

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

TO: Business Practices Subcommittee Chairs, Interested Industry Participants
FROM: Rae McQuade, Executive Director
RE: Final Minutes from the Business Practices Subcommittee Meeting, February 5, 2004
DATE: February 6, 2004

1. Administrative

Ms. Van Pelt opened the meeting and Mr. Novak gave the anti-trust advice. Participants on the call introduced themselves. The agenda was adopted as posted. The 01/22/2004 draft meeting minutes were modified and adopted.

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

Action Item Table:

Paragraph	Action Item	Action
358.3(a)	Review of definition of "transmission provider"	No action necessary
358.3(b)	Review of definition of "affiliate"	No action necessary
358.3(d)	Review of definition of "energy affiliate"	No action necessary
358.3(e)	Review of definition of "marketing, sales or brokering"	No action necessary
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.	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Emergency Deviation(s)"
358.4(b)(1)	Identify names and addresses of energy affiliates (or potential affiliates) on the public Internet	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Energy Affiliate Names and Addresses"
358.4(b)(2)	Post a complete list of facilities shared with energy affiliates, including types of facilities and addresses	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Facilities Shared with Energy Affiliates"
358.4(b)(3)	Post comprehensive organizational charts	WGQ Standard 4.3.23 contains a category named "Organizational Charts"
358.4(b)(3)(v)	Post information concerning potential merger partners as affiliates	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Energy Affiliate Potential Mergers"

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com

Home Page: www.naesb.org

358.4(c)	Notices of any employee transfers among Transmission Provider and Energy Affiliate must be posted on the Internet website.	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Employee Transfers"
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.	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Implementation Procedures"
358.5(b)(3)	If an employee of the Transmission Provider discloses information in a manner contrary to the requirements of 358.5(b)(1) and (2), the TP must immediately post such information on the Internet website.	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Information Disclosure"
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 Internet website within 24 hours of when a Transmission Provider exercises its discretion under any terms of the tariff.	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Tariff Discretion Log"
358.5(d)	Any offer of a discount for any transmission service made by the Transmission Provider must be posted on the 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 Internet website for 60 days from the date of posting.	Modified WGQ Standard 4.3.23 to add a category of "Standards of Conduct" with a subcategory of "Discounts"

Discussion:

After discussion, it was determined that we would not pursue putting the Standards of Conduct postings under the Notices category as we had discussed at the previous meeting. Some felt that the postings would be hidden and not as easily accessed under the Notices category than if Standards of Conduct was made its own category. Also, it was discussed that it would probably be a good idea not to mix the standards of conduct requirements with the existing NAESB notices requirements. It was suggested that instead of modifying the Affiliated Marketer Info. category to be named Energy Affiliate Info. we modify it to be named Standards of Conduct and that we would place each of the items required by the regulations as subcategories of the Standards of Conduct category. See the action item table for the actions for each regulation requirement that NAESB will address.

The suggested standard modification follow:

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com

Home Page: www.naesb.org

Proposed Modified Standard:

4.3.23 The subcategories and labels for the categories of Informational Postings should be as follows:

<u>CATEGORIES</u>	<u>SUBCATEGORIES</u>
Affiliated Marketer Info.	Capacity Allocation Log (when applicable)
Capacity	Discount Offers Operationally Available Unsubscribed
Index of Customers Notices	Critical Non-Critical Planned Service Outage
Organizational Charts Posted Imbalances <u>Standards of Conduct</u>	<u>Capacity Allocation Log (when applicable)</u> <u>Discounts</u> <u>Emergency Deviation(s)</u> <u>Employee Transfers</u> <u>Energy Affiliate Names and Addresses</u> <u>Energy Affiliate Potential Mergers</u> <u>Facilities Shared with Energy Affiliates</u> <u>Implementation Procedures</u> <u>Information Disclosure</u> <u>Tariff Discretion Log</u>
Tariff	Title Page Table of Contents Preliminary Statement Map Currently Effective Rates Rate Schedules General Terms and Conditions Form of Service Agreement Entire Tariff Sheet Index
Transactional Reporting	

These categories and labels should appear in the order specified above and before any others.

Proposed Modified Standard:

4.3.18 Transportation Service Providers should provide and keep current to the Central Address Repository the addresses (URLs) for the following in a specified format and communication method(s):

Informational Postings
~~Affiliated Marketer Info.~~
Capacity
Index of Customers
Notices
Standards of Conduct

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com

Home Page: www.naesb.org

Tariff

Downloads

Site Map

~~This specification and any changes to it should be subject to NAESB WGQ approval.~~

Proposed Modified Standard:

4.3.21 The categories and the labels for Informational Postings required under NAESB WGQ Standard

4.3.6 should be as follows:

~~Affiliated Marketer Info.~~

Capacity

Index of Customers

Notices

Standards of Conduct

Tariff

We will perform a final review of the proposed standard modifications and then take a vote at the next meeting.

3. Next Meeting(s) and Agenda

2/19/2004 10:00a.m. - 12:00p.m. Conference Call

3/04/2004 10:00a.m. - 12:00p.m. Conference Call

3/17/2004 9:30a.m. - 4:30p.m. Face-to-Face (Houston, TX - Tentative)

4. Adjourn

The meeting was adjourned.

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com

Home Page: www.naesb.org

Meeting Attendees and Voting Record

Attendee	Organization	02/05/2004	NAESB WGQ Member?
Pipelines:			
Kim Van Pelt	Panhandle Eastern Pipe Line	√	√
Christopher Burden	Williams Gas Pipeline	√ (nv)	√
Dale Davis	Williams Gas Pipeline	√	√
Randy Young	Gulf South Pipeline	√	√
Mike Schisler	NGPL	√	√
Marcy McCain	Texas Eastern Transmission	√(nv)	√
Kathryn Burch	Texas Eastern Transmission	√	√
Brian White	NiSource Pipelines	√	√
Mark Gracey	Tennessee Gas Pipeline	√	√
Donna Scott	Transwestern	√	√
Micki Schmitz	Northern Natural Gas Co.	√	√
Tom Gwilliam	Iroquois Gas Transmission	√	√
Iris King	Dominion Transmission	√	√
Jeff Bittel	Texas Gas Transmission	√	√
Kelly Brooks	Williston Basin	√	√
Joe Kardas	National Fuel Gas Supply	√	√
Services:			
Jennifer Chen	SunGard Energy Systems	√	√
Leigh Spangler	Latitude Technologies	√	√
Keith Sappenfield	Encana Corporation	√	√
Producers:			
Sheri Heslington	Dominion Exploration	√	√
End Users:			
Tina Burnett	Boeing	√	√
Gary Hanners	Reliant Energy Services	√	√
Alan Johnson	Mirant	√	√
LDCs:			
Mike Novak	National Fuel Gas Distribution	√	√
Pete Connor	NiSource Distribution	√	√
Tom Wander	PNM	√	N
Craig Colombo	Dominion Resources	√	√
Government:			
Annunciata Marino	Pennsylvania Public Utility	√(nv)	
Associations:			
Mariam Arnaut	American Gas Association	√(nv)	N
NAESB Office:			

Bold signifies a BPS Chair

nv – not voting