RECOMMENDATION TO NAESB WGQ EXECUTIVE COMMITTEE

Requester: KeySpan Request No.: R02002 and 2002 Annual Plan Item 10 - Order 587-N Recommendation 3

1. RECOMMENDED ACTION:

___Accept as requested
_X_Accept as modified below
___Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X_Change to Existing Practice
___Status Quo

2. TYPE OF MAINTENANC

Per Request:	**Per Recommendation:**
___Initiation	___Initiation
_X_Modification	_X_Modification
___Interpretation	___Interpretation
___Withdrawal	___Withdrawal
___Principle (x.1.z)	___Principle (x.1.z)
___Definition (x.2.z)	___Definition (x.2.z)
___Business Practice Standard (x.3.z)	___Business Practice Standard (x.3.z)
___Document (x.4.z)	___Document (x.4.z)
___Data Element (x.4.z)	___Data Element (x.4.z)
___Code Value (x.4.z)	___Code Value (x.4.z)
___X12 Implementation Guide	___X12 Implementation Guide
_X_Business Process Documentation	_X_Business Process Documentation

3. RECOMMENDATION

SUMMARY:

- Add proposed language and examples to the Business Process and Practices section of the NAESB WGQ Capacity Release Book

BUSINESS PROCESS DOCUMENTATION (for addition, modification or deletion of business process documentation language)

Standards Book: **Capacity Release Book**

Language: Business Process and Practices:
Add the following at the end of Section A – Overview: See attached

4. SUPPORTING DOCUMENTATION

a. Description of Request:

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- **Annual Plan Item #10** - Develop standards as necessary to implement the FERC orders as a result of Docket Nos. RM96-1-019 (Partial Day Recalls) issued March 12, 2002

And

- **Request No. R02002** - Modify NAESB Standards 5.3.6 and 5.3.7 to incorporate changes to FERC regulation 284.12 (b) (1) (v); and that new standards be developed to address FERC regulation 284.12 (c) (1)(ii) (B)

b. Description of Recommendation:

Executive Committee

On 9/30/2002, the Executive Committee made the following motion:

Instruct IR to develop a set of examples for the TIBP document regarding the Elapsed Prorata Capacity for intraday day recalls based on the recommendation for R02002 as adopted by the EC on September 30, 2002. .

Information Requirements Subcommittee

On 10/15/ 02, the Information Requirements Subcommittee developed the proposed verbiage and examples to be inserted at the end of Sectin A – Overview, in the Business Process and Practices section of the Capacity Release Book.

On 11/5/02, the Information Requirements Subcommittee passed the following motion:

MOTION:

Adopt the attached workpaper regarding Annual Plan Item #10 and Request No. R02002 as modified in the Information Requirements Subcommittee meeting of November 5, 2002.

Vote				Balanced	Balanced	Balanced
	For	Against	Total	For	Against	Total
End Users	0	0	0	0.00	0.00	0
LDCs	0	0	0	0.00	0.00	0
Pipelines	4	0	4	2.00	0.00	2
Producers	0	0	0	0.00	0.00	0
Services	0	0	0	0.00	0.00	0
	4	0	4	2.00	0.00	2

Motion passes in a balanced vote with no opposition.

c. Business Purpose:

N/A

d. Commentary/Rationale of Subcommittee(s)/Task Force(s):

Because there are no EDI data sets associated with the recall process, there is no specific TIBP (Technical Implementation of Business Process) in which the requested examples can reside.

Therefopre, IR determined that the best place to put such would be in the Business Process and Practices section of the Cap[acity Release Books. This was relayed to the WGQ Executive Committee at its meeting of October 17, 2002 and there was no opposition to this approach.

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Insert the following in to the Business Process and Practices area within the Capacity Release book. The following verbiage should be added at the end of the Section A – Overview:

A Releasing Shipper may include recall rights as a condition of a capacity release. If the Releasing Shipper invokes such recall rights, they do so by providing notification to the Transportation Service Provider. A notification of recall may be provided at any applicable recall notification cycle. Set forth below are examples of capacity recall notifications for each of the recall notification cycles and the resulting quantities available for use by the Releasing Shipper and Replacement Shipper(s).

The examples below utilize the following abbreviations:

EPC: Elapsed Prorated Capacity as defined in NAESB WGQ Standard [5.2.z1] to mean that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.

Hours Left: Remaining Number of Hours in the gas day.

Recall Notice Cycle: Recall Notification Cycle

Recall Notice Qty: Recall Notification Quantity provided to the TSP

Rel Shipper Qty: Releasing Shipper Quantity that is available for use effective with the identified cycle on the day of the recall notification.

Repl Shipper Qty: Replacement Shipper Quantity that is available for use effective with the identified cycle on the day of the recall notification.

Example Set 1: Capacity recall expressed in terms of total released capacity entitlements.

Example 1-1: The Release Quantity is 24,000 Dekatherms. Releasing Shipper provides a notification of recall to the Transportation Service Provider equal to the released quantity.

Recall Notice Cycle	Recall Effective Time	EPC	Recall Notice Qty	Repl Shipper Qty	Rel Shipper Qty – Hours Left	Calculation
Timely / Early Evening / Evening	9:00 am	0	24,000	0	24,000 - 24	

Recall Notice Cycle	Recall Effective Time	EPC	Recall Notice Qty	Repl Shipper Qty	Rel Shipper Qty – Hours Left	Calculation
Intraday 1	5:00 pm	8,000	24,000	8,000	16,000 - 16	9 am to 5pm = 8 hours EPC = 8/24 x 24,000 = 8,000 Recall Notice Qty = (Rel Shipper Qty / Hours Left) x 24 (16,000 / 16) x 24 = 24,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty.
Intraday 2	9:00 pm	12,000	24,000	12,000	12,000 - 12	9 am to 9pm = 12 hours EPC = 12/24 x 24,000 = 12,000 Recall Notice Qty = (Rel Shipper Qty / Hours Left) x 24 (12,000 / 12) x 24 = 24,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty.

Example 1-2: The Release Quantity is 24,000 Dekatherms. Releasing Shipper provides a notification of recall to the Transportation Service Provider for less than the 100 % of the released quantity.

Recall Notice Cycle	Recall Effective Time	EPC	Recall Notice Qty	Repl Shipper Qty	Rel Shipper Qty - Hours Left	Calculation
Timely / Early Evening / Evening	9:00 am	0	12,000	12,000	12,000 -24	
Intraday 1	5:00 pm	8,000	12,000	16,000	8,000 – 16	9 am to 5pm = 8 hours EPC = 8/24 x 24,000 = 8,000 Recall Notice Qty = (Rel Shipper Qty / Hours Left) x 24 (8,000 / 16) x 24 = 12,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty.

Recall Notice Cycle	Recall Effective Time	EPC	Recall Notice Qty	Repl Shipper Qty	Rel Shipper Qty - Hours Left	Calculation
Intraday 2	9:00 pm	12,000	12,000	18,000	6,000 - 12	9 am to 9pm = 12 hours EPC = 12/24 x 24,000 = 12,000 Recall Notice Qty = (Rel Shipper Qty / Hours Left) x 24 (6,000 / 12) x 24 = 12,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty.

Example Set 2: Capacity recall expressed in terms of adjusted total released capacity entitlements based upon the elapsed prorata capacity.

Example 2-1: The Release Quantity is 24,000 Dekatherms. Releasing Shipper provides a notification of recall to the Transportation Service Provider of the quantity equal to the Release Capacity Quantity less the EPC.

Recall Notice Cycle	Recall Effective Time	EPC	Recall Notice Qty	Repl Shipper Qty	Rel Shipper Qty – Hours Left	Calculation
Timely / Early Evening / Evening	9:00 am	0	24,000	0	24,000 - 24	
Intraday 1	5:00 pm	8,000	16,000	8,000	16,000 - 16	9 am to 5pm = 8 hours EPC = 8/24 x 24,000 = 8,000 Rel Shipper Qty = Lesser of: 1) Recall Notice Qty = 16,000 or 2) Rel Qty – EPC = 16,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty

Recall Notice Cycle	Recall Effective Time	EPC	Recall Notice Qty	Repl Shipper Qty	Rel Shipper Qty – Hours Left	Calculation
Intraday 2	9:00 pm	12,000	12,000	12,000	12,000 - 12	9 am to 9pm = 12 hours EPC = 12/24 x 24,000 = 12,000 Rel Shipper Qty = Lesser of: 1) Recall Notice Qty = 12,000 or 2) Rel Qty – EPC = 12,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty

Example 2-2: The Release Quantity is 24,000 Dekatherms. Releasing Shipper provides a notification of recall to the Transportation Service Provider of the quantity equal to less than 100% of the Released Capacity.

Recall Notice Cycle	Recall Effective Time	EPC	Recall Notice Qty	Repl Shipper Qty	Rel Shipper Qty – Hours Left	Calculation
Timely / Early Evening / Evening	9:00 am	0	12,000	12,000	12,000 - 24	
Intraday 1	5:00 pm	8,000	8,000	16,000	8,000 - 16	9 am to 5pm = 8 hours EPC = 8/24 x 24,000 = 8,000 Rel Shipper Qty = Lesser of: 1) Recall Notice Qty = 8,000 or 2) Rel Qty – EPC = 16,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty
Intraday 2	9:00 pm	12,000	6,000	18,000	6,000 - 12	9 am to 9pm = 12 hours EPC = 12/24 x 24,000 = 12,000 Rel Shipper Qty = Lesser of: 1) Recall Notice Qty = 6,000 or 2) Rel Qty – EPC = 12,000 Repl Shipper Qty = Release Qty – Rel Shipper Qty