

**RECOMMENDATIONS TO GISB EXECUTIVE COMMITTEE FOR INTERPRETATIONS
ADOPTED BY THE
EXECUTIVE COMMITTEE FOR VERSION 1.5**

C99003

Interpretation Request Summary:

GISB standard 5.3.2 states “offers should be tendered by 1:00 p.m. the day before nominations for short term releases”. It further states that the “open season ends no later than 2:00 p.m. on the day before nominations are due...” GISB standard 5.3.24 states, “Capacity Release facilitator should post offers and bids, including prearranged deals, upon receipt, unless releasing shipper requests otherwise”. These standards seem to imply that the open season could begin at either the time of posting or the next subsequent 1:00 p.m. after posting and in either case, remain open until the requested end of posting. Clarification is requested for the situation where the offer is tendered after the 1:00 p.m. deadline on business day one, but before 1:00 p.m. on business day 2 and the releasor requests that the offer be posted immediately.

Proposed Interpretation Response:

A Service Requester may have its offer posted for review either immediately or at another specified time and if not specified then, at the Transportation Service Provider's option, the offer can be posted for review either immediately or at the next occurrence of 1:00 p.m. on a business day. GISB has no requirement that bidding upon such posting be available prior to the next occurrence of 1:00 p.m. on a business day. Neither is there any prohibition on bidding occurring upon a posting provided that bidding upon such posting continue to be available through at least the next occurrence of 1:00 p.m. to 2:00 p.m. on a business day or the longer period where such offer is a long term offer.

Modified GISB Standard No. 5.3.33:

When a Transportation Service Provider (*TSP*) receives an upload of an offer or a bid in association with a deadline, it should process such offer or bid (as applicable) and post valid offers or bids (as applicable) for review within fifteen minutes and, in the event such document is not valid, respond with the applicable validation document to the applicable submitting party within fifteen minutes. When a ~~Transportation Service Provider~~ *TSP* receives an upload of an offer or a bid not in association with a deadline, it should process and post for review valid offer(s) or bid(s) (as applicable) which are received prior to one quarter hour period by the end of the next succeeding quarter hour period and, in the event such document is not valid, respond with the applicable validation document to the applicable submitting party by the end of the next succeeding quarter hour period. The quarter hour periods are on the hour, fifteen minutes after, thirty minutes after and forty-five minutes after an hour.

The releasing shipper may request a later posting time for posting of such offer insofar as such request comports with the standard Capacity Release timeline specified in GISB Standard No. 5.3.2.

~~Transportation Service Provider's~~ *TSP's* nightly processing and routine maintenance occurring outside of normal business hours are apt to interrupt the normal schedule of applicable

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validation documents. Such delays should be kept to a minimum. The normal schedule should be resumed at the earliest opportunity and no later than the start of the next business day.

Modified GISB Standard No. 5.3.24:

Capacity release facilitator should post offers and bids, including prearranged deals, upon receipt, ~~unless releasing shipper requests otherwise. If a releasing shipper requests a posting time~~*A releasing shipper may request a later posting time for posting of such offer, and* the capacity release service facilitator should support such request insofar as it comports with the standard *Capacity Release* timeline ~~set forth~~ *specified in standard* ~~GISB Standard No. 5.3.2.~~

Discussion: No discussion.

Motion: The motion was made by Mr. Novak and seconded by Mr. Scheel to adopt the interpretation and standards modifications as provided on the recommendation.

Vote: Passes unanimously.

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C00001

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 upon each transportation line item? The problem arises when fuel quantities are rounded to the nearest Dth.

Proposed Interpretation response:

“The fuel percentage should be applied at the line item level. This applies regardless of the Model Type that is used in the Nomination. 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 calculations of less than 5 Dth.” These three standards taken together mean that fuel reimbursement calculations and the rounding of the results thereof should occur at the line item level.”

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C00002

Request:

“If the calculation results in a reimbursement of less than 0.5 decatherms, does the pipeline round down to zero or up to 1 (creating a one dekatherm minimum fuel-in-kind charge)? Is zero a decatherm.”

Restated Request:

“When the calculation of in-kind fuel reimbursement generates an amount less than 0.500 Dth, does the TSP round down to zero or up to 1? The effect of rounding up to 1 would be to create a one Dth minimum fuel-in-kind charge while the effect of rounding down would be to have a zero Dth reimbursement and possibly encourage gaming. Is zero a Dth?”

Interpretation:

“The mathematical effect of GISB Standard 1.3.15, the rounding standard, can generate a zero Dth result for any particular line item.”

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C00003

Interpretation Request:

“Please interpret the meaning and intent of what a ‘super-nomination’ is. Also, please clarify whether a Transportation Service Provider permitting (and not requiring) a shipper to nominate across pipelines in the same family is exceeding the GISB standard”.

Proposed Interpretation response:

“The infrastructure exists within, and using, the GISB standards for a Service Requester to move gas from wellhead to burner-tip. In particular, the last sentence of GISB Standard 1.1.3 which states:

‘A super-nomination is a nomination that contains all the nominations describing the path from the wellhead to the burner-tip.’

should be interpreted to mean:

‘A super-nomination is a transmittal that contains all the line items describing the path from the receipt point to the delivery point.’

Given this interpretation of the last sentence of GISB Standard 1.1.3, the infrastructure does exist for a Service Requester to send multiple Transportation Service Provider (TSP) nominations to a party receiving multiple TSP nominations for retransmission to the applicable TSPs.

Lastly, a Transportation Service Provider (TSP) which permits (but does not require) a Service Requester to submit a nomination or nominations **(line item or line items)** which traverse multiple TSPs (including those TSPs in the same corporate family) is exceeding the GISB standard.”