

R03019

North American Energy Standards Board
Request for Initiation of a NAESB Business Practice Standard, Model Business
Practice or Electronic Transaction

or

Enhancement of an Existing NAESB Business Practice Standard, Model Business
Practice or Electronic Transaction

Date of Request: 09/04/2003

1. Submitting Entity & Address:

El Paso Western Pipelines
Two North Nevada
Colorado Springs, CO

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

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3. Description of Proposed Standard or Enhancement:

New Reduction Reason Code: UPR - Underperformance Confirming Party Reduction at Receipt Location. During the confirmation process, if nominated quantities at a pipeline receipt (supply) point exceed the demonstrated physical performance of that location, reductions to those nominations may be necessary to preclude scheduling and imbalance issues. When such reductions are necessary, they are applied as follows and the proposed reduction reason code is then used in the confirmation and Scheduled Quantities documents:

Interconnect Underperformance at Receipt Location – Because underperformance reductions are not a result of a pipeline capacity shortfall, tariff priorities are not used. Rather, when the nominated quantities and the supplier's confirmations exceed the quantities actually being delivered into the pipeline, underperformance reductions are applied pro-rata among the confirmed transactions at the receipt point. Reductions to a Shipper with multiple nominations at the receipt point will be made using the Shipper's Receipt Rank (or a Pooler's Delivery Rank) among such nominations.

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard and required communication protocols):

This code is used to show shippers when reductions to their supply transaction occur because of demonstrated performance (gas flow) at a receipt (supply) point that is less than the nominated quantities at that location. This process protects shippers from scheduling issues related to the over-scheduling of gas that is not able to physically flow and protects the pipeline from having to manage avoidable operational imbalances.

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

This code is used to show the customers a specific reduction reason. It is a mean of communication and it lets the customer and receipt point operator know the exact reason for a reduction.

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

The El Paso Western Pipelines are already using this code, so the incremental or specific cost of implementing this code would be minimal or nonexistent.

7. Description of Any Specific Legal or Other Considerations:

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

El Paso Western Pipelines is available to test with any other interested party.

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

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):