

Work Paper for Title Transfer Tracking Standards

PROPOSED STANDARDS REGARDING TITLE TRANSFER TRACKING

Workpaper for Las Vegas Meeting

June 12, 1998 Redlined Version from June 12, 1998 Meeting

~~Below are my meeting notes from last week's meeting. They contain the Operating Definitions and Conditions (the preliminary issues that were agreed upon by a "Sense of the Room" vote), and the Open Issues still to be addressed.~~

~~Following the notes is a first attempt at Principles, Definitions and Standards to use as work papers for this Friday's meeting.~~

- ~~• The first seven proposed standards relate back to the preliminary agreements "voted" on last Thursday;~~
- ~~• The next set of proposed standards address the open issues and reference back to each issue;~~
- ~~• The last group represents additional standards that the group felt may need to be addressed;~~

~~This workpaper is a joint effort between several segments of the industry.~~

~~See you in Las Vegas,~~

~~Jean Ford
Andersen Consulting
580/767-2114~~

~~Acronyms:~~

~~3PAD—Third Party Account Administrator~~

~~TTTSP—Title Transfer Tracking Service Provider~~

~~TTT—Title Transfer Tracking~~

~~AH—Account Holder~~

~~SR—Service Requester~~

~~Operating Definitions:~~

- ~~1) Title Transfer Tracking—The process of tracking title from party to party at a location.~~
- ~~2) 3PAD—a TTTSP other than the TSP~~
- ~~3) Account Holder is the party using the services of a TTTSP under a contract.~~

~~Operating Conventions:~~

- ~~4) Service Requesters nominate transportation activity to their TSPs; Account Holders nominate title transfer activity to their TTTSP.~~
- ~~5) AHs and SRs should have the same nomination deadline~~
- ~~6) Prior to a 3PAD providing TTT services, the 3PAD should be formally identified to the TSP under an arrangement between them.~~
- ~~7) If a 3PAD or TSP chooses to provide TTT services on a TSP, it is not mandatory for them to provide services at all locations with respect to the TSP.~~

~~Open Issues:~~

- ~~A) What is the information that is exchanged between the 3PAD and the TSP?
Answered by: 20-9 and 21-10~~

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- B) What is the information that is exchanged between the AH and the 3PAD?
Answered by: [18_7](#)
- C) Timing of process between the 3PAD and the TSP?
Answered by: [19_8](#)
- D) Timing of process between the AH and the 3PAD and TSP as TTTSP?
Answered by: [4-and-5_S1](#)
- E) 3PAD responsibilities
Answered by: [12_S5](#), [13_3](#), [14_4](#), [15_S7](#), [16_5](#), and [17_6](#)
- F) Arrangement between 3PAD and TSP?
Answered by: [10_S3](#), [11_S4](#), [16_5](#) and [17_6](#)
- G) What happens when no communication by AH to 3PAD or AH to TSP as TTTSP?
Answered by: [8-and-9_1 and 2](#)

[6/12/98 Open Issues](#)

- [From S1: Service Requesters seeking to have gas delivered into or received from a TTTSP's location and/or agreement by a Transportation Service Provider \(TSP\) should nominate this activity to their TSP pursuant to the GISB nominations related standards.”](#)
- [Formal notification to a Service Requester of a 3PAD by TSP](#)

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Proposed Standards, Definitions, and Principles:

1) ~~"Title Transfer Tracking is the process of tracking title transfers from party to party at a location."~~

D1. Title is the term used to identify the ownership of gas

D2. Title transfer is the change of ownership of gas between parties at a location

D3. Title Transfer Tracking is the process of accounting for the progression of ownership changes from party to party at a location

D4. A Title Transfer Tracking Service Provider is a party conducting the title transfer tracking activity

2D5)—"A Third Party Account Administrator (3PAD) is a Title Transfer Tracking Service Provider other than the Transportation Service Provider."

3) D6 "An Account Holder (AH) is the party using the services of a Title Transfer Tracking Service Provider (TTTSP) under a contract with that TTTSP."

4/5) S1—"The standard nominations timeline (GISB 1.3.2.) should apply for title transfer transaction nominations. Account Holders should nominate their title transfer transactions to their Title Transfer Tracking Service Provider [(TTTSP)] pursuant to the GISB nominations related standards. [Service Requesters seeking to have gas delivered into or received from a TTTSP's location and/or agreement by a Transportation Service Provider (TSP) should nominate this activity to their TSP pursuant to the GISB nominations related standards."] (Bracketed sentence will be addressed in the Open Issue list

6) S2 "Prior to a Third Party Account Administrator (3PAD) providing Title Transfer Tracking services, the 3PAD should identify itself in writing to the Transportation Service Provider ~~should be formally identified to the Transportation Service Provider under an arrangement between them."~~

S6 "Any party providing Title Transfer Tracking (TTT) services should adhere to those GISB standards meeting applicable to TTT in their role as Title Transfer Tracking Service Provider. ~~GISB standards may, but should not be required to, provide Title Transfer Tracking service.~~ Once a party has chosen to provide ~~Title Transfer Tracking~~ TTT services they may choose to do so at one or more locations with respect to a Transportation Service Provider but should not be required to provide the service at all locations nor should they be required to provide the services at any particular location(s)."

Proposed Standards to answer Open Issues:

1) ~~"Both the buyer and the seller in a title transfer transaction should nominate their title transfer transaction to their Title Transfer Tracking Service Provider. Failure of a buyer or seller party to nominate their transaction can result in the failure of the subject transaction to be confirmed and scheduled."~~ *(answers open issue G)*

2) "Failure of a Title Transfer Tracking Service Provider to:

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- a) provide the applicable Transportation Service Provider (TSP) an unsolicited Confirmation Response (or a Confirmation Response in response to a Request for Confirmation), as applicable to a Third Party Account Administrator for its Account Holder's transaction, or
- b) perform a similar confirmation process, as applicable to a TSP providing Title Transfer Tracking service, for its Account Holder's transaction,

can result in the failure of the subject transaction to be confirmed and scheduled by the TSP." (*answers open issue G*)

S3 "All coordination between Title Transfer Tracking ~~s~~Services Providers (TTTSPs) and ~~t~~Transportation services Provider (TSPs) should be performed under a contract between the ~~Title Transfer Tracking Service Provider and the Transportation Service Provider~~these parties. Where the ~~Title Transfer Tracking Service Provider~~TSP is also ~~the~~a Transportation Service Provider (~~TTTSP on it's system~~), tariff provisions (~~terms, conditions and rates~~) or ~~general terms and conditions~~ of the TSP, may take the place of a contract." (*answers open issue F*)

S4 "Upon reasonable request of the Third Party Account Administrator (3PAD), Transportation Service Providers (TSPs) should provide the 3PAD with one of the following for conducting title transfer tracking (TTT) activity:

- 1) location code(s)
- 2) contract identifier(s) used in the exchange of transactional data; or
- 3) both one and two above.

In any event TTT activity is always performed at a location.

~~a location code for each location and/or an agreement to employ when conducting Title Transfer Tracking with its Account Holders.~~" (*answers open issue F*)

S5 "All Title Transfer Tracking (TTT) services should be performed under a contract between the Account Holder and their Title Transfer Tracking Service Provider (TTTSP). All ~~Title Transfer Tracking Service Providers-TTTSPs~~ should offer their ~~Title Transfer Tracking-TTT~~ services ~~to any party~~ on a not unduly discriminatory basis." (*answers open issue E/F*)

- 3) "Except where specific GISB timeline and information exchange provisions provide otherwise, Title Transfer Tracking Service Providers are considered Point Operators and should perform all the same duties; be provided all the same rights and opportunities; and, should accept the same obligations with respect to the confirmation, scheduling (excluding determination of hourly flow quantities) and allocations processes as required by Transportation Service Providers of Point Operators." (*answers open issue E*)
- 4) "Transportation Service Providers (TSPs) should accept Confirmation Responses, unsolicited Confirmation Responses and PDAs from Third Party Account Administrators (3PADs) with respect to coordinating the 3PAD's Title Transfer activities related to the TSP and TSPs should provide Requests for Confirmation, Confirmation Responses, Scheduled Quantities for Operator and Allocation Statements to 3PADs related to the 3PAD's Title Transfer activities related to the TSP." (*answers open issue E*)

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S7 “A Transportation Service Provider (TSP) ~~is~~ should only be required to conduct business with Title Transfer Tracking Service Providers (TTTSPs) that perform in accordance with those GISB standards applicable to TTT and the applicable contract between the TTTSP and the TSP ~~and any applicable contract.~~” (*answers open issue E*)

- 5) "Within the context of Title Transfer Tracking service, when the Title Transfer Tracking Service Provider is a Third Party Account Administrator (3PAD), the 3PAD should:
- a) receive and process nominations from their Account Holders;
 - b) provide to the Transportation Service Provider (TSP) Confirmation Responses and/or unsolicited Confirmation Responses (by means of applicable GISB 1.4.X standards);
 - c) receive and process Requests for Confirmation (by means of applicable GISB 1.4.X standards) from the TSP;
 - d) receive and process predetermined allocation statements from their Account Holders;
 - e) receive from and process or provide to, the TSP (as specified by the applicable TSP) Scheduled Quantities for Operators (by means of applicable GISB 1.4.X standards);
 - f) provide scheduled quantity information and allocation information to their Account Holders; and,
 - g) receive and process Allocation Statements (by means of applicable GISB 2.4.X standards) from the Transportation Service Provider.”
- (*answers open issue E/F*)

- 3) "Within the context of Title Transfer Tracking service, when the Transportation Service Provider (TSP) is interacting with a Third Party Account Administrator (3PAD), the TSP should:
- a) receive and process Confirmation Responses and/or unsolicited Confirmation Responses (by means of applicable GISB 1.4.X standards) from the 3PAD;
 - b) provide to the 3PAD Requests for Confirmation (by means of applicable GISB 1.4.X standards);
 - c) receive and process Predetermined Allocation Statements (by means of applicable GISB 2.4.X standards) from the 3PAD;
 - d) receive from and process or provide to, the 3PAD (as specified by the TSP), Scheduled Quantities for Operators (by means of applicable GISB 1.4.X standards); and,
 - e) provide to the 3PAD Allocation Statements (by means of applicable GISB 2.4.X standards).”
- (*answers open issue E/F*)

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- 3) "Title Transfer Tracking service should be accomplished by using the nomination-related, flowing gas-related, and invoice-related GISB standards with codes and values appropriate to Title Transfer Tracking services." (*answers open issue B*)
- 4) "Third Party Account Administrators (3PAD) should send initial unsolicited Confirmation Responses, for transactions into and out of their location(s) and/or agreements, to the associated TSP, so that they are received at the TSP's designated site by no later than one hour following the nominations deadline applicable to Account Holders and Service Requesters. A 3PAD should initiate a confirmation by sending a Confirmation Response or an unsolicited Confirmation Response so that it is received at the TSP's designated site within one hour of the 3PAD learning of any change to transactions into or out of their location(s) and/or agreement(s), and the 3PAD should respond (with a Confirmation Response) to any subsequent Request for Confirmation sent by a TSP so that it is received at the TSP's designated site within thirty minutes of receipt of such Request for Confirmation at the 3PAD's designated site." (*answers open issue C*)
- 5) "For purpose of the Confirmations, Scheduling and Allocations processes, the Third Party Account Administrator (3PAD) and Transportation Service Provider (TSP) should exchange information as follows:
 - a) for receipts into the 3PAD, the information should be delineated at the level of the TSP's applicable Service Requester or Upstream Identifier (i.e., party) and the 3PAD's Account Holder receiving gas from such Service Requester or Upstream Identifier party; and,
 - b) for deliveries out of the 3PAD, the information should be delineated at the level of the 3PAD's Account Holder and the TSP's applicable Service Requester or Downstream Identifier (i.e., party) receiving gas from such Account Holder."
(*answers open issue A*)
- 10) "Absent mutual agreement to the contrary, when a Third Party Account Administrator (3PAD) has previously sought to confirm with a Transportation Service Provider (TSP) a transaction with respect to a location(s) or agreement and there is no transaction with respect to such location(s) or agreement applicable to the then current period, the 3PAD should send an unsolicited Confirmation Response to the TSP indicating that there are no transactions to be confirmed for the current period with respect to such location(s) or agreement." (*answers open issue A*)

Additional Proposed Standards:

- 11) "Title transfers are transactions where a change in ownership of gas occurs without physical movement of gas."
- 12) "Title Transfer Tracking, when supported by a Title Transfer Tracking Service Provider, can occur at any Receipt or Delivery Location nominatable under a transportation service agreement, except where tariff restrictions prevent transfers of gas between storage accounts."

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- 13) "Title transfers can occur without regard for the service class of any transportation to be performed in order to deliver gas to, or receive gas from, the location where the title transfer activity occurs."
- 14) "Title Transfer Tracking services should be open to be provided by any party."
- 15) "~~All Title Transfer Tracking services should be performed under a contract between the Account Holder and their Title Transfer Tracking Service Provider.~~"