

El Paso Natural Gas Company

Frequently Asked Questions and Answers

Changes to Late Cycles effective June 1, 2012

Question 1: What are the changes to the late nomination cycles on EPNG?

Response 1: Effective for Gas Day June 1, 2012, EPNG will offer 6 nomination cycles instead of 7. The first 5 cycles (Timely, Evening, Intraday 1, Intraday 2, Late Cycle 5) will remain the same as today, but the last cycle will be moved to 6:30 a.m. Mountain Clock Time (“MCT”) of the following morning. See chart in Question 10 for the new schedule of late cycle nominations.

Question 2: How does the change to the late nomination cycles benefit me as a shipper, pooler, or operator?

Response 2: Previously, customers had until the 17th hour to align their gas flows and scheduled volumes. Now customers will have the opportunity to update nominations and confirmations to reflect flowing gas quantities transported through the 22nd hour of the gas day.

Question 3: What changes will I, the customer, see with Cycle 6 becoming a “true up” cycle?

Response 3: There are some new requirements associated with using Final Cycle 6 that are unique and different from the other Cycles. All new nominations or changes to existing nominations will be reviewed to ensure that the new nominated quantity reflects the physical activity on the pipeline. Any nomination changes that do not reflect the physical activity of the pipeline will be denied.

Question 4: When will the system be available for customers to enter Cycle 6 nominations and confirmations?

Response 4: Passport will be available by 5:00 a.m. MCT for customers to enter nominations and confirmations for Final Cycle 6. El Paso’s system may be available prior to this time should business system updates/backups conclude earlier.

Question 5: What will the official final nomination/confirmation lockdown time be?

Response 5: Cycle 6 will lock down for nominations and confirmations (online, EDI and proprietary uploads) at 6:30a.m. MCT.

Question 6: Will this change indirectly affect any of the other cycles?

Response 6: The late cycle modifications will only affect the current late cycles 6 and 7. This change will not affect the standard NAESB cycles for - Timely, Evening, Intraday 1, or Intraday 2, or EPNG’s additional Late Cycle 5. If you elect not to participate in the late cycles, you will not see changes to your transactions as they were scheduled in Intraday 2.

Question 7: Currently, El Paso allows all transaction types during the late cycles. Will that practice continue to be the case in the future cycle 6?

Response 7: Yes, all transaction types currently supported in the late cycles will be allowed in the Final Cycle 6. However, transactions will only be scheduled to reflect quantities no greater than those quantities that already flowed for the gas day. Additionally, all parties must confirm or nominate their part of the transaction stream. This final cycle is not meant to promote new flowing gas because the gas day will be near the close when final scheduled quantities are provided.

Question 8: What do I do if I have trouble uploading my file via EDI or proprietary upload?

Response 8: Please call the scheduling hotline at 1-800-238-3764 option 1.

Question 9: How does auto-confirmation work?

Response 9: Receipt and Delivery locations on El Paso can be confirmed automatically if requested. Auto-confirmation must be requested in writing by the Operator or Agent, for each location. Requests must go to the scheduling group at EPNGNAS@Kindermorgan.com

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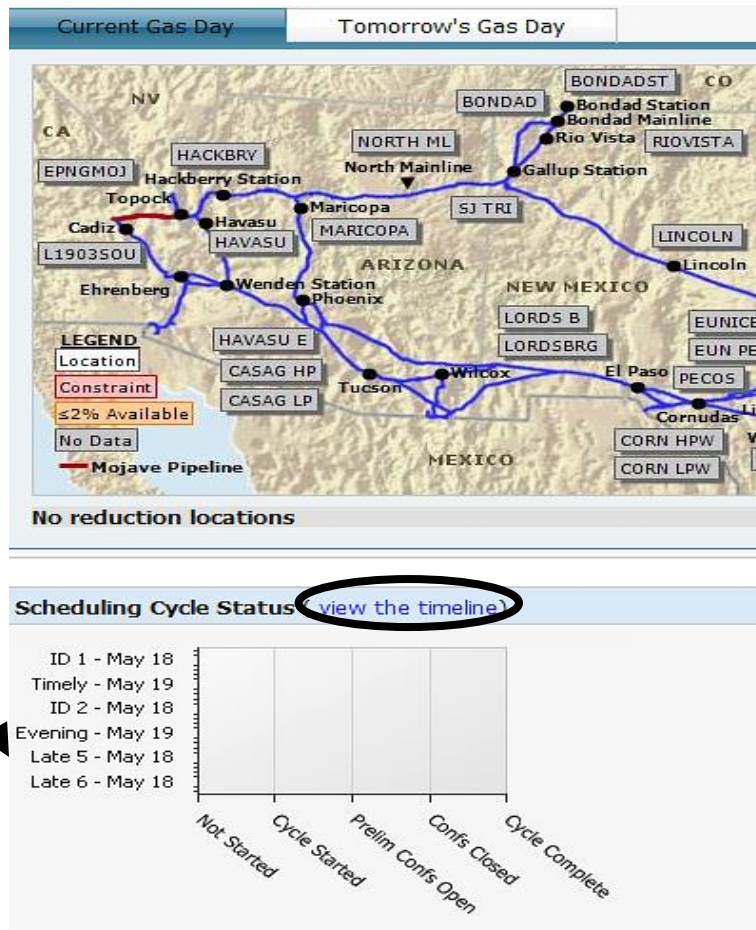
Below are the types of auto-confirm options.

FLAG	DESCRIPTION
S	Auto-confirm for Same Party, all cycles, includes FDD
Y	Auto-confirm for all Parties, cycles 1-4, No FDD
N	No Auto-confirm
L	Auto-confirm for all Parties, cycles 1-6, No FDD
F	Auto-confirm for all Parties, cycles 1-4, includes FDD
D	Auto-confirm for all Parties, all cycles, includes FDD

If in any cycle the operator manually updates the quantities being confirmed, it will disable the auto-confirm for that gas day. The operator must then manually update any other necessary changes for the same gas day.

Question 10: Where can I find the late cycle scheduling status?

Response 10: To find the completion status for the cycles we are currently scheduling, access the EPNG portal page (<http://webapps.elpaso.com/PortalUI/Default.aspx?TSP=EPNG>) and find the "Scheduling Cycle Status" box (as shown below):



You can also click on the "View the timeline" title to view the standard deadlines for all cycles:

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Scheduling Timeline

Nomination Cycle	Nomination Deadline for Shippers/Poolers	Point Operator Confirmation Deadline	Receipt of Final Scheduled Quantities By Shippers and Point Operators	Effective Flow Time
Intraday 1	9:15 a.m. MT	12:00 p.m. MT	1:00 p.m. MT	4:00 p.m. MT On the same gas day
Timely	10:45 a.m. MT	2:30 p.m. MT	3:30 p.m. MT	8:00 a.m. MT On the next gas day
Intraday 2	4:15 p.m. MT	7:00 p.m. MT	8:00 p.m. MT	8:00 p.m. MT On the same gas day
Evening	5:15 p.m. MT	8:00 p.m. MT	9:00 p.m. MT	8:00 a.m. MT On the next gas day
Late Day Cycle 5	10:00 p.m. MT	10:00 p.m. MT	11:00 p.m. MT	12:00 a.m. MT On the same gas day
Late Day Cycle 6	6:30 a.m. MT	6:30 a.m. MT	7:30 a.m. MT	8:00 a.m. MT On the same gas day

Question 11: What time will customers see preliminary allocation, imbalance and invoice statements?

Response 11: For gas day 1 preliminary allocation, imbalance and invoice statements through cycle 5 will be available after 1:30 a.m. MCT of calendar day 2. For gas day 1 final cycle 6 allocation, imbalance and invoice statements will be available at approximately 2:00 p.m. of calendar day 2. If you do not typically participate in the late cycles your gas day 1 statements can be viewed after 1:30 a.m. MCT on calendar day 2.

Question 12: Who should I call if I have any questions in regards to allocation/imbalance or invoice statements?

Response 12: For information on allocation/imbalance statements please contact the scheduling group at EPNGNAS@Kindermorgan.com or 1-800-238-3764. For information on invoices please contact the Account Services group at WesternPipelinesAccountServices@Kindermorgan.com