

**RECOMMENDATION TO GISB EXECUTIVE COMMITTEE**  
**(Reference material in the request is corrected)**  
**Revised by the Executive Committee on July 16, 1999**

**Requester: GISB 1999 Annual Plan**

**Request No.: 1999AP7, R97117, R97118**

**1. Recommended Action:**

- Accept as requested
- Accept as modified below
- Decline

**Effect of EC Vote to Accept Recommended Action:**

- Change to Existing Practice
- Status Quo

**2. TYPE OF MAINTENANCE**

**Per Request:**

- Initiation
- Modification
- Interpretation
- Withdrawal
  
- Principle (x.1.z)
- Definition (x.2.z)
- Business Practice Standard (x.3.z)
- Document (x.4.z)
- Data Element (x.4.z)
- Code Value (x.4.z)
- X12 Implementation Guide
- Business Process Documentation

**Per Recommendation:**

- Initiation
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**3. RECOMMENDATION**

Recommend definitions and standards [below] to the Executive Committee. The Imbalance Subcommittee further recommends that these standards not be sent out for member ratification prior to being fully staffed. Draft data dictionaries are included to be forwarded to the Information Requirements Subcommittee and are **NOT** part of the recommendation. Similarly, a diagram is included for illustrative purposes only –it, too, is **NOT** part of the recommendation.

**STANDARD LANGUAGE** (for addition, modification or deletion of a principle, definition or business practice standard)

<b>Standard No. and Language:</b>
<b>P1:</b> GISB Standard Nos. [D1, D2, 2.3.30, S1, S2, S3, S4, S5, S6, S8, S9, S10, S11, S12] were developed for trading of monthly imbalances.
<b>D1:</b> Operational Impact Area is the term used to describe a Transportation Service Provider's designation of the largest possible area(s) on its system in which imbalances have a similar operational effect.

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**D2:** Netting is the term used to describe the process of resolving imbalances for a Service Requester within an Operational Impact Area. There are two types of Netting:

- summing is the accumulation of all imbalances above any applicable tolerances for a Service Requester or agent,
- offsetting is the combination of positive or negative imbalances above any applicable tolerances for a Service Requester or agent.

~~**Current 2.3.30:** All Transportation Service Providers should allow Service Requesters (in this instance, service requesters excludes agents) to net similarly situated imbalances on and across contracts with the service requester. In this context, "similarly situated imbalances" includes contracts with the substantially similar financial and operational implications to the transportation service provider.~~

**Replacement for 2.3.30:** All Transportation Service Providers should allow Service Requesters (SRs) (including agents of SRs) to net imbalances within the same Operational Impact Area on and across contracts with the SR and to trade imbalances within the same Operational Impact Area.

**S1:** Authorizations to Post Imbalances that are received by the Transportation Service Provider by 11:45 a.m. should be effective by 8:00 a.m. the next business day (central clock time). Imbalances previously authorized for posting should be posted on or before the ninth business day of the month.

**S2:** Transportation Service Providers should provide the ability to post and trade imbalances until at least the close of the seventeenth business day of the month.

**S3:** Transportation Service Providers should provide the ability to view and, upon request, download posted imbalances.

**S4:** Imbalances to be posted for trading should be authorized by the Service Requester.

**S5:** Transportation Service Providers should not be required to post zero imbalances.

**S6:** When trading imbalances, a quantity should be specified.

**S8:** Transportation Service Providers should enable the imbalance trading process by :

- Receiving the Request for Imbalance Trade,
- Receiving the Imbalance Trade Confirmation,
- Sending the Imbalance Trade Notification, and
- Reflecting the trade prior to or on the next monthly Shipper Imbalance or cashout.

**S9:** Imbalance trades can only be withdrawn by the initiating trader and only prior to the confirming trader's confirmation of the trade. Imbalance trades are considered final when confirmed by the confirming trader and effectuated by the Transportation Service Provider.

**S10:** To account for any imbalance remaining after imbalance trading and cashout, where the Transportation Service Provider (TSP) associates such imbalance with a contract, a Service Requester (SR) and the TSP should agree to designate one of the SR's valid contracts in the Operational Impact Area where the original imbalance occurred, for such purpose.

**S11:** After receipt of an Imbalance Trade Confirmation, the Transportation Service Provider should send the Imbalance Trade Notification to the initiating trader and the confirming trader no later than noon (central clock time) the next business day.

**S12:** Netting, posting and trading of imbalances should be accomplished based on the Transportation Service Provider's (TSP) current method for accounting for imbalances and does not require TSPs to institute daily imbalance procedures, if they are not already present on the TSP's system.