



Gas Industry Standards Board

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GAS INDUSTRY STANDARDS BOARD

GISB INTERPRETATION RECOMMENDATION - C99003

AUGUST 13, 1999

C99003 Submitted by Natural Gas Pipeline

Request: Clarification or interpretation request:

GISB standard 5.3.2 states that "offers should be tendered by 1:00 p.m. the day before nominations for short term releases". It further states that the "open season ends no later than 2:00 p.m. on the day before nominations are due..." GISB standard 5.3.24 states "Capacity Release facilitator should post offers and bids, including prearranged deals, upon receipt, unless releasing shipper requests otherwise". These standards seem to imply that the open season could begin at either the time of posting or the next subsequent 1:00 p.m. after posting and in either case, remain open until the requested end of posting. Clarification is requested for the situation where the offer is tendered after the 1:00 p.m. deadline on business day one, but before 1:00 p.m. on business day 2 and the releasor requests that the offer be posted immediately.

Possible interpretations or clarifications, if known:

We (NGPL) believe that at least two possible clarifications exist which will provide for the same business results. The first possibility is that the offer be immediately posted for display (only) and then become available for bid at 1:00 p.m. the following business day, remaining open until the requested end of posting (ending at 2:00 p.m.). The second possibility is that the release be open for bid immediately upon posting, and remain open until requested end of posting (ending at 2:00 p.m.). In either case, the business results are the same in that all interested parties would have the opportunity to view the offer without bias, and all interested parties would have the opportunity to bid on the offer without bias.

Recommended Language:

A Service Requester may have its offer posted for review either immediately or at another specified time and if not specified then, at the Transportation Service Provider's option, the offer can be posted for review either immediately or at the next occurrence of 1:00 p.m. on a business day. GISB has no requirement that bidding upon such posting be available prior to the next occurrence of 1:00 p.m. on a business day. Neither is there any prohibition on bidding occurring upon a posting provided that bidding upon such posting continue to be available through at least the next occurrence of 1:00 p.m. to 2:00 p.m. on a business day or the longer period where such offer is a long term offer.

(Excerpted from August 13, 1999 Interpretations Subcommittee Minutes)