

xserve



respect > commitment > teamwork

PN UNC Workgroup (Settlement topic)

Allocations/Nominations Overview
5th July 2011



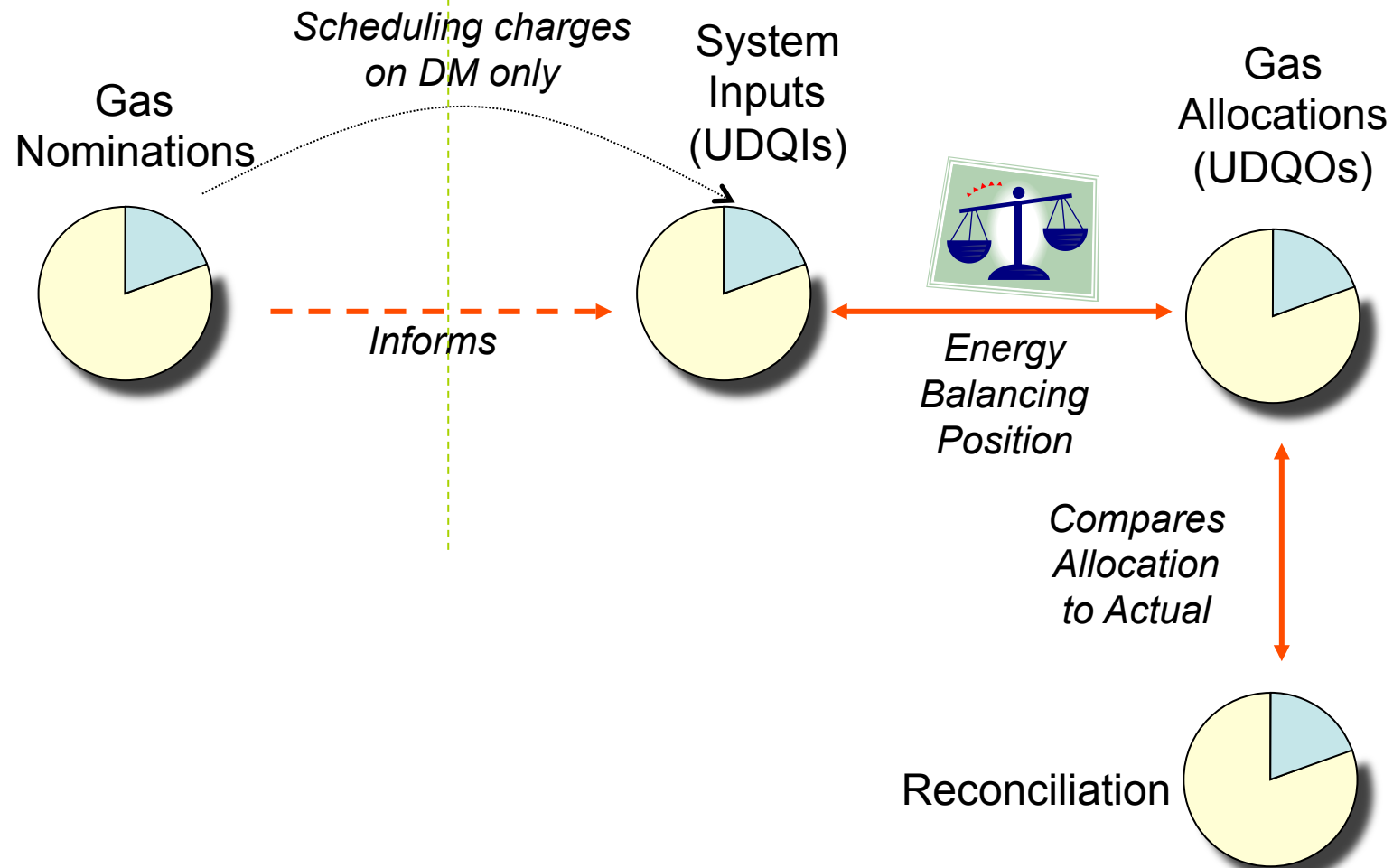
Background

- Day Ahead Gas Nominations discussed and principle set in Allocation Principles Workgroup
- Not to be confused with Offer/Nomination/Confirmation process
- Settlement Requirements now well advanced – can revisit Nominations principles and determine requirements

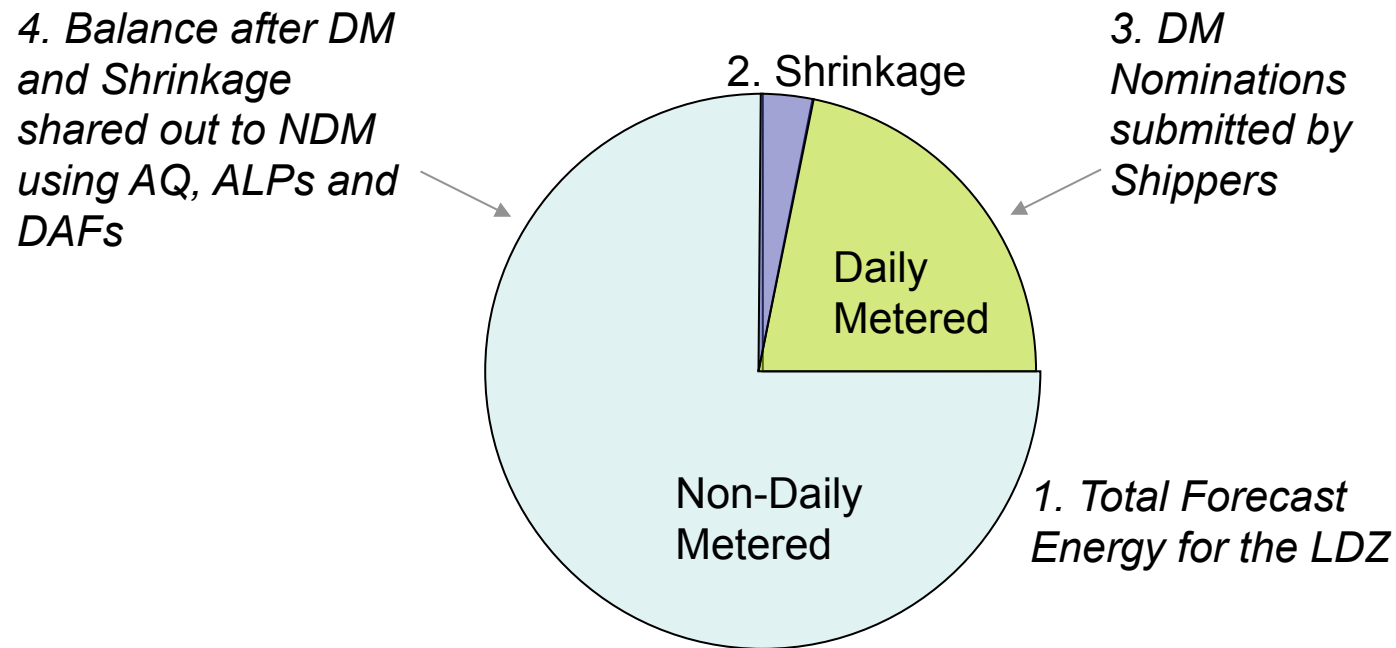
Day Ahead Gas Nominations - Context

BEFORE THE GAS DAY

AFTER THE GAS DAY

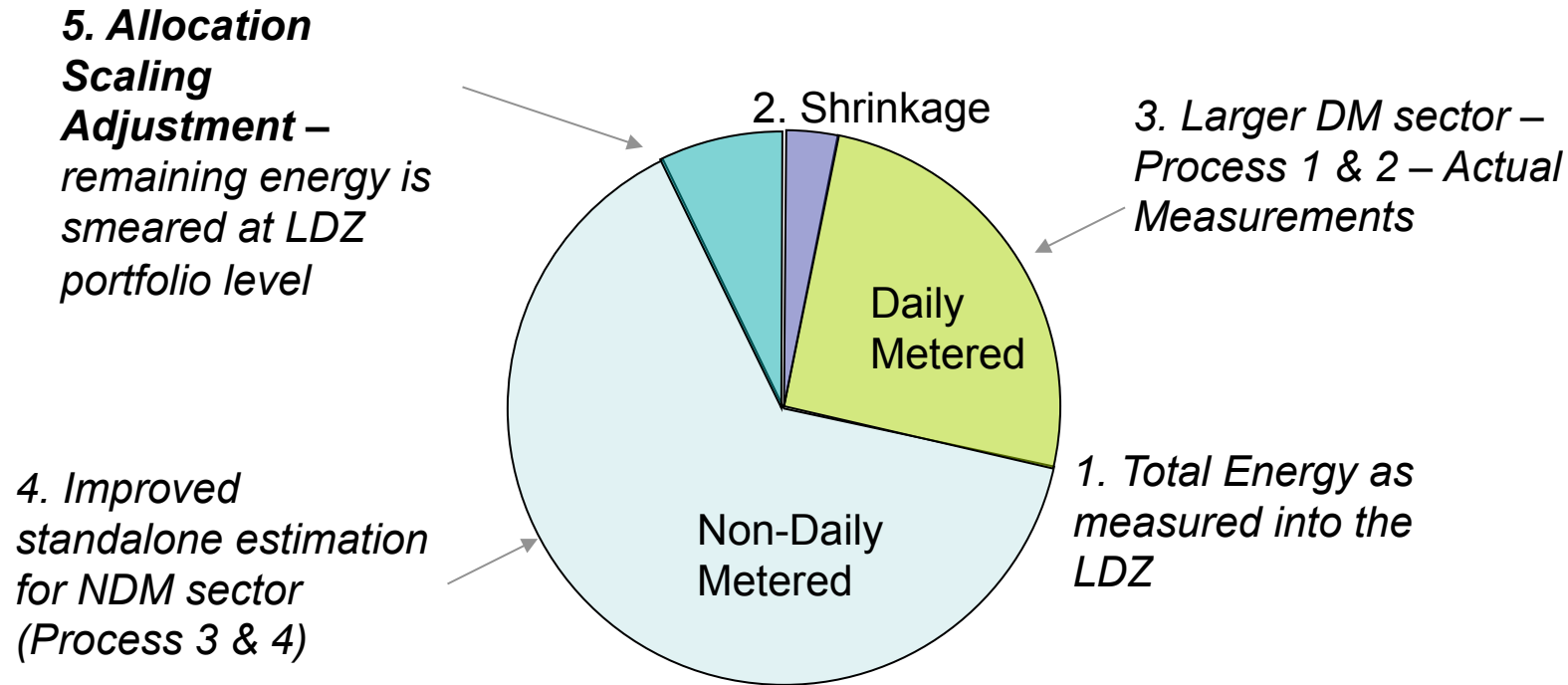


Current Day Ahead Nominations



- NDM Nominations are intended to *inform* system inputs
- Different Shippers already have different processes to determine inputs
- **Nomination Methodology is consistent with Allocation Methodology**

Future Allocation – Project Nexus

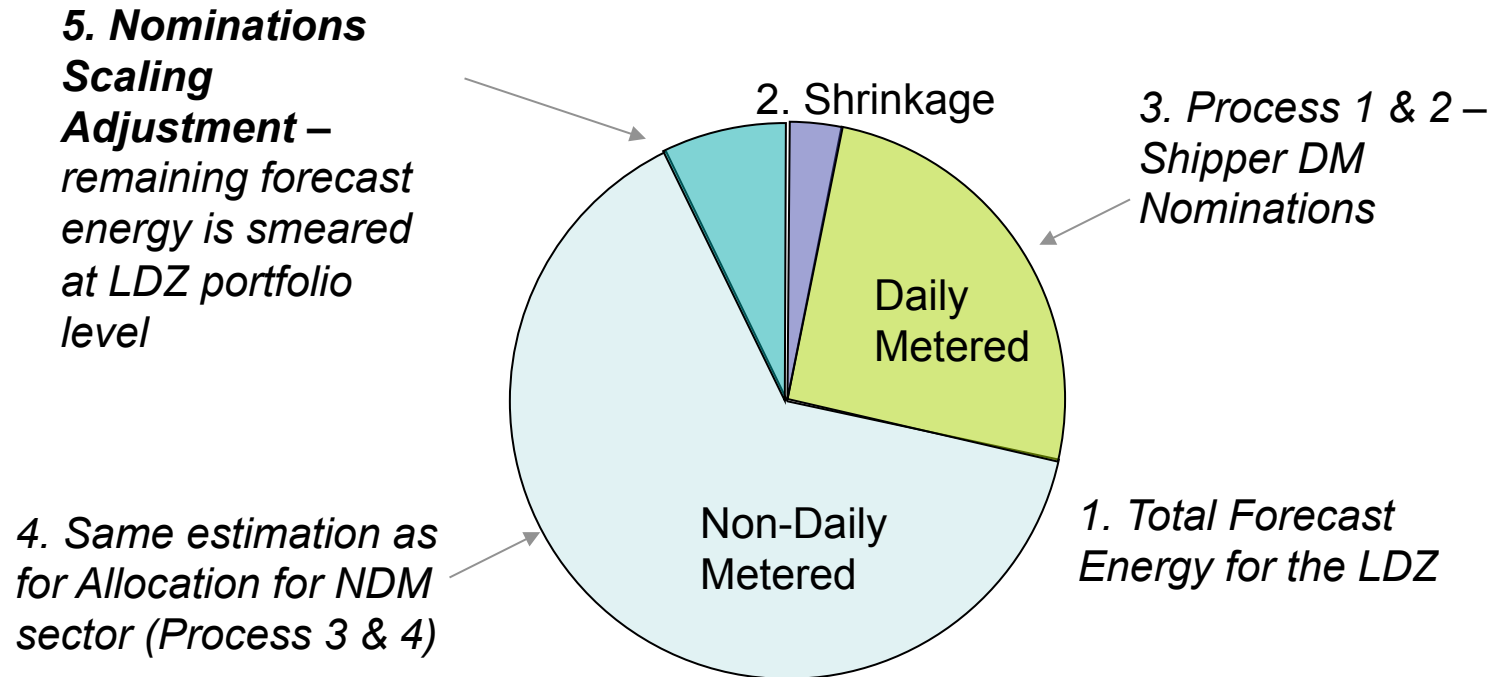


- Allocation as described in Settlement BRD
- Unidentified Gas shared at portfolio level in each LDZ

Future Nominations - Considerations

- Do we need to match Allocations process closely to give good signals for gas purchases?
 - Shippers can already use different models to determine purchasing strategy
- Do we need to apply the same methodology as for NDM Allocations?
- Principles stated that Shippers would submit own nominations for all sites
 - Nomination Scaling Factor would be required

Suggested Future Nominations



- Consistent with Allocations
- Not consistent with Principles
- Shipper can still input a different quantity if desired