



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
Home Page: www.gisb.org

TO: Executive Committee (EC) Members
Posting for Interested Industry Participants
FROM: Rae McQuade, Executive Director
RE: Final Minutes from the Executive Committee Meeting - September 16, 1999
DATE: November 11, 1999

GAS INDUSTRY STANDARDS BOARD
GISB EXECUTIVE COMMITTEE MEETING
El Paso Offices, Houston, Texas
September 16, 1999
FINAL MINUTES

I. Administrative

Mr. Buccigross welcomed the attendees and the Executive Committee (EC) members to Houston and thanked El Paso Energy for hosting the meeting. Mr. Holbrook, as general counsel, gave the antitrust advice. Ms. McQuade read the roll. The agenda was adopted with no modifications. With modifications made during the meeting, the redlined minutes for July 15 and 16 were adopted. It was noted that Ms. Scott has resigned from the Executive Committee and her efforts were recognized and she was thanked for her support of the organization. For a full accounting of the discussion from today's meeting, the transcripts should be ordered from Ms. Copeland of Ak/Ret Reporting (361-882-9037).

II. New Requests

R99045 Submitted by Duke Energy on July 9, 1999, Contact is Marcy McCain

Duke Energy Corporation pipelines (Algonquin Gas Transmission Company, Texas Eastern Transmission Corporation, Maritimes & Northeast Pipeline, L.L.C.) request the addition of a code value to the list of valid code values for the Charge Type data element in the Transportation/Sales Invoice (3.4.1).

Business Name	Code Value Description	Code Value Definition
Charge Type	Reservation Charge Credit	[no definition necessary]

The addition of this code value to the list of valid values for Charge Type in the Transportation/Sales Invoice will enable Maritimes & Northeast Pipeline, L.L.C. to accurately reflect a Reservation Charge Credit as described in one of its firm rate schedules.

The implementation of the request would provide the means to allow the presentation of accurate and meaningful information on the invoice.

Discussion: Mr. Lander described the request and triage recommendation. There was no discussion.

Disposition: Send Request No. R99045 to Information Requirements Subcommittee (IR) to be addressed in the normal course of business for that subcommittee.



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com

Home Page: www.gisb.org

EC Action: The EC found the request in scope through a unanimous vote in favor. The EC adopted the disposition of the Triage Committee through a unanimous vote in favor.

R99046 Submitted by Williams Gas Pipeline on August 4, 1999, Contact: Jim Keisler

Description: Williams Gas Pipeline (WGP) requests that a means of sending more than one Charge Type for a Line Number be provided in the Transportation/Sales Invoice (3.4.1). Currently, the document accommodates only one Charge Type for each Line Number, but it is typical for an invoice line to have more than one charge type.

WGP further requests that a new field called the Charge Type Rate be added at the revised Charge Type level to accommodate a means of sending the rate associated with the Charge Type. The proposed definition of the Charge Type Rate is "the rate that is associated with the specified Charge Type." In order to parallel the usage for the Charge Type (which is Mutually Agreeable (MA)), the usage code for the new Charge Type Rate field should also be Mutually Agreeable (MA). For example, a charge for Transportation Commodity and for GRI might apply to an invoice line item; there needs to be a way to send both of these Charge Types and their associated Charge Type Rate for each Line Number.

When this request is satisfied, the Transportation/Sales Invoice will accommodate sending multiple Charge Types and their associated rate for an invoice Line Number, and thereby be able to represent the invoice in the EDI dataset as it is used in the industry.

Discussion: Mr. Lander described the request and triage recommendation. The request was first found to be in scope. A motion was then made to adopt the disposition of the Triage Committee to send Request No. R99046 to IR to be addressed in the normal course of business for that subcommittee. Ms. Hess asked that the request be sent to the Business Practices Subcommittee (BPS). Ms. Davis asked that the request be given a high priority so that BPS could address it quickly rather than wait until the invoicing requests are taken up in the normal course of business of BPS. The motion was modified to send Request No. R99046 to BPS to be addressed with a high priority.

Disposition: Send Request No. R99046 to BPS to be addressed with a high priority.

EC Action: The EC found the request in scope through a unanimous vote in favor. The EC adopted the modified disposition of the EC through a unanimous vote in favor.

R99047 Submitted by Williams Gas Pipeline on August 4, 1999, Contact: Jim Keisler

Description: Williams Gas Pipeline (WGP) requests that a means of sending the data element Accounting Period be provided in the Transportation/Sales Invoice (3.4.1). Currently, this data element is sent in several other GISB documents, such as the Pre-Determined Allocation, Allocation, Shipper Imbalance and Measurement Information. However, it is not currently in the Invoice. This data element is defined as "The month and year the information was recorded," and WGP believes that this definition is adequate for the Invoice. WGP would like this data element to be added to the Invoice Data Dictionary as a Mandatory data element.



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
Home Page: www.gisb.org

When this request is satisfied, the Transportation/Sales Invoice will accommodate sending the Accounting Period, and thereby be able to represent the invoice in EDI as it is used in the industry.

Discussion: Mr. Lander described the request. There was no discussion.

Disposition: Send Request No. R99047 to BPS to be addressed with a high priority.

EC Action: The EC found the request in scope through a unanimous vote in favor. The EC adopted the disposition of the Triage Committee through a unanimous vote in favor.

III. EDM Standards Manual

EDM Subcommittee text changes were highlighted by Ms. Munson. There were comments prepared by Dynegy and Enron Gas Pipelines and forwarded to EC members and posted prior to the meeting. Several alternatives on how to address the needed text changes were identified: (1) review each of the written changes submitted via comments, (2) forward the comments to the EDM Subcommittee led by Mr. Caldwell for changes to be made followed by a notational vote, or (3) only make the new standard additions and modifications and the "Related Standards" section changes to the manual. It was noted that changes should be supported by existing standards. There was general agreement that a delay of one month to the end of October would not adversely affect the industry use of the standards manuals. The motion was made to send the product back to the Future Technology Task Force (FTTF) to document the reasons for the changes with a time expected for delivery.

After further discussion, the motion was modified to:

- Send the proposed EDM manual to the EDM Subcommittee led by Mr. Caldwell for consideration with the two sets of comments and others that may be made during the review. The subcommittee should also provide justifications for all changes made and tie them back to the existing standards or otherwise justify the changes made to the manual. The expectation is that a revised EDM manual be prepared, adopted and published by the end of October if feasible, but in no event should the publication be later than the end of November. A shortened comment period and notational EC vote will be required – with a one week period allotted for notational vote and for comment period. If notational vote is deemed infeasible by the subcommittee, it will be voted on at the November EC meeting.

The motion passed unanimously.

IV. Interpretation for Request No. C99003 and GISB Standard No. 5.3.33

Mr. Lander described the recommended interpretation for Request No. C99003 and the potential inconsistency with existing GISB Standard No. 5.3.33. The motion was made to:

- Transfer Request No. C99003 to the BPS to review GISB Standard Nos. 5.3.24 and/or 5.3.33 in light of the recommended interpretation. The subcommittee should recommend changes to GISB Standard Nos. 5.3.24 and/or 5.3.33 if needed to correct any inconsistencies. The request should be treated as a high priority. BPS should use best efforts so that it can be addressed at the November EC meeting.

Mr. Keeler noted that language changes were needed for GISB Standard No. 5.3.33 and that the proposed interpretation should not be changed. He offered that GISB Standard No. 5.3.33 could be made consistent through the following bolded under-lined changes, and



asked that BPS consider it at the time that it discusses the issue:

5.3.33 When a Transportation Service Provider receives an upload of an offer or a bid in association with a deadline, it should process such offer or bid (as applicable) and post valid offers or bids (as applicable) for review within fifteen minutes **unless the offeror or bidder requests otherwise;** and, in the event such document is not valid, respond with the applicable validation document to the applicable submitting party within fifteen minutes. When a Transportation Service Provider receives an upload of an offer or a bid not in association with a deadline, it should process and post for review valid offer(s) or bid(s) (as applicable) which are received prior to one quarter hour period by the end of the next succeeding quarter hour period **unless the offeror or bidder requests otherwise;** and, in the event such document is not valid, respond with the applicable validation document to the applicable submitting party by the end of the next succeeding quarter hour period. The quarter hour periods are on the hour, fifteen minutes after, thirty minutes after and forty-five minutes after an hour.

The motion to transfer the issue to the BPS carried unanimously.

V. Request Nos. R98011 and R98012

Mr. Lander reviewed the activities of the last EC meeting where this topic was covered. Mr. Sappenfield moved that the topic be untabled. The motion passed unanimously with 22 affirmative votes. The recommended standards were reviewed in light of the comments filed. The discussion on this set of standards can be found in the transcripts. The motion makers agreed with the changes proposed in the pipeline comments with the following exceptions: 2.3.A, 2.3.B.1.d, 2.3.B.1.e, 2.3.G, 2.3.H.1, 2.3.N, 2.3.N.1, and instructions 1 and 2. It was also agreed the term "Confirming Party" should be capitalized in all instances. Mr. Love noted that the Executive Committee pipeline segment members had identified several proposed standards that they could not support as written in the package: 2.3.H.1 should be deleted, 2.3.H.2 should be changed as indicated in the pipeline comments (available in the meeting materials and posted), 2.3.N.1 should be deleted, and instructions 1 and 2 should be deleted.

In discussion, there was discussion to combine 2.3.B.1.d and 2.3.B.1.e, to which the motion makers agreed:

2.3.B.1.e At a location which is not covered by an OBA, an allocating party should receive Pre-determined Allocations and calculate the allocations for the location and provide these allocations to the appropriate parties for their use.

Significant concerns were raised on proposed standard 2.3.H.1:

2.3.H.1 On monthly allocating Transportation Service Providers (TSPs), at locations where the Swing or Rank method of allocation is employed by the TSP, any Service Requester (SR), or any SR whose contract, which has been identified by a Confirming Party in a Pre-determined Allocation as the Swing party or the lowest ranked SR should be notified by the TSP of its proposed status prior to gas flow. Notification should be via e-mail or other electronic method, fax, or telephone. Absent subsequent communication from the Confirming Party to the TSP to the contrary, such identification should remain unchanged and be considered effective as of gas flow.

The pipeline segment recommended in its filed comments that this be deleted. Mr Love noted that it places the pipelines in the position of becoming "policemen" by ensuring that SRs who are assigned as swing or lowest ranked are informed by the TSP that the Confirming



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
Home Page: www.gisb.org

Party has identified them as such. Mr. Love noted that a further concern was what liability would exist if the TSP were unable to inform the SR that it was assigned as swing or lowest ranked. Mr. Sappenfield noted experience at Reliant Energy led him to conclude that this standard was needed, as he may not find out such information until it is too late to take remedial action. Mr. Sappenfield also noted that this has happened on some pipelines that allocate monthly and where there are no OBAs in place. Mr. Scheel noted that the communication problem would likely be solved through proposed standard 2.3.H.2. After further conversation, there was general agreement that proposed standard 2.3.H.1 should be deleted from the recommendation and the motion makers agreed.

For proposed standard 2.3.N.1, Mr. Lander described the intent of the standard. There was no general agreement on whether 2.3.N.1 should be deleted, as noted in the pipeline comments.

For proposed standard 2.3.A, the language changes proposed in the pipeline comments were supported, and there was discussion on whether this should be a principle as noted in the pipeline comments or a standard as recommended from the Business Practices Subcommittee. There was no agreement reached on whether it should be a principle or standard.

In discussion on the amended 2.3.B.1.e:

2.3.B.1.e At a location which is not covered by an OBA, an allocating party should receive Pre-determined Allocations and calculate the allocations for the location and provide these allocations to the appropriate parties for their use.

there was general support on this proposed standard.

In discussion on proposed standard 2.3.G, the language was supported, but there was discussion on whether it should be a standard or principle. There was one wording change to refer to "a Transportation Service Provider's" rather than "the Transportation Service Provider's":

2.3.G Except in cases where the Percentage or Operator Provided Value method of allocation is being employed, where there is:

- (i) sufficient gas to fulfill all scheduled quantities at a location, a Pre-determined Allocation (PDA) should not result in a quantity being allocated to a party, contract or transaction, as applicable, that is less than the corresponding scheduled quantity(ies) for that party, contract or transaction, as applicable,
- (ii) insufficient gas to fulfill all scheduled quantities at a location, a PDA should not result in a quantity being allocated to a party, contract or transaction, as applicable, that is greater than the corresponding scheduled quantity(ies) for that party, contract or transaction, as applicable.

In the event of conflicts between this standard and a Transportation Service Provider's existing tariff or general terms and conditions, the latter will prevail.

There was general support on this proposed standard.

In discussion on proposed standard 2.3.N, Mr. Lander offered language to address a concern raised by Mr. Love, inserting "Under normal operating conditions," which was accepted by the motion makers. Amended proposed standard 2.3.N reads::

2.3.N Under normal operating conditions, at a location which is covered by an OBA,



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
Home Page: www.gisb.org

the scheduled quantity should be the allocated quantity.

There was general support on this proposed standard as amended.

In discussion on deletion of instructions 1 and 2, Mr. Lander noted that they could be deleted if agreement could be reached on 2.3.A, 2.3.B.1.e, 2.3.G, 2.3.N and 2.3.N.1. The first vote was taken on the package, which included 2.3.N.1. The vote failed. The second vote was taken on the package, where 2.3.N.1 was deleted. It passed unanimously. The proposed standards are attached. For a full accounting of the discussion, please refer to the transcripts.

VI. Annual Plan

On the Annual Plan progress, the efforts of the Confirmations & Cross Contract Ranking Subcommittee are to conclude soon with the release of the proposed standards for industry comment. Ms. Munson noted that the recommendation is to be released shortly, in time for consideration at the November EC meeting.

For the Imbalances Subcommittee, a meeting was held earlier in the week to conclude its efforts. Mr. Buccigross noted that as a result of that meeting, no new proposed standards are forthcoming regarding daily imbalance trading and netting. Its efforts are considered complete and the subcommittee is inactive unless the Information Requirements or Technical Subcommittees have questions related to the monthly imbalance netting and trading standards approved by the EC in July.

Ms. Van Pelt gave the updates on the ANSI Subcommittee, BPS and Technical Subcommittee. She reviewed the timeline for deliverables from the ANSI Subcommittee, and reported that GISB received one negative vote on the Data Interchange Standards Association (DISA) ballot for the changes requested to the nominations data set. DISA is the secretariat for the ANSI ASC X12 Subcommittee. While there will be an open forum in DISA to discuss that negative vote, it is considered adopted. The recommended changes for GISB Quick Response related data sets should go out for ballot through DISA shortly. There are outstanding changes for invoicing data sets to be submitted at the beginning of next year, followed by work on the flowing gas related data sets and the capacity release related data sets. For BPS, the subcommittee will begin work on the high priority items identified in today's meeting, after which it will continue addressing the outstanding capacity release requests. Mr. Lander added later that a request (R97113) will be presented to the EC in November regarding whether categorization of certain business practices standards should remain as standards or rather be re-classified as principles.

For IR, Ms. Hess noted that IR is in the process of addressing the nominations related EBB Internet Implementation Task Force requests and will next be focusing on those that require new data sets.

Ms. Van Pelt continued with the review of the activities of the Technical Subcommittee. It is addressing an interpretation request regarding quick responses and it will then address IR requests as submitted.

For the EDM Subcommittee, Mr. Caldwell noted that the group has been reconvened to address merged standards, and in particular, the request submitted by Group 8760 regarding the AS/2 standards. Meeting arrangements and an agenda will be made available shortly. During this discussion, it was noted that GISB needs a renewed external communications effort to dispel the many inaccuracies that are circulating in public forums (for instance, there was a recent article titled "GISB or the Internet" that was published when GISB began



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com

Home Page: www.gisb.org

adopting Internet standards in 1995). Ideas were offered such as the creation of a white paper documenting GISB's success using the Internet, more press releases, and press releases reaching other publications.

VI. Certification Program

Ms. McQuade thanked Ms. Corman and other participants for their help in finalizing the Certification Program. The program was finalized on August 31, and elements of the program can be accessed from the GISB Home Page. Several individuals have already taken the test, and one individual has signed the necessary paper work to be identified as an approved certifier. Mr. Mahinka, current chairman of the Antitrust Committee of the American Bar Association, reviewed the program and found no concerns. Mr. Holbrook has replied, via letter, to the concerns raised by Mr. Nash of DC Systems at the July EC meeting.

VII. Other Business

After an impromptu Triage meeting was called, a new request, R99047, submitted by Altra, regarding changes needed to the Contracts manual, was found within scope through a unanimous EC vote, [it was later determined that the request should have been renumbered R99048]. Ms. Munson noted that changes are required to correctly reflect year 2000. The request will be presented for vote at the November EC meeting after the Contracts Subcommittee has made appropriate changes.

Mr. Sappenfield highlighted the efforts of the Coalition for Uniform Business Rules regarding gas and electric retail marketing. It will be a major focus at both the GISB annual meeting and the Board meeting immediately following.

VIII. Adjourn

The meeting adjourned at 3:45 p.m.



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
 Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
 Home Page: www.gisb.org

IX. Attendance and Voting Record

Executive Committee	Segment	Present	Member	R98011 (1)	R98011 (2)
	End Users	✓	Tom Carlson for Mike Bray	✓	✓
		✓	Kelly Daly	✓	✓
		✓	Joel Greene for Dona Gussow	✓	✓
		✓	Diane McVicker	✓	✓
		✓	Tina Patton	✓	✓
	LDCs	✓	Rick Ishikawa for Bob Betonte	✓	✓
		✓	Chris Maturo	✓	✓
		✓	Mike Novak	✓	✓
		✓	Bill Oppenheim	✓	✓
		✓	Steve Sullivan (via phone)	NP	NP
	Pipelines	✓	Shelley Corman	✗	✓
		✓	Dale Davis	✗	✓
		✓	Paul Love	✗	✓
		✓	Julie Unruh	✗	✓
		✓	Mark Gracey for Norm Walker	✗	✓
	Producers	✓	Paul Keeler	NP	NP
		✓	Richard Smith	✓	✓
		✗	Bob Wallenhorst		
		✓	Joe Wiley	✓	✓
		✗	Vacancy (for Terry McRae)		
	Services	✓	Jim Buccigross	✓	✓
		✓	Carl Caldwell	✓	✓
		✓	Keith Sappenfield	✓	✓
		✓	Mark Scheel	✓	✓
		✓	Sylvia Munson for vacancy	✓	✓

NP - Not present when the vote was called.

Administrative:	Rae McQuade	- Executive Director
	JoAnn Garcia	- GISB Staff
	Veronica Thomason	- GISB Staff
	Dennis Holbrook	- General Counsel
	Jane Copeland	- Ak/Ret Reporting



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
Home Page: www.gisb.org

Observers to the Meeting – September 16, 1999:

Name	Company	Address	GISB Member
PIPELINES:			
Bill Griffith	Colorado Interstate Gas	william.griffith@coastalcorp.com	Yes
Iris King	CNG Transmission	iris_g._king2cngt.cng.com	Yes
Theresa Hess	Enron Gas Pipelines	thess@enron.com	Yes
Norm Walker	El Paso Natural Gas	walkerne@epenergy.com	Yes
Mary Sue McNeal	El Paso Natural Gas	msmcneal@epenergy.com	Yes
Tammy Hopkins	Enron – Transwestern	thopkins@enron.com	Yes
Jon Keeler	Great Lakes Gas	jkeeler@glgt.com	Yes
Bill Grygar	Panhandle	wwgrygar@cmsenergy.com	Yes
Brent Phelps	Panhandle Eastern	bwphelps@cmsenergy.com	Yes
Cindy Suarez	Reliant Energy	csuarez@reliantenergy.com	Yes
Terri Williams	Reliant Energy	tjwilliams@reliantenergy.com	Yes
Prince McDougal	Southern Natural Gas	prince_mcdougal@sonat.com	Yes
Nancy Fitzgerald	Tejas Offshore Pipeline	njfitzgerald@coral-energy.com	Yes
Mark Gracey	Tennessee Gas Pipeline	graceym@epenergy.com	Yes
Marcy McCain	Texas Eastern	mlmccain@duke-energy.com	Yes
Ken Schubert	TransCanada Pipeline	ken_schubert@trnscanada.com	Yes
Jim Keisler	Williams Gas Pipeline	jim.e.keisler@wgp.twc.com	Yes
Kim Van Pelt	Trunkline	kvanpelt@cmsenergy.com	Yes
Kelly Wachter	Williston Basin	wachkw@wbip.com	Yes
SERVICES:			
Sylvia Munson	Altra Energy	sylviam@altranet.com	Yes
Cynthia Corcoran	Corcoran Law Offices	cynthiacorcoran@corcoran-law.com	Yes
Jean Ford	Pepco Gas Services	mmbtu@ibm.net	Yes
Mary Sahami	Pepco Gas Services	msahami@pepco-services.com	Yes
Gary Payne	Enron Capital and Trade	gary.l.payne@enron.com	Yes
Andy Sicignano	Enron Capital and Trade	andy.sicignano@enron.com	Yes
George Heal	Proxicom	gheal@proxicom.com	Yes
Keith Johnston	Proxicom	kjohnston@proxicom.com	Yes
Randy Young	Koch Midstream	young0r@kochind.com	Yes
Leigh Spangler	Latitude Technology	lspangler@latitudetech.net	Yes
Greg Lander	Skipping Stone	exec@tcapserv.com	Yes
END USERS			
Valerie Crockett	Tennessee Valley Authority	vcrockett@tva.gov	Yes
ASSOCIATIONS:			



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com

Home Page: www.gisb.org

Les Fyock

American Gas Association

lfyock@aga.com



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
Home Page: www.gisb.org

Attachment

Revised Recommendation for R98011 & R98012
Adopted by the Executive Committee on September 16, 1999

DELETE STANDARD 2.3.24:

PRINCIPLES:

- 1.1.A There should be at least one Confirming Party on each side of a physical location.
- 2.1.A The Transportation Service Provider (TSP) should provide allocations to a Service Requester (SR) at the nomination detail level either in the Allocation (GISB Standard 2.4.3) or the Shipper Imbalance (GISB Standard 2.4.4). The sending of the Allocation or the Shipper Imbalance to the SR would be dependent upon the TSP's business practices. In either case, the level of detail would only be to the package ID level where mutually agreed between the TSP and the SR.

DEFINITIONS:

- 2.2.A Monthly Allocation is the term used to describe the process where the allocating party performs the allocation process at the end of the monthly flow period.
- 2.2.C Daily Allocation is the term used to describe the process where the allocating party performs the allocation process following each gas day.

STANDARDS:

- 2.3.A.1 At a location, the total quantity measured or estimated for the period should be used to provide allocations to parties' scheduled transactions (or otherwise identified transactions consistent with GISB Standard No. 2.3.F).
- 2.3.A.3 In the allocation process, estimated quantities should be adjusted to actuals following the time that the actual quantities are known.
- 2.3.B.1.e At a location which is not covered by an OBA, an allocating party should receive Pre-determined Allocations and calculate the allocations for the location and provide these allocations to the appropriate parties for their use.
- 2.3.B.2 At a location which is not covered by an OBA, a party which is not the allocating party at the location should receive and process the allocations from the allocating party and employ such allocations when providing allocation information to its parties (as applicable and appropriate).
- 2.3.C At a location which is covered by an OBA, each party to the OBA should allocate its side of the location.
- 2.3.D.3 At a location which is not covered by an OBA, Transportation Service Providers (TSPs) which allocate to Service Requesters (SRs) at the SR's contract level or



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com
Home Page: www.gisb.org

higher are not required to allocate to a lower level or accept accounting allocation instructions from the SR (i.e., neither Pre-determined Allocations (PDAs) nor SR ranks supplied in the nomination).

Where the TSP allocates to a lower level (more detailed) than the SR contract level and where:

- the Confirming Parties confirm at a higher level (less detailed) than the nomination level; and,
- a SR has submitted more than one nomination line item to the TSP;

the TSP should employ the TSP's tariff allocation methodology (including, where applicable, employing the other Confirming Party(ies)' PDAs) to allocate gas to the confirmation detail level.

The TSP should then either:

- a) accept and employ a PDA from such SRs or
- b) employ the SR's ranks supplied in the nomination.

Where a TSP accepts PDAs from a SR (as specified in a) above) and the SR does not provide a PDA, the TSP should employ the tariff allocation methodology.

2.3.E At a location which is not covered by an OBA, a Confirming Party should submit a Pre-determined allocation (PDA) to the allocating party at a level that is based on the allocating party's business practice, but, in no event, will such PDA be at a lower level (more detailed) than that level of information exchanged between such parties during their confirmation process.

2.3.F A Pre-determined Allocation may not be used to allocate gas to a nominatable transaction that was not identified in the nomination or confirmation process, as applicable, absent prior mutual agreement among the Confirming Parties and the party being allocated to in such transaction. In the event of a conflict between this standard and the Transportation Service Provider's existing tariff or general terms and conditions, the latter will prevail.

2.3.G Except in cases where the Percentage or Operator Provided Value method of allocation is being employed, where there is:

- (i) sufficient gas to fulfill all scheduled quantities at a location, a Pre-determined Allocation (PDA) should not result in a quantity being allocated to a party, contract or transaction, as applicable, that is less than the corresponding scheduled quantity(ies) for that party, contract or transaction, as applicable,
- (ii) insufficient gas to fulfill all scheduled quantities at a location, a PDA should not result in a quantity being allocated to a party, contract or transaction, as applicable, that is greater than the corresponding scheduled quantity(ies) for that party, contract or transaction, as applicable.

In the event of conflicts between this standard and a Transportation Service Provider's existing tariff or general terms and conditions, the latter will prevail.

2.3.H.2 Parties should communicate to their counter parties that their transaction(s)



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: gisb@aol.com

Home Page: www.gisb.org

for allocation purposes are lowest ranked or swing, when such counter parties' transaction(s) are identified by the party as being lowest ranked or swing. This standard does not apply to the relationship between Transportation Service Providers and their Service Requesters.

- 2.3.N Under normal operating conditions, at a location which is covered by an OBA, the scheduled quantity should be the allocated quantity.

MODIFY STANDARD 2.3.21 -

- 2.3.21 The timing for reporting daily operational allocations after the gas has flowed is within one business day after the end of gas day. If the best available data for reporting daily operational allocations is the scheduled quantity, that quantity should be used for the daily operational allocation.

This standard applies to the daily provision of operational allocated quantities whether they are provided pursuant to GISB standard 2.4.3 or GISB standard 2.4.4.

Upon request to its Transportation Service Provider (TSP), a Service Requester (SR) should be provided operational allocated quantities pursuant to Standard 2.4.3 or 2.4.4 for the transaction(s) which have been scheduled by such TSP for the SR.

A TSP can agree to send the operational allocated quantities on a daily basis to a SR rather than accept the Upload of Request for Download for operational allocated quantities.

A TSP is not required to support requests for operational allocated quantities other than on an "all locations for a SR basis." Where a TSP has determined to support this standard in a manner other than:

- a) providing specific operational allocated quantities in response to a request for same, or
- b) providing operational allocated quantities on an "all locations for an SR basis," then the SR can rely on the absence of a line item(s) provided by a TSP as indicative that the particular line item(s)' scheduled quantities are operational allocated quantities.

INSTRUCTION #1 -

The definition of all rank data elements should be re-examined to allow for their use in the allocation process.