



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002

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Home Page: www.gisb.org

TO: GISB Board of Directors, Posting for Interested Industry Participants

FROM: Rae McQuade, Executive Director

RE: Final Minutes from the GISB Board of Directors Meeting - December 2, 1999

DATE: December 2, 1999

GAS INDUSTRY STANDARDS BOARD GISB BOARD OF DIRECTORS MEETING

**Sheraton North Houston Hotel, George Bush Intercontinental Airport
Houston, Texas
December 2, 1999
FINAL MINUTES**

1. Opening Remarks

Mr. Templeton opened the Board of Directors meeting and welcomed the Board members, speakers and observers to the meeting. Mr. Templeton noted that Mr. Baish and Mr. Sonderman would not be returning to the Board in 2000 and they were thanked for their efforts. Mr. Jay Costan was introduced as the general counsel for GISB and gave the antitrust advice. The agenda was adopted with a rearrangement to address annual plan items before the finance report.

2. Adoption of Minutes

The minutes of September 29, 1999 were adopted with no changes.

3. Annual Plan

Mr. Buccigross reviewed the efforts to date toward the 1999 plan. The Executive Committee and subcommittee and task force volunteers were thanked for significant efforts towards completion of the 1999 annual plan. While all of the specific items assigned to the subcommittees were completed for defining business practice standards, there is a significant backlog of work in Information Requirements Subcommittee as a result of the activities of the business practices development - including EBB Internet implementation, title



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transfer tracking and imbalance netting and trading. Development of standards for cross contract ranking is considered complete. The subcommittee completed its efforts on cross contract ranking and recommended a body of standards to the Executive Committee in November. The Executive Committee declined to accept the efforts of the subcommittee.

For the 2000 Annual Plan, Mr. Buccigross explained each of the items. It was noted that some of the interoperability items could be addressed concurrently as there may be some overlap. In response to a question, Mr. Buccigross explained that the scope and detail of the interoperability survey would be determined in the committee to which it is assigned.

Concerns were raised on the advisability of developing a long term standard base contract. Mr. Costan noted that while the item is clearly within the scope of our certificate, it is the Board's discretion as to which items are addressed through the annual plan. It was noted by some members of the Board that we should address items 1 and 2 before beginning item 3.

For the audience, Ms. Hess asked that language be modified in the plan for item 7 to read: "Review suitability and/or modifications to GISB EDM security standards," which would include addressing whether a public key repository is needed and how it would be implemented.

Mr. Boswell reviewed the Retail Market Standards Development report to the Board. He highlighted the five action items described in the report for possible Board action in December and noted that in those items, if GISB is to go forward with standards development, the Board would not to make determination until March meeting. Mr. Costan reviewed his letter. The comment was made that should GISB go forward, we are not inheriting the work of the Coalition for Uniform Business Rules but rather we are growing to address the needs of our members, and to leverage off the efficiencies of GISB in developing such standards. It was noted that not only should the gas and electric standards be developed together, but necessarily so should retail and wholesale. It was also observed that in taking action on the items described in the report, GISB recognized the convergence in the marketplace, and prudently determined to study it further for possible Board action in March.

During the discussion, it was noted that the AGA had determined to become an active participant in the activities regarding retail marketing standards and had agreed to join the efforts underway by Edison Electric Institute and the Coalition for Uniform Business Rules. Because GISB efforts have been directed at a national level, they are not supportive of GISB's involvement at this time. Some of the LDC members noted that in their particular states, they already have rules or may be more satisfied if the rules are developed on a state by state basis.



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The report clearly states and the Board members agreed that GISB would require additional resources and funding before proceeding. Some Board members were not convinced that GISB would obtain the necessary funding to proceed – but others noted that membership would increase as we addressed the needs of the emerging marketplace – namely, retail and wholesale gas and electric markets. There was further discussion by some members of the producer community that this investigation should not impact the activities already underway and described in the annual plan. Of particular concern was the current backlog of activities in information requirements – specifically title transfer tracking and imbalance trading.

After discussion, the motion was made to do items 4 and 5, with a few language modifications and report back to the Board in March:

GISB should propose and facilitate a broad based meeting, involving gas and electric industry representation, regarding the need and support for an organization whose role would be to develop wholesale and retail energy standards. GISB should establish a committee to recommend to the Board at the March meeting, a course of action and revised governance documents which would accommodate the development of electric and gas wholesale and retail standards.

The motion passed with 14 in favor and five opposed. It was assumed that item 2 ("Should GISB prepare a gas and electric retail market standards development study?") was subsumed in item 4. Mr. Templeton will name members to the committee, and he will chair it. Several Board members indicated their companys' commitment to such action: Marty Patterson, Nancy Laird, Janie Mitcham, Lyn Maddox, Lee Stewart, Stan Horton, Bill Boswell, and Greg Lander.

The motion was made to adopt the 2000 Annual Plan for items 1-8 and delay adoption of items 9 and 10 until after March report to the Board. In discussion it was noted that the Executive Committee will be responsible for activities 1 through 8 and will use their discretion in addressing each item, ensuring that the intent of the Board is met. After discussion, the plan was adopted by the Board in a 15 to 4 vote.

4. Financial Reports

Ms. McQuade reviewed the financial statements for October 1999 year to date, and expectations for year-end. A variance report was provided to the Board as well as accrual and cash based statements both for the month of October and year to date. The 2000 budget was reviewed. It is basically flat



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with the exception of expenditures to purchases new computer equipment for the office.

5. Membership

Ms. Garcia and Ms. McQuade presented the membership report. We have 176 members. New members have come predominantly from services segment.

6. Other

Mr. Horton expressed his and the organization's gratitude for Mr. Templeton's leadership this year. Mr. Templeton was recognized for his efforts and given an engraved gavel and base.

7. Adjournment

The meeting adjourned at 4:30 p.m.



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8. Attendance

Segment	Board Member Name	Member Company	Present
End Users	Janie Mitcham	Reliant Energy	✓
	Lee Smith	Midland Cogeneration Venture	✓
	Jim Templeton	Comprehensive Energy Services	✓
LDCs	Bill Boswell	Peoples Natural Gas	✓
	Walt DeForest	National Fuel Gas Distribution	✓
	Mary Jane McCartney	ConEd	<u>phone</u>
	Andy Sonderman	Columbia Gas Distribution	✗
	Lee Stewart	SoCal Gas	✓
Pipelines	Rick Baish	El Paso Natural Gas	✗
	Stan Horton	Enron Gas Pipeline Group	✓
	Terry McGill	Columbia Gulf Transmission	✓
	Ron Mucci	Williams Gas Pipeline	✗
	Bob Reid	Colorado Interstate Gas	✓
Producers	Pete Dickson	Exxon	✓
	Allan Knopp	Conoco	✓
	Nancy Laird	PanCanadian Petroleum Ltd.	✓
	Hugh Roberts	Marathon	✓
	Abigail Bailey	Texaco Natural Gas	✓
Services	Steve Bergstrom	Dynegy Marketing & Trade	✓
	Julie Gomez	Enron Capital & Trade	✓
	Greg Lander	Skipping Stone	<u>phone</u>
	Lyn Maddox	PG&E Energy Trading	✓
	Marty Patterson	Idaho Power	✓



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Presenters:	Jim Buccigross	Chairman 1999 Executive Committee
Administrative:	Rae McQuade	Executive Director
	Jay Costan	General Counsel
	Veronica Thomason	GISB Staff
	Laurie Paulson	Hoffman Paulson Associates
	Jo Ann Garcia	GISB Staff

Observer	Company Represented	Email Address	GISB Member
Sylvia Munson	Altra Energy Technologies	sylviam@altranet.com	✓
Jane Lewis	American Gas Association	jlewis@aga.org	✗
Kim Van Pelt	CMS Energy Corp.	kvanpelt@cmsenergy.com	✓
Michael Hansen	Columbia Gulf Transmission	mrhansen@columbiaenergygroup.com	✓
Cynthia Corcoran	Corcoran Law	cynthiacorcoran@corcoran-law.com	✓
Mark Scheel	Dynegy Inc.	masc@dynegy.com	✓
Gary Payne	Enron Administrative	gary.l.payne@enron.com	✓
Theresa Hess	Enron Gas Pipeline Group	thess@enron.com	✓
Anne Roland	INGAA	aroland@ingaa.org	✗
Julie Unruh	Koch Gateway	unruhj@kochind.com	✓
Randy Young	Koch Midstream Services	youngOr@kochind.com	✓
Leigh Spangler	Latitude Technologies	lspangler@latitudetech.net	✓
Mark Gracey	Tennessee Gas Pipeline	graceym@epenergy.com	✓
Dale Davis	Williams Gas Pipeline	dale.m.davis@wgp.twc.com	✓
