

Text of Interpretation:

NAESB WGQ Standard 1.3.66 states:

All Third Party Account Administrators (3PADs) wishing to provide title transfer tracking services shall so notify the Transportation Service Provider (TSP). All coordination between 3PADS and a TSP should be performed under a contract between the parties. Where the TSP is a Title Transfer Tracking Service Provider (TTTSP) on its system, tariff provisions (terms, conditions and rates) or general terms and conditions of the TSP, may take the place of a contract.

**Part 1:**

As the name suggests, TTT is the process of tracking title as it progresses from Account Holder to Account Holder, and therefore, it is appropriate to require that Account Holders hold the title to the gas that they are transferring to another party. A TTT nomination, while it does not cause “transportation” from one location to another, should still be governed by the same intent as the “shipper must have title” rule, whether the TTTSP is the TSP or a designated 3PAD. However, similar to a TSP, a 3PAD is only a facilitator to the TTT process for its Account Holders and therefore, is not a “shipper.” As is the case with a TSP, the 3PAD should not be subject to the “shipper must have title” rule, unless the 3PAD is also assuming the role of an Account Holder.

**Part 2:**

As the name suggests, TTT is the process of tracking title as it progresses from Account Holder to Account Holder, and therefore, it is appropriate to require that Account Holders hold the title to the gas that they are transferring to another party. A TTT nomination, while it does not cause “transportation” from one location to another, should still be governed by the same intent as the “shipper must have title” rule, whether the TTTSP is a designated 3PAD or the TSP. However, similar to a TSP, a 3PAD is only a facilitator to the TTT process for its Account Holders and therefore, is not a “shipper.” As is the case with a TSP, the 3PAD should not be subject to the “shipper must have title” rule, unless the 3PAD is also assuming the role of an Account Holder.

**Part 3:**

There is nothing in Standard 1.3.66 that precludes a TSP from defining its role with respect to a 3PAD under its tariff. The standard however does require that there be a contract between the parties. It would seem that much like a tariff defines the roles and responsibilities of others (ex. Service Requesters) with contracts (ex. Transportation Service Agreements) with the TSP, that the tariff could also define the respective roles and responsibilities of the 3PAD and the TSP with respect to their interactions consistent with the TTT standards.