



ONEOK

**ONEOK Gas
Transportation,
L.L.C.**

NOVEMBER 15, 2018

PATH BALANCING

- ◆ ONEOK GAS TRANSPORTATION, L.L.C. (Company) will implement path balancing on December 1, 2018. Path balancing will enable Company to more efficiently operate its system to minimize imbalances and ensure that Customers have nominations in place to receive available capacity in later nomination cycles. Path balancing will require system balancing from a Customer's nominated Point of Receipt to its nominated Point of Delivery, including pools.
- ◆ Company will balance Customers' nominations which will be limited to the lesser of the confirmed quantity at either the Customer's Point of Receipt or Point of Delivery in each nomination cycle. Company will provide Customers with a reduction notification to explain any reduction in each cycle. Customers will no longer be required to adjust nominations to the previously allocated quantity. Customer's Timely nomination will remain in effect, unless changed, throughout subsequent cycles allowing Customers to receive additional capacity in later cycles if it becomes available.

CUSTOMER NOTIFICATIONS

SHIPPER REDUCTION NOTICES

The "Scheduled Quantity for Service Requester" report remains available anytime within the QPTM scheduling system to monitor reductions and total scheduled volumes. Additionally, this report is emailed to Customers with reductions only at the end of each scheduling cycle. Please contact Intrastate Market Services at (800) 340-2750 to subscribe to this notice.

Path reduction reasons may include:

AOK – No reduction made

CBL – Contract Balancing due to a nomination error or pool imbalance

*PBD – Path Balancing originating from Delivery

*PBL – Path Balancing from the corresponding path reduction of PBR or PBD

*PBR – Path Balancing originating from Receipt

Receipt (Upstream) and Delivery (Downstream) reduction reasons may include:

AOK – No reduction made

CBL – Contract Balancing due to a nomination error or pool imbalance

CPR – Confirming Party Reduction initiated by the interconnecting confirming party

PBL – Path Balancing from the corresponding path reduction of PBR or PBD

PCC – Pipeline Capacity Constraint initiated by the transportation or storage company due to capacity restrictions

*Denotes new reductions reasons added

CUSTOMER NOTIFICATIONS

OPERATOR REDUCTION NOTICES

The “Scheduled Quantity for Operator” report remains available anytime within the QPTM scheduling system to monitor reductions and total scheduled volumes. This report will also be emailed to Operators with reductions only at the end of each scheduling cycle. Please contact Intrastate Market Services at (800) 340-2750 to subscribe to this notice.

Reduction Reasons may include:

AOK – No reduction made

CBL – Contract Balancing due to a nomination error or pool imbalance

CPR – Confirming Party Reduction initiated by the interconnecting confirming party

*PBD – Path Balancing originating from Delivery

*PBL – Path Balancing from the corresponding path reduction of PBR or PBD

*PBR – Path Balancing originating from Receipt

PCC – Pipeline Capacity Constraint initiated by the transportation or storage company due to capacity restrictions

*Denotes new reductions reasons added

CUSTOMER IMPACT

POOL IMBALANCES

Customers should diligently monitor their “Pool Balance By Contract” report for any volume or contract mismatches with other parties.

Pool Imbalance notification reports will continue to be sent approximately 30 minutes prior to each nomination deadline. Please keep in mind that any pool imbalances created after this timeframe will be the responsibility of Customers to monitor and address before the nomination deadline.

Please contact Intrastate Market Services at (800) 340-2750 to subscribe to Pool Imbalance Notifications.

All pool imbalances will be scheduled to the lesser of confirmed quantity during path balancing each cycle. Requests for retroactive changes and reinstatements for **Pool** → **Pool** nomination paths will not be granted.

CUSTOMER IMPACT

NOMINATION RANKING

Customers are advised to rank upstream, downstream and path nominations to direct the impact of reductions.

A ranking of "1" is the highest priority. Rankings of "2" and greater are sequentially lower priority. Equally ranked nominations will be reduced pro-rata.

Example: Nomination A – Ranked 1 – Highest Priority

Nomination B – Ranked 2 – Next to Highest Priority - Pro-rata

Nomination C – Ranked 2 – Next to Highest Priority - Pro-rata

Nomination D – Ranked 3 – Lowest Priority

CUSTOMER IMPACT

RETROACTIVE NOMINATIONS / REINSTATEMENTS

Requests for retroactive changes to scheduled quantities at physical locations will require approvals from the interconnecting party and pipeline. These requests will be evaluated for the following nomination paths only:

Examples:

Physical Location → Pool Location

Pool Location → Physical Location

Physical Location → Physical Location

Retroactive changes and reinstatements for Pool → Pool nomination paths will not be granted.

SCHEDULING TIMELINE

Times are CCT	*Preliminary Pool Reports Sent	Nomination Deadline	Pipeline Allocations Completed (Estimate)	**Confirmation Deadline
Timely (Next Day Flow)	12:30 PM	1:00 PM	2:30 PM	4:30 PM
Evening (Next Day Flow)	5:30 PM	6:00 PM	7:00 PM	8:30 PM
Intraday 1 (Same Day Flow)	9:30 AM	10:00 AM	11:00 AM	12:30 PM
Intraday 2 (Same Day Flow)	2:00 PM	2:30 PM	3:30 PM	5:00 PM
Intraday 3 (Same Day Flow)	6:30 PM	7:00 PM	8:00 PM	9:30 PM

*Pool Balance and Scheduled Quantity reports are sent on a best efforts basis. Customers are encouraged to access these reports often within the QPTM Scheduling system for the most recent information review.

**Scheduled Quantity for reductions only reports are initiated to Customers and Operators.