

Gas Industry Standards Board

Request for Initiation of a GISB Standard for Electronic Business Transactions or
Enhancement of an Existing GISB Standard for Electronic Business Transactions

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R97030

Date of Request: February 4, 1997

1. Submitting Entity & Address:

NorAm Energy Services, Inc.
1600 Smith Street
Houston, Texas 77002

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

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3.a. Abstract of Proposed Standard or Enhancement:

Write up of GISB Action Item AP9601 for forwarding to BPS to form recommendation.

Add a standard for a shipper's request of a discount rate from a TSP and a TSP's confirmation of the discount agreement between TSP and shipper by the TSP assigning a discount code and return of a discount report to shipper. Modify nomination, scheduling and confirmation standards to include discount code as a data element in the nomination process.

3.b. Detailed Description of Proposed Standard or Enhancement:

The standard should have the following electronic information exchange between a shipper and a TSP:

(1) An electronic form where a shipper can request a rate(s) discounted from maximum rates charged by a TSP for any service offered by TSP. Data elements should include for each discount rate path/group: contract number of service, receipt point, delivery point, injection service, withdrawal service, storage service, starting date, ending date, commodity rate discount, surcharges, and surcharge rates.

(2) An electronic form or discount report where, after agreement between shipper and TSP, the TSP confirms the agreed upon discount rate(s) to the shipper. Data elements should include for each discount rate/path group: the data elements above agreed to between TSP and shipper, plus a discount rate code assigned by TSP. The assignment of the discount code and transmittal by the TSP should be indication of the agreement between TSP and shipper.

(3) Add data element to nomination, scheduling and confirmation data sets to include discount code with nomination line. If there is no

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discount code entered, the returned default would be maximum commodity rate including all applicable surcharges.

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):

Shippers and TSPs would use the proposed standard to electronically agree to discount rates for various services offered by a TSP. The proposed standard would be used in conjunction with and as an enhancement of GISB's previous approved standard in response to Koch Gateway's request R96014.

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

The benefits will be the use of electronic medium to request and confirm discounted rates. The largest benefit will be the immediate ability to upload the discount rates into the TSP's and shippers electronic systems greatly reducing entry errors, misunderstanding of discount rate agreements, and linking the discount rates to nominations, scheduling and confirmations. Further, the electronic upload of discounted rates into the TSP's and shipper electronic systems will reduce invoice discrepancies and non-payment due to disagreement with rates charged.

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

The costs to implement these additional documents into existing electronic systems will be more than offset by the savings related to the manual multiple entry and additional handing of documentation of discount rates into both the TSP's and shipper's financial, accounts payable and remittance electronic systems.

7. Description of Any Specific Legal or Other Considerations:

None

8. If This Proposed Standard or Enhancement is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

See Number 9 below.

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

The electronic confirmation of agreement on discount rate is currently being used by Tennessee Gas Pipeline by assignment of a discount code and use of such code in related nominations and scheduling confirmations. I understand Koch Gateway Pipeline Company has implemented a form of these discount request/confirmation actions for its shippers on certain IT service agreements.

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

Copy of Koch's request R96014.