



RECOMMENDATION TO GISB EXECUTIVE COMMITTEE
revised by the Executive Committee – July 15, 1999

Requester: National Fuel Gas Distribution

Request No.: R97123

1. Recommended Action:

- Accept as requested
- Accept as modified below
- Decline

Effect of EC Vote to Accept Recommended Action:

- Change to Existing Practice
- Status Quo

2. TYPE OF MAINTENANCE

Per Request:

- Initiation
- Modification
- Interpretation
- Withdrawal

- Principle (x.1.z)
- Definition (x.2.z)
- Business Practice Standard (x.3.z)
- Document (x.4.z)
- Data Element (x.4.z)
- Code Value (x.4.z)
- X12 Implementation Guide
- Business Process Documentation

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3. RECOMMENDATION

The BPS recommends the following business practice standard for invoicing:

Unless otherwise specified in an applicable tariff, general terms and conditions, or contract, the effective payment due date of an invoice when such due date does not fall upon a Business Day (as defined in GISB Standard 3.2.1) should be the first Business Day following such due date.

4. SUPPORTING DOCUMENTATION

a. Description of Request:

Regarding Invoice Payment: Generally, when a pipeline invoice due date is also a non-Business Day, the payment date should be determined by whether the previous day is a Business Day. Specifically, as shown in the example below:

If the due date is not a Business Day (defined in Standard 3.2.1) (e.g., a Saturday) and the previous day is a Business Day, then the customer shall remit payment on that previous day (e.g., Friday). [This is also



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illustrated by a payment due date occurring on Thanksgiving Thursday -- the payment would be remitted on the previous day, Wednesday.]

If the due date is not a Business Day (e.g., a Sunday) and the previous day also **is not** a business Day, then the customer shall remit payment on the following Business Day (e.g., Tuesday in the event of a Monday holiday).

b. Description of Recommendation:

BPS Subcommittee

MOTION:

Unless otherwise specified in an applicable tariff, general terms and conditions, or contract, the effective due date of an invoice when the due date does not fall upon a Business Day (as defined in GISB Standard 3.2.1) should be the first Business Day following the due date.

VOTE:

<u>Segment</u>	<u>In Favor</u>	<u>Balanced In Favor</u>	<u>Opposed</u>	<u>Balanced Opposed</u>
LDCs	1	1	0	0
End Users	0	0	0	0
Services	2	2	0	0
Producers	0	0	0	0
Pipelines	6	1.2	4	.8
TOTAL	10	4.2	4	.8

c. Business Purpose:

The proposed standard would provide pipelines and their customers with a systematic methodology of determining invoice payment due dates, remedying existing payment inequities, particularly over holiday weekends. The standard would provide guidance where a pipeline’s tariff language is either vague or silent on the issue.

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

Please refer to the BPS minutes dated April 8 & 9, 1999.