



Gas Industry Standards Board

1100 Louisiana, Suite 3625, 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 5, 2001

DATE: December 5, 2001

**GAS INDUSTRY STANDARDS BOARD
GISB BOARD OF DIRECTORS MEETING**

**Marriott Hotel, Houston, Texas
December 5, 2001**

FINAL MINUTES

1. Opening Remarks

Mr. Boswell opened the Board of Directors meeting and welcomed the Board members, speakers and observers to the meeting. He went into a closed executive session to discuss compensation issues for 2002. After the executive session concluded, all observers and staff were invited to return to the meeting. Mr. Horton and Mr. Benham were recognized and thanked for their support of the organization, as this was their last meeting as Board members. The antitrust charge was given by Mr. Costan. The agenda was adopted with no changes.

2. Adoption of Minutes

The minutes of September 19, 2001 as presented in the meeting materials were adopted with no changes.

3. Bylaws Proposed Changes

The member ratification results of the Board actions on the certificate were reviewed. The certificate changes were ratified by members with no opposing votes. Mr. Mucci reviewed the task force efforts to prepare the bylaws changes. He thanked the task force participants. Many comments were forwarded by industry participants as a part of the comment period and incorporated into the proposed bylaws. The proposed bylaws for NAESB are consistent with the strawman for NAESB adopted by the Board. The errata prepared from comments and review and forwarded to the GISB office prior to the Board meeting was distributed and the errata was accepted. The pipeline segment provided additional changes 30 minutes prior to the meeting, two of which were withdrawn for consideration at this meeting as they were considered substantive and required additional review and consideration. The clerical changes presented in the pipeline segment document were reviewed and accepted during the meeting. The withdrawn substantive issues from the pipeline segment document were highlighted for future consideration after the retail gas, retail electric, and wholesale electric quadrants are seated at the Board. There was general discussion on the bylaws and no additional changes were made. The motion was made by Mr. Hemmeline and seconded by Ms. Gomez that: (1) the bylaws as amended during the meeting be adopted, (2) the existing GISB bylaws addendum for segment procedures be adopted as the NAESB bylaws addendum for the wholesale gas quadrant procedures, (3) the wholesale gas quadrant of NAESB be represented by five



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segments and five representatives per segment on the Board of Directors, and (4) Ms. McQuade and Mr. Costan in their roles as Executive Director and General Counsel, make conforming changes to the bylaws and certificate to reflect the name change to NAESB. The motion passed unanimously with those members present and on the phone. The absent members provided ballots, all of which were in favor.

Mr. Sappenfield read a statement by the Uniform Business Practices Retail Standards Group (UBP-RSG) in support of the actions taken to form NAESB. They noted in the statement that they welcomed the opportunity to work with NAESB in forming the retail quadrants.

As of January 1, 2002, the organization will become NAESB.

4. Annual Plan

Mr. Buccigross addressed both the 2001 and 2002 annual plan. Several of the items on the 2001 annual plan were carried over to the 2002 plan and significant effort was expended responding to the standards development for FERC Order No. 637. For the 2002 plan, there was discussion on whether the provisional items should remain on the plan as provisional, or if they should be removed and re-added to the 2002 plan as either the expected FERC activity or DOE activity took place or as the requests were received. A motion was made to remove the five provisional items on the plan. The motion failed through a vote of nine in favor to 10 opposed. In further discussion on the 2002 plan, corrections were made to the plan to accurately reflect the annual plan conference call discussion. The motion was made and seconded to adopt the annual plan as corrected in the meeting, which passed through a vote of 18 in favor to 2 opposed. In discussion after the vote, it was noted that the Parliamentary Committee of NAESB would review the annual plan process.

5. Certificate Change for Name and Shorter Ratification Period

The motion was made to approve name change to NAESB, make conforming changes to the certificate, and conclude the ratification period by December 21, 2001, so that the filing can be made with the State of Delaware to ensure that NAESB is a corporation on January 1, 2002. The motion passed unanimously.

6. Financial Reports

Ms. McQuade and Ms. Wishart reviewed the financial statements through July 31, 2001 and described the variances. There were no significant variances either in expenses or in revenues. Budget 2002 approved including the incremental budget. It was noted that the chart of accounts and general ledger would be set up to support tracking of quadrant specific revenue and expenses. It was also noted that as a part of the approved budget, the office could charge for attendance at Executive Committee meetings if the meetings are held at hotels. This charge would also be assessed to the EC members in addition to the other attendees.

7. Membership

Ms. McQuade presented the membership report. The membership numbers are flat. As we have lost members, we have added new ones. There were no questions. Earlier, Mr. DeForest had asked about the ratification results for the certificate. During this report, Ms. McQuade noted that out of 154 members, 52 returned ballots.



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8. Other Business and Adjournment

Mr. Boswell thanked all who contributed to the effort to move to an energy standards board.

The meeting adjourned at 3:27 p.m.



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9. Attendance and Voting Record

Segment	Board Member Representative	Member Company	Attending	V1	V2
End Users	Janie Mitcham	Reliant Energy	Ballot	Y	Y
	Paul Karns	Florida Power and Light	Ballot	Y	Y
	Lee Smith	Midland Cogeneration Venture	Present	Y	Y
	John Procaro	Cinergy	Present	Y	Y
	Jim Templeton	Comprehensive Energy Services	Present	Y	Y
LDCs	Bill Boswell	CNG (Dominion)	Present	Y	Y
	Walt DeForest	National Fuel Gas Distribution	Present	Y	Y
	Adrian Chapman	Washington Gas and Light	Present	Y	Y
	Reed Horting	PECO Energy	Present	Y	Y
	Lee Stewart	SoCal Gas	Present	Y	Y
Pipelines	John Somerhalder	El Paso Natural Gas	Present	Y	Y
	Shelley Corman	Enron Transportation Group	Present	Y	Y
	Terry McGill	Columbia Gulf Transmission	Present	Y	Y
	Ron Mucci	Williams Gas Pipeline	By Phone	Y	Y
	Richard Kruse	Duke Energy Gas Transmission	Present	Y	Y
Producers	Stan Hemmeline	ExxonMobil	Present	Y	Y
	Allan Knopp	Conoco	By Ballot	Y	Y
	Bill Benham	BP Energy	Present	Y	Y
	Nancy Laird	PanCanadian	By Phone	Y	Y
	Abigail Bailey	Texaco Natural Gas	Present	Y	Y
Services	Rick Lentz	TXU Energy Trading	Present	Y	Y
	Julie Gomez	Enron Capital & Trade	Present	Y	Y
	Greg Lander	CapacityCentral.com	Ballot	Y	Y
	Lyn Maddox	PG&E Energy Trading	Present	Y	Y
	Marty Patterson	Idaho Power	Present	Y	Y

Votes:

- V1 -- The bylaws as amended during the meeting be adopted, (2) the existing GISB bylaws addendum for segment procedures be adopted as the NAESB bylaws addendum for the wholesale gas quadrant procedures, (3) the wholesale gas quadrant of NAESB be represented by five segments and five representatives per segment on the Board of Directors, and (4) Ms. McQuade and Mr. Costan in their roles as Executive Director and General Counsel, make conforming changes to the



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bylaws and certificate to reflect the name change to NAESB.

V2 -- The motion was made to approve name change to NAESB, make conforming changes to the certificate, and conclude the ratification period by December 21, 2001, so that the filing can be made with the State of Delaware to ensure that NAESB is a corporation on January 1, 2002.

Presenters: Jim Buccigross Group 8760, Chairman 2001 Executive Committee

GISB: Rae McQuade Executive Director
 Jay Costan McGuireWoods, General Counsel
 Laurie Paulson Hoffman Paulson Associates
 Cheryl Hoffman Hoffman Paulson Associates
 Darla Wishart Checks and Balances

Observer	Company Represented	GISB Member
Randy Mills	ChevronTexaco	Yes
Alex DeBoissiere	Cinergy	Yes
Kim Van Pelt	CMS Panhandle Eastern Pipe Line	Yes
Mark Scheel	Dynegy Inc.	Yes
Theresa Hess	Enron Transportation Services	Yes
Leigh Spangler	Latitude Technologies	Yes
Mike Novak	National Fuel Gas Distribution	Yes
Keith Sappenfield	PanCanadian	Yes
Sylvia Munson	PanCanadian	Yes
Nicole Shah	Reliant Energy	Yes
Mark Gracey	Tennessee Gas Pipeline	Yes
Christopher Burden	Williams Gas Pipeline	Yes
Dale Davis	Williams Gas Pipeline	Yes