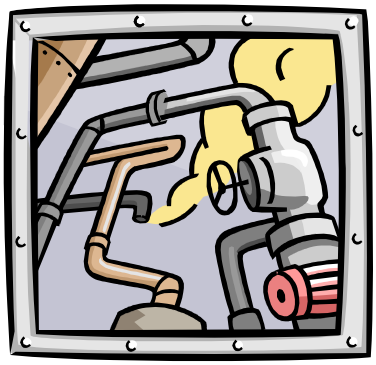
Distribution Modeling

For Environmental, Health, and Safety purposes, it is necessary to track the quantities of hazardous chemicals that are on site as well as the amounts of these chemicals that have been consumed and released into the atmosphere. The quantities of hazardous chemicals on site are used in local emergency response reports, Tier Reports, and for Emergency Pre-Planning purposes. The quantities of chemicals consumed are used to estimate chemical quantities released. This information is used in emissions inventory and SARA Form R reporting, and is valuable for pollution prevention activities.



FacTS™ allows EHS personnel to store and track data at great detail for their facility. In the past, EHS personnel have relied upon purchasing information to help estimate these quantities. However, purchasing information only provides information on the receipt of goods into the facility. EHS personnel have to make assumptions on how much of the material is consumed and how much are still on site. These assumptions were based on experience and historical data. The FacTS Distribution Modeling feature allows this process to become based on calculations, rather than on guesswork. Users take their historical data of predictable movements and processes, and define Location Distribution Models and/or Facility Distribution Models.

LOCATION AND FACILITY DISTRIBUTION MODELS

Use Location Model data entry to model the distribution of a specified product or all products from a specific location. This is achieved by attaching rules to the model that define the consumption or movement of a product when it enters the location. For Location Models, users can define two types of rules: Movement Rules and Consumption Rules. Each of these types of rules can be general or product-specific.

Facility Models are used to model the distribution of a specific product from all locations in the facility. This is achieved by attaching rules to the model that define the consumption of a product when it enters any location in the facility. However, if you want to set up a rule for all location in the facility except for a few, you could exempt locations by creating a Location Model for them.

CREATING DISTRIBUTION TRANSACTIONS

Based on the distribution models, FacTS creates type distribution transactions for three different scenarios:

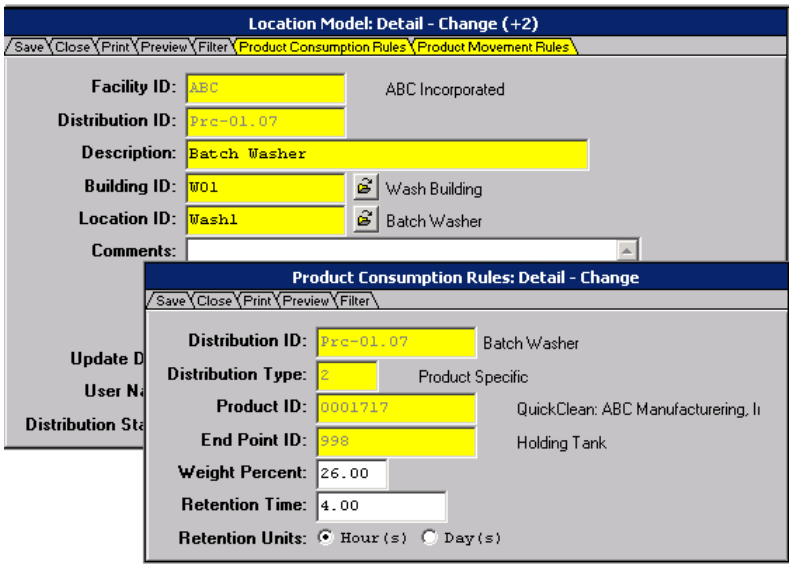
- Automatically after an inventory transaction
- On a scheduled batch basis
- When run manually

Quantum Compliance Systems, Inc. - 2111 Golfside – Ypsilanti, MI 48197
Tel: (734) 572 1000 – Fax: (734) 572 8815 - www.qcs-facts.com

CREATING DISTRIBUTION TRANSACTIONS AUTOMATICALLY

If you desire real-time data, you can implement FacTS to run the utility after each inventory transaction is created. The utility checks the destination of the transaction to verify if any distribution rules exist for this location. If they do, the utility creates distribution transactions based on these rules. If more than one Facility or Location Model exists for this location, or more than one rule type (consumption or movement) exists at this location, FacTS only creates transactions for the rules of the highest priority. For each transaction created by the utility, it checks to see if any additional distribution rules exist. This gives the user the power to set up distribution chains.

CREATING TRANSACTIONS ON A BATCH BASIS



If you do not require real time data, you can implement FacTS to run the utility every night on a batch basis. The utility then checks the destination of every transaction created that day to determine if any distribution rules exist for these locations. The utility then creates distribution transactions based on these rules. If more than one Facility or Location Model exists for a given destination, or more than one rule type (consumption or movement) exists at this destination, FacTS only creates transactions for the rules of the highest priority. For each transaction created by the utility, FacTS then checks for any additional distribution rules. This gives the user the power to set up distribution chains.

RUNNING BATCH DISTRIBUTION UTILITY MANUALLY

Users should only run the Batch Distribution Utility manually when a distribution record or a distribution rule has been changed, or if they wish to create "what if" scenarios. When the Batch Distribution Utility is run manually, the utility checks the destination of every transaction that occurred after the designated Start Date to determine if any distribution rules exist for these locations. The utility then creates distribution transactions based on these rules following the same priority logic as when run through a batch process.