

# C96024

**TO:** Interpretation Subcommittee  
**FR:** Greg Lander - Chair  
Kirt Kleinman - Vice Chair  
**RE:** Interpretation Request No. 24  
Question of which Location Code to send in Request to Confirm (RTC) and Confirmation Response (CR). Recipients Code, or Sender's Code.

**Attachment:** Request of Koch Gateway for clarification or interpretation.

**CC:** Board of Directors  
Executive Committee Members  
BPS Committee Chairs  
BPS Nominations Committee Members  
Market Execution Task Force Chairs  
Market Execution Task Force Members

**DT:** December 1, 1996

**Action Item:** There is an Interpretations Subcommittee Conference Call (including all interested persons) scheduled for **December 5, 1996 at 12:00 CST** to discuss this matter and appropriate associated course(s) of action. The conference calling number is 1-402-331-9086 and the passcode is GISB.

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On November 14, 1996 Koch Gateway forwarded to Greg Lander a request for interpretation which was believed to have been simultaneously forwarded to the GISB Office. It was not forwarded until November 30th. Nonetheless, several informal discussions have taken place between members of the above cited Committees and Task Forces which make it clear that an immediate need exists to fast track the interpretation of standards 1.1.8 (Use of Common Codes); 1.3.20 (Receiver of nomination initiates confirmation process); 1.4.3. (Request to Confirm (i.e., RTC) Dataset); and 1.4.4. (Confirmation Response (i.e., CR) Dataset) with respect to which code to send when sending an RTC and/or CR.

## **Problem Statement:**

When sending an RTC, should the sending party send their location code or the location code of the receiver, or should the dataset be modified to include both codes? Likewise, should the responding party (the party returning the CR) send the code they were sent, or another code or both codes?

The standards are not specific as to which of the two codes should be sent. It is reasonable to assume that at this point there is division as to whether the sending party

will send their nomination code (the one that shippers on their system use to identify the receipt or delivery location) thus, requiring the receiver to cross-reference the sending party's code to their own code or codes; or, whether the sending party will send the receiving party's nomination code (the one that shippers on the receiving party's system use to identify the delivery or receipt location) which of course would require the sender to cross-reference the sending parties code(s) to the receiving party's code(s).

If there is no convention, the most complicated of situations could exist, namely that in some cases the sender would send the receiver's code and in others the senders would send their own. This would entail cross-referencing the super set of possibilities and having an indicator which, for each entity (or location) and document, would identify the code to be sent and/or received. This latter approach has the highest potential up-front identification and on-going maintenance issues associated with it.

### **Complicating Factors:**

Not all point operators have codes for their side of the flange. Many producer-operators (and LDC's) employ the code of the TSP to which they are attached. Additionally, many interconnect operators (usually TSP's) have multiple codes for the location. Usually these different codes are employed by a TSP to determine whether it is a receipt or delivery activity; or to identify entities at the location (i.e., pools, or pooling agreements).

### **What the Standards say:**

Standard 1.1.8. states that a common code should be used. The common code is the DRN in the PI database. There is one DRN for every location nominatable on the facilities of a service provider. An Interconnect is two points. One, the point used by the contractually delivering TSP and the other one, the point used by the contractually receiving party. Simply stating that a common code will be used does not solve the problem. Simply, the problem is "if one code, then which code?"

Standard 1.3.20. states "Receiver of nomination initiates confirmation with the caveat that the receiver of the confirmation may relieve obligation of sender to send." While clear as to who initiates the process, it is silent on what code is utilized.

Standard 1.4.3. - the dataset itself has the following definition of the "Location" "The location where the quantity will be scheduled by the transportation service provider." The only other hint within the 1.4.3. dataset is the definition for the contractual flow indicator. It states: "Indicates the logical direction of flow at a point from the originator's perspective" (Note: Market Execution has requested that "originator's perspective" be expanded to read - "confirmation request originator's perspective"). Where scheduling is occurring at an interconnect between TSP's, there would be two TSP's involved, thus the definition of location is, as it stands, ambiguous.

The only other hint that we presently have is in the conventions used to nominate flow, to identify pre-determined allocations at locations, and to upload capacity release pre-arranged deals. In all these cases, it is clear that the sender (the service requester) sends the receiver's (service provider's) code for the locations being sent to the service provider and the service provider returns their code to the service requester (ex. Nomination Quick Response (NOM QR), PDA QR, Scheduled Quantities (SQ), Imbalance Statement (IMBAL), Metered Volume Statement (MVS), Invoice (INV), and Upload Validation (UVAL) document)

#### **Alternatives:**

- 1) Leave it up to the interconnected parties to work out.
- 2) Agree that the nomination, PDA and UPPD conventions requiring the sender to send the receiver's code apply to the RTC from the service requester (a la nominations and PDAs) with the service provider sending their code in return (a la the QR's and SQ's). Service requester does all cross-referencing.
- 3) Establish a convention that the sender sends the sender's (service requester's) code when sending an RTC and receives back their (the service requester's) code in the CR. Service provider does all cross-referencing.
- 4) Establish a convention that the sender sends the sender's (service requester's) code when sending an RTC and receives back the senders (service provider's code) code in the CR. In other words, each sends their own code and the recipient does all cross-referencing after receipt.
- 5) Establish a convention that the sender sends the receiver's (service provider's) code when sending an RTC and receives back their (the service requester's code) code in the CR. In other words, each receives their own code and the sender does all cross-referencing before they send
- 6) Establish a new standard convention via a modification of the existing definition of location (make it clear that this is the location of one of the parties' (i.e., the sender or the receiver) locations) and then add a new standard data element to both the RTC and CR documents (i.e., the other party's location code) which would enable the identification of both the sending and receiving parties' locations via the two codes. In other words, the initiator of confirmation process performs cross-referencing before they send an RTC, and thereafter all recipients (including confirmation initiator when they receive the CR) have both codes when they receive a document for processing.

#### **Short Discussion:**

**Alternative 1: Disadvantage:** requires interconnected parties to contact all interconnected parties to determine (negotiate?) which way they are to send and receive codes from all interconnected trading partners; build cross-reference table(s), then design systems to identify which codes they are to send or receive on a by destination/source (possibly by transaction) basis. Requires systems to determine that party will sometimes perform look-up to get codes when receiving and processing; sometimes perform look-up to get codes when receiving, processing and sending; sometimes perform look-up when processing and sending; and sometimes perform look-up not at all. Is the determination of when and for whom to do look-up permanent? Labor intensive up-front and during maintenance. Manual determination process prone to mistakes.

**Advantage:** no need for interpretation or new standard

**Alternative 2: Disadvantage:** requires service-requester-sender to cross-reference their codes to the service-provider-receiver's code(s) when sender is a service requester. Requires service requester to perform look-up (to get recipient's code) post-processing of the RTC and before sending it, as well as, to perform a look-up after receiving the CR (to get their own code) before processing the CR into SQ. Service providers receiving RTCs, which do not have a code for their location (ex. producer operators) will either need to have one created or employ the code of the sender (service requesting TSP) for their location. Requires interpretation, possibly new standard depending on whether definition in dataset needs to be revised.

**Advantage:** one time cross-reference activity for service requesters (and service providers where no code currently exists); no need for service providers to cross-reference service requester's codes when performing service provider role; no need for either party to devote resources to negotiations concerning which party's codes to send or receive; promotes the perception that service-requester-sender sends service-provider-recipient's code is a standard convention which could apply to future datasets and systems design.

**Alternative 3: Disadvantage:** requires service-provider-receiver to cross-reference their codes to the service-requester-sender's code(s) (or in some cases create a code or adopt the service-requester-sender's code for a location) when receiver is provider of confirmation service. Requires service provider to perform look-up (to get their internal code) prior to processing an RTC as well as after processing the CR and prior to sending it (where service provider's internal systems are based on service provider's codes). Leaves impression of complicated rules

concerning which codes service-requester-sender sends to service-provider-receiver, in that sometimes the service requester sends their codes, other times they send the provider's code; no standard convention that could apply to future datasets and systems design is established. Requires interpretation, possibly new standard depending on whether definition in dataset needs to be revised.

**Advantage:** one time cross-reference activity for service-provider-recipients; no need for service requesters to cross-reference service provider's codes when requesting service from service provider; no need for either party to devote resources to negotiations concerning which party's codes to send or receive.

**Alternative 4: Disadvantage:** requires both senders (service requester and service provider) to cross-reference their codes to the receiver's code(s) and do a look-up (to get the recipient's code) every time they send a document. Leaves impression of complicated rules concerning which codes senders employ, while sender sends recipient's code, the service provider is then sending the service requester's code in the CR document; may or may not help establish a standard convention that could apply to future datasets and systems design. Requires interpretation, possibly new standard depending on whether definition in dataset needs to be revised

**Advantage:** one time cross-reference activity for both service requesters and service providers; no need for either party to perform look-up (to get internal codes) prior to process of incoming documents, no need to devote resources to negotiations concerning which party's codes to send or receive.

**Alternative 5: Disadvantage:** requires both receivers (service provider and service requester) to cross-reference their codes to the sender's code(s) and do a look-up (to get internal code) every time they receive a document. Leaves impression of complicated rules concerning which codes senders employ, while sender sends sender's code, this is the only time the service requester sends their own code to a service provider (the RTC document); may or may not help establish a standard convention that could apply to future datasets and systems design. Requires interpretation, possibly new standard depending on whether definition in dataset needs to be revised.

**Advantage:** one time cross-reference activity for both service providers and service requesters; no need to perform look-up (to get recipient's code) prior to sending a document; no need to devote resources to negotiations concerning which party's codes to send or receive.

**Alternative 6: Disadvantage:** requires both senders (when acting as service requester) to cross-reference their codes to the recipient's code(s) and do a look-up every time they initiate a transaction (receiver's will have the sender's code when they receive a document) and send a document. Adds about 20 to 30 characters to each RTC and CR (made up of the segment identifier, plus associated qualifiers, separators, and the DRN of 1 to 10 characters) line item. Requires modification of existing standard to define existing location code as one of the codes (sender's or receiver's) and a new standard to add the extra data element (the other party's code).

**Advantage:** one time cross-reference activity for both senders (when acting as service requester); receiver always has both codes in dataset and can process using their own code and avoid look-up on either end of processing; only initiator of transaction has to do any look-up to get a code; no need to devote resources to negotiations concerning which party's codes to send or receive. If receiver or sender has no code for the location, then the default would be the existing code for the location. Allows receiver's to alter their business process in the future and rely on both codes coming to them.

Sub: Request to Confirm Location Code  
Date: 96-11-30 17:20:40 EST  
From: nrcr@mindspring.com (National Registry of Capacity Rights)  
To: gisb@aol.com

>Return-Path: ArthurL@kochind.com  
>From: "Arthur Lisa" <ArthurL@kochind.com>  
>To: Ed Bost <ebost@nrginfo.com>, Jim Keisler <Jim E Keisler@TGPL.TWC.COM>,  
> Joyce Phillips <jphillip@pel.com>  
> Lisa Hamson <LISA.J.HARRISON@conoco.dupont.com>,  
> Greg Lander <nrcr@mindspring.com>, Roger Nelson <roger\_nelson@tcpl.ca>  
>Cc: "Peak, Bodie" <PeakB@kochind.com>  
> "Young, Randy (Houston)"  
> <YoungOR@kochind.com>  
> "Dickenson, Ken (Consultant)"  
> <DickensK@kochind.com>,  
> "Jahelka, Becka" <JahelkaB@kochind.com>

>Subject: Request to Confirm Location Code

>Date: Wed, 13 Nov 1996 06:38:00 -0600

>

>When sending a request to confirm at a pipeline interconnect point,  
>should the request include the requestor's DRN or the recipient's DRN in  
>the Location field, or the GRID code (first 10 chars should be the same  
>for parties on both sides of the interconnect)

>

>Note: Location is defined as "The location where quantity will be  
>scheduled by the transportation service provider"

>

>Our assumption is that contains the requestor's DRN.

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>If this is not standardized, then is the implication that you need to be  
>prepared to accept any of these values. This will certainly slow down  
>processing because you may have to do several different searches to  
>verify the point number on an incoming request

>

>Does this need to be formalized as a request for clarification? If so, I  
>will document by end of day on Thursday. Let me know if I should list  
>your company's name on the request form.

>

----- Headers -----

From: nrcr@mindspring.com Sat Nov 30 17:20:05 1996

Return-Path: nrcr@mindspring.com

Received: from mule0.mindspring.com (mule0.mindspring.com [204.180.128.166]) by emin34.mail.aol.com (8.6.2/8.6.2) with ESMTP id RAA25794 for <gisb@aol.com>, Sat, 30 Nov 1996 17:20:04 -0500

Received: from GREG [ip158.westford.ma.interramp.com [38.11.57.158]] by mule0.mindspring.com (8.8.2/8.7.3) with SMTP id WAA115498 for <gisb@aol.com>, Sat, 30 Nov 1996 22:20:00 GMT

Date: Sat, 30 Nov 1996 22:20:00 GMT

Message-Id: <1.5.4.16.19961130171942.32efa57e@pop.mindspring.com>

X-Sender: nrcr@pop.mindspring.com

X-Mailer: Windows Eudora Light Version 1.5.4 (16)

Mime-Version: 1.0

Content-Type: text/plain; charset="us-ascii"

To: gisb@aol.com

From: National Registry of Capacity Rights <nrcr@mindspring.com>

Subj: FW: FW : Request to Confirm Location Code  
Date: 96-11-30 17:21:38 EST  
From: nrcr@mindspring.com (National Registry of Capacity Rights)  
To: gisb@aol.com

>Return-Path: ArthurL@kochind.com  
>From: "Arthur, Lisa" <ArthurL@kochind.com>  
>To: "Peak, Bodie" <PeakB@kochind.com>,  
> "Young, Randy (Houston)"  
> <YoungOR@kochind.com>,  
> "Dickenson, Ken (Consultant)"  
> <DickensK@kochind.com>,  
> "Jahelka, Becka" <JahelkaB@kochind.com>  
>Cc: Denise Breeden <denise.breeden@tenneco\_energy.com>,  
> Ed Bost  
> <ebost@nrginfo.com>, GISB Office <gisb@aol.com>,  
> Jim Keisler  
> <Jim.E.Keisler@TGPL.TWC.COM>,  
> Joyce Phillips <jphillip@pel.com>,  
> Kim Van Pelt <kvanpelt@panenergy.com>  
>Cc: Lisa Harrison <LISA.J.HARRISON@conoco.dupont.com>,  
> Greg Lander  
> <nrcr@mindspring.com>  
> Roger Nelson <roger\_nelson@tcpl.ca>  
>Subject: FW: FW : Request to Confirm Location Code  
>Date: Thu, 14 Nov 1996 11:18:00 -0600

>>What Jim Keisler of Transco is saying is that

>>(1) If we request confirmation, we send our DRN. The reply to our  
>>request (confirmation) should also reference our DRN.

>>(2) If we receive a request to confirm, the incoming request will  
>>contain the interconnecting party's DRN. Our reply to the request  
>>(confirmation) should also reference the interconnecting party's DRN

>>Just for the record, I will submit an official request for clarification  
>>when time permits. Please move forward using these assumptions for now.

>>Thanks!

>>Lisa Arthur

>>KGPC

>>(713)229-4638

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>>From: Jim.E.Keisler@internet-mail.twc.com

>>To: Arthur, Lisa

>>Subject: Re: FW: Request to Confirm Location Code

>>Date: Wednesday, November 13, 1996 11:05AM

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>>

>> Lisa,

>>

>> Thanks for your question!

>>

>> It seems clear to me that the location code canNOT reflect the

>>GRID