DTN TABS® Best Practices Supplement

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Introduction

This supplement shares Best Practices from lessons learned during supplier implementations.

Companies that ensure all impacted divisions understand and gain alignment with the benefits and goals of the DTN TABS allocation project have greater success when implementing allocation controls.

It is our recommendation that an internal DTN TABS Project Kick-off is held by your company. The following cross-functional divisions should be included in this kick-off meeting: Credit, Supply, Marketing, Customer Service, Terminal Operations, and IT.

Many of the fields identified in this supplement are optional but are recommended for all customers. These fields are add-on functionality for DTN TABS and additional services that use DTN TABS information. These services and add-ons include:

- **Allocation Viewer** - Allows your customers to have up-to-the-minute access to their accounts and allocation information, request changes to their allocations and receive alerts.

- **Enhanced Credit** – Utilizes Spot Market pricing information from the DTN FastRacks® product to manage credit in dollars versus the legacy preferred method of gallons.

- **Forecast** - Generates future customer allocations based on lifting history and automatically audits the forecast for suspect allocations. It also provides a workflow for both customer and internal staff to review and make corrections to forecasted allocations before they cause business disruptions.

- **Alerts** – Manages the DTN TABS system by providing information via email or SMS about system behaviors. Alerts can keep track of terminal communication, customer loading issues or information about product and credit allocations.

- **DTN Fuel Seller®** - Provides a complete system for making wholesale price decisions including assimilation of business intelligence, access to pricing metrics, and execution/communication of prices.

- **DTN Fuel Admin®** – Receives BOLs outside the traditional DTN PetroEx® and DTN TABS methods.

Best Practices – Data Management

The cornerstone of a successful allocation management system is the data. The data used in the system should be “clean” and match the data in your ERP systems in order to enact controls and receive near real-time data for billing your customers.

Each data element below indicates whether it is a best practice to enter the data via the user interface (UI) or through integration with your Enterprise Resource Planning (ERP) system.
Integration with your ERP can be completed through:

- Coding to the individual data elements within the Administrative Data Load (ADMLOD) format for DTN TABS.

- Coding to the Master Data Module closely aligns how data is structured within your ERP system. The Master Data Module enables your ERP system to communicate with DTN TABS by sending changes, updates and deletes to your customer’s ShipTo records and their associated credit account information.

We have found the Master Data Module to more closely reflect the ERP system setup, and therefore is a more familiar data structure to your internal personnel.

Both methods of integration require some initial setup in DTN TABS; however, most maintenance is managed through the TABS UI.

Terminals

Note: The Proprietary Name field in DTN TABS has a 50-character limit and the usage of commas is prohibited.

- Best Practice Naming Convention include:

  CITY STATE (CITY COUNTRY) - TERMINAL OWNER - PLANT NUMBER (OR OTHER INTERNAL CODE)

  For example: DALLAS TX – SHELL - B345

- Best Practice to populate the following fields:

  - **Assign Terminal Products or Product Families**
  - **Terminal Control Number (TCN)**
  - **Terminal Time Zone and DST Flag**
  - **Plant and Master Data Enabled Flag**, if using the Master Data Integration Process

Terminal Groups

Note: The Terminal Group Name field in DTN TABS has a 50-character limit and the usage of commas is prohibited.

- Best Practice Naming Convention - Terminal groups are most commonly used for reporting purposes but can be used for allocation controls and other business needs. Therefore, the terminal group name should identify the intended purpose of the group. For example:
  - Gulf Coast Regional Allocation
  - Gulf Coast Regional Reporting
  - Explorer Pipeline Reporting
  - Selma NC Terminals Allocation
  - NuStar Supply Partner Reporting

SoldTo/ShipTo Setup

The SoldTo and ShipTo attributes are used for reporting and tracking purposes. DTN recommends using these attributes with Enhanced Credit, Allocation Viewers and providing BOLs to your customers outside of the traditional DTN TABS/DTN PetroEx methodology (**DTN Fuel Admin®**).

Master Data Enabled Method:

Master Data ShipTo Set-up – ERP Integration via Master Data Module

This data element is the building block of setting up your data through the Master Data Module. When the ShipTo record set is received from your ERP system, DTN TABS automatically creates the required consignees, consignee groups, and makes the appropriate assignments of consignees to consignee groups and terminals. Master Data through the ShipTo set also assigns the appropriate products to the appropriate terminals.

Non-Master Data Enabled Method:

SoldTo

The SoldTo Attribute is used for Allocation Viewer, Enhanced Credit and Alert functionality. It is also used to provide BOL data to your customers that utilize the DTN Fuel Admin service.

SoldTos should be defined by the customer and reference your accounts receivable number or contract number.

SoldTos are associated with Consignees and Consignee Groups in DTN TABS. For example, ABC OIL has AR number 123456. The SoldTo name would be ABC OIL 123456.

ShipTo

ShipTos in DTN TABS can link a consignee number to an actual ShipTo for your accounting system or for reporting purposes in DTN TABS. They can also be used for customer numbers that have to be entered in DTN TABS but are not needed for your back office system.

For example, ERP ShipTo for ABC OIL = 111. This ShipTo links later with consignees in your DTN TABS system. The ShipTo name would then be ABC OIL 111.

Consignee (Customer) – ERP Integration

Note: The Seller Consignee Name field in DTN TABS has a 50-character limit and the usage of commas is prohibited.

Best Practice Naming Convention includes:

- The SoldTo, ShipTo and Channel attributes should be assigned to consignees because they are used for Allocation Viewer, Enhanced Credit and Alert functionality.
- The ShipTo attribute can also be used for delivering BOLs with the ShipTo rather than the Consignee Number.

Consignee Groups – ERP Integration

Note: The Consignee Group Name field in DTN TABS has a 50-character limit and the usage of commas is prohibited.

Consignees can be a member of multiple groups so there should be a clearly defined process for the creation and maintenance of these groups.

Consignee Groups arrange consignees (customers) for a specific business purpose to be used for reporting, mass edit allocations, and/or creation of credit and product allocations. Below are examples of frequently used best practice groupings:

SOLDTO CUSTOMER NAME - SOLDTO
SOLDTO CUSTOMER NAME - SOLDTO – CHANNEL (CLASS OF TRADE)
SOLDTO CUSTOMER NAME - SOLDTO – CREDIT
CHANNEL (CLASS OF TRADE)

The SoldTo Attribute is used for Allocation Viewer, Enhanced Credit and Alert functionality. It is also used to provide BOL data to your customers that utilize the DTN Fuel Admin service.

Channels

It is considered a best practice to assign the channel attributes to your consignees and consignee groups. The channels to be assigned must first be defined though the **Channel Setup** page. Below are examples of channels:

- BRANDED
- AVIATION
- I&W
- COMMERCIAL
- RACK
- EXCHANGE
- CONTRACT
- UNBRANDED
- UNBRANDED CONTRACT

The Channel Attribute is used for Allocation Viewer, DTN Fuel Seller and Alert functionality.

Products

Note: The Product Name field in DTN TABS has a 50-character limit and the usage of commas is prohibited.

Best practices for product codes use the industry standard Petroleum Industry Data Exchange (PIDX) product codes to identify the product being lifted and allocated at the various terminals in DTN TABS. The PIDX codes are industry standard codes which are maintained by the PIDX Downstream Subcommittee and are posted to their website at www.pidx.org.

- All PIDX codes have names assigned to them on the industry standard list, however you can choose to change the name of these products to something that defines what the product is internally called by your organization or what your customers see on their invoices.
- It is considered best practice to have DTN TABS auto assign products to terminals based on the products received on BOLs from the terminal.

Product Groups

Note: The Product Group Name field in DTN TABS has a 50-character limit and the usage of commas is prohibited.

Product groups define a group and assign multiple PIDX product codes to the user-defined product group for product allocation controls. PIDX product families cannot be assigned to product groups. It is very important to regularly maintain these groups.

For example – you can set up product groups for gasoline products, jet products, or distillate products in DTN TABS.

- Product Group Name: ALL GASOLINE - contains all gasoline PIDX codes including any codes beginning with the PIDX product families of D C P O Q R.
- Product Group Name: RFG Gasoline - describes all gasoline PIDX codes beginning with the PIDX product families of O Q R.
- Product Group Name: Distillates - specifies all Diesel PIDX codes beginning with the PIDX product families of F G M V.
- Product Group Name: LSDSL – provides all Low Sulphur PIDX codes beginning with the letter G.

Note: DTN does not recommend product groups be created for specific terminals. Allocations of product groups can be filtered by products assigned at the terminal.

Best Practices - Terminal Implementation

Develop a Strategy

A terminal implementation strategy should be developed to ensure a smooth implementation experience for internal and external customers. Key components of this strategy are listed below. Your DTN TABS implementation manager can assist you throughout the process.

A decision should be made as to whether you want to implement DTN TABS by:

- Geographical region, by trading partner, by terminal
- Trading Partner, by region, by terminal
    - Identify Terminal Owner/Operator Contacts, Gain Owner/Operator agreement to enable DTN TABS
    - Perform reconciliation of terminal (customer and product) data versus ERP to ensure the correct data is loaded into DTN TABS

Implement terminals

- Determine plan for how DTN TABS terminal functionality is implemented
    - Send only
    - Auth and send without controls
    - Auth and send with controls
    - BOL retrieval options
- Coordinate the go live date with Terminal Operations
- Establish and Implement Issue Resolution Instructions

Communicate your plan

When implementing DTN TABS, a communication plan should be developed for your customers. A contact list for your customers should be included in your plan in the event they experience issues at the loading rack.

Best Practices - Product Allocation

Develop a Strategy

Determining the level of control that you wish to perform on your customers is important for your business practices. We recommend that a product allocation strategy session is held with your supply and marketing groups with the assistance of your assigned implementation specialist. Listed below are items that should be discussed during your strategy session.

- Determine what levels of controls should be implemented.
  - The most frequently used levels of product control are:
    - By Terminal, By Channel (Class of Trade)
    - By Terminal, By Channel (Class of Trade), By Customer Sold to
- Determine if the allocations should be enforced or non-enforced.
  - Allocations at the terminal/channel level are frequently unenforced.
  - Channel customer SoldTo level are enforced.
- Determine the basis of the allocations:
  - Contract
  - Historical Lifting
- Determine if the allocations will be:
  - Calculated externally and then loaded into DTN TABS via:
    - Custom integration with your allocation system or ERP
    - Integration via the DTN TABS ADMLOD format
    - Manually entered via the DTN TABS UI (not recommended)
  - Calculated via the DTN TABS forecast module (preferred method)
- Determine the allocation structure and periods required to meet your business needs (keep in mind that allocations can be identified as enforced or non-enforced at the individual period levels).
  - Hierarchical Allocations provide
    - Monthly
    - Weekly
    - Daily
  - Flat Allocation Structures provide
    - Monthly
    - Tri-monthly
    - Weekly
    - Daily
    - Custom (defined by a number of days)

Respond to Changes in Supply

- Mass Edit Allocations
  - To mass update allocation volumes to adjust to supply needs
    - By Terminal
    - By Channel (Class of Trade)
    - By Sub Channel
  - To mass change allocations to enforced or non-enforced
- Move Allocations
  - To move allocations from a primary terminal to a backup terminal
    - All customers by product
    - By Channel (Class of Trade) of customers by product
    - By Specific Customers by product

Best Practices - Credit Allocation

DTN recommends the management of your customer's credit through our Enhanced Credit Module. It is a best practice to integrate your credit updates from your back office to the DTN TABS Enhanced Credit Module. This integration can be done using:

- Custom integration with your ERP system
- Integration via the DTN TABS ADMLOD format with your ERP
- Manually entered via the DTN TABS UI (not recommended)

Credit Allocations should always be managed by Customer SoldTo Credit Consignee Group across ALL Terminals.

- Enables control across all facilities
- Provides one entry point for edits and modifications making troubleshooting credit issues easier

Suggested Credit Record Naming Convention includes:

- Customer Name Master Credit SoldTo
    - For example: ABLE GAS 12294

Best Practices - Alerts

The use of alerts is considered a best practice so that you can resolve potential customer loading issues at the terminals. The following alerts are recommended and are considered a best practice:

- Deny Alerts
- Terminal Inactivity Alerts
- Terminal Override Alerts
- Credit Allocation Alerts
- Product Allocation Alerts

We also recommend taking advantage of our DTN TABS Sender option. This option allows you to designate a different email address. For example:

You have an internal customer support email address that customers can send emails to for questions and assistance – custsupport@myorg.com. You can set this address as the DTN TABS Sender. Once the DTN TABS system generates the alert, it is sent as custsupport@myorg.com so your customers can respond with questions or requests.

DTN recommends creating email lists within your corporate email system and then sending alerts to these lists. For example, a list for Product Allocation Specialists could be maintained so whenever an employee is added or subtracted to this list, they would start or stop receiving alerts.

Contact Us

We hope you enjoy the new look and we welcome your comments and suggestions.

As always, please contact the DTN PetroDex support team at 1-800-982-1583 or by email at petrodexsupport@dtn.com for US support and 1-855-493-0260 or by email to TABSGlobalsupport@dtn.com for international support.