C97006

Gas Industry Standards Board

Request For Clarification Or Interpretation

Date: March 17, 1997
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GISB Standard Number: 1.4.3 Request for Confirmation

Clarification or interpretation request:
In the Request for Confirmation document, should the sender indicate the quantity that a shipper requested, or should the quantity indicate only the positive or negative change requested.

An example follows:
> There is a standing nomination for a 30 day period for 100 units.
> The shipper then submits at timely nomination replacing days 15-20 for 80 units.

> The issue is, should the Request for Confirmation document indicate a quantity of 80 units, which is what the shipper requested, or rather should it indicate a change of negative twenty (-20) units in the quantity field.

Possible interpretations or clarifications, if known:

The quantity in the Request to Confirm document should be the quantity requested by the shipper in the relevant nomination(s).

Standard 1.3.14 states, "The standard quantity for nominations, *confirmation* and scheduling is dekatherms per gas day in the United States . . ." (emphasis added). A negative quantity would be nonsensical in a quantity field given this standard. In addition, it is difficult to understand what expectation as to the confirmed quantity the confirmation requester would receive in the confirmation response if a "change only" request quantity is sent. Should he receive back a confirmation for -20 units, or rather the 80 units that is going to flow.

Furthermore, application of a change only or negative quantity to standard 1.3.22, the "lesser of" rule, is difficult at best if the confirmed quantity is the change only. Finally, what effect would be expected if the standing nomination is for 0 units, and a erroneous request to confirm of -20 units was sent? It seems clear that the rational way to express quantities is as the zero or positive quantity requested by the shipper in the nomination.