

National Fuel Gas Distribution Workpaper - Strawman B with Early Recall on Evening Cycle

Nomination Cycle	Strawman Option	Receipt of Scheduled Quantities (from prior nom. cycle)	Early Recall Notification to Pipeline & 1st Repl. Shipper	Recall Notification to Pipeline & 1st Repl. Shipper	Early Pipeline Notification to Affected Replacement Shippers of Recall	Pipeline Notification to Affected Replacement Shippers of Recall	Version 1.5 Posting of non-biddable pre-arranged Capacity Release	Nomination Deadline (Same day)
Timely	Option 3	N/A	N/A	8:30 a.m.	N/A	9:30 a.m.	10:30 a.m.	11:30 a.m.
Evening	Option 1	4:30 p.m. same day	3:00 p.m.	5:00 p.m.	4:00 p.m.	6:00 p.m.	5:00 p.m.	6:00 p.m.
Intraday 1	Option 3	10:00 p.m. prior day	N/A	7:00 a.m.	N/A	8:00 a.m.	9:00 a.m.	10:00 a.m.
Intraday 2	Option 4	2:00 p.m. same day	N/A	2:30 p.m.	N/A	3:30 p.m.	4:00 p.m.	5:00 p.m.

OR

Strawman B with Early Recall on Evening Cycle

Nomination Cycle	Strawman Option	Receipt of Scheduled Quantities (from prior nom. cycle)	Recall Notification to Pipeline & 1st Repl. Shipper	Pipeline Notification to Affected Replacement Shippers of Recall	Version 1.5 Posting of non-biddable pre-arranged Capacity Release	Nomination Deadline (Same day)
Timely	Option 3	N/A	8:30 a.m.	9:30 a.m.	10:30 a.m.	11:30 a.m.
Evening	Option 1	4:30 p.m. same day	5:00 p.m. *	6:00 p.m.	5:00 p.m.	6:00 p.m.
Intraday 1	Option 3	10:00 p.m. prior day	7:00 a.m.	8:00 a.m.	9:00 a.m.	10:00 a.m.
Intraday 2	Option 4	2:00 p.m. same day	2:30 p.m.	3:30 p.m.	4:00 p.m.	5:00 p.m.

* An Early Evening Recall submitted by 3:00 p.m., with subsequent Pipeline Notification to replacement shippers by 4:00 pm would permit replacement shippers to obtain, nominate and schedule replacement capacity within the Evening Cycle.

Discussion:

Since BPS discussion appears to be leaning towards Strawman B, the 'Early Recall' provision proposed in Strawman E would only need to apply to the Evening Cycle. The value of the Early Evening recall would be that replacement capacity obtained at that cycle would be for a full gas day whereas ID1 and ID2 capacity would be for 2/3rds and one-half of a gas day. This is potentially less disruptive to point operators because the time between the start of the gas day and when flow commenced under ID1 or ID2 would more or less be lost, otherwise. It should be noted that without formalizing the concept of an early evening recall, that and recall notifications received by 3:00 pm would afford the replacement shipper an opportunity to replace the recalled capacity. The benefit of formalization would be to differentiate it in terms of the market. Capacity that was recallable on an early evening basis would be more valuable to replacement shippers than capacity recallable on an evening basis. If pipelines support the formalized concept, there would be less risk of contract disputes between releasing and replacement shippers due to differing interpretations of what was contained in release Special Terms & Conditions.