



## Gas Industry Standards Board

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Attachment

**Revised Recommendation for R98011 & R98012**  
**Adopted by the Executive Committee on September 16, 1999**

DELETE STANDARD 2.3.24:

PRINCIPLES:

- 1.1.A There should be at least one Confirming Party on each side of a physical location.
- 2.1.A The Transportation Service Provider (TSP) should provide allocations to a Service Requester (SR) at the nomination detail level either in the Allocation (GISB Standard 2.4.3) or the Shipper Imbalance (GISB Standard 2.4.4). The sending of the Allocation or the Shipper Imbalance to the SR would be dependent upon the TSP's business practices. In either case, the level of detail would only be to the package ID level where mutually agreed between the TSP and the SR.

DEFINITIONS:

- 2.2.A Monthly Allocation is the term used to describe the process where the allocating party performs the allocation process at the end of the monthly flow period.
- 2.2.C Daily Allocation is the term used to describe the process where the allocating party performs the allocation process following each gas day.

STANDARDS:

- 2.3.A.1 At a location, the total quantity measured or estimated for the period should be used to provide allocations to parties' scheduled transactions (or otherwise identified transactions consistent with GISB Standard No. 2.3.F).
- 2.3.A.3 In the allocation process, estimated quantities should be adjusted to actuals following the time that the actual quantities are known.
- 2.3.B.1.e At a location which is not covered by an OBA, an allocating party should receive Pre-determined Allocations and calculate the allocations for the location and provide these allocations to the appropriate parties for their use.
- 2.3.B.2 At a location which is not covered by an OBA, a party which is not the allocating party at the location should receive and process the allocations from the allocating party and employ such allocations when providing allocation information to its parties (as applicable and appropriate).
- 2.3.C At a location which is covered by an OBA, each party to the OBA should allocate its side of the location.
- 2.3.D.3 At a location which is not covered by an OBA, Transportation Service Providers (TSPs) which allocate to Service Requesters (SRs) at the SR's contract level or



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higher are not required to allocate to a lower level or accept accounting allocation instructions from the SR (i.e., neither Pre-determined Allocations (PDAs) nor SR ranks supplied in the nomination).

Where the TSP allocates to a lower level (more detailed) than the SR contract level and where:

- the Confirming Parties confirm at a higher level (less detailed) than the nomination level; and,
- a SR has submitted more than one nomination line item to the TSP;

the TSP should employ the TSP's tariff allocation methodology (including, where applicable, employing the other Confirming Party(ies)' PDAs) to allocate gas to the confirmation detail level.

The TSP should then either:

- a) accept and employ a PDA from such SRs or
- b) employ the SR's ranks supplied in the nomination.

Where a TSP accepts PDAs from a SR (as specified in a) above) and the SR does not provide a PDA, the TSP should employ the tariff allocation methodology.

2.3.E At a location which is not covered by an OBA, a Confirming Party should submit a Pre-determined allocation (PDA) to the allocating party at a level that is based on the allocating party's business practice, but, in no event, will such PDA be at a lower level (more detailed) than that level of information exchanged between such parties during their confirmation process.

2.3.F A Pre-determined Allocation may not be used to allocate gas to a nominatable transaction that was not identified in the nomination or confirmation process, as applicable, absent prior mutual agreement among the Confirming Parties and the party being allocated to in such transaction. In the event of a conflict between this standard and the Transportation Service Provider's existing tariff or general terms and conditions, the latter will prevail.

2.3.G Except in cases where the Percentage or Operator Provided Value method of allocation is being employed, where there is:

- (i) sufficient gas to fulfill all scheduled quantities at a location, a Pre-determined Allocation (PDA) should not result in a quantity being allocated to a party, contract or transaction, as applicable, that is less than the corresponding scheduled quantity(ies) for that party, contract or transaction, as applicable,
- (ii) insufficient gas to fulfill all scheduled quantities at a location, a PDA should not result in a quantity being allocated to a party, contract or transaction, as applicable, that is greater than the corresponding scheduled quantity(ies) for that party, contract or transaction, as applicable.

In the event of conflicts between this standard and a Transportation Service Provider's existing tariff or general terms and conditions, the latter will prevail.

2.3.H.2 Parties should communicate to their counter parties that their transaction(s)



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for allocation purposes are lowest ranked or swing, when such counter parties' transaction(s) are identified by the party as being lowest ranked or swing. This standard does not apply to the relationship between Transportation Service Providers and their Service Requesters.

- 2.3.N Under normal operating conditions, at a location which is covered by an OBA, the scheduled quantity should be the allocated quantity.

### MODIFY STANDARD 2.3.21 -

- 2.3.21 The timing for reporting daily operational allocations after the gas has flowed is within one business day after the end of gas day. If the best available data for reporting daily operational allocations is the scheduled quantity, that quantity should be used for the daily operational allocation.

This standard applies to the daily provision of operational allocated quantities whether they are provided pursuant to GISB standard 2.4.3 or GISB standard 2.4.4.

Upon request to its Transportation Service Provider (TSP), a Service Requester (SR) should be provided operational allocated quantities pursuant to Standard 2.4.3 or 2.4.4 for the transaction(s) which have been scheduled by such TSP for the SR.

A TSP can agree to send the operational allocated quantities on a daily basis to a SR rather than accept the Upload of Request for Download for operational allocated quantities.

A TSP is not required to support requests for operational allocated quantities other than on an "all locations for a SR basis." Where a TSP has determined to support this standard in a manner other than:

- a) providing specific operational allocated quantities in response to a request for same, or
- b) providing operational allocated quantities on an "all locations for an SR basis," then the SR can rely on the absence of a line item(s) provided by a TSP as indicative that the particular line item(s)' scheduled quantities are operational allocated quantities.

### INSTRUCTION #1 -

The definition of all rank data elements should be re-examined to allow for their use in the allocation process.