

C97014

Gas Industry Standards Board

Request For Clarification Or Interpretation

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GISB Standard Number: 1.1.8 "The industry should use common codes for location points and legal entities. These standards are currently under development by the GISB Common Codes Task Force.

Clarification or interpretation request:

Can a transportation service provider (TSP1) require that a service requester provide to that TSP1 a DRN belonging to a different TSP (TSP2) in a nomination to TSP1?

In other words, in a nomination from a shipper to TSP1, can TSP1 require that shipper to provide DRN's for locations that belong to TSP2?

Possible interpretations or clarifications, if known:

The short answer should be no.

Nominations to a TSP are for transportation or some other service on that TSP only. Transportation to or from locations on another TSP (e.g., TSP2) would be nominated directly to TSP 2.

Nominations to TSP1 should involve their locations and thus DRN's associated with that TSP1 (as recorded in the PI Database and made available to the industry as the standard source for DRN's). There should never be a case that a nomination to a TSP is rejected because it did not include a DRN for a TSP other than the TSP to whom the request for service(s) was directed.

Consider the additional case of the Imbalance Statement. If TSP 1 requires the shipper to nominate to a DRN on TSP 2's system, then presumably when TSP 1 sends the shipper an imbalance statement for this point, it would use the same DRN, which is actually a point on TSP 2's system. However, if TSP 2 also sends the shipper an Imbalance Statement for that point, it would use the same DRN. The shipper is then left with the question as to whether his imbalance at this point is on TSP 1 or TSP 2. One could argue that the shipper can cross-

reference the imbalance statement with the sender ID and/or the contract number, but complicating a logical interpretation of an electronic statement hardly seems the proper way to "fix" this problem. Either of the interpretations above is clearly the more elegant solution.

The above interpretations are supported by the data element definition for delivery and receipt location. Delivery and Receipt Location are defined in the data dictionary as "The location where the quantity will be scheduled for delivery [receipt] by the transportation service provider. It seems evident that a transportation service provider can only schedule gas on its own system, not on someone else's.

The interpretations are further supported in the Common Codes Subcommittee report on location common codes presented to - and adopted by - the Executive Committee, on October 24, 1996. This report states, *inter alia*, "[E]ach proprietary gas transaction point (includes both logical and physical points) provided to PI *by an entity* is assigned its own unique DRN." Clearly it is the entity, in this case the TSP, whose sends their proprietary points into PI for a DRN to be assigned. An entity does not send some other entities' points into PI for assignment of a DRN, nor is it expected to. Likewise an entity can not claim another entity's location codes for its own.

Interpretations other than the above only invite confusion and lead to ambiguous business rules that shippers must follow. Any other interpretation, allowing TSP's to identify outside of the PI database, a list of codes that they will require be used, would invalidate the usefulness of the PI Common Code database as shippers could not rely on the records in the database associated with a TSP as being the codes needed to send to that TSP.