

Original Request for Interpretation:

Using the Pathed Non-Threaded model, should fuel be calculated on the total delivery quantity to all delivery points, or based on each transportation line item? The problem arises when fuel quantities are rounded to the nearest DTH.

Example

Receipts

Loc. 1 5000 DTH

Deliveries

Loc. 2 3286 DTH

Loc. 3 1714 DTH

Transportation

Loc. 1 - Loc. 2 3286 DTH Quantity Type Indicator = D

Loc. 1 - Loc. 3 1714 DTH Quantity Type Indicator = D

Fuel Ratio = .5% (in this case, it's the same to all delivery points, but it could be different)

Receipts * (1- Fuel Ratio/100) = Deliveries

(1) Calculating fuel based on total delivery (5000) gives us:
Fuel Quantity = 25.12 = 25 DTH

(2) Calculating fuel based on each transportation line item gives us
Fuel based on delivery of 3286 = 16.51 = 17 DTH
Fuel based on delivery of 1714 = 8.61 = 9 DTH

Total Fuel Quantity = 26 DTH

The two ways of calculating fuel give different results.

Restated Request For Interpretation:

Using the Pathed Non-Threaded model, should fuel be calculated on the total delivery quantity to all delivery points, or based on each transportation line item? The problem arises when fuel quantities are rounded to the nearest DTH.

Proposed Interpretation:

Yes, the fuel percentage calculation should be applied at the line item level. GISB standard 1.2.1 identifies that a nomination is at the line item level. GISB standard 1.3.15 states in relevant part that "the results of the fuel reimbursement calculations for the nominations process should be rounded to the nearest dekatherm". In addition, GISB Standard 1.3.29 states in relevant part "Service Providers should not reject a nomination for reasons of rounding differences due to fuel calculation of less than 5 Dth." These three standards taken together mean that fuel reimbursement calculations and rounding of the results thereof should occur at the line item level.