

GISB

INTRADAY NOMINATIONS TASK FORCE

LDC Suggested Changes to Intraday Strawmen

The LDC community remains supportive of GISB's efforts to create a standardized intraday nominations timeline across the pipeline grid. This standardized timeline will increase the reliability of the intraday nominations process to those parties transporting gas across multiple pipelines and should improve the effectiveness of intraday nominations as a gas supply management tool. LDCs are cognizant of the great deal of effort that went into designing the strawmen that have been offered and we offer the following comments/suggestions in the hopes of moving the industry towards its goal of meeting FERC's September deadline.

1) Move the untimely nomination deadline from 6 PM to 5 PM.

Since the confirmation timeline for intraday nominations has not been clarified we are concerned that the current deadline will require additional staffing, leading to increased costs. We suggest moving the timeline from 6 PM to 5 PM.

2) Support two intraday nomination opportunities within the gas day, at 10:00 AM and at 3:00 PM

We believe that two intraday nomination "synch up" times within the gas day is sufficient at this time to accomplish the business objectives desired. The 10:00 AM timeline provides an opportunity for parties that desire to bring on supply quickly to do so before getting substantially into the gas day. This will also allow those parties with bumping rights to employ them in a timely manner. In addition, we believe the second intraday nomination should occur at 3:00 PM. This is sufficiently after the morning peak to allow parties to make improved scheduling decisions and will also allow west coast personnel to properly utilize current weather data. In addition, it is hoped that the movement of the timeline to 3:00 PM will help minimize the amount of additional resources needed to be spent after hours during the confirmation process.

3) No Consensus on Bumping

LDCs have not been able to reach consensus on the issue of bumping. In order to move the industry forward on this issue, we suggest that the task force make no formal

recommendation on bumping and that each individual pipeline proceed with its current bumping rules. In addition, we believe it's important that this actually be stated to FERC so that the Commission does not believe that they need to provide the industry with further direction as to bumping.

4) Degradation of Service

LDCs are very concerned about the potential of intraday standardization degrading existing intraday/no-notice services offered by pipelines. We believe it is important that this task force affirm to FERC that these standards are to be a baseline whereby all pipelines "sync up" and are not meant to degrade existing intraday and no-notice services that are currently being offered.