

# C97012

Clarification of terms for OBA Standard 2.3.29 -- Order 587-C, Section II.B.2, pp. 14-16.

The term to which the FERC has requested clarification is "economically and operationally feasible" as used in GISB Standard 2.3.29:

2.3.29 At a minimum, transportation service providers should enter into Operational Balancing Agreements at all pipeline-to-pipeline (interstate and intrastate) interconnects, where economically feasible.

Some of the discussion points made in Order 587-C are:

*"While the Commission finds that standards requiring OBAs and netting of imbalances are necessary, the use of the terms "economically and operationally feasible" and "similarly situated financial and operational implications" do not define precisely enough the pipelines' obligations under the standards."*

*"Rather than attempting to deal with the meanings of these terms in individual compliance filings, GISB needs to define precisely the circumstances in which pipelines can decline to permit the netting of imbalances. Therefore, the Commission will not be accepting this standard in this rule and will give GISB until September 1, 1997 to clarify these standards."*