

GISB Imbalance Subcommittee
Questionnaire - June 22, 1998

Assumptions:

Netting is an offset of imbalance quantities (between contracts, types, areas) for one legal entity

Trading is an offset of imbalance quantities across legal entities

1. Does your pipeline currently allow Imbalance Trading?

Yes

If yes,

A.) Do shippers authorize the posting of imbalance information?

Shippers have asked that we not post imbalance information.

i.) If yes, what time period is allotted to reconcile the imbalance information prior to the posting?

If Shippers provided authority for posting imbalance information, the time period allotted to reconcile this information would be from the time shippers receive their imbalance statement until their chosen post date.

B.) When is imbalance information posted?

If "shippers provide pipelines with standing authority for posting", the most current imbalance information would be posted and would be updated after each month's accounting cycle is completed. When "pipelinespermit shippers the opportunity to post their own imbalances", the posting would occur at shippers' option.

C.) Are imbalances "netted" prior to posting?

No

D.) What is the deadline for trading these imbalance?

The first day of each calendar month.

E.) At what level are imbalances traded? (entity level, contract level, imbalance type, operational area)

Contract level

F.) Do shippers have a choice to “cash-out” or trade their imbalances?

Shippers always have the option of negotiating a cash-out; however, when imbalances exceed tariff allowed threshold, then automatic cash-out occurs.

G.) How do shippers effectuate trades?

Shippers provide written communication to pipeline authorizing the netting and trading of imbalances.

H.) What type of “confirmation” does the TSP send shippers who initiated a trade?

Shippers’ confirmation is their subsequent monthly imbalance statement.

I.) When is the trade applied to the shipper’s account?

During the processing of the month’s accounting cycle.

J.) What document(s) is/are used to communicate the change in the shipper’s account (updated imbalance statement, invoice line item).

Shippers’ monthly imbalance statement.

2.) Are imbalances calculated daily or monthly?

Monthly

3.) Are imbalances posted on a daily or monthly basis?

Imbalances would be posted on a monthly basis

A.) If daily postings, do these represent a “running total” or simply a value for that specific day?

For monthly postings, the quantity posted is a cumulative imbalance, based on previous month’s imbalance statement.