

R97111

Gas Industry Standards Board

Request for Initiation of Standard for Electronic Business Transactions

or

Enhancement of an Existing GISB Standard for Electronic Business Transactions

1. Submitting Entity & Address:

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2. Contact Information:

Jim Buccigross, Legal Counsel
Gregory M. Lander, President

3. Description of Proposed Standard or Enhancement:

The request addresses the need for minor modifications and/or enhancements to the Capacity Release UPPD and Bidder Confirmation datasets to enable Releasing Shippers (without pre-arranged bidders) and bidders (in addition to pre-arranged bidders) to employ the EDI datasets to effectuate capacity release transactions other than through on-line EBBs.

This request is also intended to generate a request number and initiate the process needed to respond to the Commission in Order 587-C with respect to addressing the final remaining Commission requirement for Electronic Bulletin Boards (i.e., to handle the requirement established by the Commission in Order 636 to create interactive EBBs for the purpose of making Capacity release offers and facilitating capacity release bidding).

This request proposes a business practice review and (potentially) standards; which, if adopted by GISB and the Commission, would enable EDI submission of Offers and Bids to fulfill the requirements for "interactive bidding". It is not intended to eliminate, or require the elimination of, on-line processes but is intended to establish a recognized alternative; which, if adopted by a Transportation Service Provider, would meet the requirements of providing all Capacity Release activity via a standardized method (i.e., EDI documents).

Specific proposals:

1. Enhance the UPPD to enable releasing shippers to employ the UPPD (or modification thereof) to submit a UPPD without there being a pre-arranged bidder.
2. Enhance the Bidder Confirmation dataset to enable bidders which have already passed a creditworthiness review to employ the Bidder Confirmation dataset (or modification thereof) to submit same in response to any posted offer.

3. Propose a new GISB standard which provides that a modified UPPD from a releasing shipper (or its authorized (per TPA) third party service provider), which UPPD is received by the Transportation Service Provider at their designated site by 12:45 P.M. CCT on a Business Day, would be posted as an Offer and would be available for bidding by 1:00 PM CCT (the normal posted-by deadline and start of bidding time) on the applicable Business Day.
4. Propose a new GISB standard which provides that a modified Bidder Confirmation dataset from a bidder (or its authorized (per TPA) third party service provider), which Bidder Confirmation dataset, if time-stamped as leaving control of the bidder no later than 2:00 P.M. of the applicable deadline day and if received by the Transportation Service Provider at their designated site by 2:15 P.M.; would be deemed a valid bid (assuming of course no errors and general correctness and completeness of bid) and would be evaluated by the Transportation Service Provider for the purpose of identifying the winning bidder associated with the Offer upon which the bid was made.

4. Use of the Proposed Standard or Enhancement:

This request, once fully staffed, would provide a mechanism meeting the minimum requirements for Capacity Release posting and bidding; would, for the purpose of GISB, complete the process of standardizing all those EBB functions which are required by the FERC; and, would enable participants in the natural gas industry to use one communications mechanism (the internet) to effectuate all FERC required electronic communications of information and transactions.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

As stated above, this would allow the Transportation Service Provider, the Releasing Shipper, and all interested bidding shippers to employ one communications pathway, the internet, to achieve all of the Commission required electronic information and transaction activities.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

Any costs associated with this proposed enhancement are minimal. The Transportation Service Provider would use the modified UPPD dataset to create the Offer posting (including the EDI download), the Releasing Shipper (or their third party information services provider) would also employ the modified UPPD (or the on-line entry of an Offer, if on-line is available), the Bidder (or again their third party information services provider) would employ the modified Bidder Confirmation document (or the on-line entry of a Bid, if on-line is available); the Transportation Service Provider would also employ the modified Bidder Confirmation Document (plus on-line bids, if any) to evaluate and determine the winning bidder (if any). And, then the remainder of the process (posting awards et. al. would remain unchanged.

7. Description of Any Specific Legal or Other Considerations:

Once adopted by GISB, the Commission would need to determine whether this group of datasets and standards met the criteria of interactive bidding contained in their Order 636 series. Given the paucity of live bids in the Capacity release market (most releases are pre-arranged non-biddable deals); and given the fact that even when there are biddable deals on the EBBs, the overwhelming majority of bids are received “at the last second” and therefore very little “open and progressive” bidding actually takes place; it is the view of TransCapacity that the Commission will accept this alternative as meeting their requirements with respect to Offers and Bids being open and publicly available.

8. If This Proposed Standard or Enhancement is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement

The change is minor and most of the testing required to effectively implement the UPPD process is the same as would be needed here. TransCapacity would certainly be willing to undertake testing with any other party.

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9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners:

N/A

10. Attachments

None.