

**INTRADAY NOMINATIONS TASK FORCE -BIFURCATED
SCENARIO TEAM
JUNE 24, 1997
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ISSUES ON UNTIMELY NOMINATIONS

- 1) When does (processing)scheduling take place?
 - a) before people go home at night?
 - b) at 7 AM, prior to the start of the gas day?
- 2) Impact on timeline of TSP designating Untimely as a bumping opportunity.
- 3)When does internal processing by a TSP occur? Before or after confirmations?

Mismatches at interconnects should be avoided.

We need a set of rules for Intraday confirmations that everyone will follow. Explicit confirmations may be a key part of the rules.

FT-FT link up at interconnects might lessen the likelihood of problems at interconnects due to Intraday bumping.

Issue: All parties involved in intradays should place nominations but a bumped shipper may not know that they needed to place a nomination. What happens at an interconnect under this situation is an example of the confirmation complexity that needs to be addressed.

We might need to scrap the "lesser of " rule in developing our Intraday confirmation practices.

Perhaps there should be an "Obligation to Initiate" confirmations.

Changes can happen during the day for many reasons; bumping is only one of the reasons. How we handle Intraday changes is the real issue.

The universal bump across the industry will not solve our problems if the real issue is to handle changes.

A decision tree needs to be set up to analyze all the possibilities.

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Presuming an upstream and downstream TSP at an interconnect (bumping status is deliberately not mentioned):

TSP-UP	TSP-DOWN	
decrease	no nom	
increase	no nom	
no nom	increase	
no nom	decrease	
decrease	decrease	but up>down
decrease	decrease	but down>up
increase	increase	but up>down
increase	increase	but down>up

What are the confirmation rules for each of these cases?

What rules work when interconnected parties have different bump times? On "Untimely" nominations, there appears to be 2 views:

- 1) Process overnight for next morning
- 2) Process ASAP for completion early evening i.e. 7 or 8 or 9:00 PM.

Conflicting objectives: Level of bumping for FT directly affects efficiency(cost & expense) in the industry i.e. rescheduling can negatively affect perception of gas as a reliable fuel.

Resolution of the Intraday issue is made more difficult because of many issues among them being:

- 1) gaming the rules
- 2) resistance to uncertainties of around- the -clock support
- 3) constrained pipes view the solutions different than non-constrained pipes.

The next conference call will be on 6-26-97 from 4:00 PM to 5:15 CCT. The conference number is (847)294-1035 (Password GISB).

Attendees: Jerry Hahn, Scott Coburn, Chuck Beaver, Becky Cantrell, Laura Mosely, Dale Davis, Donna Scott, Shelly Corman, Gary Payne, Bob Wallenhorst, Mike Novak