EPSQ

Training Module

This module describes the process of submitting and processing nominations submitted below the Elapsed Pro-Rata Quantity ("EPSQ") Volume. This process automates the manual procedures previously performed by Transco personnel, allowing for a more efficient nomination and confirmation process.

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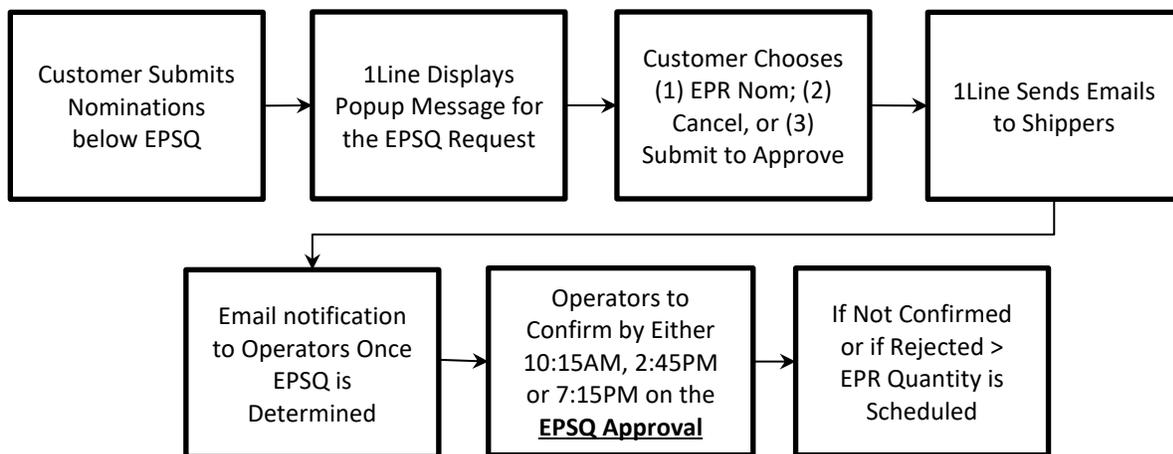
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Introduction

This module discusses opportunities for customers to submit certain nominations below the elapsed pro-rata scheduled quantity (EPSQ) without the assistance of a Commercial Services representative. This process was previously performed manually based on written requests from a shipper, with approval from affected parties. To streamline this process, Transco has developed a new way for customers to submit certain EPSQ requests.

New EPSQ Process

The new process for submitting nominations below EPSQ is shown below:

```
┌─────────────────┐     ┌─────────────────┐     ┌─────────────────┐     ┌─────────────────┐
│ Customer Submits│     │ 1Line Displays  │     │ Customer Chooses│     │ 1Line Sends     │
│ Nominations     │ ──> │ Popup Message   │ ──> │ (1) EPR Nom; (2)│ ──> │ Emails          │
│ below EPSQ      │     │ for the EPSQ    │     │ Cancel, or (3)  │     │ to Shippers     │
│                 │     │ Request         │     │ Submit to Approve│    │                 │
└─────────────────┘     └─────────────────┘     └─────────────────┘     └─────────────────┘

┌─────────────────┐     ┌─────────────────┐     ┌─────────────────┐
│ Email notification│    │ Operators to    │     │ If Not Confirmed│
│ to Operators Once│ ──> │ Confirm by Either│ ──> │ or if Rejected >│
│ EPSQ is         │     │ 10:15AM, 2:45PM │     │ EPR Quantity is │
│ Determined      │     │ or 7:15PM on the│     │ Scheduled       │
│                 │     │ EPSQ Approval   │     │                 │
└─────────────────┘     └─────────────────┘     └─────────────────┘
```

Some items to keep in mind regarding the process:

1. Two new pages are being introduced for EPSQ: **EPSQ Status** and **EPSQ Approval**. The EPSQ Status page (**Nominations > Nomination > EPSQ Status**) will be used by shippers to track their request. The EPSQ Approval page (**Nominations > Confirmation >EPSQ Approval**) will be used by operators to confirm or reject a request.

2. EPSQ requests are considered on a transaction basis only, and not on a location or other aggregate basis.

3. Submitted EPSQ Requests must be approved before the nomination deadline to be scheduled. The ID1 nomination deadline is 10:15AM, ID2 nomination deadline is 2:45PM, and ID3 nomination deadline is 7:15PM. EPSQ nominations for ID1 which are not approved by the 10:15 deadline can still be approved by the ID2 nomination deadline. EPSQ nominations for ID2 which are not approved by the 2:45PM deadline can still be approved by the ID3 nomination deadline.

4. EPSQ requests that are not approved will be scheduled at the EPR (Elapsed Pro rata) volume.

5. When an EPSQ request is submitted, a confirming email will be sent to the shipper, and a confirming email will also be sent to the operator(s) once the EPR volume is finalized.

6. Shippers who are also operators will have their locations automatically approved.

7. The impacted upstream or downstream shipper (Pool, Storage Transfer, and Transfer) is considered the "Operator" for this approval (e.g., a Market nomination received from a pool below EPSQ would generate an email notification to the upstream pooling contract owner as the "Operator" for approval on the EPSQ Approval page.)

   Emails are sent to the following:

   o **Shipper & Upstream\Downstream considered "Operator"**: those with Nominations role will receive an email.
   o **Locations Operator**: those and their agents with the Confirmation role will receive an email. This email is sent if the nomination(s) are requested below EPSQ and Transco, after final scheduling, has determined the noms to be below ESPQ.
   o **Commercial Service Rep**: will receive a notification email that their shipper has sent an EPSQ request.
   o To receive this email both the Primary email and role email needs to be checked. These email selections are found on the Business Associates Contact Page.

8. The "Operator" should ensure any impacted nominations are submitted to obtain approvals to go below EPSQ if necessary. If not the request(s) may be **Rejected by the System.**

9. If the EPSQ nomination requests cause another transaction to go below EPSQ (such as w/pool balancing/storage transfer balancing and transfer balancing) the EPSQ request could be **Rejected by the System** on the EPSQ Status and EPSQ Approval pages for the EPSQ Status.

Submitting Nominations below EPSQ

Submitting a nomination below the EPR amount follows the same process and Action Menu being used today:
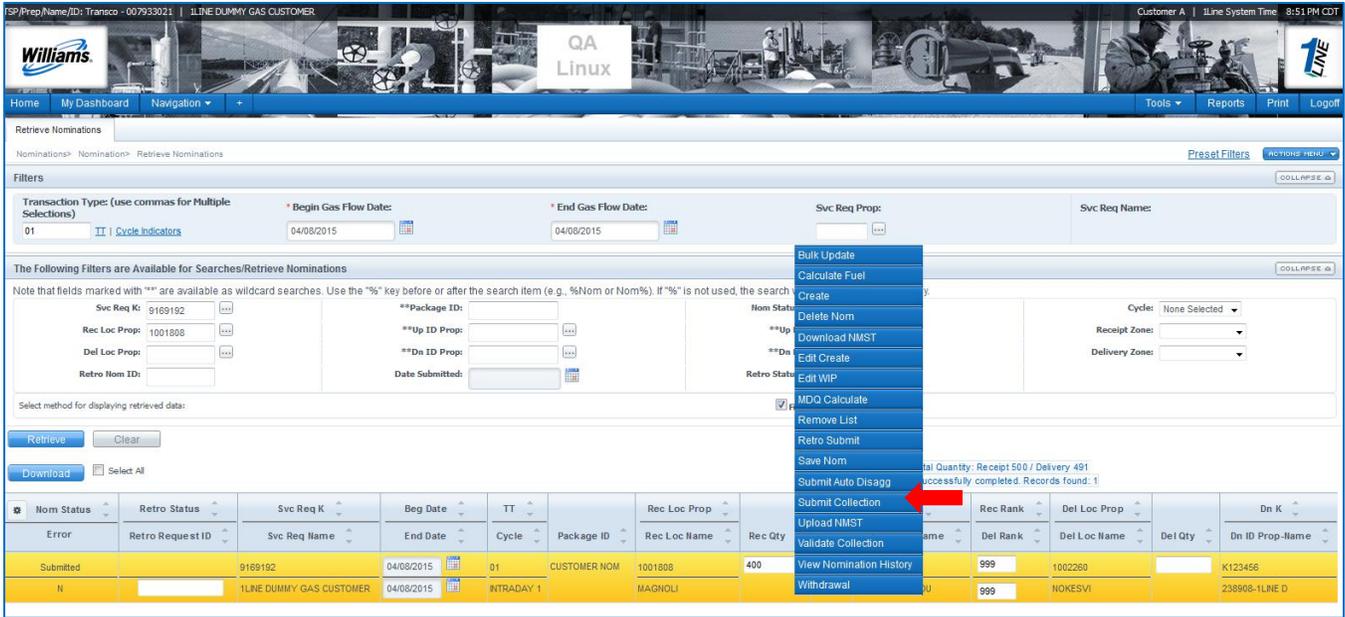
Figure 1- Submit Nomination below EPSQ

In this example, the nomination was previously submitted for the evening cycle with a delivery volume of 5,000. A request is submitted to change the volume to 400 for the ID1 cycle. The user selects the nomination and then selects **Actions>Submit Collection** to submit the request. Once submitted, a window will appear for the user to complete the request.

Figure 2 - EPSQ Nomination Options
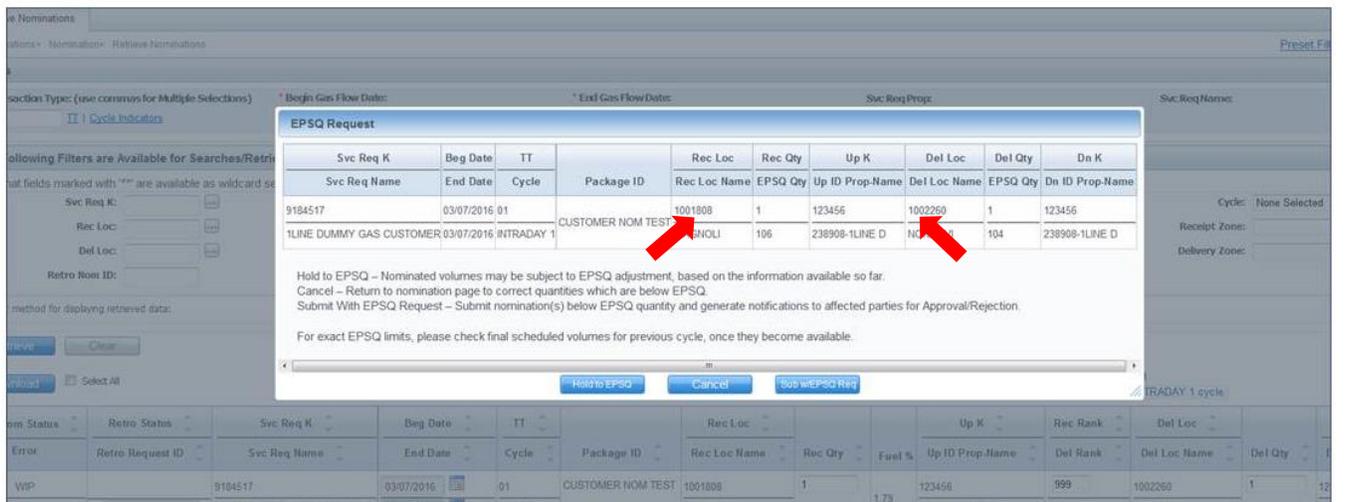
Once submitted, the user has three choices for the EPSQ request:
- Hold to EPSQ – Submit nomination at EPR volume;
- Cancel – Returns to the nomination page to correct volumes;
- Submit EPSQ Request – Sends requests to operator(s) for approval.

Note that the window displays both the nominated volume and the EPR volume for the shipper to review before request is submitted. Once submitted, the nomination page will display the nominated volume and not the EPR volume.

Email Notifications

Shipper Notification

After the EPSQ Request is submitted, the following message will be sent from 1Line to the shipper notifying the request has been sent to the confirming parties as needed.
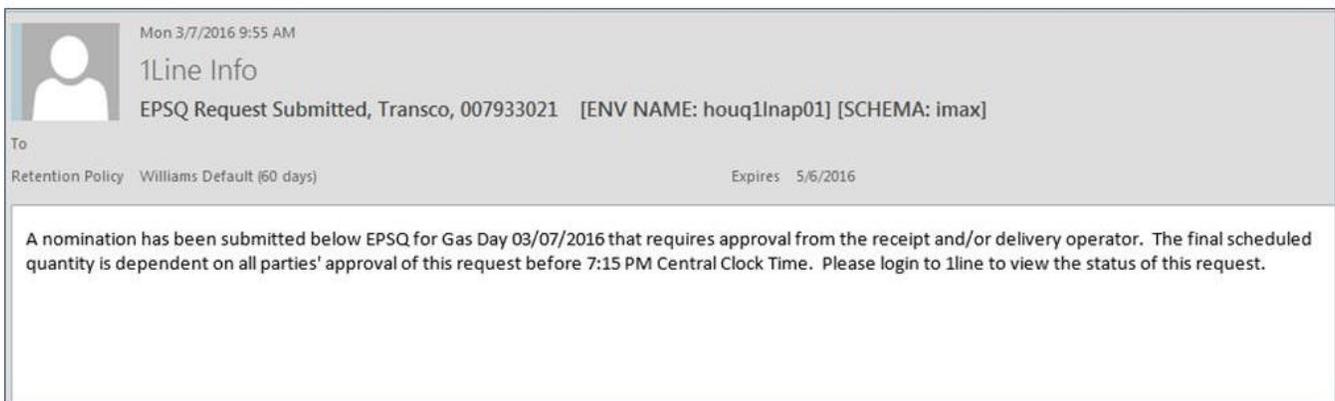

Figure 3 - Shipper Confirming Email

Operator Notification

The following is the email notification sent to the operator or the impacted upstream/downstream shipper, which includes the location and gas day covered by the EPSQ request. It also provides the deadline(s) the request must be approved by. **Note that if the shipper is also the operator, an email will **not** be sent and the location will be automatically approved.
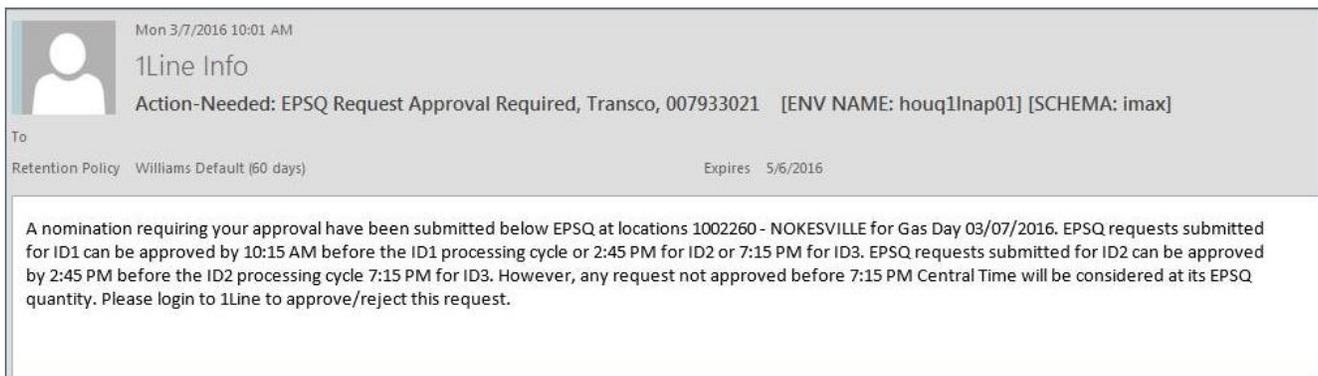

Figure 4 - Operator Email Notifying of a Nomination Request below EPSQ

Operator Confirmations

To confirm or reject the request, the locations operator, the impacted upstream/downstream shipper or upstream/downstream storage party, can go to **Navigation>Nominations > Confirmation > EPSQ Approval** to view the EPSQ details. The page provides pertinent nomination details as well as the overall EPSQ request status, previously scheduled volume, the EPR volume, and the current request.

Figure 5-EPSQ Approval Page for Operators

To approve the request as shown on Figure 6, the operator can select the row and then select **Actions>Approve**. The operator will then have the option to add any comments.

Note that the operator can only approve or reject the EPSQ request on the EPSQ Approval page and **not on the confirmation page. In addition, because the scheduling run has not started for this cycle, the confirmation page will not have the EPR volume available. After the Scheduling Pre run has completed for ID1, the confirmation page will show both the nominated volume and the updated EPR volume.
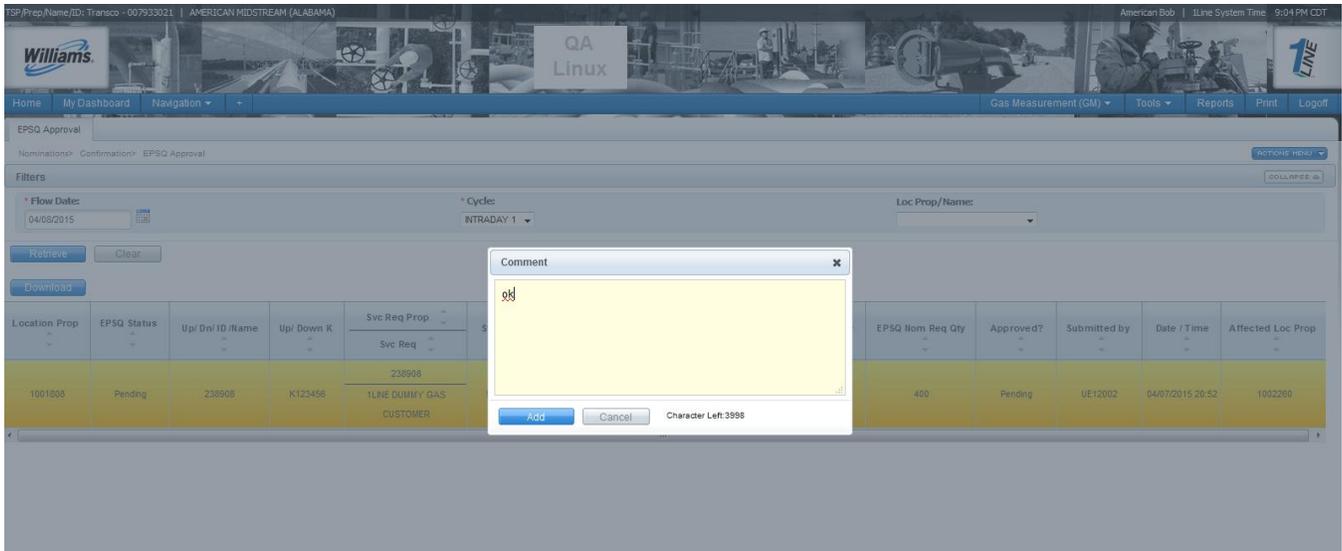
Figure 6 - Operator Confirms the EPSQ Request

After the operator approves the request, the page reflects the changes made as shown on Figure 7. Note that the **Approved?** column pertains only to this operator. The overall EPSQ status is still pending, awaiting action by the delivery operator.
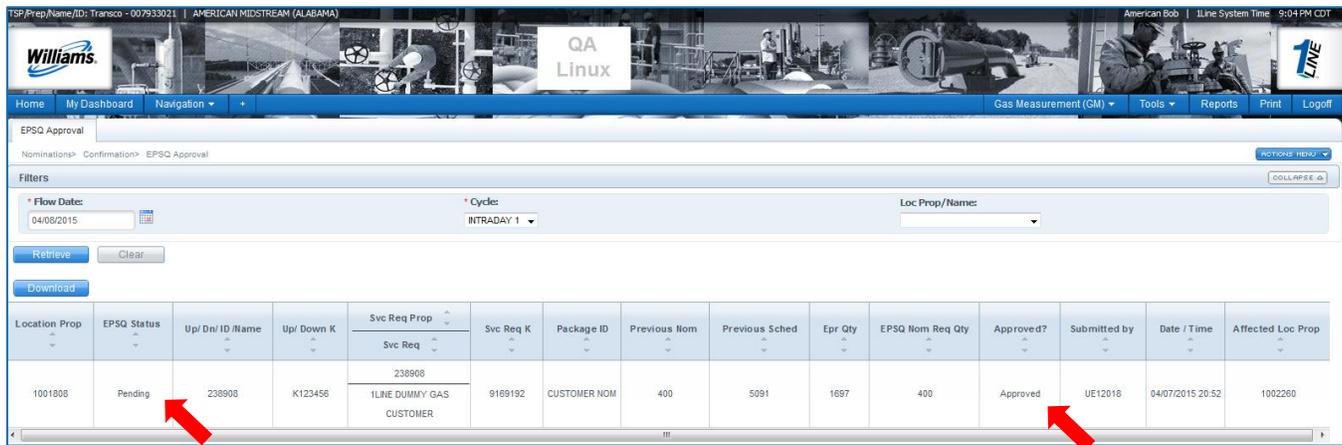

Figure 7 - EPSQ Approval Page after Operator Update

View Status

The requesting shipper can review the status of the request at any time by going to **Navigation> Nominations > Nomination > EPSQ Status**. In the example below, only the Receipt Operator has approved the request. The EPSQ Status will remain in 'Pending' status until the Delivery Operator rejects or approves the request. If no action is taken, the EPSQ Status will remain in 'Pending' status, yet the nomination will be scheduled at the EPR volume.

Figure 8 - EPSQ Status for Shipper

Scheduling Results

Figure 9 - EPSQ Request Is Scheduled

In this example, the Delivery Operator approved the request before the ID1 nomination deadline. Since all parties approved the request, the nomination is now scheduled. However, if the approval <u>had not</u> been made by the ID1 nomination deadline, the <u>scheduled</u> receipt/delivery volumes would adjust to the EPSQ volume.

The "Operator" should ensure any impacted nominations are submitted to obtain approvals to go below EPSQ if necessary. If not, the request(s) may be **Rejected by the System**. If the EPSQ nomination requests cause another transaction to go below EPSQ (such as w/pool balancing/storage transfer balancing and transfer balancing) the EPSQ request will be **Rejected by the system** on the EPSQ Status and EPSQ Approval pages for the EPSQ Status.

New Scheduling Timelines

SCHEDULING TIMELINE FOR TRANSCO EFFECTIVE APRIL 1, 2016							
	Timely	Evening	Intraday 1	Intraday 2	Intraday3	Post	Retro
Nom. Due	1:00 pm	6:00 pm	10:00 am	2:30 pm	7:00 pm	10:00 am	
Pre-Conf.	1:45 pm	6:45 pm	10:45 am	3:15 pm	7:45 pm	-	8:00 am, 11:15 am, 3:00 pm & 9:15 pm
Int. 1	2:45 pm	7:15 pm	11:15 am	3:45 pm	8:15 pm	-	
Int. 2	3:40 pm	7:40 pm	11:40 am	4:10 pm	8:40 pm	-	
*Int. 3	4:05 pm	8:05 pm	12:05 pm	4:35 pm	9:05 pm	-	
Final	4:30 pm	8:30 pm	12:30 pm	5:00 pm	9:30 pm	10:30 am	
SQR's published	5:00 pm	9:00 pm	1:00 pm	5:30 pm	10:00 pm	-	
Gas Flow	9:00 am	9:00 am	2:00 pm	6:00 pm	10:00 pm	-	
	Next Day	Next Day	Same Day	Same Day	Same Day	The Day Prior	A Previous Day

All time is CST
*NO BUMP IN ID3 CYCLE
Denotes: No Confirmation increase after the Int. 2

EPSQ Example – Based on Formula:

*This assumes Scheduled Quantity doesn't change for all cycles.

Lowest Quantity Available for ID1

$$\text{ID1 EPSQ} = \left\lceil \frac{(Evening\ Scheduled\ Quantity)\ X\ 5}{24} \right\rceil$$

Lowest Quantity Available for ID2

$$\text{ID2 EPSQ} = \left\lceil \frac{(ID1\ Scheduled\ Quantity)\ X\ 9}{24} \right\rceil$$

Lowest Quantity Available for ID3

$$\text{ID3 EPSQ} = \left\lceil \frac{(ID2\ Scheduled\ Quantity)\ X\ 13}{24} \right\rceil$$

Scheduled in Evening for 9am Flow: 12,000

$$\text{ID1 EPSQ} = \left\lceil \frac{(12,000)X\ 5}{24} \right\rceil$$

Total EPSQ for ID1:   **2,500**

$$\text{ID2 EPSQ} = \left\lceil \frac{(12,000)\ X\ 9}{24} \right\rceil$$

Total EPSQ for ID2:   **4,500**

$$\text{ID3 EPSQ} = \left[\frac{(12,000) \, X \, 13}{24}\right]$$

Total EPSQ for ID3:   **6,500**

If 12,000 was scheduled during the Evening Cycle, the lowest quantity available for ID1 would be *[12,000 X 5] / 24 = **2,500***. During the ID2 Cycle, *[12,000 x 9] / 24 = **4,500***. During the ID3 Cycle, the lowest quantity available would be *[12,000 X 13] / 24 = **6,500***.

EPSQ Example Based on remaining Flow ID1 Nomination:

* This assumes No nomination was submitted for Timely or Evening cycles and Scheduled Quantity doesn't change for all remaining cycles.

Scheduled in ID1 for 2pm Flow: **12,000**

Amount flowed from 2pm – 6pm: (12,000 x 4) /19 = 2,526
                                              (flow for 4 of 19 remaining hours of the day)

Total EPSQ for ID2:   **2,526**

Additional amount needing to flow at 6pm: (12,000 – 2,526) = 9,474

Amount flowed from 6pm – 10pm: (9,474 x 4) /15 = 2,526
                                              (flow for 4 of 15 remaining hours of the day)

Total Flow: **(2,526 + 2,526) = 5,052**
Total EPSQ for ID3:   5,052

If 12,000 was scheduled during the ID1 Cycle, the lowest quantity available for ID2 would be *[12,000 X 4] / 19 = 2,526*. During the ID3 Cycle, the lowest quantity available would be *2,526 (amount flowed from ID1) + [9,474 X 4] / 15 = 2,526*.

Please contact your Commercial Services Representative with any EPSQ questions.