RECOMMENDATION TO GISB EXECUTIVE COMMITTEE

Requester: Market Settlement Task Force   Request No.: R97031(A)

1. Recommended Action: **Effect of EC Vote to Accept Recommended Action:**

      Accept as requested   X Change to Existing Practice
  X Accept as modified below   Status Quo
     Decline

2. TYPE OF MAINTENANCE

    Per Request: **Per Recommendation:**

  X Initiation   X 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)
  X Data Element (x.4.z)   X Data Element (x.4.z)
  X Code Value (x.4.z)   X Code Value (x.4.z)
  X X12 Implementation Guide   X X12 Implementation Guide
    Business Process Documentation   X Business Process Documentation

3. RECOMMENDATION

DATA DICTIONARY (for new documents and addition, modification or deletion of data elements)

Document Name and No.:   Transportation/Sales Invoice, 3.4.1

Business Name	Definition	Usage	Condition
Charge/Allowance Period (Chrg/Allow Period)	*The day, month or period applicable to the specified Service Requester Level Charge/Allowance Amount.*	*C*	*May only be sent if Service Requester Level Charge/Allowance Amount is present.*
Service Requester Level Charge/Allowance Amount (Svc Req Lvl Chrg/Allow Amt)	*Monetary amount of charge or allowance invoiced at the service requester level.*	*SO*	
Service Requester Level Charge/Allowance Amount Descriptor (Svc Req Lvl Chrg/Allow Amt Desc)	*Descriptor used to provide information about the service requester level charge or allowance.*	*C*	*Mandatory when the Service Requester Level Charge/Allowance Amount is present.*

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Service Requester Level Adjustment Type (Svc Req Lvl Adj Type)	*Indicates whether a service requester level prior period adjustment is processed as a reversal, restatement or net.*	*SO*

* Indicates Common Code

CODE VALUES LOG (for addition, modification or deletion of code values)

Document Name and No.:   Transportation/Sales Invoice, 3.4.1

Business Name	Usage	Code Value	Code Value Description	Code Value Definition
Service Requester Level Charge/Allowance Amount Descriptor (Svc Req Lvl Chrg/Allow Amt Desc)	*C*	*RFD*	*Gas Research Institute Refunds*	*Allowances for the settlement of Gas Research Institute refunds.*
		PRB	*Imbalance Charges*	*Charges/allowances for the settlement of quantity imbalances.*
		LPC	*Interest Charges*	*Charges/allowances for interest on past due invoice balances.*
Service Requester Level Adjustment Type (Svc Req Lvl Adj Type)	*SO*	*REV*	*Reversal*	*[To be defined]*
		RES	*Restatement*	*[To be defined]*
		NET	*Net*	*[To be defined]*

TECHNICAL CHANGE LOG (all instructions to accomplish the recommendation)

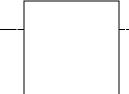**Document Name and No.:** Transportation/Sales Invoice 3.4.1

Description of Change:
G811TSIN - Transportation/Sales Invoice (3.4.1)
Data Element Xref to X12
Add new Detail section between the Sub-Detail and Summary sections; this new section will have the following entries: HL SO Hierarchical Level - Service Requester Level Charges/Allowances; ITA M Line Number, SO Service Requester Level Charge/Allowance Amount, C Service Requester Level Charge/Allowance Amount Descriptor; DTM C Charge/Allowance Period
ITA segment for Service Requester Detail level: Add Service Requester Level Adjustment Type with usage SO between Amount and Amount Descriptor

X12 Mapping
HL Segment for Line Item level HL loop (HL03 = '9') - Change segment note to read: "This segment is the beginning of the line item detail loop. For GISB, this segment is mandatory. This HL loop is subordinate to the contract level loop (HL03 = 'IB') and is not related to the service requester level charges/allowances loop (HL03 = 'CH')."
Add new HL segment (to be added as last HL loop); Segment note: "This segment is the beginning of the loop used for service requester level charges/allowances. For GISB, this segment is sender's option. When sent, the corresponding ITA segment is required."; HL01 = sequential line item number, mark as "Must Use"; HL03 = 'CH' with note "Service Requester Level", mark as "Must Use"
Add new ITA segment within HL03='CH' loop: Segment note: "For GISB, this segment is sender's option. It is required when the service requester level charges/allowances loop (HL03 = 'CH') is sent. Only one ITA should be sent per HL loop.";
Mapping for ITA segment within HL03='CH' loop: ITA01 = 'C' (for charge), 'A' (for allowance), mark as "Must Use"; ITA04 = 'ZZ', mark as "Must Use"; ITA05 = "Line Number. The line number should sequentially follow the Line Number in the sub-detail.", mark as "Must Use"; ITA07 = "Service Requester Level Charge/Allowance Amount", mark as "Must Use"; ITA14 = "Service Requester Level Charge/Allowance Amount Descriptor. For GISB, this element is conditional.", mark as "Must Use"
Values for ITA14 within HL03='CH' loop are: "RFD", "LPC", "PRB" - See CodeVals list.
Add new DTM segment within ITA loop (within HL03='CH' loop): Segment Note: "For GISB, this segment is conditional."; DTM01 = '007', mark as "Must Use"; DTM06 = D8 - CCMMDDYY, RD8 - CCMMDDYY-CCMMDDYY, CM - CCYYMM, RD5 - "Range of Years and Months expressed in format CCYYMM-CCYYMM. ANSI approved in version 3060.", mark as "Must Use"; DTM07 = "Charge/Allowance Period", mark as "Must Use"
CTT Segment: change CTT01 note to: "The count of the contract level HL loops and service requester level charges/allowances HL loops."
ITA segment within HL03 = 'CH' loop: ITA13: Add "Service Requester Level Adjustment Type. For GISB, this element is sender's option."; Add the following code values for ITA13: 'REV', 'RES', 'NET'. See CodeVals log
ITA segment within HL03 = 'CH' loop: Remove following sentence from segment notes: "Only one ITA should be sent per HL loop."

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

Standards Book: Invoice Related Standards

Language:
See Attached Technical Implementation of Business Process

4. SUPPORTING DOCUMENTATION

a. Description of Request:

Add two new data elements to the invoice data dictionary. These new data elements will be in the Summary Section of the invoice data set to allow allocation of charges or allowances at the invoice/Service Requester level. The new elements would be "Invoice Level Charge/Allowance

Descriptor" and "Invoice Level Charge/Allowance Amount". These data elements would have the usage of 'SO'.
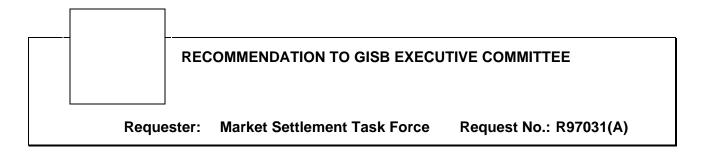
b. Description of Recommendation:

Business Practices Subcommittee

3.3.x   Where no specific contract otherwise applies, in case of shipper level interest charges due from prior invoices, shipper level imbalance charges, and shipper level GRI refunds, a data element(s) should exist to support these charges due from the service requester. The invoice data sets (GISB Standards 3.4.x) should support a method of communicating this information at the service requester level.

Sense of the Room:	March 13, 1997		_18_ In Favor		_0_ Opposed

Segment Check (if applicable):

	End-Users	LDCs	Pipelines	Producers	Services
In Favor :	_1_ End-Users	_1_ LDCs	_11_ Pipelines	_2_ Producers	_3_ Services
Opposed:	End-Users	LDCs	Pipelines	Producers	Services

Information Requirements Subcommittee

♦   Add the following two new <u>data elements</u> to the Invoice data set to allow the sending of service requester level information along with the detail information: Service Requester Level Charge/Allowance Amount and Service Requester Level Charge/Allowance Amount Descriptor (and related code values) to the Transportation/Sales Invoice.

Sense of the Room:	August 18, 1997		_15_ In Favor		_0_ Opposed

Segment Check (if applicable):

	End-Users	LDCs	Pipelines	Producers	Services
In Favor :	End-Users	LDCs	Pipelines	Producers	Services
Opposed:	End-Users	LDCs	Pipelines	Producers	Services

♦   Add a date field that corresponds to the new data elements.

Data element name: Charge/Allowance Period

Definition: The day, month or period applicable to the specified Service Requester Level Charge/Allowance Amount.

Usage: 'C', May only be sent if Service Requester Level Charge/Allowance Amount is present.

The options are (NOTE: A separate period can be specified for each amount.):

1) MMDDYY
2) MMDDYY - MMDDYY
3) MMYY
3) MMYY - MMYY

♦   Issue on new data elements we added to the header of the current Invoice – The header level does not have line items. The Remittance Statement uses line numbers to identify disputed line items. Solution: Add line numbers to the summary level of the Transportation/Sales Invoice.

The remaining data elements should all be contained in the same (one) level of the document.

Sense of the Room:	August 18, 1997		_15_ In Favor		_0_ Opposed

Segment Check (if applicable):

In Favor:	___End-Users	___LDCs	___Pipelines	___Producers	___Services
Opposed:	___End-Users	___LDCs	___Pipelines	___Producers	___Services

♦   Parties need the ability to send the data elements noted above separate from the other invoice data. Therefore, this request was split into two parts. <u>R97031A</u> covers the addition of the data elements noted above to the existing invoice document. <u>R97031B</u> covers the development of a new summary level invoice titled 'Service Requester Level Charge/Allowance Invoice'.

Sense of the Room: August 18, 1997   <u>15 </u>In Favor   <u>0 </u>Opposed
Segment Check (if applicable):

In Favor:	___End-Users	___LDCs	___Pipelines	___Producers	___Services
Opposed:	___End-Users	___LDCs	___Pipelines	___Producers	___Services

♦   Add new data element 'Service Requester Level Adjustment Type' to the service requester level of the existing invoice with a Usage of 'SO'. Definition: Indicates whether a service requester level prior period adjustment is processed as a reversal, restatement or net. Use same code value descriptions as 'Adjustment Type'.

Sense of the Room: October 14, 1997   <u>17 </u>In Favor   <u>0 </u>Opposed
Segment Check (if applicable):

In Favor:	___End-Users	___LDCs	___Pipelines	___Producers	___Services
Opposed:	___End-Users	___LDCs	___Pipelines	___Producers	___Services

Technical Subcommittee

R97031A&B will be sent back to IR because Adjustment Type and Previous Invoice Identifier were specified at the Service Requester Level in R97031B but not at the Service Requester Level in R97031A. These data elements are not the same as the ones that currently exist at the header and sub-detail level in R97031A so we may need data elements with different names at the Service Requester Level.

Sense of the Room: September 24, 1997   <u>6 </u>In Favor   <u>0 </u>Opposed
Segment Check (if applicable):

In Favor:	___End-Users	___LDCs	___Pipelines	___Producers	___Services
Opposed:	___End-Users	___LDCs	___Pipelines	___Producers	___Services

As a result of the IR meeting on October 14, 1997, modifications were made to the Transportation/Sales Invoice that was revised at the September 24, 1997 Technical meeting.

Transfer the request to IR for development of the "Technical Implementation of Business Process" and "Sample Paper Transaction " sections of the Implementation Guide.

Sense of the Room: October 29, 1997   <u>7 </u>In Favor   <u>0 </u>Opposed
Segment Check (if applicable):

In Favor:	___End-Users	___LDCs	___Pipelines	___Producers	___Services
Opposed:	___End-Users	___LDCs	___Pipelines	___Producers	___Services

RECOMMENDATION TO GISB EXECUTIVE COMMITTEE

Requester: Market Settlement Task Force   Request No.: R97031(A)

c. **Business Purpose:**

Per the request: The current structure of the invoice data set only allows charges or allowances assigned to specific contracts; therefore, charges at the Service Requester Level which are not specifically assigned to individual contracts must be plugged to an arbitrary selected contract, or to a dummy contract number assigned for the purpose. This change would allow accurate representation of the level to which invoice charges and allowances are assigned.

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

♦   At the May EC meeting, the two data elements and three code values were reviewed. The data element and code value names, descriptions and conditions were sent back to IR for further development.

- Service Requester and Invoice are two different levels. Change 'Invoice' to 'Service Requester' for the data elements that will be added.
- What is the meaning / intent of the proposed 'Invoice Level Charge/Allowance Amount Descriptor' data element? Answer: The descriptor is used to provide information about the higher level charge.
- Usage of 'Service Requester Level Charge/Allowance Amount Descriptor' should be revised from 'SO' to 'C', required if 'Service Requester Level Charge/Allowance Amount' is present.

♦   IR: Parties need the ability to send invoice data at the service requester level, and to send this summary information separate from the transportation invoice data.

TECHNICAL IMPLEMENTATION OF BUSINESS PROCESS

An The Transportation/Sales Invoice is the communication between companies that itemizes goods shipped or services rendered and specifies the price and term of the transaction. It also serves as a request for payment and documents that goods have been provided or services have been performed. The types of transactions invoiced in the natural gas industry include gas sales, and gas transportation, and related charges and/or allowances.

The Transportation/Sales Invoice is identified by the **invoice identifier**. This is an identifier a code assigned by the originator of the invoice and is a point of reference for communications regarding the invoice. When an invoice supercedes a previously issued invoice, the **previous invoice identifier code**, if utilized, will reflect the invoice being replaced. An invoice uniquely identifies a single **invoice date**, **currency**, **exchange rate**, **effective exchange date**, **account number**, **tax ID identification code number**, **contact person**, **service requester**, **payee**, **billable party (payer)**, **remittance address** and **net due date**.

The **currency, exchange rate** and **effective exchange date** are used traditionally where gas crosses borders and the billable party is in a different country than the payee.

The **tax identification code ID number** is the payee's tax id number to be used for government reporting.

There may be multiple **service requester contract numbers** and effective dates (**beginning transaction date/beginning transaction time, ending transaction date/ending transaction time**) on a single Transportation/Sales Invoice.

For each unique combination of service requester contract number and effective date, there may be one or more lines of detail. Each detail is identified by a **line number**. For a line number, there may be a single **package ID**, **quantity, unit price, price tier number, delivery location**, and **delivery zone, amount due, adjustment type, service code, charge indicator, location indicator, replacement release code, charge type, receipt location, and receipt zone**, and **replacement party identifier ID**.

[paragraph inserted as a result of R97026]

A **charge type** may describe one or more rates applied to the same transaction or billable unit of service such as maximum daily quantity, receipt quantity, delivery quantity, or pipeline interconnection facilities. One charge type may be applicable to several different types of services. Different rates may be associated with the same charge type depending upon service, contract, path, month, rate tier, or other factors.

[new paragraph as a result of R97031A]

In some cases, no specific contract or transaction applies to an invoiced amount; such an amount is referred to as a "service requester level charge or allowance." Examples of service requester level charges or allowances include interest on past due invoices, imbalance charges and GRI refunds. These charges are described by the **service requester level charge/allowance amount descriptor** while the relevant amount for each descriptor is found in the **service requester level charge/allowance amount**. When these types of charges and/or allowances are invoiced together with contract level amounts, the Transportation/Sales Invoice document is used. If service requester level charges and/or allowances are the *only* amounts invoiced, the Service Requester Level Charge/Allowance Invoice document should be used instead.

All of the contract level ~~details~~ amounts and service requester level amounts (if applicable) for each invoice are summarized into ~~a total invoice amount~~ the **invoice total amount**.