 2019



VIRGINIA SOUTHSIDE II CONSTRUCTION
Transco Pipeline, Southern Virginia



KENSINGTON GAS PROCESSING PLANT
Columbiana County, Ohio



SUMAS COMPRESSOR STATION
Northwest Pipeline, Washington

Key Changes

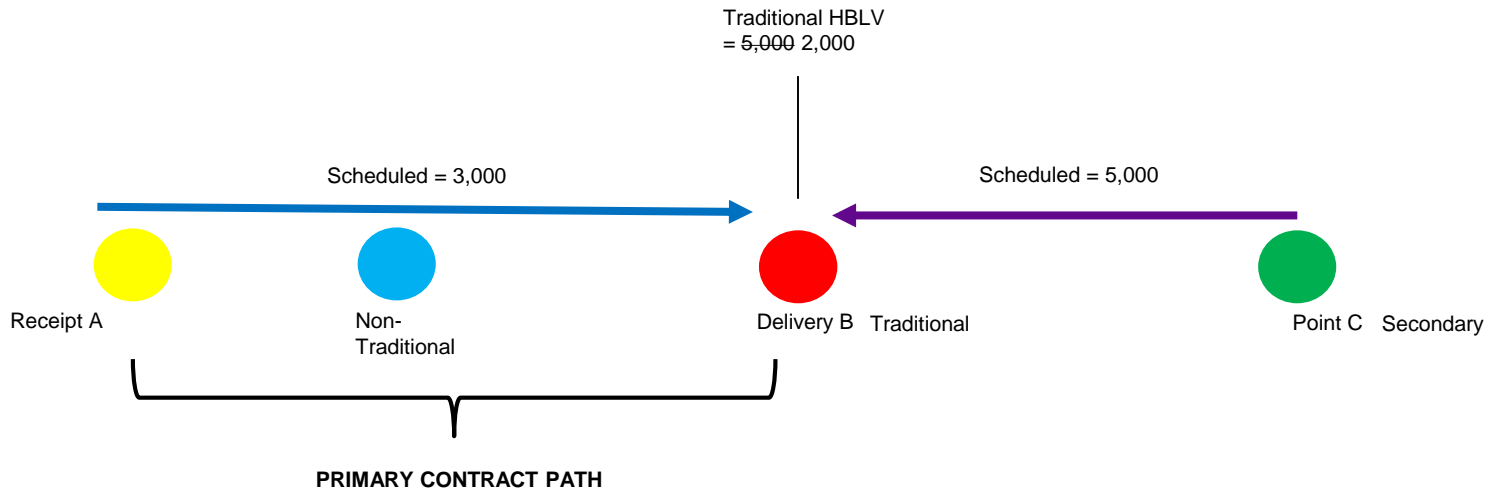
- > **High Burn Limit Values (HBLVs) are at a Swing Service Delivery Point (SSDP) and no longer have a path**
- > **HBLVs may not overlap and instead are only allowed once at a SSDP based on the priority in the primary path of the contract. Scheduled nominations in both directions to a single point are still allowed.**
- > **The 1Line PDA page has been redesigned and separated from the Confirmation page**
- > **Nominations and HBLVs will be evaluated separately through independent constraints.**
- > **An additional pool has been added to Zone 4/OIA 2 – 9010698 Station 95 Pool**
- > **Implementation Date: Gas Day July 1, 2019**

HBLVs at a Swing Service Delivery Point

High Burn Limit Value at Traditional Point

EXAMPLE:

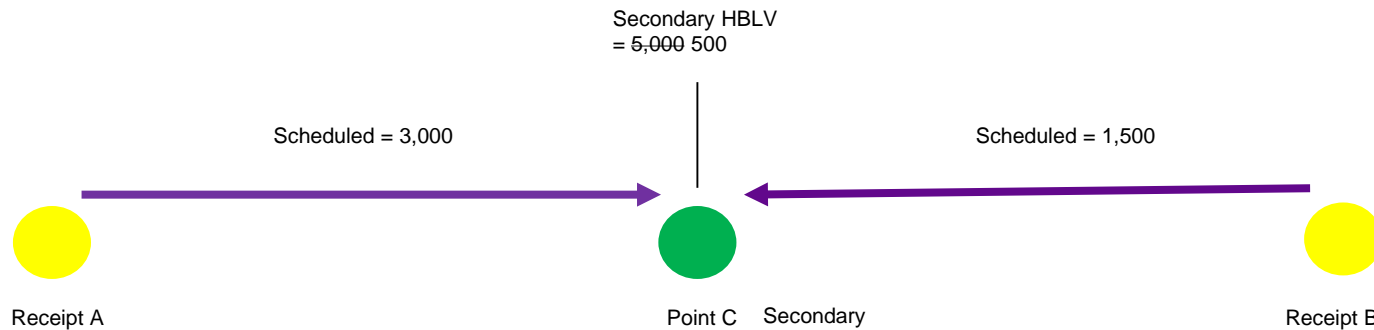
Contract A above has a TCQ (Total Contract Quantity) of 5,000 and only one delivery point is traditional (listed on Exhibit B) – Point B. The amount available as a HBLV is the difference between the TCQ and the scheduled volume in the primary path direction. Shippers may schedule up to the full TCQ in the reverse path but will no longer be allowed to swing in the reverse path.



High Burn Limit Value at Secondary Point

EXAMPLE:

At a secondary point on the same contract, the amount available as a HBLV is the difference between the TCQ and the sum of the scheduled volume in both directions since there is no primary path from either direction.



Nomination and PDA Changes

Nominations

> Nominations Area

- A new NAESB Transaction Type 22 - No Notice Service nomination request will be available for shippers to designate which swing service delivery point on their contract can be used by the point operator for any no notice swing.
 - The nomination is a delivery side only transaction and is only allowed at swing service delivery points: local distribution centers, power generation plants, municipalities, and industrials
- Transaction Type 1 – Current Business: HBLVs may no longer be set with zero nominations under this transaction type unless used in relation to swing supplier linked transactions.

#	Nom Status	Retro Status	Svc Req K	Beg Date	TT	Package ID	Rec Loc			Up K	Rec Rank	Del Loc		Dn K
Error	Retro Request ID	Svc Req Name	End Date	Cycle	Route	Rec Loc Name	Rec Qty	Fuel %	Up ID Prop-Name	Del Rank	Del Loc Name	Del Qty	Dn ID Prop-Name	
Submitted		9215879	10/20/2018	22	HB						9010521			
N		1LINE DUMMY GAS CUSTOMER	11/30/2018	TIMELY				0		25	PC LDC			

Note: To review the nominations area in more detail, see the Priority of Service Nominations training module.

PDA's

> Separation of PDA/Confirmation page

- The PDA page no longer contains confirmation information
- The PDA page has been redesigned for delivery points
- The PDA page has been streamlined similar to the LDC Quick View for delivery locations:
 - The LDC Quick View page will only be available for gas days prior to the Priority of Service implementation date
- The PDA page is grouped into three sections:
 - High Burns (TT22 No Notice and linked transactions)
 - Low Burns (transportation and linked transactions)
 - Bundle Storages (both high and low burns)
- UP/Down Contract level will no longer be an option for delivery locations for PDAs
 - This level will still be available for receipt locations
- Shippers will be able to use Delivery Scheduled Ranks (DSRs) to rank HBLVs across the locations within a HBLV constraint package if multiple transactions are set for a single contract within the same priority
- Retro ID and a link back to the retro transaction on the Retro List page have been added to the PDA page
- Additional filters added for flexibility of viewing options
- Added PDA history information

Note: To see detailed features of the PDA redesign, see the Priority of Service PDA training module

New PDA Page Look

> High Burns and Low Burns are in different sections

- Filters are available to view all activity together and for downloading of data
- A section is also available for bundled storage (shown on next page)

High Burn																
PDA Retro Request ID	PDA Retro Request Status	Dir Flo	Svc Req Prop	Svc Req K	Svc Req Name	TT Desc	Pkg ID	Alloc Rank Ind	Alloc Rank Lvl	Limit Value	Scheduled Limit Value	Override Limit Value	Nom Qty	Scheduled Quantity	Linked	
			Svc Req				Route									
	Regular	D	238908	9218355	1LINE DUMMY GAS CUSTOMER	NO NOTICE SERVICE	HBLV IT	High	100	100000	20855			0		
	Regular	D	238908	9218355	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	HATT TO PC HB WSS LINK	High	999	100	100			0	0	*
	Regular	D	238908	9218353	1LINE DUMMY GAS CUSTOMER	NO NOTICE SERVICE	HBLV FT ATL	High	11	100000	100000			0		
	Regular	D	238908	9218355	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	HOLM TO PC Z4 - LINK	High	999	0	0			2000	2000	*
	Regular	D	238908	9218357	1LINE DUMMY GAS CUSTOMER	NO NOTICE SERVICE	HBLV FT DAL	High	10	185944	185944			0		
	Regular	D	238908	9218355	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	HBLV WSS LINK - IT	High	999	500	500			0	0	*

Low Burn																
PDA Retro Request ID	PDA Retro Request Status	Dir Flo	Svc Req Prop	Svc Req K	Svc Req Name	TT Desc	Pkg ID	Alloc Rank Ind	Alloc Rank Lvl	Limit Value	Scheduled Limit Value	Override Limit Value	Nom Qty	Scheduled Quantity	Linked	
			Svc Req				Route									
	Regular	D	238908	9218357	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	DALTON LOW Non-CPLS	Low	50	49280	0			49280	0	
	Regular	D	238908	9218353	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	PRIMARY PATH South-CPLS	Low	51	250000	250000			250000	250000	
	Regular	D	238908	9218355	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	HOLM TO PC Z4 - LINK	Low	1	2000	39			2000	2000	*
	Regular	D	238908	9218353	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	LEIDY SEC PATH South-CPLS	Low	3	50000	50000			50000	50000	
	Regular	D	238908	9218355	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	IT FROM ZICK TO PC LDC South-CPLS	Low	2	98000	0			98560	0	
	Regular	D	238908	9218355	1LINE DUMMY GAS CUSTOMER	CURRENT BUSINESS (TRANSPORTATION)	IT FROM ZICK TO PC LDC Non-CPLS	Low	4	98000	0			98560	0	

New PDA Page Look

> Bundled Storage section

Bundled Storage COLLAPSE ▾															
PDA Retro Request ID	PDA Retro Request Status	Dir Flo	Svc Req Prop	Svc Req K	Svc Req Name	TT Desc	Pkg ID	Alloc Rank Ind	Alloc Rank Lvl	Limit Value	Scheduled Limit Value	Override Limit Value	Nom Qty	Scheduled Quantity	Linked
			Svc Req				Route								
<input type="text"/>	Regular	R	238908	9218393	1LINE DUMMY GAS CUSTOMER	STORAGE INJECTION	GSS INJ	High ▾	999	<input type="text"/>	0		1667	1667	
<input type="text"/>	Regular	R	238908	9218393	1LINE DUMMY GAS CUSTOMER	STORAGE INJECTION	GSS INJ	Low ▾	999	<input type="text"/>	0		1667	1667	
<input type="text"/>	Regular	D	238908	9218393	1LINE DUMMY GAS CUSTOMER	STORAGE WITHDRAWAL	GSS WID	High ▾	999	<input type="text"/>	0		0	0	

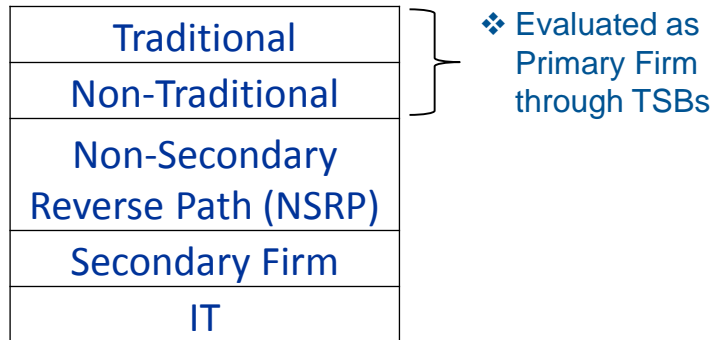
Nomination and HBLV Constraints

Priorities of Service

> Types of Constraints – Nominations

- Location Throughput Section Boundary (TSB): a single point on the system through which nominations and linked transactions supported under swing supplier* arrangements will be evaluated.
- Segment TSB: a segment on a line designated between two mileposts through which all nominations and linked transactions that enter, exit, pass through or are within the segment will be evaluated.

Nominations



❖ Through TSBs (location or segment), traditional and non-traditional priority nominations will be evaluated together as primary firm.

*Swing Supplier is defined in Transco's GT&C section 2 Definitions

SEGMENT TSB EXAMPLE

> Segment TSBs

- The same methods for evaluating priorities will be used for Segment TSBs as are used at Location TSBs today:
 - Primary Firm – allocated based on contract entitlement
 - Non-Secondary Reverse Path (NSRP) – allocated based on contract entitlement
 - Secondary Firm – allocated based on request
 - Interruptible – allocated based on request

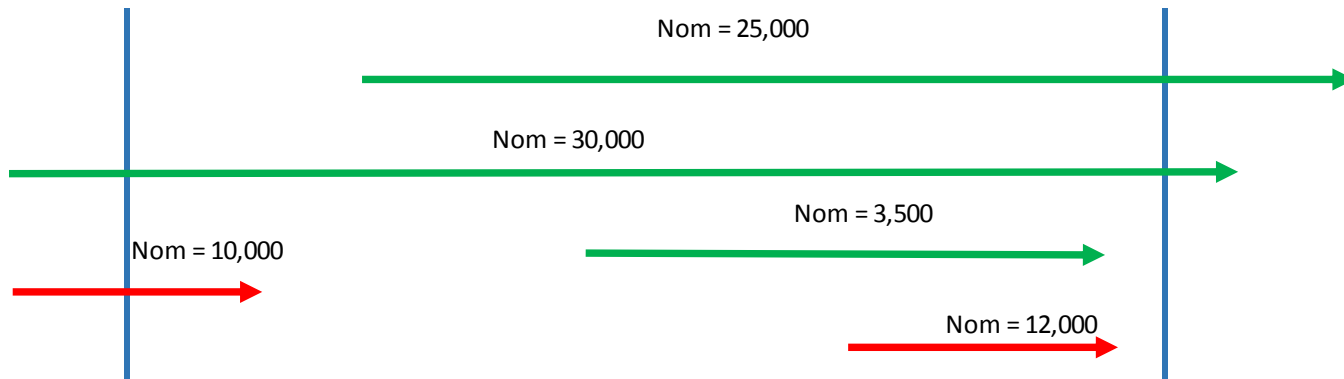
- Segment TSBs will be associated with a specific direction (i.e. North to South)
 - Transactions in the direction of the constraint will be included in the evaluation if they:
 - Begin in the segment
 - End in the segment
 - Flow through the segment
 - Within the segment

- Segment TSBs will not evaluate HBLV requests because HBLVs occur at a point

- If a transaction changes priorities within a segment it will be evaluated at the lowest priority applicable

SEGMENT TSB EXAMPLE

SEGMENT TSB SECONDARY AND BELOW 60,000 S to N FLOW DIR: →



SECONDARY

NOM REQUESTS	CAPACITY ALLOC OF PACKAGE	60,000
25,000	25,000	
30,000	30,000	
<u>3,500</u>	<u>3,500</u>	
58,500	58,500	

IT

	Remaining Package	1,500
10,000	45% 682	
<u>12,000</u>	55% <u>818</u>	
22,000	1,500	

Priorities of Service

> Types of Constraints – High Burn Limit Values (HBLVs)

- Location HBLV Constraint: a particular Swing Service Delivery Point (SSDP) at which all HBLVs will be evaluated.
- Segment HBLV Constraint: a segment (milepost to milepost) or area (zone or OIA) on the system in which all HBLVs at all SSDPs within the segment or area designated will be evaluated.

High Burn Limit Values (HBLVs)

Traditional
Non-Traditional
Secondary
IT

High Burn Limit Value Constraint - Location

> Location HBLV Constraint:

- Will only apply to Transaction Type 22 No Notice
 - Linked HBLVs and bundled storage HBLVs will not be evaluated in a location HBLV constraint
- HBLV requests will be subject to Maximum Daily Quantity (MDQ) validations at the swing service delivery point to check any nominations on the same contract being scheduled to or through the location
- Traditional / Non-Traditional priorities will be allocated based on contract entitlement
- Secondary / IT priorities will be allocated based on request
- HBLVs do not have previously scheduled rights and are due by 10:30am Central Clock Time (C.C.T) after the end of the gas day
- Only operators, or their agents, can submit a value and HBLV rank at a Swing Service Delivery point

LOCATION HBLV CONSTRAINT EXAMPLE

SSDP 1

High Burn Limit Value Location Constraint: Secondary 5,000

	<u>Nominations</u>	<u>Request</u>		<u>Capacity Alloc of HBLV Constraint</u>	<u>Scheduled</u>
K 1	Nom 1 - Traditional	10,000			10,000
K 2	Nom 2 - Non-Traditional	6,000			6,000
K 3	Nom 3 - Secondary	9,000			9,000
K 4	Nom 4 - Secondary	2,000			2,000
K 6	Nom 5 - IT	5,000			5,000
	<u>Limit Values</u>				
K 3	TT 22 HBLV - Secondary	7,000	56%	2,800	2,800
K 4	TT 22 HBLV - Secondary	2,000	16%	800	800
K 5	TT 22 HBLV - Secondary	3,500	28%	1,400	1,400
		12,500		5,000	
K 6	TT 22 HBLV - IT	3,000		0	0

High Burn Limit Value Constraint - Segment

> Segment HBLV Constraint

- The same priorities and allocation rules apply as at a Location HBLV Constraint
- Segment HBLV Constraints will apply to all of the Swing Service Delivery points within the identified segment
- Delivery Shipper Ranks (DSRs) will be used to allocate requests within the same contract and within the same priority across multiple locations within the segment
- All Swing Service Delivery Point HBLV requests within a segment will be evaluated in aggregate for allocation.

SEGMENT HBLV CONSTRAINT EXAMPLE

SEGMENT HBLV CONSTRAINT: SECONDARY 8,000



SECONDARY

		<u>DSR</u>	<u>HBLV</u> <u>REQUEST</u>		<u>Capacity Alloc of</u> <u>Package*</u>	
TT22	K 4 SSDP 1	1	6,000	40%	3,200	6,000
TT22	K 4 SSDP 2	50	9,000	60%	4,800	2,000
			15,000		8,000	8,000

*Distribution based on DSR Rank (Delivery Scheduling Rank)

A Shipper can use DSR rank on a TT22 No Notice Service nomination to designate, to which location(s) their distribution of the HBLV constraint should go if there are multiple transactions for the same contract/same priority across multiple locations.

Additional Page and Report Changes

Additional Changes to Pages

- > Review/Select Scheduling Run page will be updated to include cut information for TSB and HBLV segment constraints

- > Due to programming changes the Page Preference settings used on the following pages will need to be reset by 1Line upon implementation. Users will need to reset their page preferences after implementation. Those pages impacted are:
 - Allocated Quantities
 - PDA
 - Confirmations
 - Retrieve Nominations
 - Pool Summary
 - View Supply/Disagg
 - Review/Select Scheduling
 - Contract View

Additional Changes to Reports

- > Segment Audit Report has been streamlined to remove segment breaks due to line connectors and directional flow has been added for each transaction
- > For transaction type 22s (HBLV requests), the segment will display the start and end milepost for that Swing Service Delivery location and include all nominations that are passing through or delivered to that delivery location

Example:



Williams Gas Pipeline - Transco Segment Audit - Scheduled Quantities

1
LINE

Scheduled Date : 4/12/2019
Cycle : INTRADAY 3

Service Requester: 1LINE DUMMY GAS CUSTOMER/238908
Base Primary Capacity: 400,000
Base Secondary Capacity: 0
Base Total Capacity: 400,000
NSRP: No

Release Family: 9218353 Group Code: Release Family
SD Rep: Linette Schneider / 713-215-4344
Start Segment Name: PC LDC / 9010580
End Segment Name: PC LDC / 9010580
Segment MPE: 1,033.9000 M to 1,033.9000 M

Line Name : TRANSCO MAINLINE
Flow Direction: Descending - N to S

Contract	Rate Sched Code	TT	Nom Request ID	Receipt MPE	Receipt Loc Name	Delivery MPE	Delivery Loc Name	Nom Qty	Sched Qty	Cut NAESB/ SCR	Nom RSR/ DSR	PDA Rank	PDA Nom HL Value	PDA Sched HL Value	Override Limit Value	Total Sched and Limit Value
9218353	FT-ATL SUNF	22	2923017			1033.9000	PC LDC			AOK						
9218353	FT-ATL SUNF	01	2923028	850.9700	POOLING-STA 95 ZN 4	1033.9000	PC LDC	100,000	98,575	NGU 2011	999/0					96,575
9218353	FT-ATL SUNF	01	2923029	1412.9900	POOLING-STATION 165	850.9700	POOLING-STA 95 ZN 4	99,274	99,274	AOK	999/0	2	5,000	5,000		99,274
9218353	FT-ATL SUNF	01	2923066	850.9700	POOLING-STA 95 ZN 4	1098.5700	UNITED CIT GA M7037	24,860	23,815	NGU 2011	999/0					23,815
9218353	FT-ATL SUNF	01	2924081	208.8000	LEIDY-DOMINION	850.9700	POOLING-STA 95 ZN 4	17,500	17,500	AOK	999/0					17,500
Totals								241,434	237,164				5,000	5,000		242,164

Additional Changes to Reports

> Informational Postings Reports:

- “Operational Capacity” Report – Has been updated to include three sections:
 - Segment: includes location TSBs, segment TSBs, and segment HBLVs
 - Mainline: includes receipts and deliveries
 - Storage: no change
- “Market & Production Constraints” – The 1Line Posting Notice has been updated and redesigned for the new constraint types and to provide better clarity.
- “NOM/HBLV Delivery Based Constraints” Report (currently named “Pipeline and Location Delivery Based Constraints”) – This report has been redesigned to separate nomination constraint information from high burn limit value constraint information. The report will identify if the constraint type is location or segment based in addition to the scheduled or HBLV information breakdown by priority of service.
- “Delivery Based Constraints – Physically Used” Report (currently named “Pipeline and Location Delivery Based Point Constraints – Physically Used”) – This report has been updated for the new TSB segment constraint type and for the inclusion of North to South TSBs on the Mainline

Helpful Tools

- > The following pages are designed to help assist in determining contract priority rights:
 - Contracts/Locations Page: Allows a shipper to view traditional delivery points across all contracts on one page
 - Avail Sch Qty by Loc Page: For a firm contract, identifies the scheduling priority and quantity available at each delivery point for which the contract has path rights.
 - MDQ Calculate Page: Allows a shipper to view contract capacity by priority for utilized or unutilized segments

Questions?

- > Questions related to these Priority of Service changes may be directed to:
- > Your Transportation Services Representative
- > Karina Mayorga, 713-215-2458
- > Julian Arias, 713-215-3683
- > Diane Ezernack, 713-215-4180