

# North American Energy Standards Board

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Home Page: www.naesb.org

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**TO: Business Practices Subcommittee Chairs, Interested Industry Participants**  
**FROM: Rae McQuade, Executive Director**  
**RE: Final Minutes from the Business Practices Subcommittee Meeting, January 8, 2004**  
**DATE: January 9, 2004**

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## 1. Administrative

Mr. Novak opened the meeting and gave the anti-trust advice. Participants on the call introduced themselves. The agenda (motion by Dolores Chezar, seconded by Steve Zavodnick) was unanimously adopted as posted. The 12/16/2003 draft meeting minutes were unanimously adopted (motion by Kim Van Pelt, seconded by Randy Young) as posted.

## 2. Review of Business Practices Requests

### Review of the following Information Requirement's Subcommittee Questions for Discussion and Possible Vote (IR Memo to BPS re: R98040/R98050 and R98048):

#### **Discussion:**

Dale Davis reviewed the Information Requirements Subcommittee's memo to BPS. After brief discussion, the recommendations contained in the memo were processed as two motions:

#### **Motion 1 (by Dale Davis, seconded by Sheri Heslington):**

In response to IR memo of December 29, 2003 regarding R98040 / R98050, BPS instructs IR to develop a method for requesting the new data set for a storage report. In addition, NAESB WGQ Standard 2.3.51 should be modified as follows to accommodate the Storage Report:

NAESB WGQ Standards 2.3.52 and 2.3.53 apply to the following Statements:

NAESB WGQ Standard No. 0.4.z1 Storage Report  
NAESB WGQ Standard No. 1.4.5 Scheduled Quantity  
NAESB WGQ Standard No. 2.4.3 Allocation  
NAESB WGQ Standard No. 2.4.4 Shipper Imbalance

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	0	0	0	0
LDCs	5	2	0	0
Pipelines	12	2	0	0
Producers	1	1	0	0
Services	2	2	0	0
<b>Totals</b>	<b>20</b>	<b>7</b>	<b>0</b>	<b>0</b>

**Motion passes (see vote 1 on the attendee list)**

#### **Motion 2 (by Dale Davis, seconded by Randy Young):**

In response to IR memo of December 29, 2003 regarding R98048, BPS instructs IR to develop a method for requesting the new data set for Fuel Information. In addition, NAESB WGQ Standard 2.3.51 should be modified as follows to accommodate the Fuel Information:

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NAESB WGQ Standards 2.3.52 and 2.3.53 apply to the following Statements:

- NAESB WGQ Standard No. 0.4.z2 Fuel Information
- NAESB WGQ Standard No. 1.4.5 Scheduled Quantity
- NAESB WGQ Standard No. 2.4.3 Allocation
- NAESB WGQ Standard No. 2.4.4 Shipper Imbalance

Segments	Vote For	Balanced For	Vote Against	Balanced Against
End Users	0	0	0	0
LDCs	5	2	0	0
Pipelines	12	2	0	0
Producers	1	1	0	0
Services	2	2	0	0
<b>Totals</b>	<b>20</b>	<b>7</b>	<b>0</b>	<b>0</b>

**Motion passes (see vote 2 on the attendee list)**

### 3. WGQ Annual Plan Item 2: Review and Development Necessary Standards for FERC Order 2004

**Discussion:**

Mr. Novak and Ms. Van Pelt gave a brief explanation of past reviews of FERC Orders as they pertained to NAESB WGQ Standards. Mr. Novak noted that he thought most modifications would result from references in the Order concerning web site postings. Based upon a search of the Order, he found the word posting in the following paragraphs: 122, 123, 126, 131, 135, 163 – 169, 175, 176 and 179. Others found similar references in paragraphs 127 and 128. Next, the Order’s Table of Contents was reviewed. Meeting participants agreed sections E, G, I and VII, as well as the changes to the Regulations contained towards the end of Order 2004, warranted more detailed review.

The regulations were reviewed and the following table of action items was created.

Regulation	Action Item	Priority	Action
358.3(a)	Review of definition of “transmission provider”		
358.3(b)	Review of definition of “affiliate”		
358.3(d)	Review of definition of “energy affiliate”		
358.3(e)	Review of definition of “marketing, sales or brokering”		
358.4(a)(2)	Transmission Provider must report to the Commission and post on the Internet website each emergency that resulted in any deviation from the standards of conduct within 24 hours of such deviation.		
358.4(b)	Identifying affiliates on the public Internet		
358.4(c)	Notices of any employee transfers must be posted on the Internet website.		
358.4(e)(3)	Transmission Provider must post on the Internet website current written procedures implementing the standards of conduct in such detail as will enable customers and the Commission to determine that the TP is in compliance with the requirements.		
358.5(b)(3)	If an employee of the Transmission Provider discloses		

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	information in a manner contrary to the requirements of, the TP must immediately post such information on the Internet website.		
358.5(c)(4)	The Transmission Provider must maintain a written log, available for Commission audit, detailing the circumstances and manner in which it exercised its discretion under any terms of the tariff. The information contained in this log is to be posted on the OASIS or Internet website within 24 hours of when a Transmission Provider exercises its discretion under any terms of the tariff.		
358.5(d)	Any offer of a discount for any transmission service made by the Transmission Provider must be posted on the OASIS or Internet website contemporaneously with the time that the offer is contractually binding. The posting must include: the name of the customer involved in the discount and whether it is an affiliate or whether an affiliate is involved in the transaction, the rate offered; the maximum rate; the time period for which the discount would apply; the quantity of power or gas scheduled to be moved; the delivery points under the transaction; and any conditions or requirements applicable to the discount. The posting must remain on the OASIS or Internet website for 60 days from the date of posting.		

It was noted that just because an item appears as an action item for review does not mean that the item will be standardized.

In regards to the actual definitions, it was determined that we should proceed with caution with regard to the FERC definitions. We will review the FERC definitions in regards to how they will be used in any standards that are created or in modifying existing standards.

Before the next meeting, individuals are encouraged to review the regulations and the text of the order to determine if there are additional items for the action plan. At the next meeting we will review the existing standards to identify ones needed for modification. Then, we will prioritize each action item and begin the work of determining whether standards should be created or modified.

#### 4. Next Meeting(s) and Agenda

<b>1/22/2004</b>	<b>10:00a.m. - 12:00p.m.</b>	<b>Conference Call</b>
<b>2/05/2004</b>	<b>10:00a.m. - 12:00p.m.</b>	<b>Conference Call</b>
<b>2/19/2004</b>	<b>10:00a.m. - 12:00p.m.</b>	<b>Conference Call</b>
<b>3/04/2004</b>	<b>10:00a.m. - 12:00p.m.</b>	<b>Conference Call</b>
<b>3/17/2004</b>	<b>9:30a.m. - 4:30p.m.</b>	<b>Face-to-Face (Houston, TX - Tentative)</b>

#### 5. Adjourn

The meeting was adjourned.

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## Meeting Attendees and Voting Record

Attendee	Organization	1/08/2004	Vote 1	Vote 2	NAESB WGQ Member?
<b>Pipelines:</b>					
<b>Kim Van Pelt</b>	<b>Panhandle Eastern Pipe Line</b>	√	√	√	√
Mark Wilke	Trunkline	√(nv)	Absent	Absent	No
Dale Davis	Williams Gas Pipeline	√	√	√	√
Christopher Burden	Williams Gas Pipeline	√(nv)	nv	nv	√
Randy Young	Gulf South Pipeline	√	√	√	√
Iris King	Dominion Transmission	√	√	√	√
Bill Griffith	Colorado Interstate Gas	√	√	√	√
Mike Schisler	NGPL	√	√	√	√
Marcy McCain	Texas Eastern Transmission	√(nv)	nv	nv	√
Kathryn Burch	Texas Eastern Transmission	√	√	√	√
Brian White	NiSource Pipelines	√	Absent	Absent	√
Joe Kardas	National Fuel Gas Supply	√	√	√	√
Mark Gracey	Tennessee Gas Pipeline	√	√	√	√
Charlie Bass	ANR Pipeline	√	√	√	√
Jeff Bittel	Texas Gas Transmission	√	√	√	√
Donna Scott	Transwestern	√	√	√	√
Tom Gwilliam	Iroquois Gas Transmission	√	Absent	Absent	√
<b>Services:</b>					
Leigh Spangler	Latitude Technologies	√	Absent	Absent	√
Jennifer Chen	SunGard Energy Systems	√	√	√	√
<b>Keith Sappenfield</b>	<b>Encana</b>	√	√	√	√
<b>Producers:</b>					
<b>Sheri Heslington</b>	<b>Dominion Exploration</b>	√	√	√	√
<b>End Users:</b>					
<b>LDCs:</b>					
<b>Mike Novak</b>	<b>National Fuel Gas Distribution</b>	√	√	√	√
Barb Salvador	National Fuel Gas Distribution	√(nv)	nv	nv	√
Pete Connor	NiSource Distribution	√(nv)	nv	nv	√
Marilyn Specht	NiSource Distribution	√(nv)	nv	nv	√
Adeusi-Poku					
Alex Sarafin	NiSource Distribution	√	Abstain	Abstain	√
Craig Columbo	Dominion Resources	√	Absent	Absent	√
Dolores Chezar	KeySpan	√	√	√	√
Tom Wander	PNM	√	√	√	No
Lori Van West	Xcel Energy	√(nv)	nv	nv	√
Don Basler	Xcel Energy	√	√	√	√
Carlos Thillet	PECO	√	Abstain	Abstain	√
Marjorie Perlman	Energy East	√	Absent	Absent	√
Steve Zavodnick	Baltimore Gas & Electric	√	√	√	√
<b>Associations:</b>					
Mariam Arnaout	American Gas Association	√(nv)	nv	nv	No

**NAESB Office:**

**Bold signifies a BPS Chair**

**nv – not voting**