

MEMORANDUM:  
VIA E-MAIL; GISB1@AOL.COM

TO: Rae McQuade  
FR: John Cory  
DT: August 7, 1997

RE: R97035 (Model 1 TPA) and R97060 (Model 2 TPA).

Rae, I am sorry this is a day late. Please pass on my views to the EC.

For more than a year we have been executing on Model 1 TPAs in place with TCO and with FGT for less than a year. Our PEPL TPA expired during the testing phase, and we hope to have that back in place ASAP. In all the testing and execution we have found no problems at all with the Model 1 TPAs that would be solved by changing to a Model 2 TPA. Also, we are working out some minor Model 1 T&C issues with TGP, ANR, CIG, WES, NFS, and have initiated TPA discussions with SNG. None of our present or prospective EDI trading partners have advised us of a preference for changing TPAs in favor of Model 2.

Further, we find that the Model 2 TPA is far less flexible, does not accommodate anticipated future non-gas EDI transactions, and would cause us to renegotiate working agreements with our third-party provider.

Gaslantic strongly supports TransCapacity's comments regarding this subject. As an officer of both Advantage Energy Marketing, Inc. and Savannah energy Cooperative, L.L.C., I would ask that you convey their support of both TransCapacity's and Gaslantic's comments to the EC.

Thank you, Rae, for your acceptance of these comments.