

Notes Accompanying CNF_PRC2.xls spreadsheet
outlining Confirmation Process Decision Tree

The conferees on the August 26 call arrived at the following “Results” from the application of the intended confirmation rules. For further detail as to the rules see work papers for August 20th BPS meeting in Boston titled “C97027a1 and C97028a1” on the GISB Homepage under BPS, and the below listed proposals under the heading **For further discussion**.

Note: The parties had what they believe was a tentative resolution of the “decrease with no communication issue” (the one unresolved area in the matrix from the last version) and one new unresolved issue as a result of the tentative resolution. Namely, should the unilateral action of a service requester be allowed to create a decrease on an intraday, when a unilateral action on the part of a service requester cannot create an increase? If the answer is yes, then, within the cases identified by a bolding, the SR decrease to without the footnote and the words “Alternate Case” in the “notes” column would replace the SR decrease to with the footnote 1/.

Note: As before, the parties agreed that there was no “by exception process” with respect to intraday and that there was the expectation that it would be replaced by the “explicit process” with respect to intraday confirmations. It was also agreed that there was not sufficient support for or evidence of use of the “auto-confirm” process and for that reason it was dropped as a case from both timely and intraday.

For further discussion:

Footnote 1/ from Spreadsheet

With Service Requester-initiated intraday nominations and changes, the requests of respective Service Requesters need to be the same (within the 5 Dth for rounding associated with fuel -- GISB Standard 1.3.29) to be accepted and processed as a change.

Footnote 2/ from Spreadsheet

With Transportation Service Provider (TSP)-initiated intraday changes, that is when a TSP (TSP1) is doing confirmations (either with other TSP's (TSP2 and/or TSP3) or Point Operator(s)) and there is a tariff level allocation required by TSP1 (such as a curtailment event, a Force Majeure situation, a bump order, or unscheduled maintenance event) then, the Confirming Parties would rely on the lesser of rule. As such, the TSP receiving the cut (TSP2) should be able to push the cut upstream to their corresponding supply; and if such cut is pushed to the corresponding supply, then TSP 2 should: a) communicate same to the affected upstream Confirming Party (or Confirmation Requester as applicable) and b) simultaneously communicate same to the affected Service Requester(s). Likewise, a TSP receiving a cut (TSP3) should be able to push the cut downstream to their corresponding market; and if such cut is pushed to the corresponding market, then TSP 2 should: a) communicate same to the affected downstream Confirming Party (or Confirmation Requester as applicable) and b) simultaneously communicate same to the affected Service Requester(s).

CONFIRMATION DECISION TREE ANALYSIS		Conference Call Workpapers							
				August 26th 11am - 1:00 pm					
WORKING DEFINITIONS									
EXPLICIT - communication by both parties is expected and there are defaults for what to do when no communication									
CONFIRMATION BY EXCEPTION - only one party communicates regularly and the other agrees to whatever is communicated unless they take exception within prescribed time frames									
NO NOMINATION - means that the applicable party has one of the following: a) a nomination for zero, b) no nomination for the associated transaction for the subject day, or c) the nomination for the transaction has expired (end date passed)									
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TSP DECREASE TO - means that a TSP intitated change, i.e., Force Majeuer, bump, outage, unscheduled maintenance, is being sought									
CURRENT FLOW - means that there is flow scheduled on Day 1 and the scheduling activity is for Day 2									
SCHEDULED FOR SUBJECT GAS DAY - means scheduled for Day 2 and scheduling activity is for Day 2									
TIMELY - CASE 1									
EXPLICIT									
	CURRENT FLOW	TSP UPSTREAM ACTION	TSP UPSTREAM ACTION QTY	TSP DOWNSTREAM ACTION		TSP DOWNSTREAM ACTION QTY	RESULT	NOTES	
1	100	decrease to	50	zero or no nom		0	0	lesser of rule applies	
2	100	increase to	150	zero or no nom		0	0	lesser of rule applies	
3	100	zero or no nom	0	increase to		150	0	lesser of rule applies	
4	100	zero or no nom	0	decrease to		50	0	lesser of rule applies	
5	100	decrease to	50	no communication		N/A	50	lesser of rule applies	
6	100	increase to	150	no communication		N/A	100	lesser of rule applies	
7	100	no communication	N/A	increase to		150	100	lesser of rule applies	
8	100	no communication	N/A	decrease to		50	50	lesser of rule applies	
9	100	derease to	75	decrease to	but up > down	50	50	lesser of rule applies	
10	100	derease to	50	decrease to	but down > up	75	50	lesser of rule applies	
11	100	increase to	150	increase to	but up > down	125	125	lesser of rule applies	
12	100	increase to	125	increase to	but down > up	150	125	lesser of rule applies	
13	100	no change	100	zero or no nom		0	0	lesser of rule applies	
14	100	no change	100	increase to		150	100	lesser of rule applies	
15	100	no change	100	decrease to		50	50	lesser of rule applies	
16	100	no change	100	no communication		N/A	100	lesser of rule applies	
17	100	zero or no nom	0	no change		100	0	lesser of rule applies	
18	100	increase to	150	no change		100	100	lesser of rule applies	
19	100	decrease to	50	no change		100	50	lesser of rule applies	
20	100	no communication	N/A	no change		100	100	lesser of rule applies	
TIMELY - CASE 2									
CONFIRMATION BY EXCEPTION - UPSTREAM PARTY ACTIVELY CONFIRMS									
	CURRENT FLOW	TSP UPSTREAM ACTION	TSP UPSTREAM ACTION QTY	TSP DOWNSTREAM ACTION		TSP DOWNSTREAM ACTION QTY	RESULT		
1	100	decrease to	50	no action (silent)		N/A	50	active party number rules	
2	100	increase to	150	no action (silent)		N/A	150	active party number rules	
3	100	zero or no nom	N/A	no action (silent)		N/A	0	active party number rules	
4	100	no change	100	no action (silent)		N/A	100	active party number rules	
5	100	decrease to	50	zero or no nom		0	0	by exception party takes exception so lesser of rule applies	
6	100	increase to	150	zero or no nom		0	0	by exception party takes exception so lesser of rule applies	
7	100	zero or no nom	N/A	increase to		150	0	by exception party takes exception so lesser of rule applies	
8	100	zero or no nom	N/A	decrease to		50	0	by exception party takes exception so lesser of rule applies	
9	100	no communication	N/A	increase to		150	100	by exception party takes exception so lesser of rule applies	
10	100	no communication	N/A	decrease to		50	50	by exception party takes exception so lesser of rule applies	
11	100	derease to	75	decrease to	but up > down	50	50	by exception party takes exception so lesser of rule applies	
12	100	derease to	50	decrease to	but down > up	75	50	by exception party takes exception so lesser of rule applies	
13	100	increase to	150	increase to	but up > down	125	125	by exception party takes exception so lesser of rule applies	
14	100	increase to	125	increase to	but down > up	150	125	by exception party takes exception so lesser of rule applies	
15	100	no change	100	zero or no nom		0	0	by exception party takes exception so lesser of rule applies	
16	100	no change	100	increase to		150	100	by exception party takes exception so lesser of rule applies	

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17	100	no change	100	decrease to		50	50	by exception party takes exception so lesser of rule applies	
18	100	zero or no nom	0	no change		100	0	by exception party takes exception so lesser of rule applies	
19	100	increase to	150	no change		100	100	by exception party takes exception so lesser of rule applies	
20	100	decrease to	50	no change		100	50	by exception party takes exception so lesser of rule applies	
21	100	no communication	N/A	no change		100	100	by exception party takes exception so lesser of rule applies	
TIMELY - CASE 3									
CONFIRMATION BY EXCEPTION - DOWNSTREAM PARTY ACTIVELY CONFIRMS									
	CURRENT FLOW	TSP UPSTREAM ACTION	TSP UPSTREAM ACTION QTY	TSP DOWNSTREAM ACTION		TSP DOWNSTREAM ACTION QTY	RESULT		
1	100	no action (silent)	N/A	decrease to		50	50	active party number rules	
2	100	no action (silent)	N/A	increase to		150	150	active party number rules	
3	100	no action (silent)	N/A	zero or no nom		N/A	0	active party number rules	
4	100	no action (silent)	N/A	no change		100	100	active party number rules	
5	100	zero or no nom	0	decrease to		50	0	by exception party takes exception so lesser of rule applies	
6	100	zero or no nom	0	increase to		150	0	by exception party takes exception so lesser of rule applies	
7	100	increase to	150	zero or no nom		N/A	0	by exception party takes exception so lesser of rule applies	
8	100	decrease to	50	zero or no nom		N/A	0	by exception party takes exception so lesser of rule applies	
9	100	increase to	150	no communication		N/A	100	by exception party takes exception so lesser of rule applies	
10	100	decrease to	50	no communication		N/A	50	by exception party takes exception so lesser of rule applies	
11	100	decrease to	50	derease to	but up > down	75	50	by exception party takes exception so lesser of rule applies	
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17	100	decrease to	50	no change		100	50	by exception party takes exception so lesser of rule applies	
18	100	no change	100	zero or no nom		0	0	by exception party takes exception so lesser of rule applies	
19	100	no change	100	increase to		150	100	by exception party takes exception so lesser of rule applies	
20	100	no change	100	decrease to		50	50	by exception party takes exception so lesser of rule applies	
21	100	no change	100	no communication		N/A	100	by exception party takes exception so lesser of rule applies	
INTRADAY TYPE II - CASE 4									
EXPLICIT									
	SCHEDULED FOR SUBJECT GAS DAY	TSP UPSTREAM ACTION	TSP UPSTREAM ACTION QTY	TSP DOWNSTREAM ACTION		TSP DOWNSTREAM ACTION QTY	RESULT	NOTES	
1	100	decrease to	50	zero		0	0	lesser of rule applies	
2	100	increase to	150	zero		0	0	lesser of rule applies	
3	100	zero	0	increase to		150	0	lesser of rule applies	
4	100	zero	0	decrease to		50	0	lesser of rule applies	
5	100	SR decrease to	50	no communication		N/A	100	No change when SR initiated change and different SR int	
6	100	SR decrease to	50	no communication		N/A	50	Alternate Case - lesser of regardless of SR agreement	
7	100	TSP decrease to	50	no communication		N/A	50	Lesser of because of 2/	
8	100	increase to	150	no communication		N/A	100	lesser of rule applies	

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9	100	no communication	N/A	increase to		150	100	lesser of rule applies	
10	100	no communication	N/A	SR decrease to		50	100	No change when SR initiated change and different SR int	
11	100	no communication	N/A	SR decrease to		50	50	Alternate Case - lesser of regardless of SR agreement	
12	100	no communication	N/A	TSP decrease to		50	50	Lesser of because of 2/	
13	100	derease to	75	decrease to	but up > down	50	50	lesser of rule applies	
14	100	derease to	50	decrease to	but down > up	75	50	lesser of rule applies	
15	100	increase to	150	increase to	but up > down	125	125	lesser of rule applies	
16	100	increase to	125	increase to	but down > up	150	125	lesser of rule applies	
17	100	no change	100	zero		0	0	lesser of rule applies	
18	100	no change	100	increase to		150	100	lesser of rule applies	
19	100	no change	100	decrease to		50	50	lesser of rule applies	
20	100	no change	100	no communication		N/A	100	lesser of rule applies	
21	100	zero	0	no change		100	0	lesser of rule applies	
22	100	increase to	150	no change		100	100	lesser of rule applies	
23	100	decrease to	50	no change		100	50	lesser of rule applies	
24	100	no communication	N/A	no change		100	100	lesser of rule applies	
INTRADAY TYPE I - CASE 5									
EXPLICIT									
	SCHEDULED FOR SUBJECT GAS DAY	TSP UPSTREAM ACTION	TSP UPSTREAM ACTION QTY	TSP DOWNSTREAM ACTION		TSP DOWNSTREAM ACTION QTY	RESULT	NOTES	
1	100	SR decrease to	50	no communication		N/A	100	No change when SR initiated change and different SR int	
2	100	SR decrease to	50	no communication		N/A	50	Alternate Case - lesser of regardless of SR agreement	
3	100	TSP decrease to	50	no communication		N/A	50	Lesser of because of 2/	
4	100	increase to	150	no communication		N/A	100	lesser of rule applies	
5	100	no communication	N/A	increase to		150	100	lesser of rule applies	
6	100	no communication	N/A	SR decrease to		50	100	No change when SR initiated change and different SR int	
7	100	no communication	N/A	SR decrease to		50	50	Alternate Case - lesser of regardless of SR agreement	
8	100	no communication	N/A	TSP decrease to		50	50	Lesser of because of 2/	
9	100	derease to	75	decrease to	but up > down	50	50	lesser of rule applies	
10	100	derease to	50	decrease to	but down > up	75	50	lesser of rule applies	
11	100	increase to	150	increase to	but up > down	125	125	lesser of rule applies	
12	100	increase to	125	increase to	but down > up	150	125	lesser of rule applies	
13	100	no change	100	increase to		150	100	lesser of rule applies	
14	100	no change	100	decrease to		50	50	lesser of rule applies	
15	100	no change	100	no communication		N/A	100	lesser of rule applies	
16	100	increase to	150	no change		100	100	lesser of rule applies	
17	100	decrease to	50	no change		100	50	lesser of rule applies	
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