

Winter Prep Review

Southern Natural Gas Company December 5, 2018



Opening Remarks

Gina Mabry Director- Scheduling Southern Natural Gas



Agenda

Operations Review

- Scheduling Tools and Enhancements
 - Pipeline Capacity Scheduling
 - Capacity/End-Point Splits Screen
 - Contract Path Ranking Enhancement
 - Scheduling Cut Queue
 - MDQ Utilization

Reminders



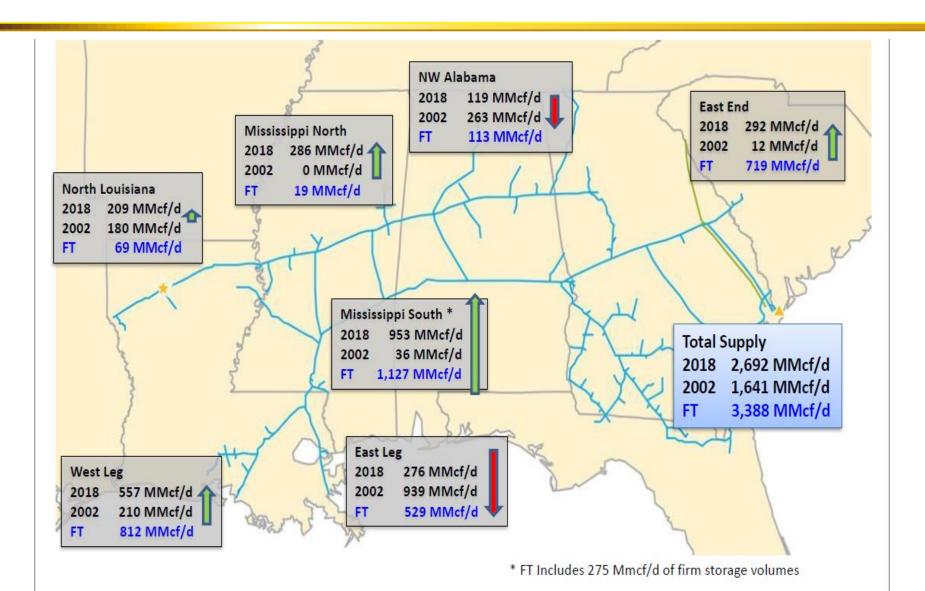
Operations Review

Reese Hart Manager- Gas Control Southern Natural Gas



SNG System Supplies By Major Location

Average Daily Supply for 12 Months Ending June 30, 2018





Preparing for Winter 2018-19

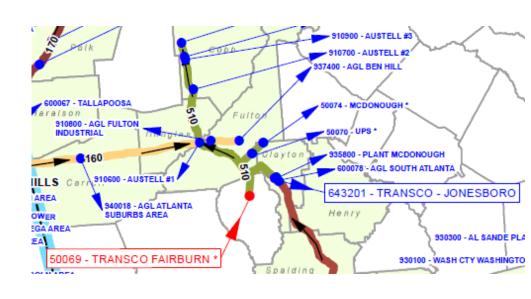
- Planned maintenance projects are complete
 - White Castle Franklinton Loop Line Restored
 - Capacity of 602,000 Dth has increased to 798,000 Dth effective December 1, 2018
 - Outage WebEx will pick back up in February
- Unplanned Maintenance Events
 - Ellerslie #6 unit outage The unit is being evaluated at this time and repair plan is being put together with return to service TBD
 - Capacity flow through Segment 490 during this outage is 1632
 Mdth/d; a 31 Mdth/d reduction to winter capacity
 - South Section 28 Line replacement Due to an unanticipated replacement of a section of this line, it is expected to be out of service until Oct 2019
 - Monitor EBB for updates



Preparing for Winter 2018-19 Expected Pipeline Flows

- Cold weather is forecasted - should see higher LDC and power loads
- High Point interconnect gas expected to cease due to low supply
- EEC completed its
 North to South
 expansion adding 245
 MDth of FT in Sept/Nov
 2018

- Fairburn Expansion
 - New Transco Interconnect in December 2018
 - Could change system dynamics with additional supplies downstream of historical constraints





Winter Readiness

- Scheduled Maintenance
 - All routine compressor, pipeline and meter station maintenance scheduled to be completed by early December
- Readiness testing on HP has been completed
- CSS Inventory reflects an average range and storage fields are ready for withdrawal
- OFO philosophy will remain consistent with past years
 - Only implement the OFOs needed to protect system integrity
- Field Operations will be on-site at locations along the pipe during significant winter events
- Communication
 - Daily internal coordination concalls
 - Daily EBB Postings with system conditions and forecasts
 - Do not hesitate to call us at 713-420-7300



Reminder: Type 3 OFO Changes

Type 3 OFO Changed Effective 12/1/2018

Level	Notice	Tolerance	Penalty Per Dth Over Tolerance
1	No change – 24 hrs	Greater of 190-500 dth or 5% of Daily Entitlement at delivery point or group of delivery points	\$10 (no change)
2	No change – 20 hrs	Greater of 75 200 dth or 2% of Daily Entitlement at delivery point or group of delivery points	\$15 + Highest Regional Daily Average Price
3	4 hours* or 20 hours	Greater of 75 200 dth or 2% of Daily Entitlement at delivery point or group of delivery points	\$15 \$25 + 2X Highest Regional Average Price

 Highest Regional Daily Average Price = For the applicable flow day, the highest index price published in NGI's Daily Gas Price Index for Southern Natural—South Louisiana, Transco Zone 4, or Transco Zone 5 South, in the AVG column



Scheduling Tools for Winter

Katie Cornutt

Manager of Scheduling

Southern Natural Gas

Tracy Minter Scheduling Representative



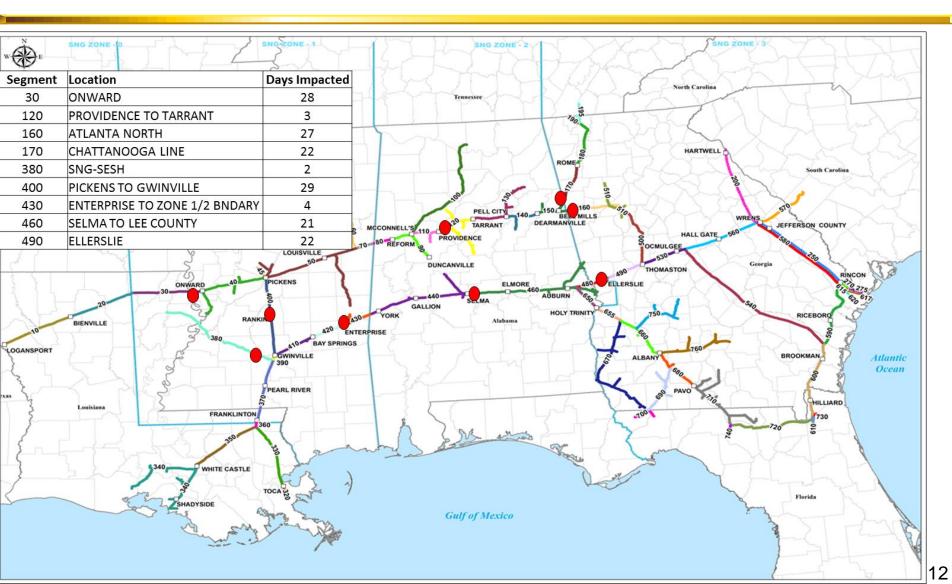
Pipeline Capacity Scheduling

- SNG has the ability to evaluate and schedule at any location on the system that exceeds pipeline operating capacity
 - Multiple locations within a segment can be restricted if needed
- Transport scheduling is at:
 - the pipeline segment level for pipeline constraints
 - the point level for meter capacity constraints
- Contract rights determine a shipper's priority of service through the segment and at the point
 - Determination of In-Path locations can be seen in Dart via the Points in the Path Screen.
 - Go to the Navigation Panel->Misc->Points in the Path
- The Capacity/End-Point Splits screen provides scheduling priorities for submitted nominations at both a Segment and Point level



SNG Winter Segment Constraints

(November-March)



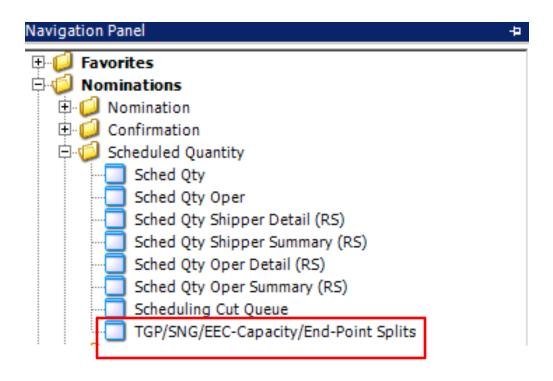


Capacity/End-Point Splits Screen

- The *Capacity/End-Point Splits* screen provides scheduling priorities for submitted nominations at both a Segment and Point level.
 - Contractual rights are displayed at the Master level in the Contracts screens
- The scheduling engine jobs only run for today's and tomorrow's cycles unless it's the weekend, then three days can be seen.
- Enhanced the Loc Lookup to accommodate segments with multiple restriction locations.
- Enhanced the screen in Winter 2018 by adding a right click feature
 developed to go straight to the Contract Path Ranking screen allowing edits
 to ranks more efficiently.

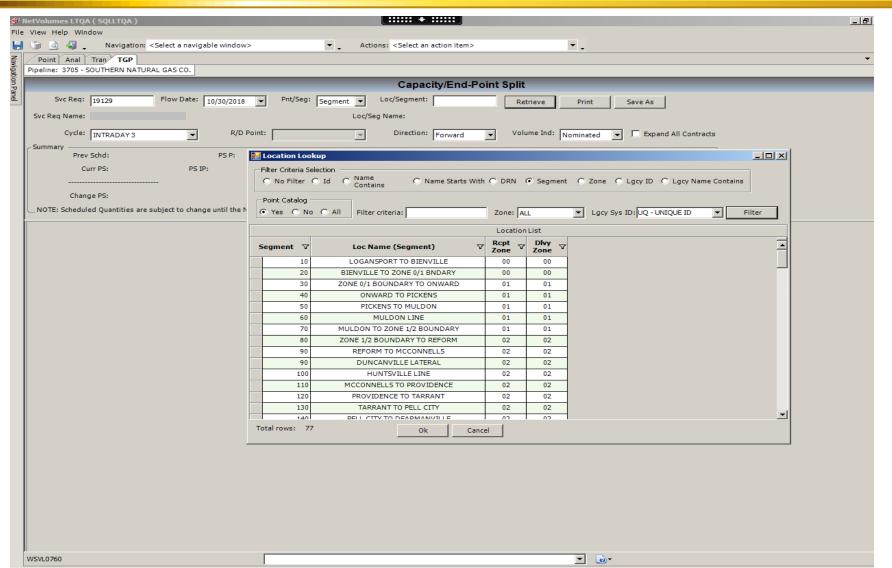


TGP/SNG/EEC- Capacity/End-Point Splits Screen



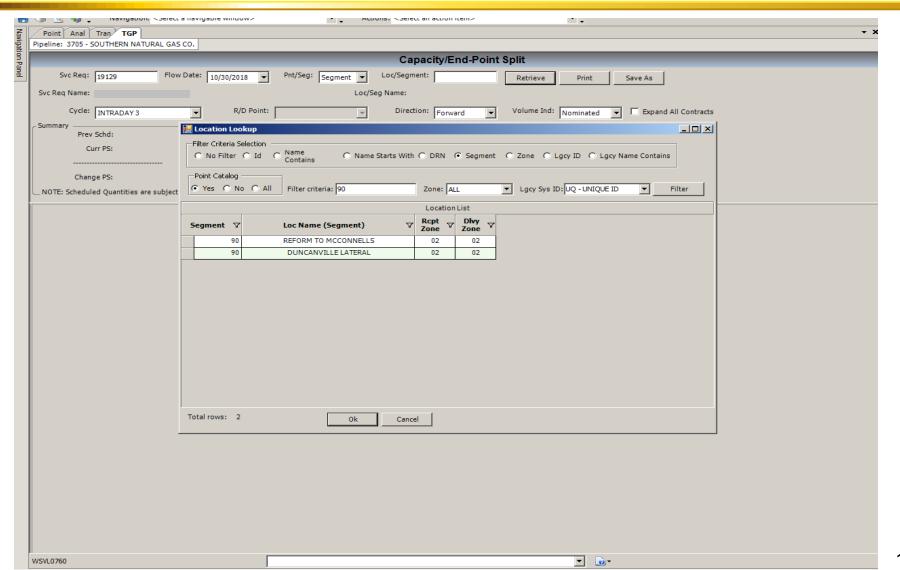


Loc/Segment: Lookup Option



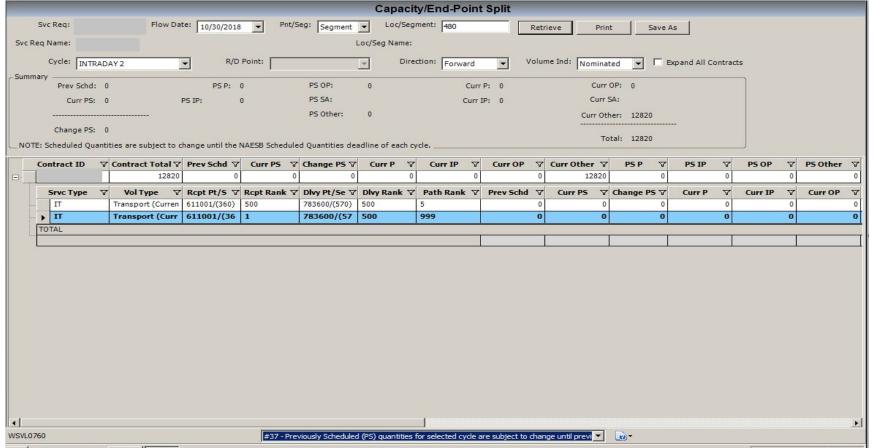


Loc/Segment: Lookup Option



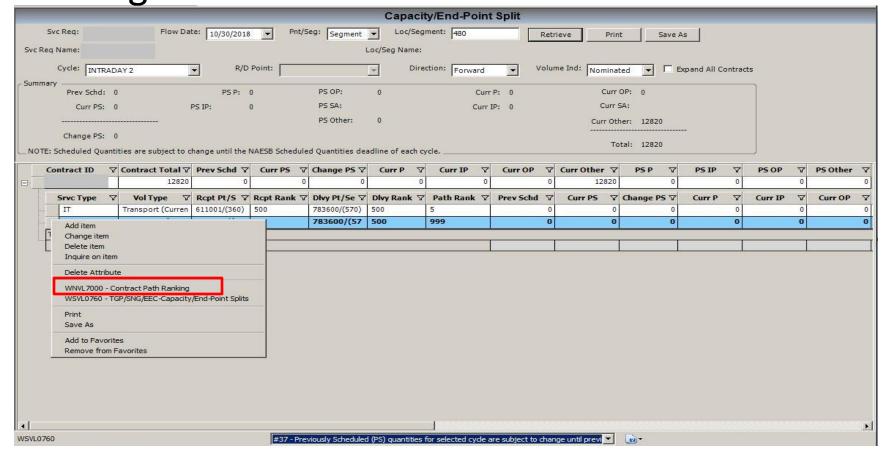


 Expand the contract and highlight the path you wish to change.

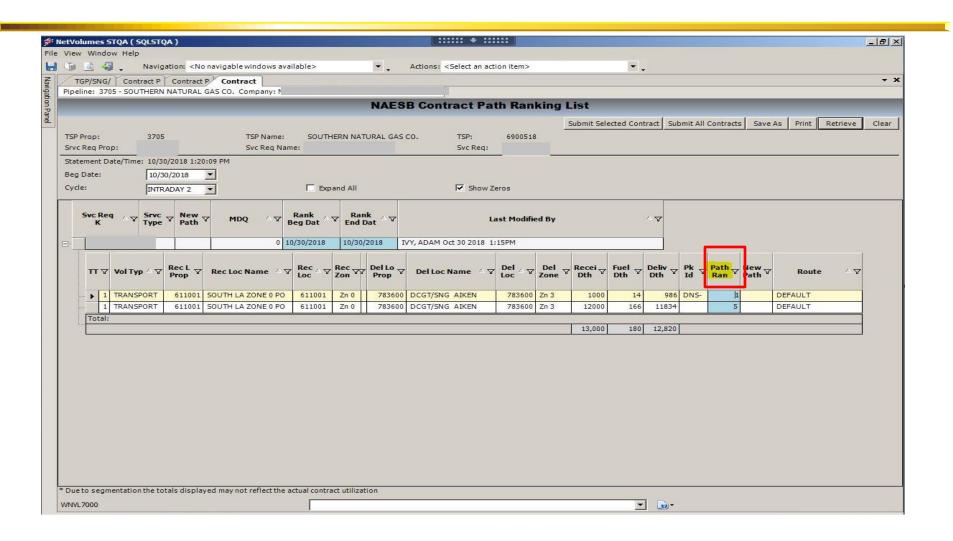




Right click on the path and select contract path ranking

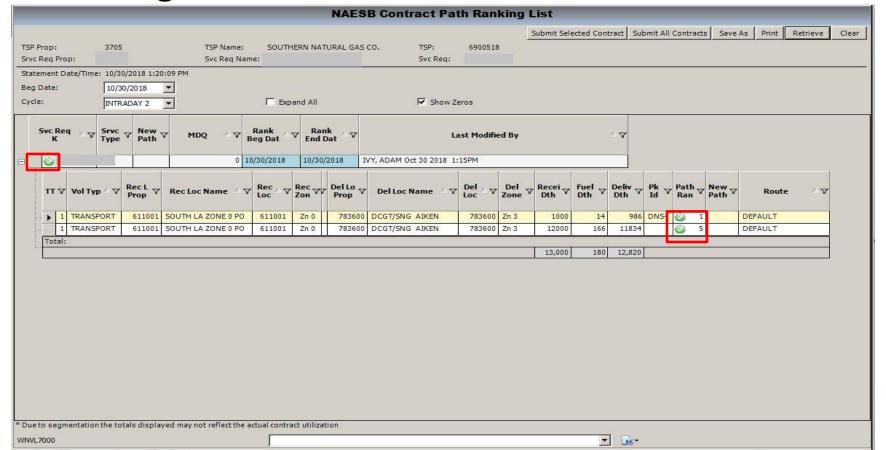






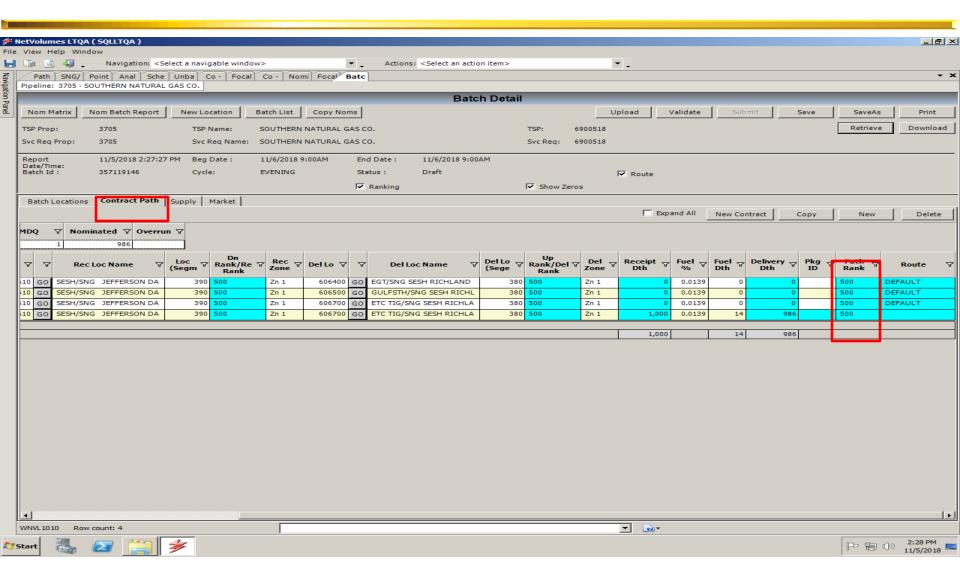


Once rankings have been submitted you will see a green check



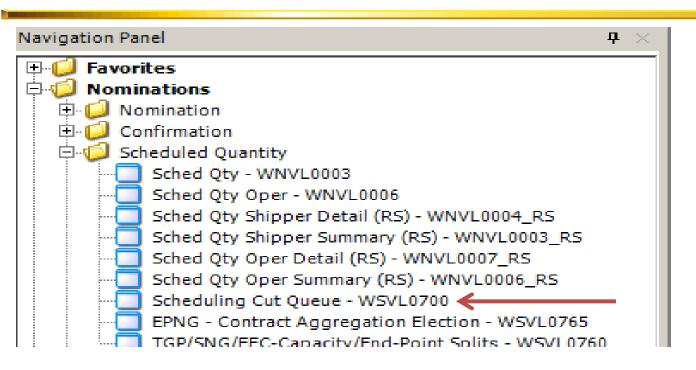


Contract Path Ranking





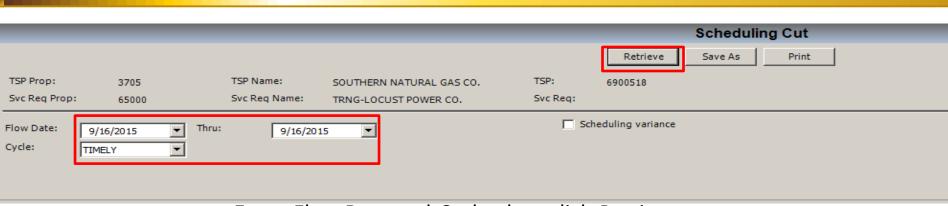
Scheduling Cut Queue



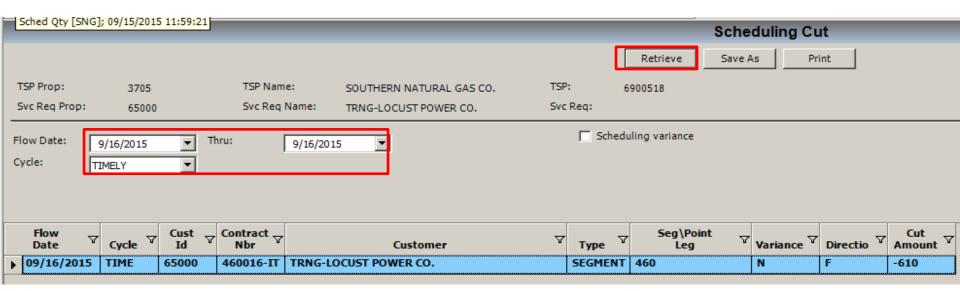
From this screen shippers can review any scheduling cuts by the TSP



Scheduling Cut Queue



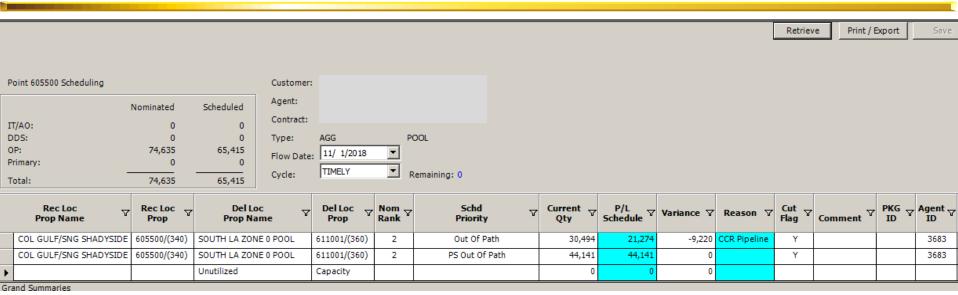
Enter Flow Date and Cycle, then click Retrieve



Double click on record for detail



Scheduling Cut Queue Detail



- This screen displays details of the pipeline restrictions
 - Reason code, description and scheduling priority through the segment will be displayed
 - Rankings apply within each priority band
 - Incremental vs Previously Scheduled (PS)
 - Please see the Appendix at the end of the presentation for the Transportation Queue by cycle charts

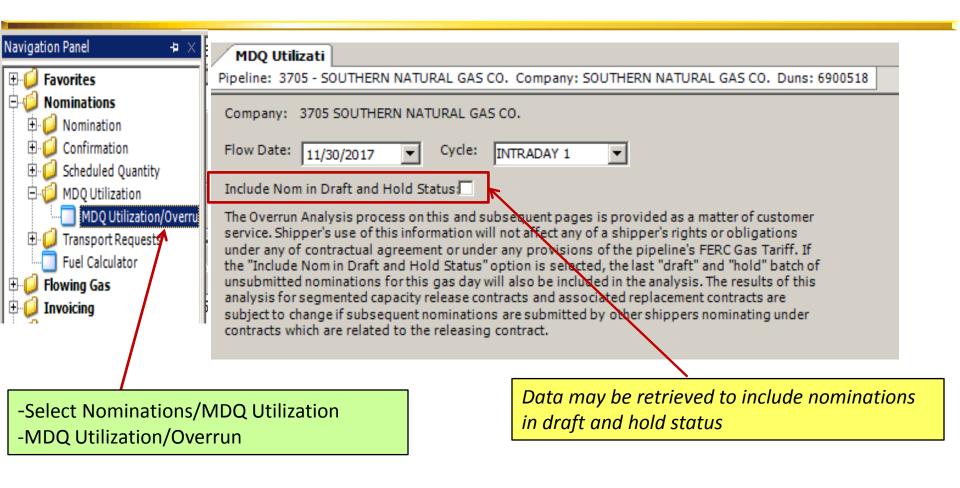


MDQ Utilization Screen Features

- Displays and compares contract zone MDQs to nominated/scheduled volumes
- Displays current nom/scheduled zone capacity
- Displays Overrun and helps determine underutilized capacity
- Displays option for draft or hold status nominations to be included in volumes-if batch is in error status, change back to draft

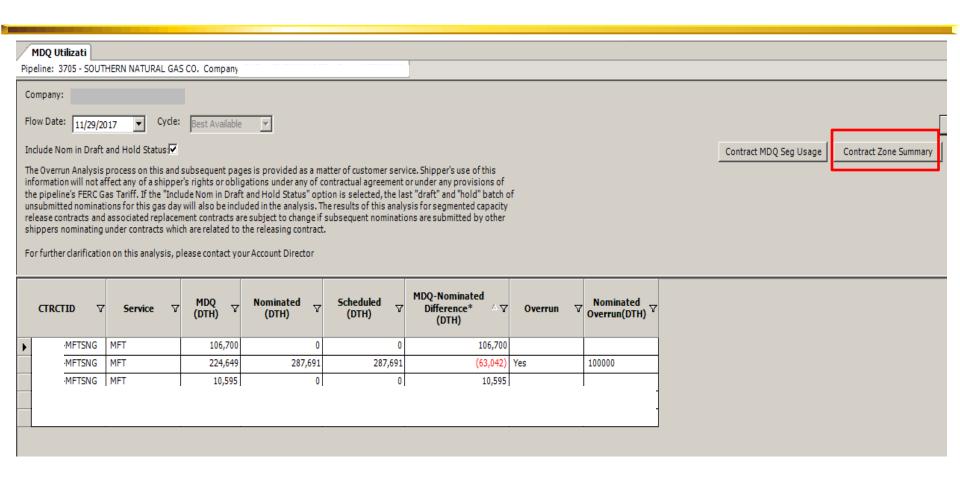


MDQ Utilization Screen





MDQ Utilization Screens

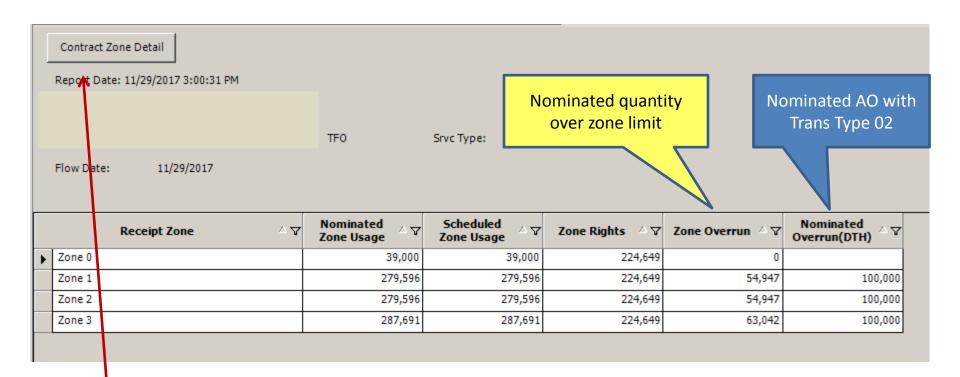


- K#1234 shows (63,042) dth over MDQ and would fail nomination validation if submitted
- Select the contract and click Contract Zone Summary for more detail



MDQ Utilization Screens -

Contract Zone Summary

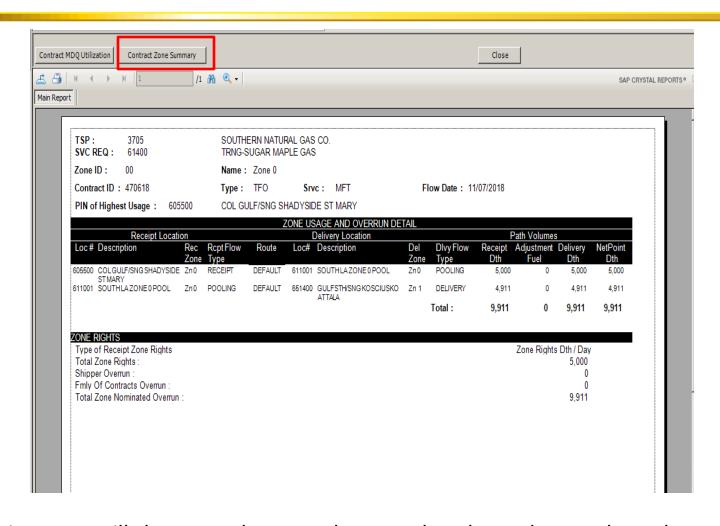


-Zone Summary will show all Nom/Sched volumes by zone

-To view route detail...select 'Contract Zone Detail'



Contract Zone Detail

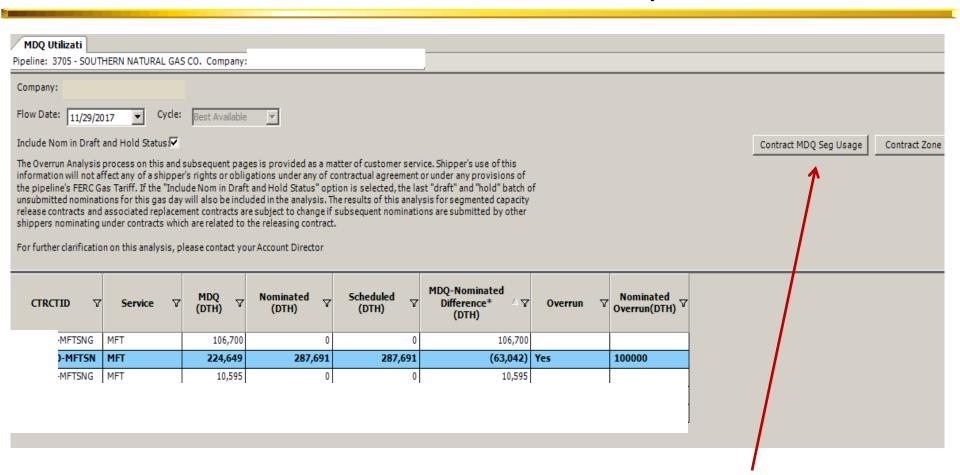


This report will show you the usage by zone that the path goes through, click Contract Zone Summary to go back



MDQ Utilization Screens –

Contract Zone Summary



Select contract and click Contract MDQ Seg Usage



MDQ Utilization Screens -

Segment Usage

Segment View - Default

Flow Date:		11/29/2017					
Zone View	Seg	ment View					
Seg	7	Seg Name	7	Nominated Seg Usage ∀	Scheduled Seg Usage ∀	Seg Overrun ∇∇	Nominated ∀ Seg Overrun
650		LEE COUNTY TO ZONE 2/3 BNDARY		287,691	287,691	63,042	100,000
653		CAP REL ZONE 2 TO 3 SGA BNDRY		287,691	287,691	63,042	100,000
655		ZONE 2/3 BOUNDARY TO ARMENA		287,691	287,691	63,042	100,000
660		ARMENA TO ALBANY		287,691	287,691	63,042	100,000

Zone View

	Flow Date:	11/29/2017						
Z	one View	Segment View						
		Receipt Zone	ΔΥ	Nominated Zone Usage △▽	Scheduled Zone Usage △▽	Zone Rights △ ▽	Zone Overrun △∇	Nominated Overrun(DTH) △ ▽
•	Zone 0			39,000	39,000	224,649	0	
	Zone 1			279,596	279,596	224,649	54,947	100,000
	Zone 2			279,596	279,596	224,649	54,947	100,000
	Zone 3			287,691	287,691	224,649	63,042	100,000



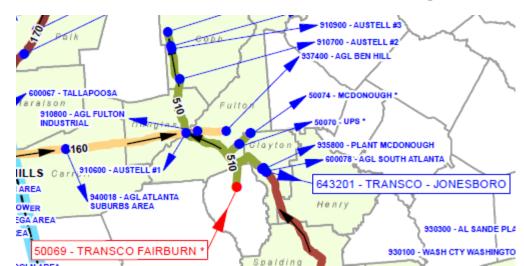
Business Updates & Reminders



SNG Pathing for Fairburn

- Transco Fairburn Pin 50069 is the only receipt pin on the Fairburn Lateral and will primarily flow south
 - Default Route is from Seg 510 to the South Mainline and then east or west (and up Seg 400 to the North Mainline)
- An exception route for a limited quantity has also been set up to allow nominations from the Transco-Fairburn interconnect from Seg 510 to the North Mainline via Seg 160 and ending at

Seg 80





SNG Retro Nom Policy

- SNG has established procedures and guidelines to ensure a non-discriminatory policy
- Not acceptable reasons for retros:
 - Change of scheduled volumes cannot create/remove a potential penalty charge in an area under an OFO
 - Reallocation of supply and/or market after gas day is complete
 - These should be requested as out of cycle nominations
 - Increase in nominations through a restricted area
 - Requests that would put any party or meter further out of balance with the pipeline

Procedure:

- Email SNG Scheduling Rep within 7 days of the impacted gas day
- Email should include the reason for the change and include all relevant information (Date, GID, PIN)
- The email should also include all counterparty approvals.



SNG Out of Cycle Nomination Policy

- Request must be made and approved prior to 9:00 am and should be made as soon as the need for a change is recognized. The request must be in good faith effort to true up before the gas day ends. Changes to ID3 on an OFO day will be evaluated against system constraints.
- Shipper sends out of cycle request to the following :
 - I. SNGSchedulers@KinderMorgan.com
 - II. Maurice_HartIII@KinderMorgan.com; Gas Control Manager and Katlynn_Cornutt@Kindermorgan.com; Scheduling Manager
 - III. Shipper must also copy all impacted parties for their approval.
- Once all impacted parties have agreed to the Out-of-Cycle Nomination and once approvals are received SNG will approve or deny the request via email. If approved, SNG will coordinate with shipper to enter the retro batch via DART with only the impacted pins.



SNG Scheduling Contacts

	Phone	Email	Ice Chat Handle
Gina Mabry, Director			
Transportation and Storage Services	(713) 420- 3685	gina_mabry@kindermorgan.com	
Katie Cornutt, DSR Manager	(713) 420-5648	katlynn_cornutt@kindermorgan.com	
Cathy Soape, WEAR Manager	(713) 420-3814	cathy_soape@kindermorgan.com	
Walker Agnew	(713) 420-6059	walker_agnew@kindermorgan.com	Wagnew
Krysta Henry	(713) 420-3023	krysta_henry@kindermorgan.com	Khenry4
Adam Ivy	(713) 369-8922	adam_ivy@kindermorgan.com	Alvy
Tracy Minter	(713) 420-7030	tracy_minter@kindermorgan.com	Tminter
,	(2, 1211300	<u></u>	
Carol Whatley	(713) 420-3889	carol_m_whatley@kindermorgan.com	CWhatley
SNG Hotline/After Hours Hotline	(713) 420- 7213	SNGSchedulers@kindermorgan.com	



SNG Contracts Contacts

		•
Contract Administration Contacts:		
Sherry Noack, Manager	(713) 420-3764	sherry_noack@kindermorgan.com
Shari Jones	(713) 420-3710	shari_jones@kindermorgan.com
Marquette Williams	(713) 369-9336	marquette_williams@kindermorgan.com
Natarsua Player	(713) 369-9871	natarsua_player@kindermorgan.com
Dayna Owens	(713)420-5952	dayna_owens@kindermorgan.com
Lindsay Sanford	(713)420-2382	lindsay_sanford@kindermorgan.com
SNG Contract Administration Hotline	(713) 420-4455	



SNG Commercial Contacts

Commercial Contacts:		
Janice Parker, V.P.	(205) 325-3509	Janice_parker@kindermorgan.com
Darryl Outlaw, Account Director	(205) 325-7421	Darryl_outlaw@kindermorgan.com
Walter Coe, Sr. Account Manager	(205) 325-3708	Walter_coejr@kindermorgan.com
Lisa Guthrie, Sr. Account Manager	(205) 325-3816	Lisa_guthrie@kindermorgan.com
Jerry Nelson, Sr. Account Manager	(205) 325-7257	Jerry_nelson@kindermorgan.com
Mark Wilson, Commercial Manager	(713) 420-7205	Mark_Wilson@kindermorgan.com
On call Account Manager	(800) 315-0575	



SNG Gas Control Contacts

Gas Control Contacts:		
Maurice (Reese) Hart III, Manager	(713) 420- 4774	maurice_hartIII@kindermorgan.com
Kal Dankovich, Outage Coordinator	(713) 420-7522	kalman_dankovich@kindermorgan.com
Jimmy Reese, Lead Controller	(713) 420-7310	jimmy_reese@kindermorgan.com
Daniel Mitchell, Lead Controller	(713) 420-5874	daniel_mitchell@kindermorgan.com



Questions?



Thank you for your business!



Appendix

Transportation Queue on Timely, Evening, ID1 & ID2

Scheduling Queue Position	Allocation Method	
Primary in Path (PIP)	Prorata/Entitlement	
In Path (IP)	Prorata/Entitlement	
Out of Path (OP) Previously Scheduled	Prorata	
Out of Path (OP) Incremental	Prorata	
Downstream Delivery Service (DDS) Previously Scheduled	Prorata	
Downstream Delivery Service (DDS) Incremental	Prorata	
IT & AO Previously Scheduled	By Rate, Then Prorata	
IT & AO Incremental	By Rate, Then Prorata	

Transportation Queue on ID3

Scheduling Queue Position	Allocation Method
Primary in Path (PIP) Previously Scheduled	Prorata/Entitlement
In Path (IP) Previously Scheduled	Prorata/Entitlement
Out of Path (OP) Previously Scheduled	Prorata
Downstream Delivery Service (DDS) Previously Scheduled	Prorata
IT & AO Previously Scheduled	By Rate, Then Prorata
Primary in Path (PIP) Incremental	Prorata/Entitlement
In Path (IP) Incremental	Prorata
Out of Path (OP) Incremental	Prorata
Downstream Delivery Service (DDS) Incremental	Prorata
IT & AO Incremental	By Rate, Then Prorata