

Confirmations / Cross Contract Ranking
Pipeline Segment Comments

P1 New Principle

In order to effectuate cross contract ranking, the level of confirmation at a location should occur at the entity-to-entity level.

Pipeline Position: No change to proposed principle.

D-1 New Definition

Production location includes wellheads, platforms, plant tailgates (excluding straddle plants) and physical wellhead aggregation points.

Pipeline Position: Delete

Rationale:

- . Doesn't help effectuate cross contract ranking.
- . Only necessary to support a special confirmation rule applicable to specific locations.

S-1 New Standard

~~Absent mutual agreement to the contrary, t~~The standard level of confirmation should be entity to entity.

Pipeline Position: Modify language as proposed above.

Rationale:

- . Clarify the language.

S-2 New Standard

As part of the confirmation and scheduling process between a Transportation Service Provider (TSP) and a Local Distribution Company (LDC), upon request by the LDC, the TSP should make available, via EBB/EDM, supplemental information obtained during or derived from the nomination process necessary for the LDC to meet its statutory and/or regulatory obligations. Such supplemental information, if available, should include the TSP's Service Requester Contract and, based upon the TSP's business practice may also, on a mutually agreeable basis, include 1) a derivable indicator characterizing the type of contract and service being provided 2) Downstream Contract Identifier and/or 3) Service Requester's Package ID.

Pipeline Position: Delete

Rationale:

During the subcommittee meeting the pipelines supported this proposed standard, however upon further reflection, the pipelines can not support it for the reasons listed below.

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- . Confirmations would still be done at the entity to entity level (as covered in Proposed S1). The pipelines believe that neither the confirmations nor the cross contract ranking processes would be facilitated by the supplemental information.
- . Processing supplemental information could negatively impact the meeting of the nomination / confirmation timeline.
- . Requiring the supplemental information results in lack of standardization across the industry by requiring customization of information exchanged dependent on the type of location.
- . Jurisdictional, statutory or regulatory requirements necessitating the exchange of supplemental information, and the interpretation of such requirement, could vary significantly from LDC to LDC.
- . It is burdensome for the TSP to monitor, verify and implement the providing of supplemental information alleged to be required by each and every LDC on its system.

S-3 New Standard

Absent mutual agreement to the contrary between the TSP and the Operator, for confirmation at a production location, the TSP should support the fact that the operator will confirm with the TSP to only the upstream entity level. These upstream entities should either confirm or nominate (at the TSP's determination) at an entity level with the TSP.

Pipeline Position: **Delete**

Rationale:

- . Entity to entity confirmation and cross contract ranking can be accomplished without this standard.
- . Lack of standardization across the industry by requiring customization of information exchanged dependent on the type of location.
- . Proposed standard has limited usage in the industry today and should not be the default.

S-4 New Standard

When nominated quantities exceed available capacity, ~~the~~ on a Transportation Service Provider's (TSP's) system, such TSP should first utilize its tariff requirements to assign capacity to each service level for each Service Requester (SR). The TSP should then use the SR's provided scheduling ranks as provided in the SR's nomination to determine how the available quantities should be distributed within a single service level.

The SR's provided scheduling ranks (as applicable) should be used as follows:

- . For reductions identified at or upstream of the constraint location, the order for application of ranks is Receipt Rank (Priority), Upstream Rank (Priority), Delivery Rank (Priority), Downstream Rank (Priority).

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- . For reductions identified at or downstream of the constraint location, the order for application of ranks is Delivery Rank (Priority), Downstream Rank (Priority), Receipt Rank (Priority), Upstream Rank (Priority).

Pipeline Position: Modify language as proposed above.

Rationale:

- . Clarify the language.

S-5 New Standard

When applying a confirmation reduction to an entity (Service Requester (SR)) at a location, the Transportation Service Provider (TSP) should use such the Service Requester's (SR's) scheduling ranks as provided on all that SR's nominations for at that location and entity to determine the appropriate nomination(s) to be reduced, except where superceded by the TSP's tariff, general terms and conditions, or contractual obligations.

The SR's provided scheduling ranks (as applicable) should be used as follows:

- . For receipt side reductions, the order for application of ranks is Upstream Rank (Priority), Receipt Rank (Priority), Delivery Rank (Priority), Downstream Rank (Priority).
- . For delivery side reductions, the order for application of ranks is Downstream Rank (Priority), Delivery Rank (Priority), Receipt Rank (Priority), Upstream Rank (Priority).

Pipeline Position: Modify language as proposed above.

Rationale:

- . Clarify the language.

S-6 New Standard

The Transportation Service Provider should utilize GISB Standard 1.3.7 for ranks submitted in a nomination.

Pipeline Position: Delete

Rationale:

- . Not necessary – do not need a new standard that instructs the use of another standard.
- . Application of ranks in confirmations and cross contract ranking is already covered in Proposed S-4 and S-5.

Reminder: This package of proposed standards is not fully staffed and should not go out for member ratification until it is fully staffed.