



## Cycles, Flow Times and EPSQ Volumes & Frequently Asked Questions (FAQ's)

Elapsed-Prorated Scheduled Quantity (EPSQ) is that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the Intraday Nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected. EPSQ is a NAESB Standard that restricts nominated and scheduled quantity **reductions** on the ID1, ID2 and Final 8 am cycles. However, the calculations for each cycle are made based on the scheduled quantity for the cycles immediately preceding them.

Therefore:

- EPSQ minimums for the ID1 cycle are one-third ( $1/3$ ) of the Non-Grid scheduled quantity.
- EPSQ minimums for the ID2 cycle are one-half ( $1/2$ ) of the ID1 cycle's scheduled quantity, or all of the ID1 EPSQ quantity, **whichever is higher**.
- EPSQ for the Final 8 am cycle is 100% of ID2's scheduled quantity.

Cycle (a)	Operator Point Confirmations (b)	Shipper Contract Nominations (c)	NNG Schedules Shipper Contract (c)
Timely	Operator may confirm and schedule point to Zero (0)	Shipper may nominate contract to zero	If Shipper nominates zero, NNG will schedule contract to zero
Evening	Operator may confirm and schedule point to Zero (0)	Shipper may nominate contract to zero	If shipper nominates zero, NNG will schedule contract to zero
Non-Grid	Operator may confirm and schedule point to Zero (0)	Shipper may nominate contract to zero	If shipper nominates zero, NNG will schedule contract to zero if Operator confirms.
Intraday 1 ("ID1")	Operator should confirm <b>at least 1/3rd of Non-Grid scheduled quantity but may confirm to zero</b>	Shipper should nominate <b>at least 1/3rd of Non-Grid scheduled quantity</b>	NNG will schedule <b>at least 1/3rd of Non-Grid scheduled quantity</b>
Intraday 2 ("ID2")	Operator should confirm <b>at least 1/2 of ID1 scheduled quantity, but may confirm to zero</b>	Shipper should nominate <b>at least 1/2 of Non-Grid or ID1 scheduled quantity, whichever is higher</b>	NNG will schedule <b>at least 1/2 of Non-Grid or ID1 scheduled quantity, whichever is higher</b>
Final 8 AM*	Operator should confirm <b>100% of Intraday 2 scheduled quantity</b>	Shipper should nominate <b>100% of Intraday 2 Scheduled quantity</b>	NNG will schedule <b>100% of Intraday 2 Scheduled quantity</b>

### NOTES:

- (a) For Cycle nomination and confirmation timelines, please see the "Timely/Intraday Timeline" posting located on Northern's website under the section →"Support"→"User Manuals"→"[TMS Nomination Timeline](#)"
- (b) Point operator may confirm nominations to zero on all cycles, but NNG's TMS Scheduling System will recognize NAESB EPSQ rules for confirmations and automatically schedule applicable minimum EPSQ quantity on the ID1, ID2 and Final 8 am Cycles.
- (c) Shipper may reduce nominations to zero on Timely, Evening and Non-Grid Cycles, but NNG's TMS Scheduling System will not accept nominations below the minimum EPSQ volume on nominations cycles for the ID1 (unless Operator confirms), ID2 or Final 8 a.m.(excluding storage true-up to burn nominations).
- (d) If the shipper is reducing nominations for an Intraday cycle before the previous cycle has scheduled, TMS will utilize the nominated volume from the previous cycle to calculate the EPSQ minimum.



## Frequently Asked Questions Elapsed Prorated Scheduled Quantity (EPSQ)

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**Q: How will a shipper be notified that they are in violation of NAESB's EPSQ constraints?**

**R:** If a shipper attempts to submit an online nomination below the EPSQ constraints, TMS will not accept the nomination change and will generate an error message informing the shipper of the minimum EPSQ nomination quantity. TMS will not accept a nomination that is below the EPSQ minimum.

- Nominations below EPSQ submitted via EDI will not be rejected, but such nominations will be adjusted and scheduled to the EPSQ quantity once the nomination is uploaded to TMS. The EDI shipper will receive a nomination quick response file with the appropriate EPSQ error message. Additionally, the EDI shipper can use the 'EDI Nom Quick Response' screen in TMS to view its quick response messages.

**Q: Will an operator who confirms its point below the EPSQ minimum quantity also be notified?**

**R:** No. An operator is permitted to confirm any quantity it wishes at its point, and will not be notified if it does so. However, NNG's TMS Scheduling System will recognize NAESB EPSQ rules for confirmations and will automatically schedule applicable minimum EPSQ quantity on the Intraday 1, Intraday 2 and Final 8 a.m. Cycles.

**Q: If a customer is reducing a nomination for an Intraday cycle (Intraday 1 or Intraday 2), and the non-grid cycle has not been completed, how will TMS calculate the EPSQ?**

**R:** If the shipper is reducing nominations for an Intraday cycle before the non-grid cycle has closed, TMS will utilize the nominated quantities from the non-grid cycle to calculate the EPSQ minimum. Therefore, a customer should wait until the non-grid cycle is closed before submitting its Intraday 1 nomination to assure that the lowest nomination is accepted. If not, the EPSQ may be overstated from the final non-grid calculated EPSQ. See examples below.

***Prior to close of Non-Grid Cycle***

	Non Grid	Intraday 1	ID1 Nom Rej/Accept
Nominated Qty	5000	1200	Reject (EPSQ 1667)
Scheduled Qty	Not scheduled yet	1667	

***After close of Non-Grid Cycle***

	Non Grid	Intraday 1	ID1 Nom Rej/Accept
Nominated Qty	5000	1200	
Scheduled Qty	3000	1000	Accept (EPSQ 1000)

**Q: If a point or contract is allocated to zero for the first time on an Intraday cycle, will the shippers' nominations be cut to zero or to EPSQ?**

**R:** If a point or contract, other than storage, has been scheduled in the prior cycle and is allocated to zero for the first time in an Intraday cycle, the point quantity will not be cut lower than EPSQ.

**Q: The EPSQ on Final 8 a.m. nominations is 100% of Intraday 2 quantities. Does Northern allow Final 8 am nomination reductions in order to true-up to physical flow quantities or to match scheduled quantities with interconnecting pipelines?**

**R:** A shipper may attempt to reduce its nomination below the 100% EPSQ in order to true-up its scheduled amount to match physical flow quantities. However, Northern reviews each Final 8 a.m. nomination reduction and may schedule less than EPSQ unless the nomination does not comply with Final 8 a.m. nomination requirements.

For additional information, please see the " Final 8 a.m. Cycle Guidelines" posting located on Northern's website under the section →"Support"→"User Manuals"→" [Final 8:00 A.M. Cycle Guidelines](#)".

**Q: What happens if an interconnecting interstate pipeline has EPSQ requirements which create a scheduling mismatch with Northern? Will Northern make the necessary adjustments to accommodate EPSQ requirements of interconnecting interstate pipelines?**

**R:** Yes. In the event of scheduling mismatch with an interconnecting pipeline due to the pipeline's conflicting EPSQ requirements, Northern will adjust the scheduled quantities to match quantities on both pipelines when feasible. Such an adjustment will take place to comply with NAESB-mandated EPSQ guidelines.

**Q: If I have additional questions, who can I contact?**

**R:** Should you have additional questions regarding EPSQ, or any other scheduling activity please contact your Northern [Customer Service Representative](#).