

This is an overview of Tennessee Gas Pipeline Company’s approach to implementing cross contract rankings during scheduling processes

Fundamental Principles

- This is not a new business practice but a higher level of rankings usage within a current business practice.
- This example uses the “*Pathed*” nominations model.
- Service requesters use the existing receipt rank and delivery rank data elements to rank their individual nomination line items (*or routes*).
- Confirming parties confirm at the location/service requester/updown party level.

Scheduling Without Tariff-Based Pipeline Restrictions

- Service requesters’ nominations are scheduled at the location/service requester/updown party level, based on confirmations and the service requester’s rankings.
- Example: Two service requesters nominate to the same delivery location and downstream party. Service requester “A” nominates on both firm and interruptible contracts. Service requester “B” nominates on an interruptible contract.

Since service requester “A” has ranked their interruptible contract nomination higher than their firm contract nomination the interruptible contract nomination is scheduled at the full level when the confirming party confirms only 150 of the 200 nominated.

<i>Service Requesters Nominate</i>		<i>Delivery Rank</i>	<i>Scheduled Delivery Quantity</i>	<i>Confirming Party Confirms</i>
<i>Receipt Rank</i>				
2	“A” noms 100 Firm	1	50	150
1	“A” noms 100 Inter	1	100	
2	“B” noms 100 Inter	1	100	100
Total: 300			Total: 250	Total: 250

Scheduling Involving Tariff-Based Pipeline Restriction Rules

- After the TSP has performed pipeline balancing based on the service requesters’ nominations and best available confirmations, the TSP’s tariff-based pipeline restriction rules are implemented at the location/service requester contract level.
- Example: Two service requesters nominate to the same delivery location and downstream party. Service requester “A” nominates on both firm and interruptible contracts. Service requester “B” nominates on an interruptible contract. The TSP can only flow a total of 150 at that delivery location.

Interruptible nominations for both service requester “A” and service requester “B” are affected by the TSP’s tariff-based pipeline restriction process. The firm nomination from service requester “A” is scheduled at the nominated level even though they ranked their interruptible nomination higher.

<i>Service Requesters Nominate</i>		<i>Scheduled</i>	<i>Confirming</i>
<i>Receipt Rank</i>	<i>Delivery Rank</i>	<i>Delivery Quantity</i>	<i>Party Confirms</i>
2	“A” noms 100 Firm	1	150
1	“A” noms 100 Inter	1	
2	“B” noms 100 Inter	1	100
Total: 300		Total: 150	Total: 250