§ 98.404 Monitoring and QA/QC requirements.

(a) Determination of quantity. (1) NGL fractionators and LDCs shall determine the quantity of NGLs and natural gas using methods in common use in the industry for billing purposes as audited under existing Sarbanes Oxley regulations.

(i) Where an appropriate standard method published by a consensus-based standards organization exists, such a method shall be used. Consensus-based standards organizations include, but are not limited to, the following: ASTM International, the American National Standards Institute (ANSI), the American Gas Association (AGA), the American Society of Mechanical Engineers (ASME), the American Petroleum Institute (API), and the North American Energy Standards Board (NAESB).

(ii) Where no appropriate standard method developed by a consensus-based standards organization exists, industry standard practices shall be followed.

(2) NGL fractionators and LDCs shall base the minimum frequency of the product quantity measurements, to be summed to the annual quantity reported, on the reporter's standard practices for commercial operations.

(i) For NGL fractionators the minimum frequency of measurements shall be the measurements taken at custody transfers summed to the annual reportable volume.

(ii) For natural gas the minimum frequency of measurement shall be based on the LDC's standard measurement schedules used for billing purposes and summed to the annual reportable volume.

(3) NGL fractionators shall use measurement for NGLs at custody transfer meters or at such meters that are used to determine the NGL product slate delivered from the fractionation facility.

(4) If a NGL fractionator supplies a product not listed in Table NN–1 of this subpart that is a mixture or blend of two or more products listed in Tables NN–1 and NN–2 of this subpart, the NGL fractionator shall report the quantities of the constituents of the mixtures or blends separately.

(5) For an LDC using Equation NN–1 or NN–2 of this subpart, the point(s) of measurement for the natural gas volume received shall be the LDC city gate meter(s).

(i) If the LDC makes its own quantity measurements according to established business practices, its own measurements shall be used.

(ii) If the LDC does not make its own quantity measurements according to established business practices, it shall use its delivering pipeline invoiced measurements for natural gas deliveries to the LDC city gate, used in determining daily system sendout.

(6) An LDC using Equation NN–3 of this subpart shall measure natural gas at the custody transfer meters.

(7) An LDC using Equation NN–4 of this subpart shall measure natural gas at the large end-user's meter(s). Where a large end-user is known to have more than one meter located at their facility, based on readily available information in the LDCs possession, the reporter shall measure the natural gas at each meter and sum the annual volume delivered to all meters located at the end-user's facility to determine the total volume delivered to the large end-user. Otherwise, the reporter shall...
consider the total annual volume delivered through each single meter at a single particular location to be the volume delivered to an individual large end-user.

(8) An LDC using Equation NN–5a and/or NN–5b of this subpart shall measure natural gas as follows:

(i) Fuel\(_1\) shall be measured at the on-system storage injection meters and/or at the meters measuring natural gas to be liquefied.

(ii) Fuel\(_2\) shall be measured at the meters used for measuring on-system storage withdrawals and/or LNG vaporization injection.

(iii) Fuel\(_z\) shall be measured using established business practices.

(9) An LDC shall measure all natural gas under the following standard industry temperature and pressure conditions: Cubic foot of gas at a temperature of 60 degrees Fahrenheit and at an absolute pressure of one atmosphere.

(b) Determination of higher heating values (HHV).

(1) When a reporter uses the default HHV provided in this section to calculate Equation NN–1 of this subpart, the appropriate value shall be taken from Table NN–1 of this subpart.

(2) When a reporter uses a reporter-specific HHV to calculate Equation NN–1 of this subpart, an appropriate standard test published by a consensus-based standards organization shall be used. Consensus-based standards organizations include, but are not limited to, the following: AGA and GPA.

(i) If an LDC makes its own HHV measurements according to established business practices, then its own measurements shall be used.

(ii) If an LDC does not make its own measurements according to established business practices, it shall use its delivering pipeline measurements.

(c) Determination of emission factor (EF).

(1) When a reporter used the default EF provided in this section to calculate Equation NN–1 of this subpart, the appropriate value shall be taken from Table NN–1 of this subpart.

(2) When a reporter used the default EF provided in this section to calculate Equation NN–2, NN–3, NN–4, NN–5a, NN–5b, or NN–7 of this subpart, the appropriate value shall be taken from Table NN–2 of this subpart.

(3) When a reporter uses a reporter-specific EF, the reporter shall use an appropriate standard method published by a consensus-based standards organization to conduct compositional analysis necessary to determine reporter-specific CO\(_2\) emission factors. Consensus-based standards organizations include, but are not limited to, the following: AGA and GPA.

(d) Equipment Calibration.

(1) Equipment used to measure quantities in Equations NN–1, NN–2, NN–5a and NN–5b of this subpart shall be calibrated prior to its first use for reporting under this subpart, using a suitable standard method published by a consensus based standards organization or according to the equipment manufacturer’s directions.

(2) Equipment used to measure quantities in Equations NN–1, NN–2, NN–5a, and NN–5b of this subpart shall be recalibrated at the frequency specified by the standard method used or by the manufacturer’s directions.

(3) Equipment used to measure quantities in Equations NN–3 and NN–4 of this subpart shall be recalibrated at the frequency commonly used within the industry.

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