

## **Intra-Day Nominations Task Force**

**March 24, 1997**

### **Selected Quotes on Intra-Day Nominations From FERC Order No. 587-C**

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- GISB Proposed one additional definition and a new intra-day nomination standards. Definition 1.2.7 provides for two types of intra-day nominations: (i) A nomination received during the gas day for the same day of gas flow, and (ii) A nomination received after the nomination deadline for the following gas day. Page 10.
- Standard 1.3.32 provides that:

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.

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- WINGS comments that additional standards for intra-day nominations are needed, to avoid discrepancies in pipeline implementation of the two kinds of intra-day nominations defined by GISB. Page 10-11.
- NGC/Conoco/Vastar seek standards to ensure that intra-day nominations are available for all rate schedules and to deal with rescheduling of service that is bumped by a higher priority firm service. Page 11.
- The Commission agrees with WINGS that Standard 1.3.32 does not provide sufficient clarity as to what is expected of the pipelines. The term “best efforts” as used in this context does not describe exactly when pipelines can decline to process intra-day nominations. Page 11.
- The Commission is particularly chary about adopting another non-specific intra-day nomination standard given the lack of standardization in the implementation of the intra-day nomination standards adopted in Order No. 587. Nomination Standard 1.3.10 provides that “at least one (1) intra-day nomination can be submitted 4 hours prior to gas flow.” The standard, however, did not specify the method of implementation, and pipelines chose two divergent models: a “rolling intra-day” nomination permitting the

shipper to choose the time at which it submits the intra-day nominations, which the pipeline then processes in four hours from the time of submission; and a “batch process” in which the pipeline sets a specified time for processing intra-day nominations and all intra-day nominations submitted before that time are accumulated and processed together. Page 12.

- This diverse approach means that shippers will be unable to coordinate effectively their intra-day nominations, since an intra-day nomination may be due at one time on one pipeline, while a different time is specified on an interconnecting pipeline. Page 13.
- GISB itself appears to recognize that its current standards do not achieve the necessary standardization. The GISB Executive Committee has voted to establish a task force to examine the lack of coordination in intra-day nomination procedures. Page 14.
- In order to achieve the efficiencies that derive from uniform nomination procedures, greater standardization of intra-day nomination procedures clearly is required. Clarification of the intended meaning of Standard 1.3.32 may not create the needed standardization, and the focus, therefore, should not be on clarifying the existing standard, but on achieving the needed uniformity in the intra-day nomination process. Page 14.
- Accordingly, the Commission will review the comments submitted on February 21, 1997 along with any recommendations from GISB filed on September 1, 1997 in determining how to proceed on this issue. Page 14.