

**Draft 11 of Work Paper Provided by TransCapacity  
For February 4th, 1999 BPS Meeting  
R98011 and R98012**

**This Draft 11 is intended to replace the Work Paper attached to the BPS Minutes of January 14 and entitled "Standards Language Outstanding For Consideration For Request Nos. R98011 & R98012"**

**Proposed Standard [same as 2.3.J in minutes/workpaper of November 5 &12]  
2.3.J**

Where the Allocating Party is performing Monthly Allocations, or Cumulative Monthly Allocations at a location and Service Requester supplied rankings are employed for allocations purposes, the individual rankings by day should be summed for each nomination line item and the mathematical sum of these ranks for each line item would be employed to identify the relative rankings of these line items for allocations purposes.

**Proposed Standard [same as 2.3.K in minutes/workpaper of November 5 &12]  
2.3.K**

Where the Allocating Party is performing Monthly Allocations or Cumulative Monthly Allocations at a location and Confirming Party supplied rankings are employed for allocations purposes, the individual rankings by day should be summed for each nomination line item and the mathematical sum of these ranks for each line item would be employed to identify the relative rankings of these line items for allocations purposes.

**2.3.M.1 [modified language - same intent]**

When an Allocating Party is allocating quantities at a location that is not covered by an OBA (but is covered by another arrangement mutually agreed to between the Confirming Parties with respect to allocating simultaneous receipt and delivery transactions), and where both receipt and delivery transactions are scheduled (or otherwise anticipated) to occur between the Confirming Parties, the Confirming Party may send a PDA to the Allocating Party which PDA should first specify, the portion of any underage or overage which is to be allocated in total to the receipt transactions and in total to the delivery transactions (respectively and from the perspective of the Allocating Party). Such PDA should also specify within the category of receipt transactions the allocation of receipt gas as well as within delivery transactions the allocation of delivery gas which allocations are to the respective level of the receipt and delivery confirmations and consistent with GISB Standards [2.3.D.3, and 2.3.E].

**Proposed Standard [same as 2.3.N.1 in minutes/workpaper of November 5 &12]  
2.3.N.1**

Where an interconnection between Confirming Parties is either covered by an OBA or one of the Confirming Party(ies) is taking all of the quantity variances onto one or more of its contract(s) with the Transportation Service Provider, each Confirming Party should allocate to its respective parties their scheduled quantities.

**Principle: [New ]  
2.1.A**

Service Requesters should have an opportunity to assure that to the maximum extent possible gas is allocated to their scheduled transactions consistent with their nomination instructions and, where accepted, their allocation instructions.

**Principle: [New ]**  
**2.1.B**

The allocation process should not be used to accomplish business results after the fact that are simultaneously detrimental to one party and advantageous to another party and that would not have occurred in the scheduling process without the consent of the detrimentally affected party(ies). For these purposes, detrimental means that an allocated quantity for a party becomes greater or lesser than their nominated and scheduled quantity at the same time that another party's allocated quantity becomes or is affected in the opposite manner or not at all. The exception to this would be the business results associated with the use of swing methodology and, even here, detriment should be mitigated through notification to (and acquiring the consent of) such swing party(ies) with respect to a) their being swung on and b) the extent of their potential exposure to such swing allocations.

**Principle: [New ]**  
**2.1.C**

The same model type employed by Transportation Service Providers in the nominations process should be employed throughout the process of providing flowing gas information.

**Principle: [New ]**  
**2.1.D**

When scheduled quantities have been synched up between Confirming Parties, the allocation process should not cause divergences. The intent here is not to cause one Confirming Party to take responsibility for another Confirming Party's business practices nor to have them take responsibility for enforcing another party's following of the GISB standards, but rather to serve a guideline that the allocation process should not cause divergent business results from those obtained in the nominations, confirmations and scheduling process.

**Definition Resubmitted:**  
**Proposed Standard**  
**2.2.B.1**

Cumulative Monthly Allocation is the term used to describe the process where the Allocating Party performs the allocation process following each gas day, as each day in the month proceeds; and, presents to the applicable party an allocated quantity amount which reflects the netting of overs and unders (relative to scheduled quantities) identified up through the gas day so allocated.