

October 17, 2011



- Clarifying Language Coming to Tariff
 - Definition of term "Swing Supplier" will be added
- Options Currently Available
 - Unbundled Storage holder, Transporter and Swing Service Delivery Point (SSDP) operator are all the same
 - Unbundled Storage holder, Transporter and SSDP operator are different in any combination
 - SSDP provides swing to another SSDP



- Why use Linking?
 - Reduces or eliminates imbalances by designating certain transactions to take the swing as provided in Section 18.1(a)(i)
 - Uses unbundled storage and transportation, or
 - One Swing Service Delivery Point (SSDP) operator takes the swing for another SSDP
- Who can use Linking?
 - Unbundled Storage Contract Holder
 - Transporter
 - Swing Service Delivery Point (SSDP) operator
- How?
 - All impacted parties must agree
 - Submit Nominations and PDA's to be linked
 - Contact Transportation Services Representative to link the transactions



- What are the different types of Linking?
 - One Transport Transaction
 - Also known as a Self Link when the storage contract holder and transporter are the same
 - Two Transport Transactions
 - SSDP to SSDP
- Links to Examples
 - One Transport Transaction
 - Low Burn (pg 5-6)/ <u>High Burn</u> (pg 9-10)
 - Two Transport Transaction
 - Low Burn (pg 7-8)/ <u>High Burn</u> (pg 11-12)
 - SSDP to SSDP
 - Low Burn (pg 13, 15-16)/ High Burn (pg 14-16)

One Transportation Transaction / Self Link - Low Burn **Storage Holder and Transporter are NOT the Same**



Scheduled – 400 at Swing Service Delivery Point (SSDP) K-1*-100 Link; K-2-100, K-3-100, K-4-100

PDA - 400 Total Low at SSDP



Measured - 300

Storage K A= Storage Holder

Withdrawal Nomination *

Self Link **Transportation K B** = Transporter

Imbalance = 0

C = Operator

Unbundled Storage Physical Location

Receipt Schedule = 100 Receipt Allocated = 0

Unbundled Storage Transfer (Nominated)

Receipt Schedule = 100 * K-1 Receipt Allocated = 0

Swing Service Delivery Point

Delivery Schedule = 100* K-1 PDA 100 Delivery Allocated = 0 Low 10 Delivery Schedule = 100 K-2 PDA100 Delivery Allocated = 100 Low 20 Delivery Schedule = 100 K-3 **PDA 100** Delivery Allocated = 100 Low 30 Delivery Schedule = 100 K-4 PDA 100 Delivery Allocated = 100 Low 40

The transporter/shipper has scheduled 100 dt's on K-1 from Unbundled Storage to a SSDP. The SSDP low burns by 100. Based on the PDA, 100 will allocate each at the SSDP on K-2, K-3 and K-4. Zero will allocate on K-1/Link and will not withdraw from storage. If K-1 was not linked then a Due To of a 100 would be created on K-1 by leaving Receipt Allocated at 100.

^{*} If the storage holder and transporter/shipper are the same a withdrawal transaction will be created automatically.

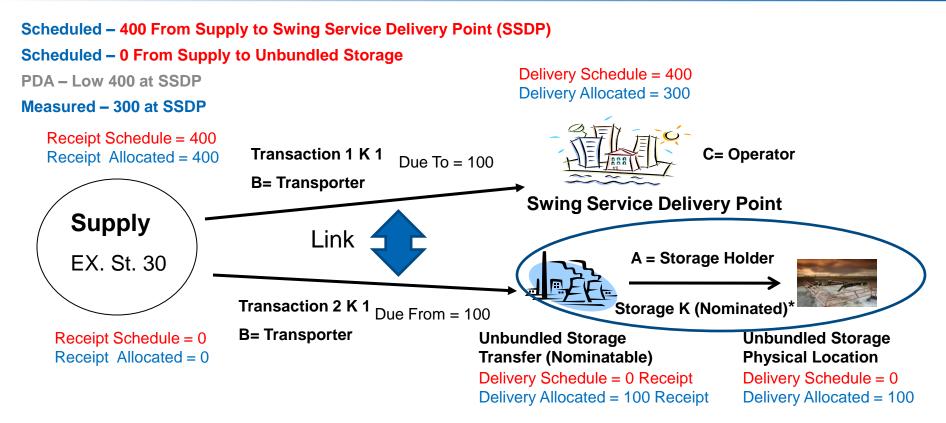
One Transportation Transaction / Self Link Low Burn Unbundled Storage



- Swing Service Delivery Point (SSDP) Operator, storage contract holder and transporter/shipper to the SSDP can all be different.
- Transaction must have a receipt of unbundled storage.
- Transaction must have a volume scheduled greater than zero at the SSDP in order to PDA.
- Will require a nomination from the storage holder if the transporter/shipper is different than the storage holder (works the same as a non linked transaction).
- When transactions are linked, the allocated net receipts at the storage location will equal what is allocated at the SSDP.
- Transportation and storage contract checks and priorities are enforced and are subject to reduction.
- Will only be subjected to constraints between the two points.
- Requires agreement by all impacted parties.
- Requests for links must be submitted to your Transportation Service Representative.
- Deadline for PDA's and nominations are consistent with Section 18.1 (a), Section 28, and Section 39 of GT&C.

Link with Two Transactions - Low Burn Storage Holder and Transporter are Not the Same





The transporter/shipper has scheduled 400 dts from St.30 to a SSDP. The SSDP low burns by 100. Based on the PDA and Link, 300 will allocate at the SSDP and 100 will allocate/inject into storage. If these 2 transactions were not linked then there would be a Due To of 100 on Transaction 1 and no injection /imbalance on Transaction 2.

^{*} If the storage holder and transporter/shipper are the same an injection nomination will be created automatically.

Link with Two Transactions - Low Burn



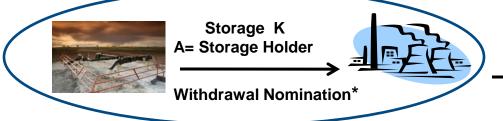
- Swing Service Delivery Point Operator, storage contract holder and transporter/shipper to the SSDP can all be different.
- One transaction must be delivered to a Swing Service Delivery Point.
- One transaction must be delivered to an unbundled storage location.
- Both transactions must have the same source of supply (receipt location).
- Transaction at the SSDP must have a volume scheduled greater than zero in order to PDA.
- Will require a nomination from the storage holder if the transporter/shipper is different than the storage holder (works the same as a non linked transaction).
- Transportation and storage contract checks and priorities are enforced and are subject to reduction.
- Will only be subjected to constraints between the two points.
- If the unbundled storage service is not valid and therefore reduced by Transco, an imbalance is created on the transportation contract.
- Requires agreement by all impacted parties
- Requests for links must be submitted to your Transportation Service Representative.
- Deadline for PDA's and nominations are consistent with Section 18.1 (a), Section 28, and Section 39 of GT&C.

One Transportation Transaction / Self Link - High Burn Storage Holder and Transporter are NOT the Same



Scheduled – 400 at Swing Service Delivery Point (SSDP) K-1*-100 Link; K-2-100, K-3-100, K-4-100 PDA – 500 Total High at SSDP

Measured - 500



Self Link
Transportation K
B = Transporter

C = Operator

Imbalance = 0

Unbundled Storage Physical Location

Receipt Schedule = 100 Receipt Allocated = 200

Unbundled Storage Transfer (Nominated)

Receipt Schedule = 100 * K-1 Receipt Allocated = 200

Swing Service Delivery Point

Delivery Schedule = 100* K-1 PDA 200
Delivery Allocated = 200 High10
Delivery Schedule = 100 K-2 PDA100
Delivery Allocated = 100 High 20
Delivery Schedule = 100 K-3 PDA 100
Delivery Allocated = 100 High 30
Delivery Schedule = 100 K-4 PDA 100
Delivery Allocated = 100 High 40

The transporter/shipper has scheduled 100 dt's on K-1 from Unbundled Storage to their SSDP. The SSDP high burns by 100. Based on the PDA, 100 will allocate each at the SSDP on K-2, K-3 and K-4. 200 will allocate on K-1/Link and will withdraw 200 from storage. If K-1 was not linked then a Due From of a 100 would be created on K-1 by leaving Receipt Allocated at 100.

^{*} If the storage holder and transporter/shipper are the same a withdrawal nomination will be created automatically.

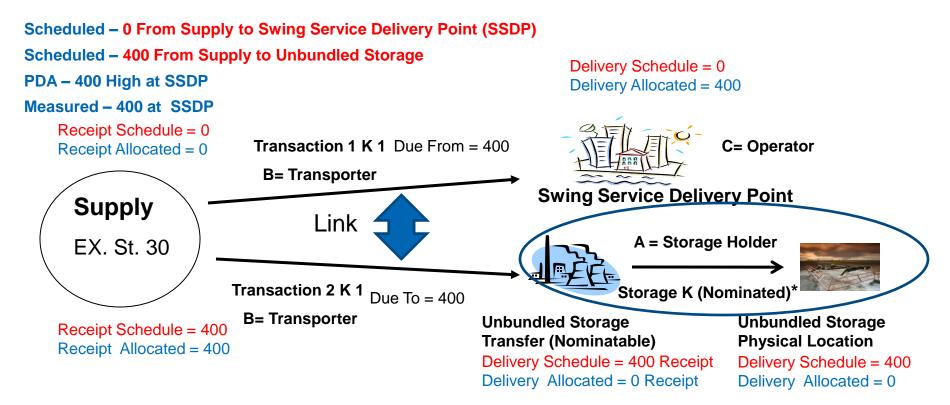
One Transportation Transaction / Self Link High Burn with Unbundled Storage



- Swing Service Delivery Point operator, storage contract holder and transporter/shipper to the SSDP can all be different.
- Must have a receipt of unbundled storage.
- SSDP operator may PDA a zero volume scheduled to their SSDP.
- Will require a nomination from the storage holder if the transporter/shipper is different than the storage holder (works the same as a non linked transaction).
- When transactions are linked, the allocated net receipts at the storage location will equal what is allocated at the SSDP.
- Transportation and storage contract checks and priorities are enforced and are subject to reduction.
- If the unbundled storage service is not valid and therefore reduced by Transco, an imbalance is created on the transportation contract.
- Will only be subjected to constraints between the two points.
- Requires agreement by all impacted parties.
- Requests for links must be submitted to your Transportation Service Representative.
- Deadline for PDA's and nominations are consistent with Section 18.1 (a), Section 28, and Section 39 of GT&C.

Link with Two Transactions - High Burn Storage Holder and Transporter are Not the Same





The transporter/shipper has scheduled 0 dts from St.30 to a SSDP. The SSDP high burns by 400. Based on the PDA and Link, 400 will allocate at the SSDP and 400 will NOT allocate/inject into storage. If these 2 transactions were not linked then there would be a Due From of 400 on Transaction 1 and the gas would allocate/inject into storage on Transaction 2 not causing any withdrawal/imbalance.

^{*} If the storage holder and transporter/shipper are the same an injection nomination will be created automatically.

Link with Two Transactions - High Burn - Unbundled Storage



- Swing Service Delivery Point operator, storage contract holder and transporter/shipper to the SSDP can all be different.
- One transaction must be delivered to Swing Service Delivery Point.
- One transaction must be delivered to unbundled storage.
- Both transactions must have the same source of supply (receipt location).
- SSDP operator may PDA a zero volume scheduled at their SSDP.
- Will require a nomination from the storage holder if the transporter/shipper is different than the storage holder (works the same as a non linked transaction).
- Transportation and storage contract checks and priorities are enforced and are subject to reduction.
- If the unbundled storage service is not valid and therefore reduced by Transco, an imbalance is created on the transportation contract.
- Will only be subjected to constraints between the two points.
- Requires agreement by all impacted parties.
- Requests for links must be submitted to your Transportation Service Representative.
- Deadline for PDA's and nominations are consistent with Section 18.1 (a), Section 28, and Section 39 of GT&C.

Swing Service Delivery Point to Swing Service Delivery Point (SSDP) - One Transaction / Self Link - Low Burn



SSDP (1) Scheduled - 400 K1-100; K2-100; K3-100; K4-100; K5 - 0 *Self Link

SSDP (1) PDA's – Required and Self Link

SSDP (1) Measured – 300

SSDP (1) Displacement +100

Low Burn PDA is set up at SSDP (1) on K5 – Low 100



Transactions K 1-4 (not received from SSDP (2))

K5 - 0 Self Link *

Imbalance = 0



SSDP (2) -- Delivery

Schedule = 0

Allocated = 100 D

SSDP (1) -- Receipt

Schedule = 0

Allocated = 100 R

SSDP (1) will need to PDA at their location, and based on the PDA's, transactions can be allocated a higher/lower quantity than what was scheduled. SSDP (2) PDA's the gas to inject into any bundled or unbundled storage or PDA's any other transaction(s) to take the swing. A displacement will be created that has a receipt at SSDP (1) and delivery to SSDP (2). Any transporter/shipper will be able to utilize this SSDP to SSDP scenario based on certain rules.

Swing Service Delivery Point to Swing Service Delivery Point (SSDP) - One Transaction / Self Link - High Burn



SSDP (1) Scheduled – 400 K1-100; K2-100; K3-100; K4-100; K5 – 0 *Self Link

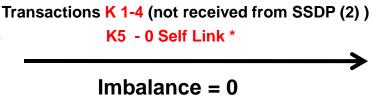
SSDP (1) PDA's – Required and Self Link

SSDP (1) Measured – 500

SSDP (2) Displacement +100

High Burn PDA is set up at SSDP (1) on K5 – High 100





SSDP (2) -- Receipt

Schedule = 0 Allocated = 100 R SSDP (1) -- Delivery

Schedule = 0

Allocated = 100 D

SSDP (1) will need to PDA at their location, and based on the PDA's, transactions can be allocated a higher/lower quantity than what was scheduled. SSDP (2) PDA's the gas to withdraw from any bundled or unbundled storage or PDA's any other transaction(s) to take the swing. A displacement will be created that has a receipt at SSDP (2) and delivery to SSDP (1). Any transporter/shipper will be able to utilize this SSDP to SSDP scenario based on certain rules.

Swing Service Delivery Point to Swing Service Delivery Point (SSDP) Link



- Allows one SSDP to take the swing for another SSDP.
- A SSDP operator providing the swing can do so for multiple SSDP's receiving the swing.
- A SSDP operator providing the swing for another SSDP cannot receive swing from another SSDP operator.
- If a SSDP operator receiving the swing decides to become a SSDP operator providing the swing, then the Link between the original SSDP operator providing the swing and the original SSDP receiving the swing must be broken.
- Linked transactions cannot be PDA'd at aggregate levels.
- The transporter/shipper can be different from the SSDP operator who is providing the swing to another SSDP.
- The SSDP operator receiving the swing will provide the PDA on the linked transaction at their SSDP.
- The SSDP operator providing the swing can not PDA the linked transaction.

Swing Service Delivery Point to Swing Service Delivery Point (SSDP) Link Continued



- The SSDP operator providing the swing can PDA any other transaction at their SSDP in order to provide the swing to the SSDP receiving the swing.
- Transportation and storage contract checks and priorities are enforced and are subject to reduction.
- Will only be subjected to constraints between the two points).
- Requires agreement by all impacted parties.
- Requests for links must be submitted to your Transportation Service Representative.
- Deadline for PDA's and nominations are consistent with Section 18.1 (a),
 Section 28, and Section 39 of GT&C.



Questions?

Please contact your Transportation Services Representative

