



# Gas Industry Standards Board

1100 LOUISIANA, SUITE 4925, HOUSTON, TEXAS, 77002  
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**GAS INDUSTRY STANDARDS BOARD**  
**Interpretations Subcommittee Meeting -- Telephone Conference**  
**10:00 a.m. to Noon, May 8, 1998**

**FINAL MINUTES**

**I. Introductory Items**

Mr. Wallenhorst welcomed the attendees and the antitrust advice was given. The roll was called. The agenda was adopted with no changes. The minutes of May 1 were adopted with changes to include the results of the notational ballot.

**II. Interpretations**

**C98005** With regard to GISB Standard 1.3.22ii, Version 1.3, for start of Day should the previously scheduled quantity be the previous Start of Day scheduled quantity or the last previous scheduled Intra-Day quantity?

**Request:**

GISB Standard Number: 1.3.22i

Clarification or interpretation request:

With respect to the timely Nomination Confirmation Process: "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 confirmation quantity."

Possible interpretations or clarifications, if known:

For start of Day should the previously scheduled quantity be the previous Start of Day scheduled quantity or the last previous scheduled Intra-Day quantity. The last scheduled Intra-Day quantity would be the 10 am Intra-Day. Would using the 10 am Intra-Day scheduled quantities be confusing since there is still one more Intra-Day cycle for the Day. Also, standard 1.2.4 indicated that a Intra-Day nom is for one day only. Standard 1.3.13 indicated that a Intra-Day nom does not rollover and does not replace a standing nom. Therefore, is there a conflict in using a previously scheduled Intra-Day quantity for a start of day lesser of comparison.

Suggested changes to GISB Standard No. 1.3.22i/1.3.22ii

Add to the last sentence in 1.3.22i: If there is no response to a Request For Confirmation or an unsolicited Confirmation Response, the lesser of the confirmation quantity or previously scheduled Timely Nomination quantity should be the new confirmed quantity.

Add to the last sentence in 1.3.22ii: If there is no response to a Request For Confirmation or an unsolicited Confirmation Response, the previously scheduled quantity for that current Gas Day should be the new confirmed quantity.

**Work Paper:**

Restated Request for Clarification:



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Part 1: With respect to GISB Standard 1.3.22.i , GISB Standards Version 1.3, for start of day, should the “previously scheduled quantity” to be employed for the purpose of determining scheduled quantities pursuant to the ‘lesser of rule’ be the previous Start of Day scheduled quantity or the last previously scheduled intra-day quantity?

Part 2: With respect to GISB Standard 1.3.22.ii , GISB Standards Version 1.3, for intraday processes, should the “previously scheduled quantity” to be employed for the purpose of determining scheduled quantities pursuant to the ‘lesser of rule’ be the previous Start of Day scheduled quantity or the last previously scheduled intra-day quantity?

#### Proposed Clarification Response:

Part 1: GISB Standard 1.3.13 states in relevant part; ‘Intra-day nominations do not rollover (i.e., intra-day nominations span one day only).’ Taken in the context of GISB Standard 1.3.22.i, this means that the reference to ‘previously scheduled quantity’ in GISB Standard 1.3.2.i is intended to be to the scheduled quantity previously scheduled for the prior gas day during that gas day’s timely nomination period. This is because any intraday changes made subsequent to that timely period were to be for one day only and should not be used as the basis for the current, timely period’s scheduling process.

Part 2: GISB Standard 1.3.22.iii refers to the ‘elapsed-prorated-scheduled quantity’. The ‘elapsed-prorated-scheduled quantity’ is that day’s elapsed-prorated-scheduled quantity and therefore, within the intraday scheduling process cited in GISB Standard 1.3.22.ii, the reference to ‘previously scheduled quantity’ is intended to be to the scheduled quantity most recently previously scheduled for the subject day during the most recently concluded scheduling process for that day. Thus: a) for the Evening period, the ‘previously scheduled quantity’ would be the scheduled quantity resulting from the Timely period’s process for the subject gas day, b) for the Intraday 1 period, the ‘previously scheduled quantity’ would be the scheduled quantity resulting from the Evening period’s process for the subject gas day, and c) for the Intraday 2 period, the ‘previously scheduled quantity’ would be the scheduled quantity resulting from the Intraday 1 period’s process for the subject gas day. This is appropriate because, at all scheduling periods, all transaction information is exchanged among Confirming Parties with respect to their location(s), which means that the results of each scheduling period would pertain to all transactions and the reference to the most recent period would be a reference inclusive of all transactions regardless of whether there was a change initiated for any particular transaction during any particular period.

#### Discussion:

Mr. Buccigross described the work paper. After discussion, Ms. Corman noted that several examples should be constructed as this interpretation could have significant impact on companies. After further discussion, she noted that this request is more appropriate for address by the Business Practices Subcommittee. In further discussion, it was highlighted that the “lesser of” rule should not extend the period for intraday nominations. To have this interpretation contained in version 1.3, it should go out for comment today, or the Executive Committee should determine to postpone publication of version 1.3 to August 1998. Mr. Bianchi noted that in his analysis, the industry is split on its implementation -- half of the industry is defining the previously scheduled quantity as the previous Start of Day scheduled quantity and the other half of the industry has



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implemented previously scheduled quantity or the last previous scheduled Intra-Day quantity.

**Action:**

The motion was made and seconded to adopt the clarification presented in the work paper. The motion passed with three in favor and one opposed. The absent members will be contacted for their votes today. The proposed interpretation will go out for comment today for consideration by the Executive Committee in June.

**C98006**

Current Standard No. 1.3.9 states in part, "Intra-day nominations should include an effective date and time." Intraday Standard No. 1.3.e states in part, "Where Transportation Service Providers support the processing of beginning effective time . . . ". Are these two standards in conflict in so much as in 1.3.9 Beginning Time is sender's option, but 1.3.e [GISB Standard No. 1.3.43, Version 1.3] says that the TSPs may or may not support Beginning Time? How can a data element be Sender's Option and Business Conditional at the same time?

**Standards:**

1.3.9 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 the transporter's contract or tariff.

1.3.43 Transportation Service Providers should determine the applicable nomination processing cycle based upon the receipt time and beginning effective day of the nomination. Where Transportation Service Providers support the processing of beginning effective time, the Transportation Service Provider 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.

**Request:**

GISB Standard Number 1.3.9 Version 1.2 and Related Standard 1.3.e ( 1.3.43) Version 1.3:

The current Standard 1.3.9 states, "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 nominations, if not otherwise addressed in transporter's contract or tariff."

In the current standard 1.4.1, Nominations, Beginning Time has the following definition and is sender's option:

Beginning Time - This is the time that a transaction is to be initiated. If the Beginning Time is not sent, the time defaults to the beginning of the gas day.

The Intra-day Standard 1.3.e states, "TSPs should determine the applicable nomination processing cycle based upon the receipt time and beginning effective day of the nomination. Where TSPs 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."



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## Clarification or interpretation request:

Are these two standards in conflict in so much as in 1.3.9 Beginning Time is sender's option, but 1.3.e [GISB Standard No. 1.3.43, Version 1.3] says that the TSPs may or may not support Beginning Time? How can a data element be Sender's Option and Business Conditional at the same time?

## **Work Paper:**

GISB Standard 1.4.1 (the nomination data dictionary), which implemented (among other things) GISB Standard 1.3.9 in versions 1.0, 1.1, and 1.2, provided a default value for Beginning Time in a nomination as a convenience to parties submitting nominations. The wording of GISB Standard 1.3.9 states in relevant part 'Intra-day nominations should include an effective date and time.' For the purpose of this clarification 'effective' refers to the Beginning Time for the subject nomination and the use of the word 'should' means a mandatory use of such Beginning Time. As GISB Standard 1.3.[e] was adopted subsequent to GISB Standard 1.3.9 and established a Business Conditional usage for Beginning Time for the purpose of determining the appropriate processing interval, there is no conflict between these standards. GISB Standard 1.2.2 with respect to Business Conditional means that the receiver of the document determines whether the process or particular information is required to be sent by the sender, and, for the convenience of the sender, GISB Standard 1.2.2 states in relevant part 'Business Conditional elements which are not supported/required by the receiver will be acknowledged in the response document with a warning code indicating that the data elements was [sic] ignored by the receiver.' Thus, GISB Standard 1.3.9, which makes provision of Beginning Time in an intraday nomination mandatory (so that it may be used as the interconnected parties see fit in determining hourly flows [see GISB Standard 7.3.5] ), is not changed by GISB Standard 1.3.[e] but rather, the convenience feature of the earlier versions of the data dictionary are no longer applicable and have been adjusted as of GISB Standards Version 1.3 to reflect the Business Conditional formulation of the Beginning Time for the purpose of determining the processing interval during which the nomination would be processed. A nominating party which always sends a Beginning Time (consistent with the mandatory nature of Beginning Time in GISB Standard 1.3.9) in a nomination (including intraday nominations) will, when sending such to a Transportation Service Provider which employs such information to determine the processing cycle, receive the same business result as previously, and, when such information is provided to Transportation Service Provider which does not employ such information to determine the processing cycle, the nominating party would receive a warning that such information was ignored for the purpose of determining the processing cycle, (as such Transportation Service Provider employs the receipt time of the transaction and the Beginning Date, to determine the appropriate processing cycle), but otherwise the nominating party would receive the same business result as previously. In either case, the other purpose of providing a Beginning Time in an intraday nomination pursuant to GISB Standard 1.3.9 (i.e., to provide useful information to the interconnected parties) remains unchanged by the added usefulness to some Transportation Service Providers of using Beginning Time to determine the appropriate processing cycle.

## **Discussion:**

Mr. Buccigross presented the work paper. There was no discussion.

## **Action:**

The motion was made and seconded to adopt the clarification presented in the work paper. The motion passed unanimously. The absent members will be contacted for their



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votes today. The proposed interpretation will go out for comment today for consideration by the Executive Committee in June.

## C98007

It would seem that the standards adopted in GISB Standards Version 1.3 concerning intraday nominations and scheduling (i.e., results of intraday nominations are reported by means of the scheduled quantities provided in each intraday period and the results of the timely nominations are reported by means of the scheduled quantities provided in the timely period) might change the purpose of GISB Standard 1.3.3? In light of this, has the purpose of GISB Standard 1.3.3 changed?

### **Request:**

It would seem that the standards adopted in GISB Standards Version 1.3 concerning intraday nominations and scheduling (i.e., results of intraday nominations are reported by means of the scheduled quantities provided in each intraday period and the results of the timely nominations are reported by means of the scheduled quantities provided in the timely period) might change the purpose of GISB Standard 1.3.3? In light of this, has the purpose of GISB Standard 1.3.3 changed?

### **Proposed Clarification:**

Standard 1.3.3 states that *"In addition to making scheduled quantities information available by 4:30 P.M., 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."* This means that specific information should be supplied at the end of each day (read: gas day). It should contain all scheduling activity both regular and intra-day activity, initiated by the Service Requester and any other "scheduling changes" carried out by the Service Provider. This is in order to provide Service Requesters with a comprehensive transmittal of information concerning all scheduling activities at the end of each gas day.

### **Discussion:**

Mr. Buccigross described the request. The request is to delete the interpretation for GISB Standard No. 7.3.4 and add a new interpretation to respond to the above question with the response from GISB Standard No. 7.3.4, reflecting GISB Standard 1.3.3 instead of 1.3.10 and 1.3.12. The response would be the same, but the interpretation request would be different. Standard No. 7.3.4 would be deleted.

### **Action:**

The motion was made and seconded to recommend deletion of GISB Standard No. 7.3.4 and adoption of a new interpretation represented in the above question and proposed clarification. The motion passed unanimously. The absent members will be contacted for their votes today. The proposed interpretation will go out for comment today for consideration by the Executive Committee in June.

## **III. Adjourn**

The meeting concluded at 11:25 a.m. The next meeting for Interpretations is Friday, May 22, from 10:00 a.m. to noon central. An agenda and meeting announcement will be made available prior to the meeting should any interpretation requests be received prior to that date. If no requests are received by May 15, the meeting will be canceled.



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## IV. Attendees

		<b>Votes on Requests:</b>		
<b>Committee Members Present at Meeting</b>		<b>C98005</b>	<b>C98006</b>	<b>C98007</b>
Kristine Mespelli	New England Power	✓	✓	✓
Bob Wallenhorst	Exxon	✓	✓	✓
Laverne Tillson	Defense Fuel Supply Center	✓	✓	✓
Shelley Corman	Enron Pipelines - Northern Natural	✗	✓	✓
<b>Committee Members Absent -- Notational Ballot</b>				
Mark Scheel	NGC Corp.			
Paul Love	NGPL			
Greg Lander	TransCapacity			
LDC Vacancy				
LDC Vacancy				
Producer Vacancy				

### **PARTICIPANTS:**

		<b>Members</b>
Joe Bianchi	ANR Pipeline	✓
Betty Barnum	Duke - Texas Eastern	✓
Kim Van Pelt	Duke - Panhandle Eastern	✓
Betty Barnum	Duke - Texas Eastern	✓
Norm Walker	El Paso Natural Gas	✓
Donna Scott	Enron Administrative Corp.	✓
Gary Payne	Enron Capital and Trade	✓
Theresa Hess	Enron - Northern Natural	✓
Randy Young	Koch Midstream Services	✓
Julie Unruh	Koch Gateway	✓
Jim Buccigross	National Registry of Capacity Rights	✓

### **GISB OFFICE**

		<b>Members</b>
Rae McQuade	GISB	✓