

To: GISB's Executive Committee

From: Intraday Nominations Task Force

Re: Proposed Standards and Remaining Issues

The Co-Chairs of the Intraday Nominations Task Force are "reporting out" the "proposed standards and issues" as described in the attachments. Much progress has been made in the form of many proposed standards and by capturing the remaining issues (along with voting record) which will be helpful in the E.C.'s deliberations to adopt a functional, effective Intraday Nominations process. The "issues", which could not be resolved by the Task Force, should be resolved by the E.C.

The Task Force requests that the E.C. consider the "proposed standards and remaining issues" as a package which needs to be maintained in order to ultimately achieve an integrated GRID. One change in any standard could directly affect one or more other standards. At the direction of the E.C the Task Force can be reconvened to conduct a comprehensive review of the intraday nominations process as modified by the E.C. to be sure that "all gears in the machine" mesh properly.

The Task Force also requests your consideration to adopt the Attachment 1 Model as a standard as was done for the Future Technology Model. This approach will be very helpful in understanding the standards. We also suggest that appropriate language be included so that the written standards will control in the event of interpretation differences between the model and the language.

The Co-Chairs wish to acknowledge the tremendous efforts of all who participated in this exhaustive effort which began on March 24, 1997. The Co-Chairs extend a very special thanks to Mr. Chuck Beaver of TransEnergy for a very successful effort leading the Standards Development effort.

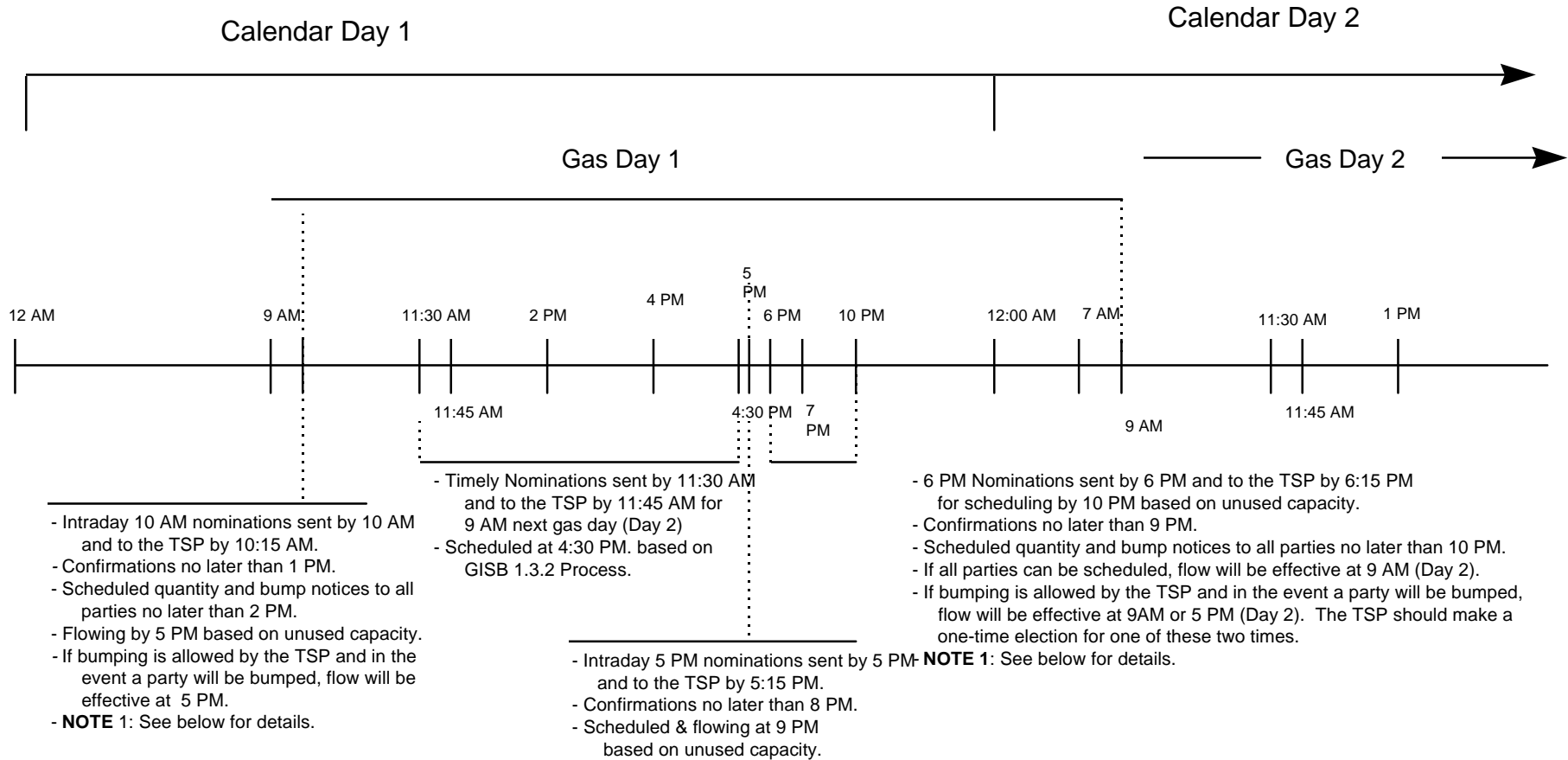
Yours truly,

Sharon Eady, Mike Novak & Jerry Hahn

Nomination/Intraday Nomination Model

Intraday Nomination Task Force

(All Times Central Clock Time)



- The above nomination opportunities represent times which a shipper can expect to be supported by TSP's and all confirming parties for synchronization across the N. American pipeline network (GRID).
- "Unused" capacity means additional pipeline capacity available for scheduling as determined by the TSP.
- The "scheduled quantity and bump notices" means that the response from the TSP is in the Shipper's designated site by the time stated above.
- **NOTE 1:** GISB takes no position on whether a pipeline bumps or not. This NOTE 1 is applicable to TSP's that have chosen to allow intraday bumping and means that TSP's should choose one or both of these nomination cycles. As shown in the untimely nomination cycle above, a TSP should also make a one-time election to allow bumping at 9 AM or 5 PM. These bumping opportunities are to be determined by the TSP and its customers and as necessary, through regulatory filings.

**PROPOSED INTRADAY NOMINATION STANDARDS
(ADDITIONS, DELETIONS, MODIFICATIONS)
11/11/97**

THE VOTING RECORD FOR THE BLOCK PASSAGE OF THESE STANDARDS PROPOSALS WAS AS FOLLOWS:

	End User	LDC	Producers	Pipelines	Services	Total
Yes	1	3	0	17	7	28
No	0	0	0	0	0	0
Abstain	4	1	3	3	0	10

SEGMENT VOTING RECORDS APPEAR IN THE FOLLOWING TEXT WHERE OUTSTANDING ISSUES WERE ADOPTED SUBSEQUENT TO THE BLOCK PASSAGE OF THE STANDARDS PROPOSAL.

NEW PROPOSED PRINCIPLES (explanatory section of the standards)

- P.1 GISB takes no position concerning TSP bumping policy. GISB takes no position on whether a pipeline bumps or not. Bumping opportunities are to be determined by the TSP and its customers and, as necessary, through regulatory filings-
- P.2 The outlined intraday nomination opportunities represent times at which a service requestor should be supported by TSP's and all confirming parties for synchronization across the North American pipeline network (GRID). These are to be considered minimums - additional nomination opportunities presented on individual TSP's, or as coordinated between TSP's and Confirming parties are considered to exceed these standards.
- P.3 Communication of scheduled quantity documents during the intraday time cycles should move towards change-only processing.

	End User	LDC	Producers	Pipelines	Services	Total
Yes	2	3	1	17	6	29
No	1	0	2	3	2	8
Abstain						3

P.4 To the extent true-up is utilized by a TSP, true-up of the Upstream and Downstream Operators initial confirmation by the TSP should be done after initial confirmations are received.

Initial Confirmations should be completed sufficiently in advance so that True-up confirmations can be completed by the end of confirmation period for each cycle as stated in the standards. Final Confirmation True-ups should be used by TSPs for scheduling and communication in Scheduled Quantity documents.

(Confirmation true-up is the process to resolve confirmation differences at an interconnect prior to the pending confirmation deadline).

	End User	LDC	Producers	Pipelines	Services	Total
Yes	4	2	0	10	6	22
No	0	1	3	6	1	11
Abstain						4

PROPOSED ADDITIONS, MODIFICATIONS AND DELETIONS TO THE CURRENT STANDARDS:

1.2.4 Current Language:

An intra-day nomination is a nomination submitted after the Timely Nomination Cycle nomination deadline whose effective time is no earlier than the beginning of the gas day and runs through the end of that gas day.

1.2.7 Current Language:

~~There are two types of intraday nominations: (i) A nomination received during the gas day for the same day of gas flow, and (ii) a nomination received after the nominations deadline for the following gas day.~~

Recommend Strike

Since new names are being given to these cycles in other proposed language, and 1.2.4 categorizes 6 pm noms as intraday noms, this standard now serves only to provide confusion.

[Group consensus is to delete 1.2.7 from the GISB standards]

1.3.2 Current Language:

~~The standard nominations timeline should be as follows: 11:30 am for nominations leaving control of the nominating party; 11:45 am for receipt of nominations by the transporter; noon for quick response; 3:30 pm for receipt of completed confirmations by transporter from upstream and downstream connected parties; 4:30 pm for receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).~~

Change language of current standard to reflect the new “cycle naming” syntax; pull out first sentence and cover all nom cycle details afterwards. Include effective time in each cycle’s paragraph.

Proposed language (completely replaces old language):

1.3.2 All TSP's should support the following Standard nomination timelines:

1.3.2.i The *Timely Nomination Cycle*: 11:30 am for nominations leaving control of the nominating party; 11:45 am for receipt of nominations by the transporter; noon for quick response; 3:30 pm for receipt of completed confirmations by transporter from upstream and downstream connected parties; 4:30 pm for receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).

1.3.2.ii The *6pm Nomination cycle*: 6:00 pm for nomination leaving control of the nominating party; 6:15 pm for receipt of nominations by the transporter; 6:30 pm for Quick Response; 9:00 pm for receipt of completed confirmations by transporter from upstream and downstream connected parties; 10:00 pm for TSP to provide scheduled quantities to affected shippers and point operators, and to provide "Notice to Bumped Parties" document to bumped parties (central clock time on the day prior to flow).
Scheduled quantities resulting from a *6pm Nomination* that precipitate a bump should be effective at either 9 am or 5 pm on gas day.
Scheduled quantities resulting from a *6pm Nomination* that do NOT precipitate a bump should be effective at 9 am on gas day.

(see Contentious issues – Attachment 4, item #2)

1.3.2.iii The *Intraday 10am Nomination cycle*: 10:00 am for nomination leaving control of the nominating party; 10:15 am for receipt of nominations by the transporter; 10:30 am for Quick Response; 1:00 pm for receipt of completed confirmations by transporter from upstream and downstream connected parties; 2:00 pm for TSP to provide scheduled quantities to affected shippers and point operators, and to provide "Notice to Bumped Parties" document to bumped parties (central clock time on the gas day).
Scheduled quantities resulting from *Intraday 10am Nominations* should be effective at 5 pm gas day.

1.3.2.iv The *Intraday 5pm Nomination cycle*: 5:00 pm for nomination leaving control of the nominating party; 5:15 pm for receipt of nominations by the transporter; 5:30 pm for Quick Response; 8:00 pm for receipt of completed confirmations by transporter from upstream and downstream connected parties; 9:00 pm for TSP to provide scheduled quantities to affected shipper and point operator (central clock time on the gas day).
Scheduled quantities resulting from *Intraday 5pm Nominations* should be effective at 9 pm.
Bumping is not allowed during the *Intraday 5pm Nominations* cycle, regardless of TSP's tariff bumping provisions.

Any additional confirmation and flow-time synchronization is on a mutually agreed basis between confirming parties.

NOTE: Italicized cycle names used above are from early committee votes. New proposals were offered that resulted in a 50/50 split in nomenclature between these names and the following new ones:

Timely, Evening, Intraday 1, Intraday 2:

Total	
New	20
Prior	20
Abstain	0

(see Contentious Issues – Attachment 4, items #3)

1.3.3 Current Language:

In addition to making scheduled quantities information available by 4:30 pm, at the end of each day transportation service providers should also make available to shippers information containing scheduled quantities, including scheduled intra-day nominations and any other scheduling changes. (re-written by BPS and approved by EC)

Paragraph is useful as modified by BPS - leave alone.

Proposed additional language:

TSP's should provide scheduled quantities resulting from intraday nominations at the times pursuant to 1.3.2. With respect to the implementation of this process via the 1.4.x scheduled quantity related standards, TSP's should send these scheduled quantity documents. The receiver of these scheduled quantity documents may waive the obligation of the sender to send.

1.3.5 Current Language:

All nominations should include shipper defined begin dates and end dates. All nominations excluding intra-day nominations should have roll-over options. Specifically, shippers should have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of the shipper's contract.

The committee will not address date ranges. Current interpretation and implementation of this standard should remain unchanged.

1.3.6 Current Language:

Nominations received after the nomination deadline should be scheduled after the nominations received before the nomination deadline.

This is useful and should be left alone.

1.3.9 Current Language:

All nominations, including intra-day nominations, should be based on a daily quantity; thus, an intra-day nominator need not submit an hourly nomination. Intra-day nominations should include an effective date and time. The interconnected parties should agree on the hourly flows of the intra-day nomination, if not otherwise addressed in transporter's contract or tariff.

This is useful and should be left alone.

4.3.10 Current Language:

~~At least one (1) intra-day nomination can be submitted 4 hours prior to gas flow.~~

Recommend Strike

1.3.32 covers the one more clearly, and 4 hours is abandoned.

4.3.12 Current Language:

~~Except where specified in other GISB standards, all nomination procedures that apply to regular nominations apply to intra-day nominations. This means that the process (excluding timelines) of quick response, confirming with upstream and downstream parties and scheduling, also applies to intra-day nominations.~~

Recommend Strike

Recommended standards now explicitly state these rules, rendering this language unnecessary.

1.3.13 Current Language:

Intra-day nominations do not rollover (i.e. intra-day nominations span one day only). Intra-day nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if intra-day nomination modifies existing nomination.

The committee will not address date ranges. Current interpretation and implementation of this standard should remain unchanged.

1.3.22 Current Language:

~~At a receipt or delivery point, for the standard timely nomination cycle (noms due at 11:30am CCT), the lesser of rule (confirmed or nominated flow) applies when confirming. If no communication is received, the lesser of the new nomination or previously scheduled quantity applies.~~

REWRITE current paragraph, add new language for intraday confirmations. (see Contentious Issues – Attachment 4, items #5 & #6)

Proposed language (completely replaces old language):

- 1.3.22.i With respect to the timely nomination/confirmation process at a receipt or delivery point, in the absence of agreement to the contrary, the lesser of the confirmation quantities should be the confirmed quantity. If there is no response to a request for confirmation or an unsolicited confirmation response, the lesser of the confirmation quantity or the previously scheduled quantity should be the new confirmed quantity.
- 1.3.22.ii With respect to the processing of requests for increases during the intraday nomination/confirmation process, in the absence of agreement to the contrary, the lesser of the confirmation quantities should be the new confirmed quantity. If there is no response to a request for confirmation or an unsolicited confirmation response, the previously scheduled quantity should be the new confirmed quantity.
- 1.3.22.iii With respect to the processing of requests for decreases during the intraday nomination/confirmation process, in the absence of agreement to the contrary, the lesser of the confirmation quantities should be the new confirmed quantity, but in any event no less than the elapsed-prorated-scheduled quantity. If there is no response to a request for confirmation or an unsolicited confirmation response, the greater of the confirmation quantity or the elapsed-prorated-scheduled quantity should be the new confirmed quantity.
- 1.3.22.iv Elapsed-prorated-scheduled quantity means that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected.
The following statements are partial examples demonstrating the intent of this proposed standard. More detailed examples are needed for inclusion in the GISB implementation guides. Example: A nomination starting at 9am and changing at 5pm could not be reduced below 8/24ths; A nomination starting at 5pm and changing at 9pm could not be reduced below 4/16ths.

1.3.32 Current Language:

~~All pipelines should allow at least one intra-day nomination per day for each transportation service that allows for intra-day nominations. Additional intra-day nominations should be permitted on a best efforts basis.~~

Replace with new language:

For services that provide for intraday nominations and scheduling, there is no limitation as to the number of intraday nominations (line items as per GISB Standards 1.2.1) which a service requestor may submit at any one standard nomination timeline or in total across all standard nomination timelines. TSP's may (for an interim period) limit service requestors to one transmittal of nominations per standard nomination timelines.

	End User	LDC	Producers	Pipelines	Services	Total
Yes	5	4	0	16	3	28
No	0	0	3	1	3	7
Abstain						5

NEW PROPOSED STANDARDS

- S.3 TSP's that perform bumping do so by contractual terms and conditions and/or in accordance with their regulatory requirements. However, bumping that affects transactions on multiple TSP's should occur at grid-wide synchronization times only. For such cases, TSP's should choose, through the TSP's tariff (or in the absence of tariff, a contract or operating statement), one or both of the two following intraday nomination cycles to perform bumping: *6pm Nominations*, *Intraday 10am Nominations*. (see 1.3.2.ii,iii for cycle definition; effective times for bumping are outlined under 1.3.2.ii,iii,iv).
- S.4 The choice between the effective times of the *6pm Nomination* cycle is to be specified in the Transportation Service Provider's tariff, or in the absence of a tariff, a contract or operating statement.
- S.5 During the confirmation process, the Confirmation Requester and the Confirming Party compare information for the purpose of confirming nominations at a location.
- S.6 A Confirmation Requester is a Service Provider (including a Point Operator) which is seeking to confirm a quantity of gas via the information outlined in GISB Standard 1.4.3 with another Service Provider (the Confirming Party) with respect to a nomination at a location.
- S.7 A Confirming Party is a Service Provider (including a Point Operator) which provides a confirmation for a quantity of gas via the information outlined in GISB Standard 1.4.4 to another Service Provider (the Confirmation Requester) with respect to a nomination at a location.
- S.8 The term Confirming Parties refers to the Confirmation Requester and the Confirming Party.
- S.9 The Explicit Confirmation ("EC") process requires that the Confirming Party respond to a Request for Confirmation or initiate an unsolicited Confirmation Response. Absent mutual agreement to the contrary, Explicit Confirmation is the default methodology.

S.10 Confirmation by Exception means that the Confirming Parties agree that one party deem that all requests at a location are confirmed by the other party (the Confirmation by Exception (“CBE”) party) without response communication from that party. The CBE party can take exception to the request by so informing the other party within a mutually agreed upon time frame.

S.12 The daily grid-wide synchronization times for scheduled flow are 9am, 5pm, and 9pm.

S.17 It is understood that a TSP exceeding the standard nomination timelines are not required to hold capacity for grid wide nominations until the standard nomination cycle.

	End User	LDC	Producers	Pipelines	Services	Total
Yes	1	4	3	19	8	35
No	0	0	0	0	0	0
Abstain						5

S.18 TSP’s should determine the applicable nomination processing cycle based upon the receipt time and beginning effective day of the nom. Where TSP’s support the processing of beginning effective time, the TSP should also use the beginning effective date and time in determining the applicable nomination processing cycle in lieu of using the nomination’s receipt date and time to determine the processing cycle.

	End User	LDC	Producers	Pipelines	Services	Total
Yes	4	4	0	13	7	28
No	1	0	2	7	0	10
Abstain						2

(see Contentious Issues – Attachment 4, item #4)

S.19 When a previously confirmed and scheduled quantity is altered, notification of such alteration should be provided to the affected: 1) Confirmation requester in a Confirmation Response (or unsolicited Confirmation Response as applicable) document by the Confirming Party; 2) Confirming Party in a Request for Confirmation document by the Confirmation Requester; and/or 3) Service Requester(s) in a Scheduled Quantity document by the applicable Confirming Party or Confirmation Requester on whose system the Service Requester(s) nomination(s) were made.

Applicable notification(s) of such alterations should be provided to the affected parties reasonably proximate in time to the time during which the event causing the alteration was acted upon by the Confirmation Requester or Confirming Party, respectively. With respect to the implementation of this process via the 1.4.X standards, Confirming Parties should send the applicable document(s) to the applicable party(ies) no later than the next time they are slated to communicate confirmations or scheduled quantities (as applicable.)

	End User	LDC	Producers	Pipelines	Services	Total
Yes	4	0	2	0	6	12
No	0	0	0	3	0	3
Abstain	0	2	0	10	2	14

INSTRUCTIONS TO INFORMATION REQUIREMENTS GROUP

TSP's should provide the date and time that the Scheduled Quantity was generated as part of the scheduled quantity document.

	End User	LDC	Producers	Pipelines	Services	Total
Yes	3	3	13	8	30	
No	1	0	0	0	0	1
Abstain						4

INTRADAY COMMITTEE OTHER DECISIONS

11/11/97

ENDORSEMENT OF SPECIFIC BPS PROPOSALS

Standard A:

As between the Confirming Parties (the Confirmation Requester and the Confirming Party); and, absent mutual agreement to the contrary, with respect to the Beginning Date/Time in the confirmations and scheduling process, when transaction(s) are attempted to be confirmed and scheduled, the Beginning Date/Time in the Request for Confirmation or unsolicited Confirmation Response (as applicable) should be: a) for timely and 6:00 PM nominations, no earlier than the beginning of the next gas day; and, b) for intraday 10:00 am and intraday 5:00 PM nominations, no earlier than the beginning of the current gas day.

As between the Confirming Parties (the Confirmation Requester and the Confirming Party); and, absent mutual agreement to the contrary, with respect to the Ending Date/Time in the confirmations and scheduling process, when transaction(s) are attempted to be confirmed and scheduled, the Ending Date/Time in the Request for Confirmation or unsolicited Confirmation Response (as applicable) should be: a) for timely and 6:00 PM nominations, no later than the end of the next gas day; and, b) for intraday 10:00 am and intraday 5:00 PM nominations, no later than the end of the current gas day.

Standard B:

With respect to the Beginning Date/Time in a Confirmation Response, when transaction(s) in a Request for Confirmation are responded to with a Confirmation Response, the Beginning Date/Time for such transaction(s) in such Confirmation Response should be equal to the Beginning Date/Time in the associated transaction(s) in the Request for Confirmation to which the Confirmation Response corresponds.

With respect to the Ending Date/Time in a Confirmation Response, when transaction(s) in a Request for Confirmation are responded to with a Confirmation Response, the Ending Date/Time for such transaction(s) in such Confirmation Response should be no later than the Ending Date/Time in the associated transaction(s) in the Request for Confirmation to which the Confirmation Response corresponds.

Standard C:

With respect to the confirmations and scheduling process: 1) the beginning Date/Time in any of the Request for Confirmation, unsolicited Confirmation Response, Confirmation Response, Scheduled Quantity, and Scheduled Quantity for Operator documents should not be earlier than the Beginning Date/Time in the corresponding nomination(s) document(s); and 2) the Ending Date/Time in any of the Request for Confirmation, unsolicited Confirmation Response, Confirmation Response, Scheduled Quantity, and Scheduled Quantity for Operator documents should not extend beyond the Ending Date/Time in a corresponding nomination(s) document(s).

Standard D:

With respect to the confirmations and scheduling process, if a Service Requester nominates a zero quantity, the Transportation Service Provider should seek (via a Request for Confirmation or unsolicited Confirmation Response) to confirm the nomination with a zero quantity. When the Transportation Service Provider provides a Scheduled Quantity document consistent with Standards 1.3.2 and 1.3.3, and where the result of the

confirmations and scheduling process is a zero quantity, then a corresponding zero should appear in a Scheduled Quantity document.

If no nomination is made by a Service Requester,; or, the subject gas day for which confirmations are being sought is beyond the Ending Date/Time of a nomination, then there is no nomination to confirm, and no Request for Confirmation or unsolicited Confirmation Response should be sent. When the Transportation Service Provider provides a Scheduled Quantity document consistent with Standards 1.3.2 and 1.3.3, no corresponding line item should appear in a Scheduled Quantity document.

	End User	LDC	Producers	Pipelines	Services	Total
Yes	2	1	0	4	7	14
No	0	0	0	3	0	3
Abstain	3	1	2	11	0	17

INTRADAY COMMITTEE CONTENTIOUS ISSUES

11/11/97

1. GISB takes no position on whether a pipeline bumps or not.
2. For the nomination cycle starting at 6:00 PM, "If bumping is allowed by the TSP and in the event a party will be bumped, flow will be effective at 9:00 AM or 5:00 PM the next gas day. The TSP should make a one-time election for one of these two times."

This issue of allowing the bump to only be effective at 5:00 PM was again voted in the final Intraday session:

	End User	LDC	Producers	Pipelines	Services	Total
Yes	0	0	2	8	0	10
No	5	2	1	4	4	16
Abstain	0	1	0	6	2	9

(see Standards Proposal – Attachment 2, item 1.3.2.ii)

3. Nomenclature of the Nomination Cycles:
Timely, 6pm, Intraday 10am, Intraday 5pm

End User	LDC	Producers	Pipelines	Services	Total
1	2	1	10	3	20

Timely, Evening, Intraday 1, Intraday 2

End User	LDC	Producers	Pipelines	Services	Total
4	3	1	6	4	20

(see Standards Proposal – Attachment 2, item 1.3.2.iv)

4. Nomination Timing Intent:

```

EFF TIME CONTROLS
THEN
IF EFF TIME <> GRID TIME
  - IF GRID PIPE
    THEN REJECT
  ELSE IF CONTINUOUS
    THEN IF NOM= ON SYSTEM
      THEN ACCEPT
    ELSE IF NOM <> ON SYSTEM
      THEN
        - REJECT or
        - PROCESS BEST EFFORTS
        IF NOM FAILS, THEN SHIPPER

RENOMINATES
IF EFFTIME = GRIDTIME
  THEN PROCESS WITH GRID TIME
    
```

	End User	LDC	Producers	Pipelines	Services	Total
Yes	1	3	3	3	6	15
No	1	1	0	12	1	15
Abstain						10

(see Standards Proposal – Attachment 2, item S.18)

5. Intraday Confirmations rules:

The following proposed replacement to 1.3.22.iii failed:

With respect to the processing of requests for decreases during the intraday nomination/confirmation process, in the absence of agreement to the contrary, if the confirming parties are communicating and there is no agreement as to the decrease; then the previously scheduled quantity should be the new confirmed quantity, but in any event no less than the elapsed prorated quantity.

	End User	LDC	Producers	Pipelines	Services	Total
Yes	2	0	3	0	0	5
No	3	3	0	19	5	30
Abstain	0	0	0	0	2	2

(see Standards Proposal – Attachment 2, item 1.3.22.iii)

6. Intraday Confirmation rules:

The following proposed replacement to 1.3.22.ii,.iii also failed:

With respect to requests for confirmation during the intraday nomination/confirmation process, where there is communication and there is disagreement regarding the proposed change, the current scheduled quantity should be the new confirmed quantity. If there is no response to a request for confirmation or to an unsolicited confirmation response, the requested quantity should be the new confirmed quantity but, in any event, no less than the elapsed prorated scheduled quantity. Notwithstanding the foregoing, TSPs may unilaterally change scheduled quantities when necessary for safety or to maintain the operational integrity of the TSP's system .

	End User	LDC	Producers	Pipelines	Services	Total
Yes	4	1	3	3	0	11
No	1	2	0	15	4	22
Abstain						2

(see Standards Proposal – Attachment 2, item 1.3.22.ii,iii)