Pooling

Training Module

Information on pool balancing, pooling rules, and reports with details and examples.

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Important Information – Please Read

The information provided herein is for informational purposes only and does not modify any provision in Transco's FERC Gas Tariff. If a conflict exists between this information and Transco's FERC Gas Tariff, the provisions in Transco's FERC Gas Tariff apply. Transco makes no representation or warranty as to the completeness or accuracy of this information. Transco shall not be liable for any informational errors, incompleteness or delays, or for any actions taken in reliance on this information.

To review the tariff language specific to any topic, go to Transco's Informational Postings page, and select **Tariff** from the left hand navigation menu.

Introduction

Per Transco's FERC Gas Tariff, pooling shall be defined as the aggregation of gas from multiple physical and/or virtual receipt points to a single physical or virtual point; and the disaggregation of gas from a single physical or virtual point to multiple physical and/or virtual delivery points. This training module will cover what are the pooling locations, how to participate in Transco's pooling service, how to nominate and view pooling transactions on 1Line, what are the pooling rules and what are the transportation and fuel charges at Transco's pools.

Pooling Locations

Transco's available pooling points (physical or virtual locations on its pipeline) are posted in 1Line.

Zone	OIA	Pooling Locations	Location ID	Line/Milepost
1	1	Pooling Station 30	1000007	ML/258.43
2	1	Pooling Station 45	1000026	ML/467.96
3	1	Pooling Station 50	1000040	ML/517.24
3	1	Pooling Station 65	1000065	ML/626.53
3	1	Pooling Station 62	1000762	SELA/101.66
4	1	Pooling Station 85 Zn 4	1000105	ML/784.66
4A	1	Pooling Station 85 Zn 4A	9005542	Mobile Bay/0
4A	1	Pooling Station 82	1003411	Mobile Bay/122.98
4	2	Pooling Station 95	9010698	ML/850.97
5	2	Pooling Station 134	9012043	ML/1148.46
5	2	Pooling Station 165	1000139	ML/1412.99
6	3	Pooling Station 210	1000178	ML/1776.79

How to participate in Transco's Pooling Service

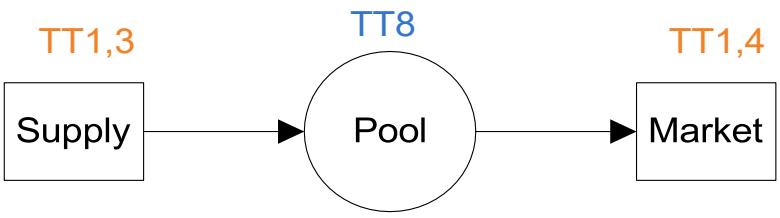
Pooling service can be designated as firm or interruptible; however, a shipper must execute separate service agreements for firm pooling service and for interruptible pooling service. There is a separate training module on how to request pooling contracts **(See the Contracts II – IT & Pooling training module on the Informational Postings page under 1Line>Training>Training Resources>Training Modules).**

Pooling service does not include transportation to and from the pools. Using firm or interruptible transportation service, shippers may transport gas from multiple receipt points to a single pooling point; aggregate and disaggregate (e.g., "repackage") the gas using the pooling service; and then transport such gas (using firm or interruptible transportation service) to multiple delivery points. The total daily quantities aggregated must equal the total daily quantities disaggregated, subject to an allowable variance, which will be posted on 1Line. If a shipper does not balance its daily aggregated and disaggregated quantities accordingly, Transco will balance the quantities in the manner described in the tariff (Section 2.3 of Rate Schedule Pooling). There is no charge for service under this rate schedule.

Nominating Pool Gas

The **pooling party** nominates the supply to their pool on a transportation contract using Transaction Type 1 **(TT1),** or, for imbalance payback to shipper, Transaction Type 3 **(TT3)**. The pooling party also nominates a disaggregation nomination **(TT8)** on their pooling contract for each market receiving gas at the pool. A disaggregation nom is a one-sided nomination identifying the quantity of gas to be delivered and the business associate ID (BAID) of markets receiving gas from the pooling party.

Each **market** nominates gas to be received at the pooling location on a transportation contract using **(TT1),** or **(TT4)** for imbalance payback from shipper.



(See the Nominations training module on the Informational Postings page under 1Line>Training>Training Resources>Training Modules for more information on nominating pool transactions)

For example some of the **Fields required and/or Validated on Nominations:**

Upstream K (Contract) and ID Requirements

Receipts at:

Pooling Locations
Upstream K and BAID required and validated. (Must use Service Requester's pooling contract)

Downstream K (Contract) and ID Requirements

Deliveries at:

Pooling Locations-Using Transportation contract
Downstream K and BAID are required and validated. (Must use Service Requester's pooling contract).

Auto Disaggregation Nomination

The pooling party also has the option of creating a disaggregation nomination **(TT8)** on their pooling contract for their own markets that will automatically update and match the quantities nominated on their own market nominations. By using the **Submit Auto Disagg action** and referencing their own **Downstream ID**, the system will automatically adjust the submitted Auto Disaggregation nomination to their market nominations, so the TT 08 will not have to be updated each time the market nominations are changed. The default rank can be changed at any time without using the Edit/Create action.

There are three ways to create or turn on the Auto Disaggregation nomination.

1. Existing customers who already have their pooling contract BAID referenced in the Downstream ID (TT08) can:
    a. Highlight the row with Del Qty greater than zero,
    b. Right click to display Action Menu or go to Action Menu on upper right hand side then select **Submit Auto Disagg**.
    c. A new Auto Disagg will overlay the existing TT08, but when you select **Retrieve**, both TT08's will appear.
    d. The Package ID will default to SYSTEM DISAGG.
    e. If you only want the System Disagg, then all other TT08's that reference the pool owner's Downstream ID will need to be zeroed out.
    f. You can only have 1 System Disagg, but you are not precluded from having regular TT 08 submitted to match your market nominations, the System Disagg will take the swing and have the lowest priority.

2. Current customers can edit an existing TT08 by:

a. Highlighting an existing nomination row.
b. Select **Edit Create** action and choose quantity greater than zero.
c. Change to the preferred Pooling Location ID.
d. Select **Submit Auto Disagg** action and the Package ID will default to SYSTEM DISAGG.
e. If you only want the SYSTEM DISAGG, then all other TT08's that reference the pool owner's Downstream ID will need to be zeroed out.

3. New or current customers submitting a TT 08 for the 1st time can:
    a. Change the Transaction Type filter to 08.
    b. Select action **Create**.
    c. Enter Pooling contract number, TT should be 08, enter Pool Delivery location, Delivery Quantity and Downstream ID.
    d. Select action **Submit Auto Disagg.**
    e. The Package ID will default to SYSTEM DISAGG.

The System Disagg can be either turned off or deleted. To turn the System Disagg off, select the action **Edit Create** and enter Del Qty of zero, highlight then select **Submit Auto Disagg.** To delete the System Disagg, change the End Date on the nomination to the nearest date that the nominations hasn't been scheduled, highlight then select action **Delete.**

Pooling Point Rules

(As specified in Transco's FERC Gas Tariff, Section 28.8 of the General Terms and Conditions)

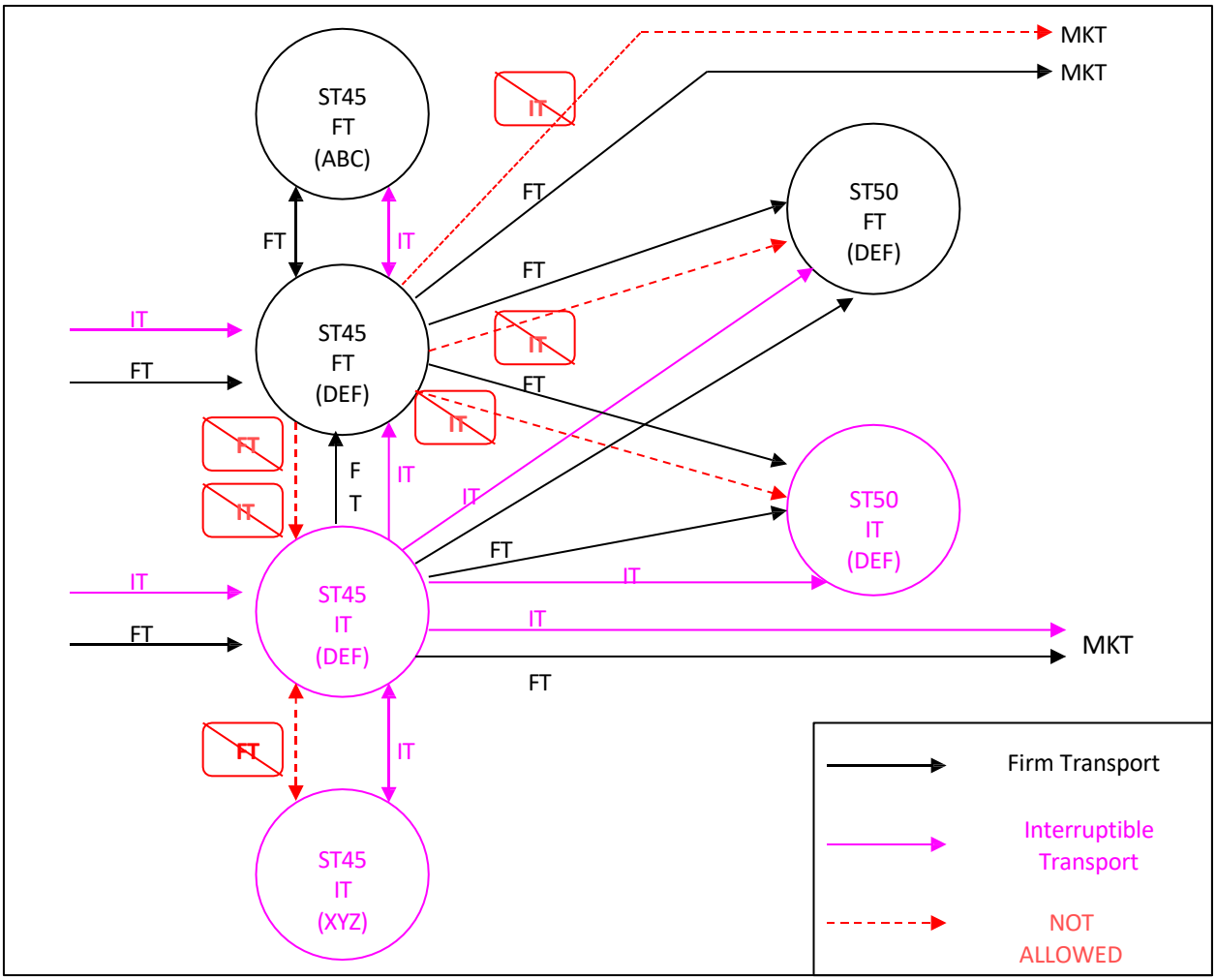
1. Shippers must transport supplies to their **own** pools on a transportation contract unless their **agent** transports supplies to the **agent's pool** using the **Service Requester's** transportation contract.
2. Shippers may transport gas from wellhead and interconnect points to either firm or interruptible pool agreements on either **firm** or **interruptible** transportation agreements.
3. For firm pooling agreements, pool to pool transfers at the same location may be booked on either a firm or an interruptible transportation agreement.
4. For interruptible pooling agreements, pool to pool transfers at the same location must be booked on **interruptible transportation agreements** only.
5. Gas may be transferred from an interruptible pooling agreement to a firm pooling agreement, but ***NOT*** transferred from a firm pooling agreement to an interruptible pooling agreement.
6. Transportation transactions taking gas away from a pool on a firm pooling agreement must be on a **firm transportation agreement**.
7. Transportation transactions taking gas away from a pool on an interruptible pooling agreement may be firm *OR* interruptible.
8. No transportation charges or fuel for pool-to-pool transfers at the same location between pooling agreements.

Additional Pooling Point Rules

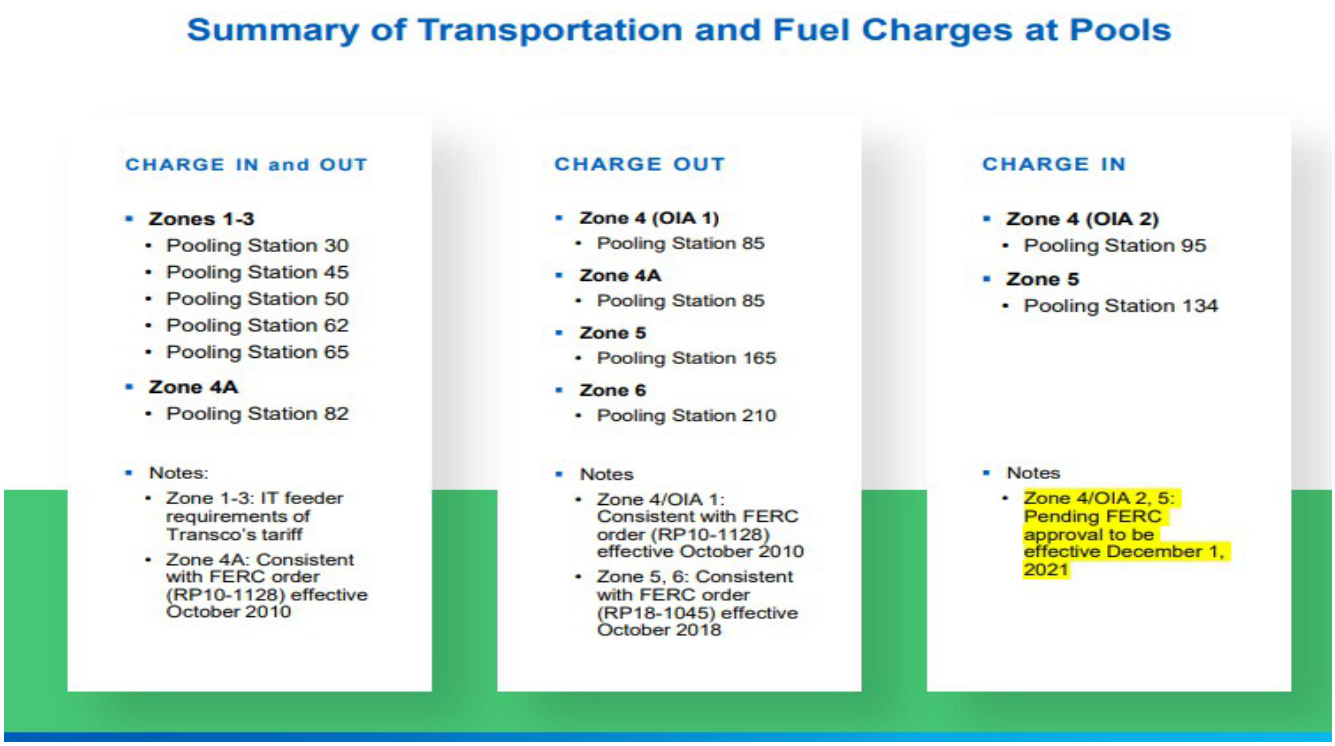
(As specified in Transco's FERC Gas Tariff, Rate Schedule Pooling section)

1. Pooling party nominates a one-sided **disaggregation (TT8)** nomination for each market receiving gas at the pool on a pooling contract.
2. Supply cuts are made on transportation transactions **before** pool-to-pool transfers, regardless of rank.

Pool Rules Diagram

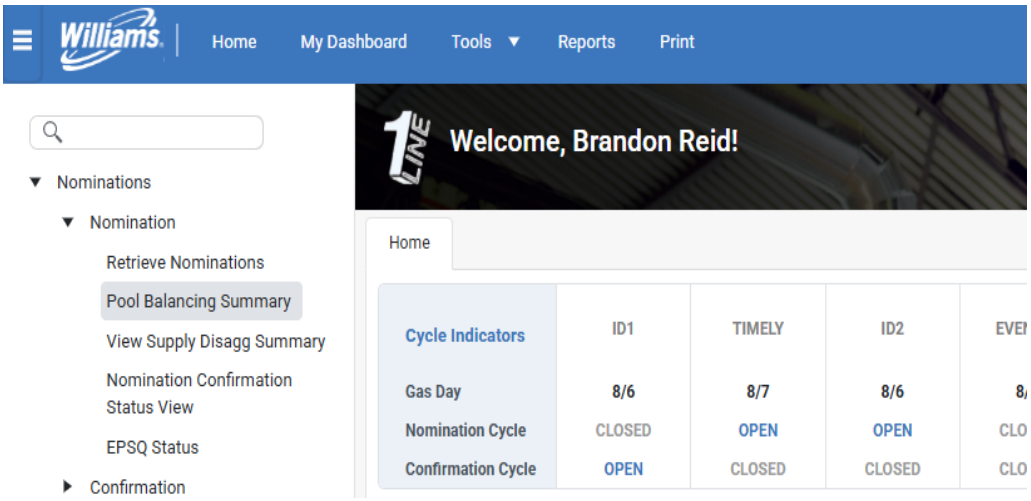


Summary of Transportation and Fuel Charges at Pools



Pool Balancing Summary

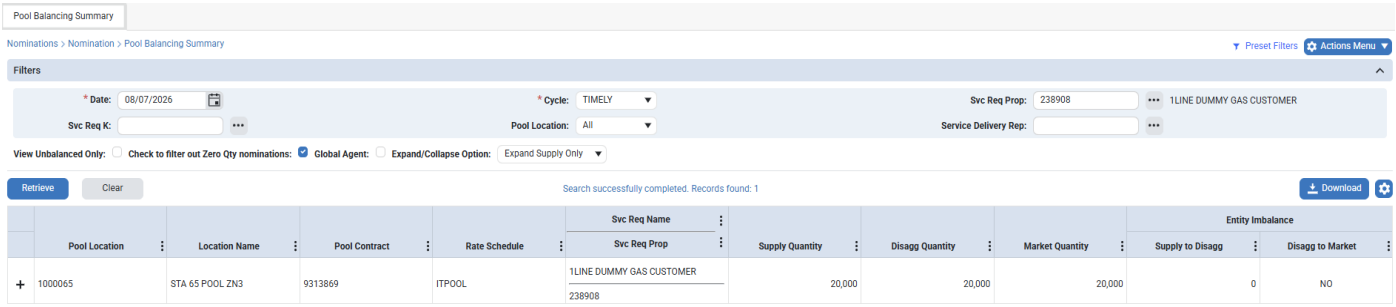
Once nominations are submitted, the pooling transactions immediately appear on the **Pool Balancing Summary** page for the pooling party to review. To check pool status, Select: **Nominations>Nomination>Pool Balancing Summary**



The Pool Balancing Summary allows a customer to view all pool transactions at a summary level to display totals of Supply Quantity, Disagg Quantity and Market Quantity for each pool location.

The Entity Imbalance columns will display the differences between Supply to Disagg and Disagg to Market for each gas flow day and each cycle.

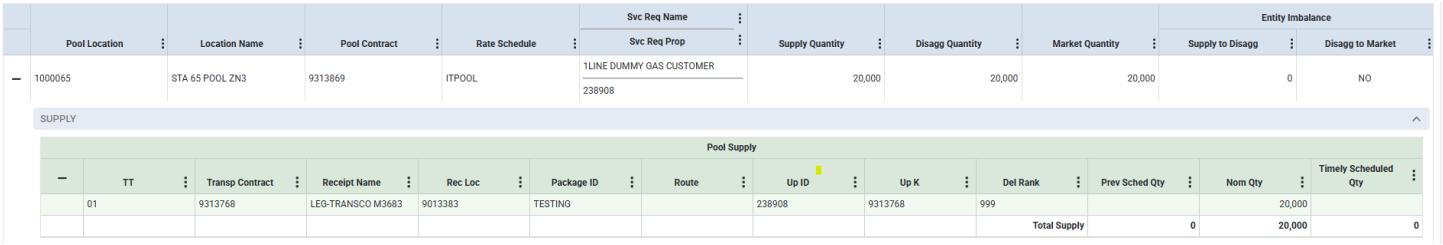
To display the Pool Detail for each pool location, click on the "**+**" icon to expand the details.

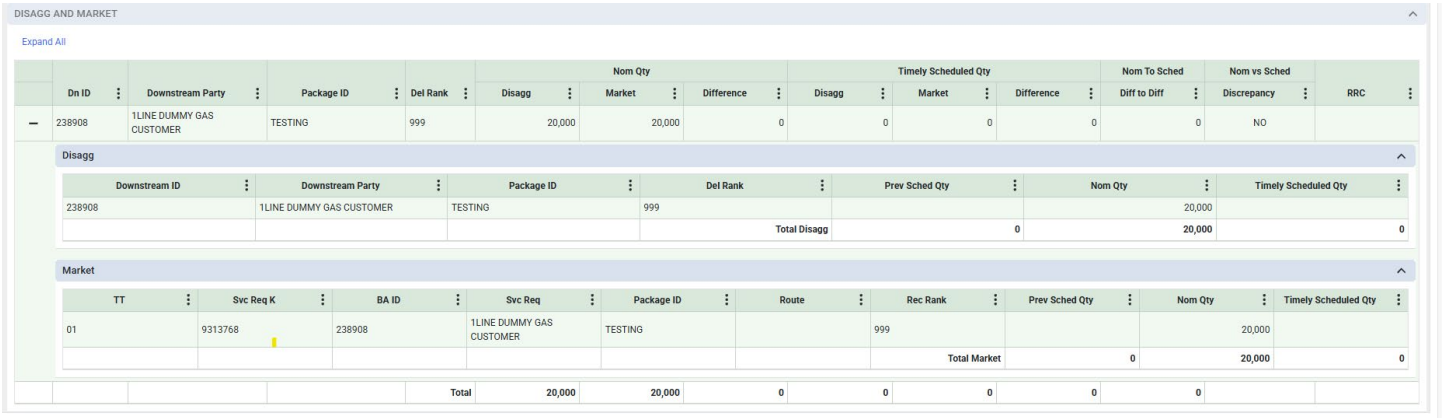


The breakout totals for SUPPLY and DISAGG AND MARKET will display for each, the Nom Quantity and selected cycle Scheduled Quantity.

To view more details for the SUPPLY and/or DISAGG AND MARKET, click on the "**+**" icon to display Contracts and/or Downstream id and Downstream Party details for each transaction.

The Supply, Disagg and Market details will be displayed.

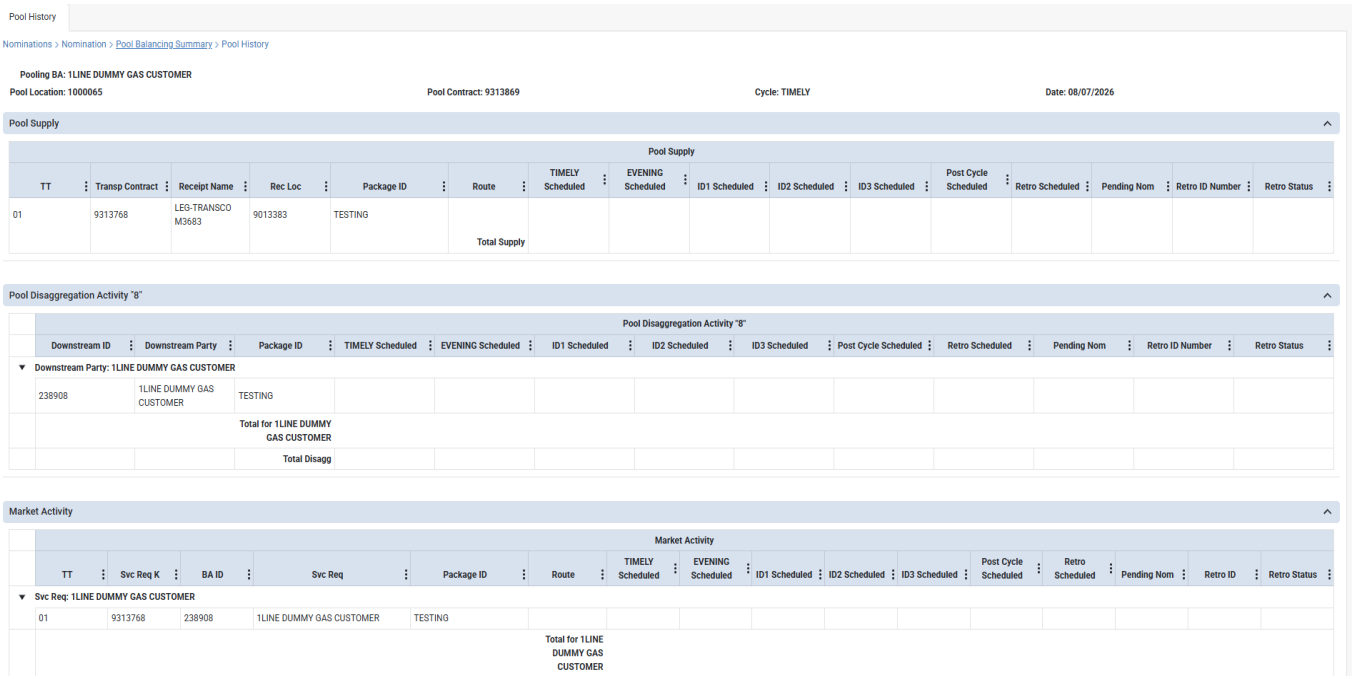




If there is a Reduction Reason Code (RRC) cut, move your cursor over the RRC for a brief description.

Pool History

The **Pool History page** provides a snapshot of scheduled volumes for all 6 cycles including pending Retro Nom volume, RRID, and Retro Status information for a specific pooling contract and gas flow day for supply, disaggregation, and market activity. To open the **Pool History** page, go to the Navigation menu, and Select: **Nominations > Nomination > Pool Balance Summary >Action Menu> View Pool History**



Nomination History

The **Nomination History page** allows a customer to view their pooling nominations for each pool location by contract. To open the **Nomination History** page, go to the Navigation menu, and Select: **Nominations > Nomination > Pool Balance Summary >Action Menu> View Nomination History**
To view the **Nominations History**, select the pool location, then select the "**+**" icon to expand, select the next "**+**" icon of Supply or Market contract line to expand, click to highlight, then Select: **Action Menu > View Nomination History.**

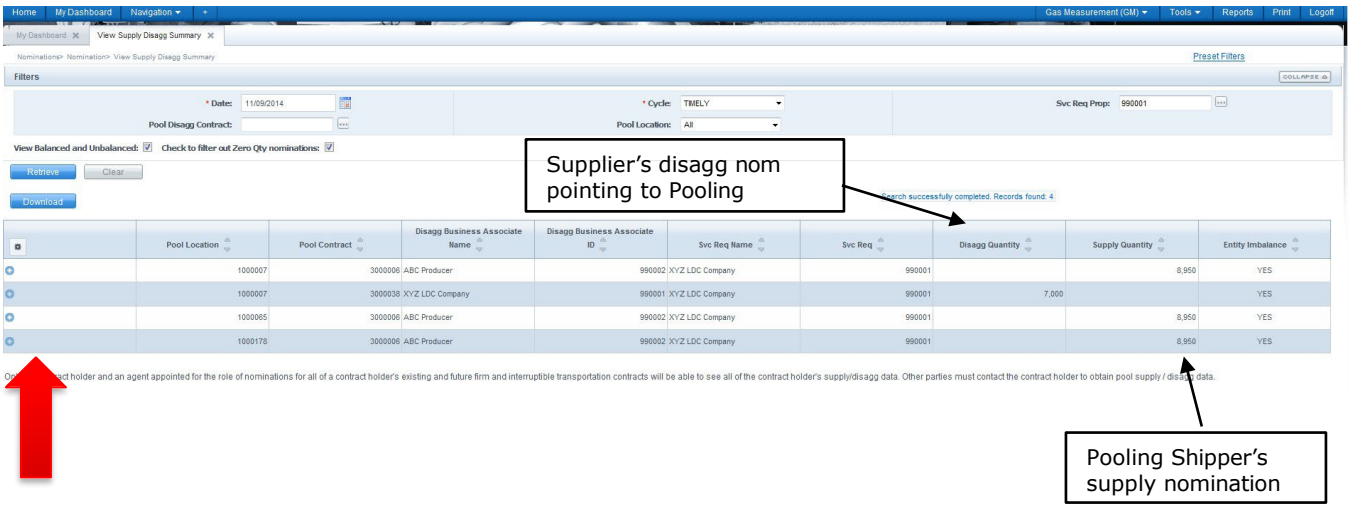
Email Notification

Customers can elect to receive emails to notify them when their pools are **out of balance** or for **scheduling cuts** by indicating a check box on these roles in the Customer Information area of 1Line. Each Business Associate's System Security Administrator can set these roles up by user under **Navigation>Customer Information>Business Associate Contacts.**

Supply Disagg Summary

The **Supply Disagg Summary** allows customers to review the upstream supplier's disaggregation nomination for accuracy.

To view, Select*:* **Nominations > Nomination > View Supply Disagg Summary**



To display the Supply Disagg Details for each pool location, click on the "**+**" icon to expand the details.

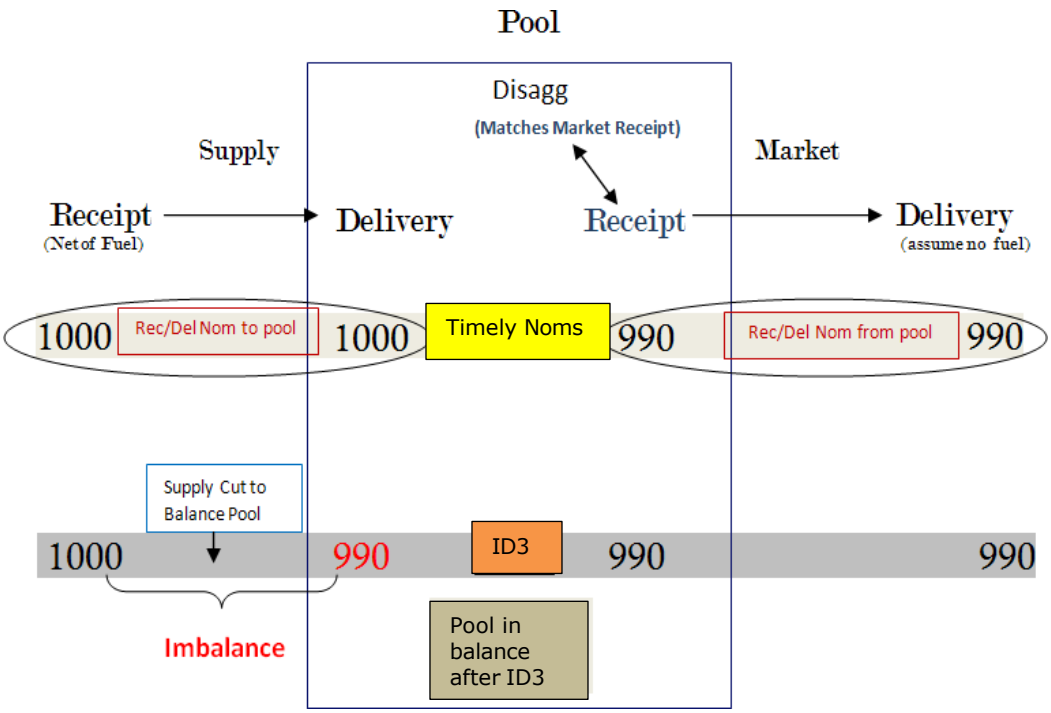
Pool Tolerance

Pool tolerance is the allowable variance at the pool. The tolerance level is set by Gas Control depending upon operating conditions. Transco's FERC Gas Tariff supports 1% tolerance. The current pool tolerance can be found on the Transco's Info Postings page under *PIPELINE CONDITIONS*.

The scheduling process will apply this limit differently based on whether the pool is at, above or below the tolerance level. The following examples explain how the **tolerance** is applied at the pools.

Below or At the Tolerance Level

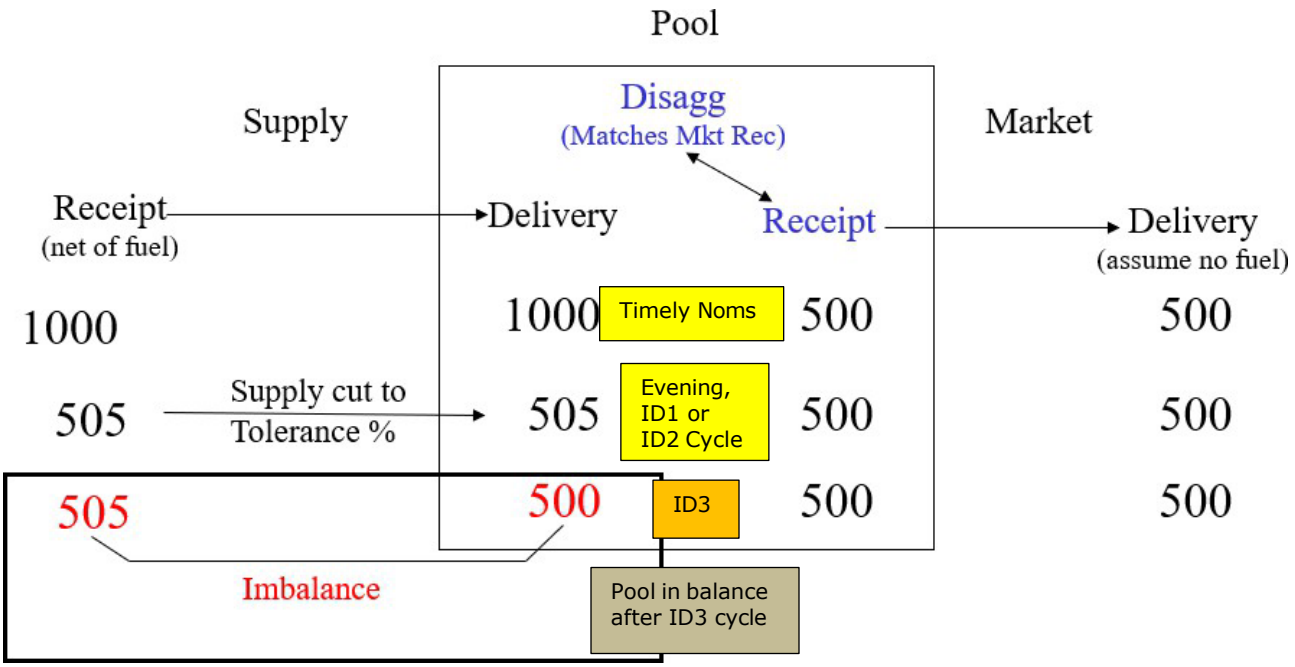
When a pool is **at or below the tolerance** level (within the posted tolerance percentage), only the pooling party is affected. The pool will appear out of balance for the first 4 cycles of the gas day.



In the final cycle, the supply delivery is adjusted to balance the pool. The **supply** transaction is scheduled out of balance only by the allowable tolerance. **The pool will be balanced in ID3 and any cycle after ID3.**

Above the Tolerance Level-Excess Supply

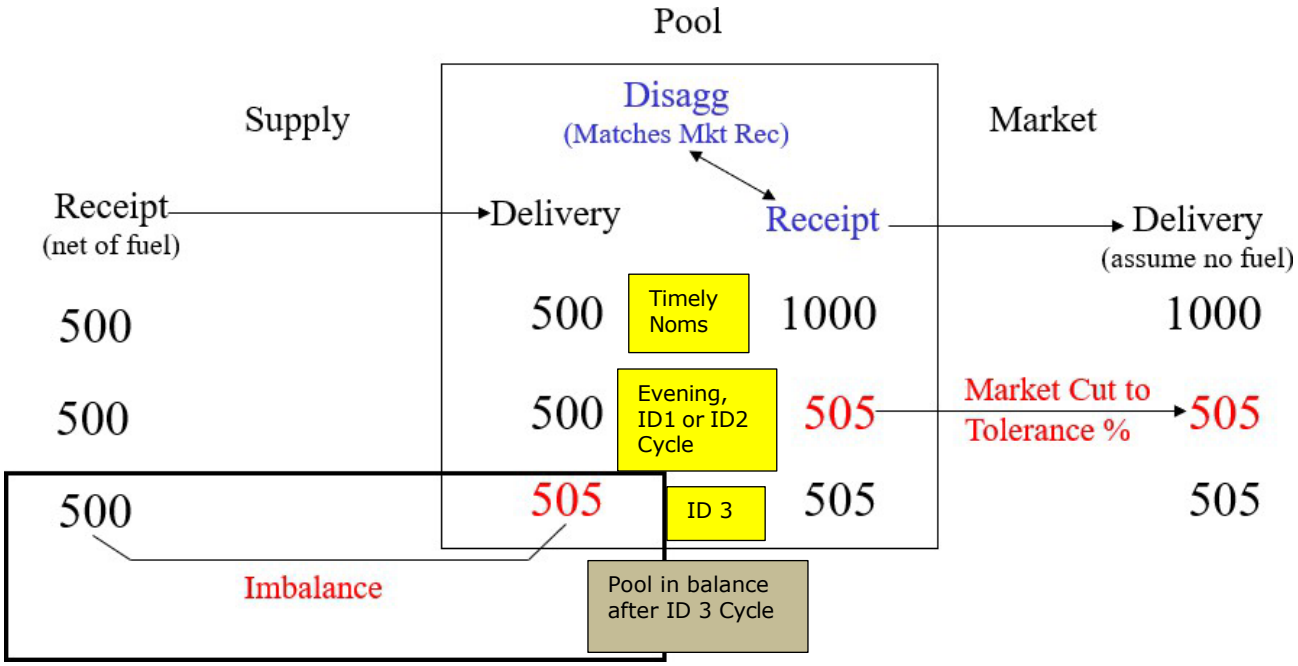
When a pool is **above the tolerance level**, suppliers and marketers can be affected. When there is **excess supply** that is above the tolerance the pool delivery will be cut to the tolerance level (1%). The **supply receipt** will be cut to re-balance the nomination.



In the ID3 cycle, the **supply delivery** is adjusted to balance the pool, and the supply transaction is scheduled out of balance by the allowable tolerance.

Above the Tolerance Level-Excess Market

When a pool is **above the tolerance level**, the suppliers and marketers can be affected. When there is excess market that is above the tolerance**,** the pool delivery will be cut to the tolerance level (1%). The market delivery will be cut to re-balance the nomination.

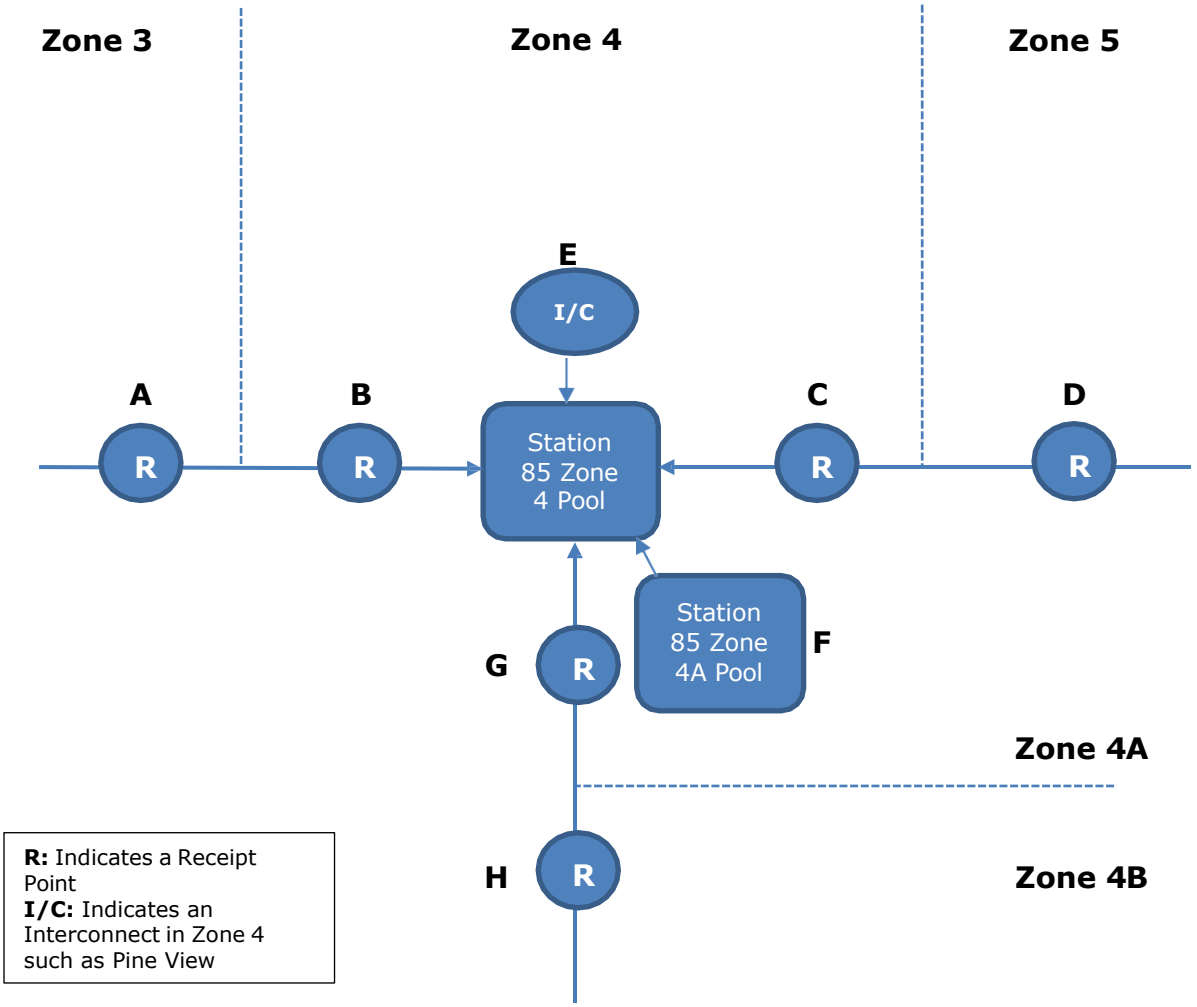


In the ID3 cycle, the supply delivery is adjusted to balance the pool, and the supply transaction is scheduled out of balance by the allowable tolerance.

Station 85 Diagrams

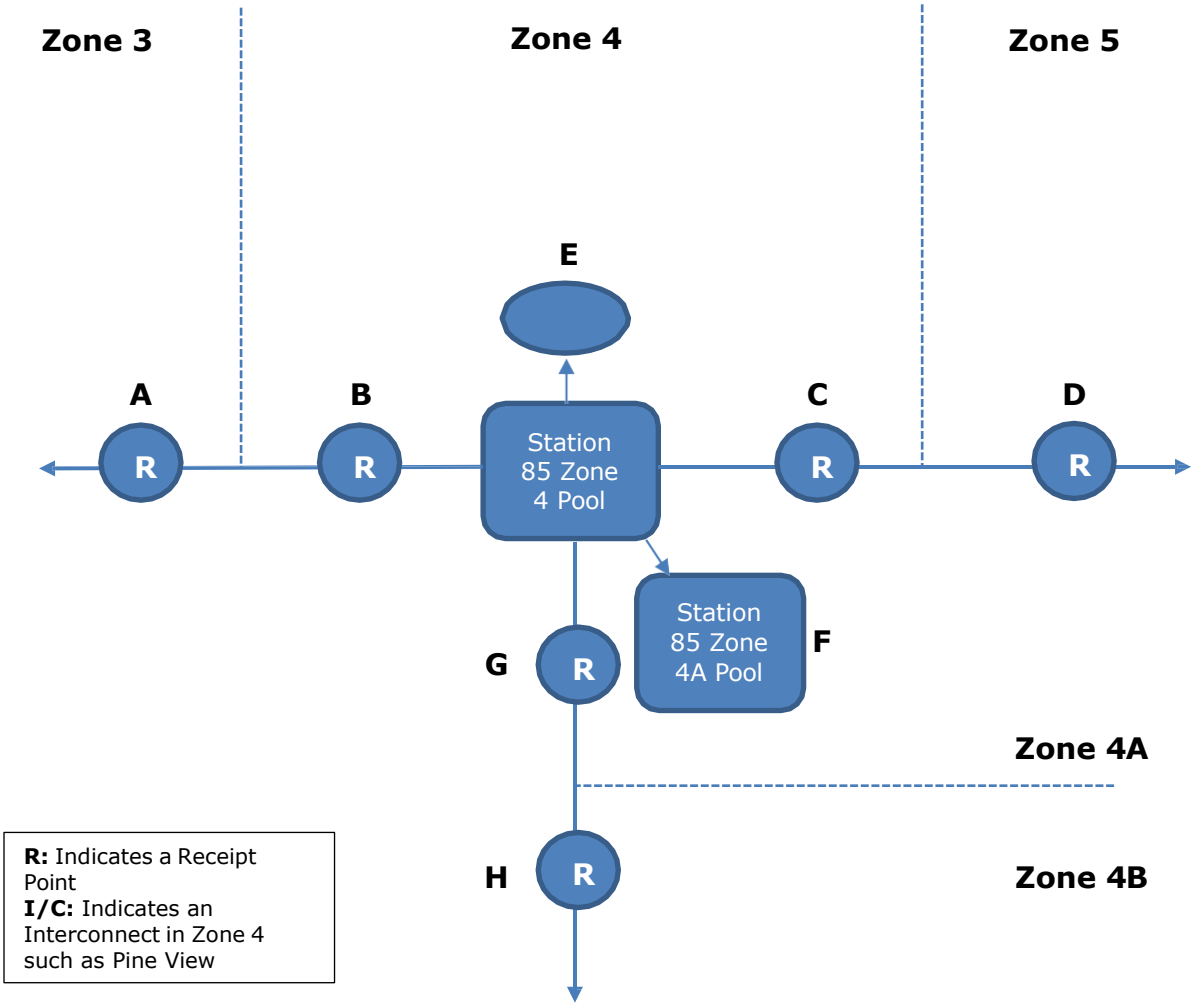
As a result of the split of the Station 85 pool into two pools, usage and fuel charges are shown in the following four diagrams.

Deliveries into Station 85 Zone 4 Pool



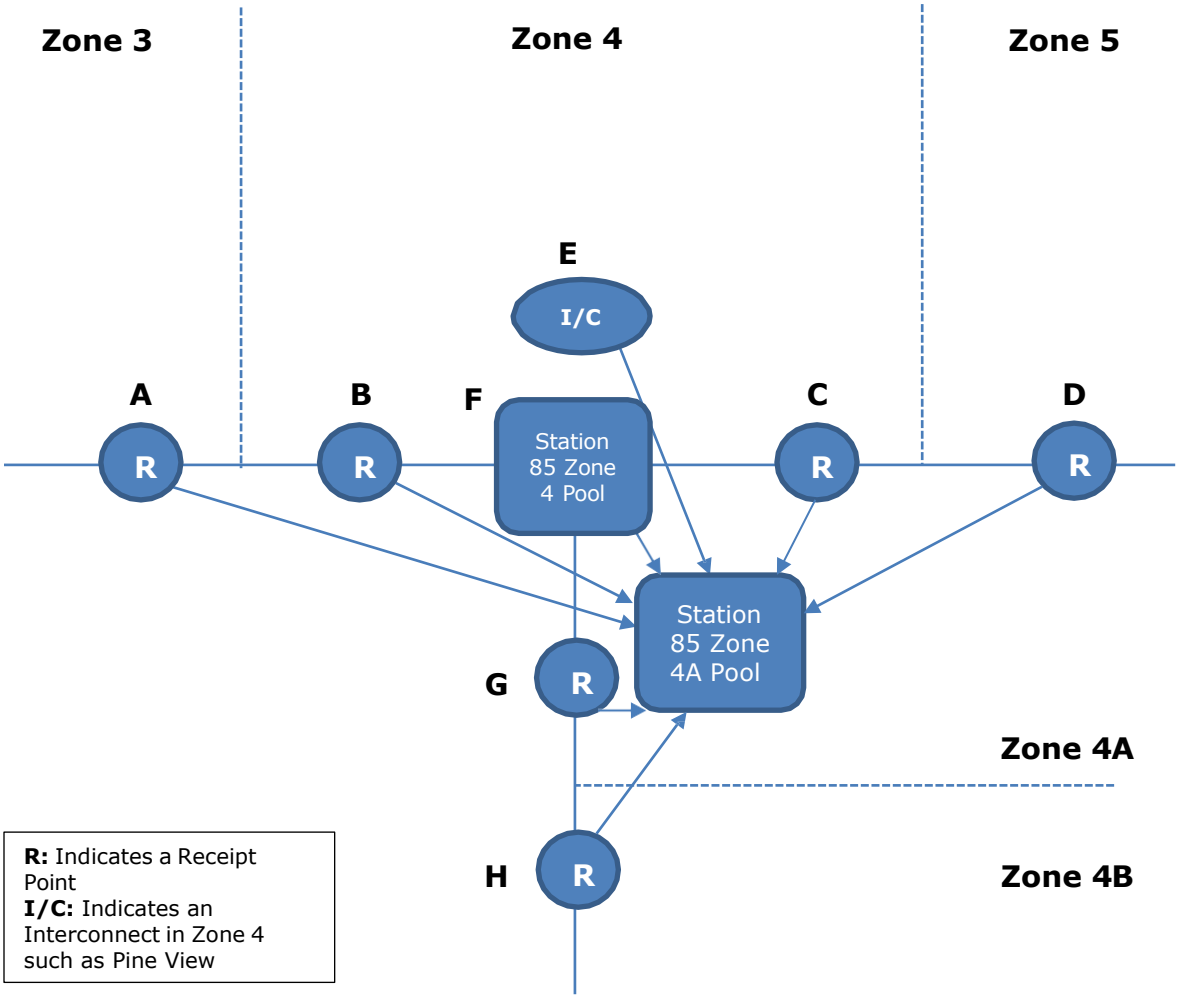
A: Charge transport and fuel from Zn 3 (3-3), no transport or fuel in zone 4.
B: No transport or fuel charges from Zn 4.
C: Backhaul from Zn 4, no transport or fuel charges.
D: Backhaul from Zn 5, has transport charge (5-5) but no fuel charge, no transport or fuel in zone 4.
E: No transport or fuel charge from a Zn 4 Interconnect location.
F: Charge transport and fuel from Zn 4A Pool (4A-4A), no transport or fuel in Zn 4.
G: Charge transport and fuel from Zn 4A Mobil Bay Lateral (4A-4A), no transport or fuel in Zn 4.
H: Charge transport and fuel from Zn 4B Mobile Bay Lateral (4B-4A), no transport or fuel in Zn 4.

Receipts out of Station 85 Zone 4



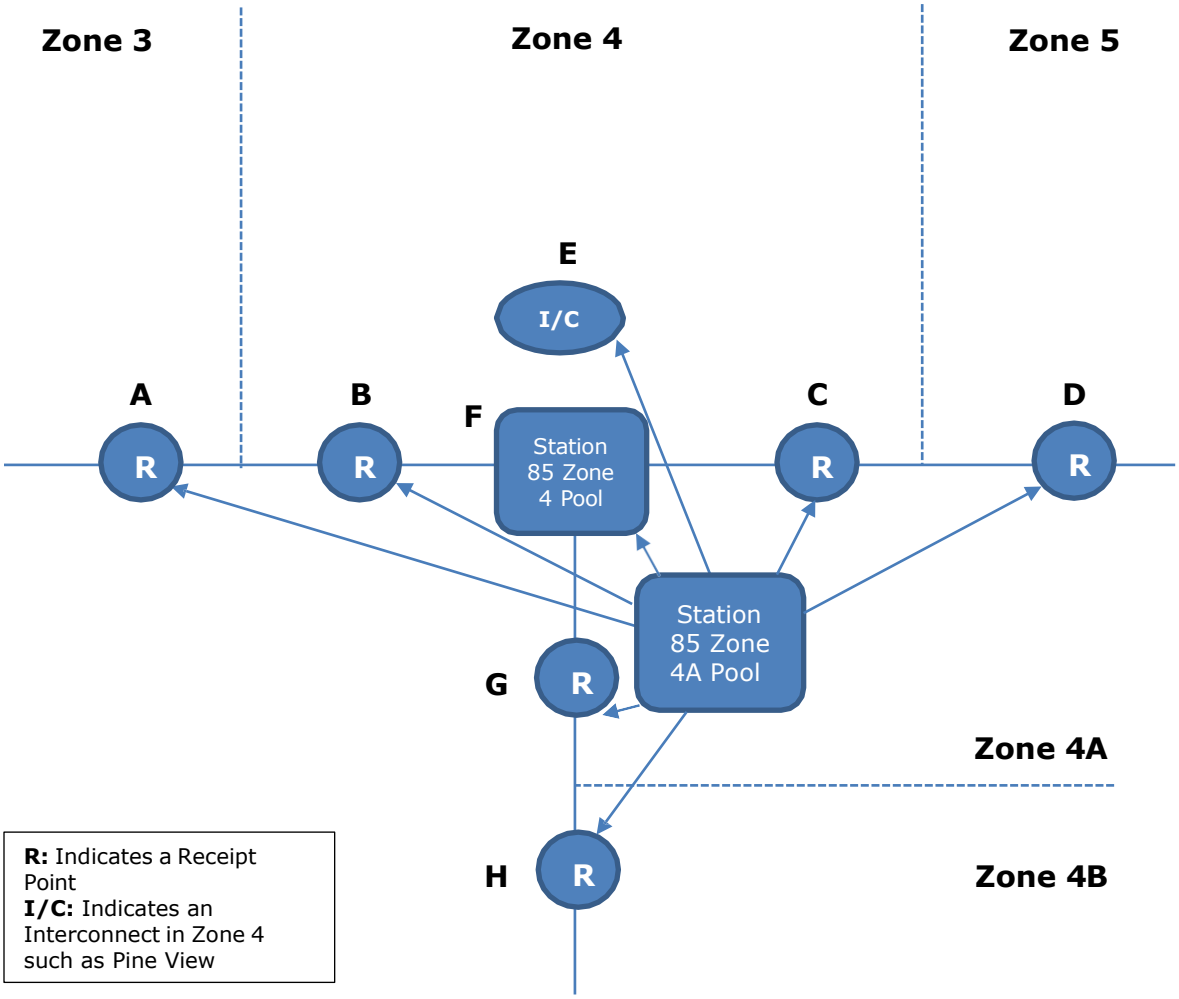
A: Backhaul to Zn 3 has transport charge (4-3) but no fuel charge.
B: Backhaul to Zn 4 has transport charge (4-4) but no fuel charge.
C: Charge transport and fuel to Zn 4 (4-4).
D: Charge transport and fuel to Zn 5 (4-5).
E: Charge transport and fuel to a Zn 4 Interconnect location (4-4).
F: Charge transport and fuel to a Zn 4A Pool (4-4), no Zn 4A transport or fuel.
G: Charge transport and fuel to Zn 4A (4-4A)
H: Charge transport and fuel to Zn 4B (4,4A & 4B).

Deliveries into Station 85 Zone 4A Pool



A: Charge transport and fuel from Zn 3 (3-4), no Zn 4A transport and fuel.
B: Charge transport and fuel from Zn 4 (4-4), no Zn 4A transport or fuel.
C: Backhaul from Zn 4, charge transport and no Fuel.
D: Backhaul from Zn 5, charge transport and no fuel.
E: No transport or fuel from Zn 4 Interconnect location.
F: Charge transport and fuel from Zn 4 to 85 Zn4A Pool (4-4), no Zn 4A transport and fuel.
G: No transport and fuel charges from Zn 4A.
H: Charge transport and fuel from Zn 4B (4B-4B), no Zn 4A transport and fuel.

Receipts Out of Station 85 Zone 4A Pool



A: Backhaul to Zn 3, charge Zn 4A transport and fuel, Zn 3 & 4 transport only
B: Backhaul to Zn 4, charge Zn 4A transport and fuel, Zn 4 transport only
C: Charge transport and fuel to Zn 4 (4A-4)
D: Charge transport and fuel to Zn 5 (4A-5)
E: Charge transport and fuel to Zn 4 Interconnect location (4A-4A)
F: Charge transport and fuel to 85 Pool Zn 4 (4A-4A)
G: Charge transport and fuel to Zn 4A (4A-4A)
H: Charge transport and fuel to Zn 4B (4A-4B)

Pool Cut Codes

Cut Code Description	Cut Code Definition	Cut Code
Contract Balancing	Reduction due to mismatched requested quantities within a contract.	CBL
Downstream Service Requester Did Not Have the Market or Submit the Nomination	The Service Requester is told by its Transportation Service Provider that downstream Service Requester did not have the market or submit the nomination.	NGD*
Upstream Service Requester Did Not Have the Market or Submit the Nomination	The Service Requester is told by its Transportation Service Provider that upstream Service Requester did not have the market or submit the nomination.	NGU*

**Transco interpretation of NGD/NGU includes any cuts that can occur either downstream/upstream based upon capacity constraints or operator cuts.*

Tariff Reference

Pooling can be found in General Terms and Conditions Section 28.8, Rate Schedule Pooling section and the Pooling Form of Service Agreement of Transco's FERC Gas Tariff.

Pool Reports

Pool Party Report – This report shows all the pooling transactions MTD for a specific pool party on all its pooling contracts for a given production month and a given accounting month. For each transaction, the report lists nominated, scheduled, and allocated quantity for each.

Pool Summary Report – This report provides summarized information of pool activity for a customer. More specifically, it contains the total activity for a contract at each pool at the close each gas flow day.

Please contact your Commercial Services Representative with any Pooling questions.