

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 19, 2004
DATE: March 3, 2004

1. Administrative

Ms. Van Pelt opened the meeting and gave the anti-trust advice. Participants on the call introduced themselves. The agenda was adopted as posted. The 02/05/2004 draft meeting minutes were modified and adopted.

2. Possible Vote - 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 modify the "Affiliated Marketer Info." category to "Energy Affiliate Info." with a subcategory of "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 modify the "Affiliated Marketer Info." category to "Energy Affiliate Info." with a subcategory of "Shared Facilities"
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 modify the "Affiliated Marketer Info." category to "Energy Affiliate Info." with a subcategory of "Potential Mergers"

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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 modify the "Affiliated Marketer Info." category to "Energy Affiliate Info." 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 Info."
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:

The question was asked as to why we weren't placing the Organizational Charts category as a subcategory as a under the Standards of Conduct category. It was explained that this item was discussed during the last meeting and that many parties felt that they wanted the organizational charts to be posted as a category itself and not hidden as a subcategory underneath a category.

Mr. Young inquired as to the ability of a pipeline to post links to energy affiliates to keep up-to-date on affiliate names and addresses and other information. It was agreed that this concept was fine because links to other websites for names and addresses for accuracy was a good thing.

There was also discussion as to whether "as applicable" or "where applicable" or "if applicable" should be added after certain subcategories (like Potential Mergers or Employee Transfers) in WGQ Standard 4.3.23 so that if a pipeline doesn't have anything to post for that subcategory, it wouldn't be necessary to

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post the subcategory itself. After debate, it was generally felt that all subcategories should be posted, even if the link didn't lead to a posting. Additional discussion may be held on this topic.

Iroquois posted a workpaper with suggested modifications to WGQ Standard 4.3.23 in addition to the modifications proposed at the 2/05/2004 meeting. The suggested standard modification follows:

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)
	Discount Offers
Capacity	Operationally Available
	Unsubscribed
<u>Energy Affiliate Info.</u>	<u>Capacity Allocation Log (when applicable)</u>
	<u>Employee Transfers</u>
	<u>Names and Addresses</u>
	<u>Potential Mergers</u>
	<u>Shared Facilities</u>
Index of Customers	
Notices	Critical
	Non-Critical
	Planned Service Outage
Organizational Charts	
Posted Imbalances	
<u>Standards of Conduct</u>	<u>Discounts</u>
	<u>Emergency Deviations</u>
	<u>Implementation Procedures</u>
	<u>Information Disclosure</u>
	<u>Tariff Discretion Info.</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.

Additional standards with proposed modifications follow:

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):

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[Informational Postings](#)
~~[Affiliated Marketer Info.](#)~~
[Capacity](#)
[Energy Affiliate Info.](#)
[Index of Customers](#)
[Notices](#)
[Standards of Conduct](#)
[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](#)
[Energy Affiliate Info.](#)
[Index of Customers](#)
[Notices](#)
[Standards of Conduct](#)
[Tariff](#)

Proposed Modified Standard:

4.3.6 Transportation Service Providers should establish a HTML page(s) accessible via the Internet.

The following information should be posted:

1. Notices (critical notices, operation notices, system wide notices, etc.)
2. FERC Order No. 566 affiliated marketer information (affiliate allocation log, 24 hr. discount posting, etc.)
3. Operationally available and unsubscribed capacity
4. Index of customers
5. Transportation Service Provider's tariff (Terms, conditions and rates), or general terms and conditions
6. [FERC Order No. 2004 Standards of Conduct postings](#)

It was felt by some that there seems to no longer be a need for WGQ Standards 4.3.6 and 4.3.21 because they are accommodated by the complete list in WGQ Standard 4.3.23. Ms. Van Pelt will review all of the standards that are related to WGQ Standard 4.3.6 to determine if additional modifications need to be made. A workpaper reflecting the additional proposed modifications will be posted.

3. Upcoming BPS Requests

The following requests were identified as pending in BPS:

R03027	Sungard Energy Systems
R03029	Northern Border
R03034	El Paso Eastern Pipelines
R03036	Keyspan
R04001	Williams Gas Pipeline
R04002	Williams Gas Pipeline
R04003	Williams Gas Pipeline

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R04004

Williams Gas Pipeline

4. Next Meeting(s) and Agenda

3/04/2004	10:00a.m. - 12:00p.m.	Conference Call
3/17/2004	9:30a.m.-4:30p.m.	Face-to-Face Meeting, NAESB, Houston, TX
4/07/2004	10:00a.m.-12:00p.m.	Conference Call
4/22/2004	10:00a.m.-12:00p.m.	Conference Call
5/13/2004	10:00a.m.-12:00p.m.	Conference Call
5/27/2004	10:00a.m.-12:00p.m.	Conference Call

5. Adjourn

The meeting was adjourned.

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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	√	√
Randy Young	Gulf South Pipeline	√	√
Paul Love	NGPL	√	√
Marcy McCain	Duke Energy Gas Transmission	√(nv)	√
Brian White	NiSource Pipelines	√	√
Mark Gracey	Tennessee Gas Pipeline	√	√
Charlie Bass	ANR Pipeline	√	√
Donna Scott	Transwestern	√	√
Micki Schmitz	Northern Natural Gas Co.	√	√
Tom Gwilliam	Iroquois Gas Transmission	√	√
Bill Allen	Dominion Transmission	√(nv)	√
Iris King	Dominion Transmission	√	√
Janie Nielsen	Kern River Gas Transmission	√	√
Kelly Brooks	Williston Basin	√	√
Joe Kardas	National Fuel Gas Supply	√	√
Bill Griffith	Colorado Interstate Gas	√	√
Services:			
Keith Sappenfield	Encana Corporation	√	√
Leigh Spangler	Latitude Technologies	√	√
Producers:			
End Users:			
Valerie Crockett	Tennessee Valley Authority	√	√
LDCs:			
Mike Novak	National Fuel Gas Distribution	√	√
Pete Connor	NiSource Distribution	√	√
Craig Colombo	Dominion Resources	√	√
Government:			
Associations:			
Mariam Arnaout	American Gas Association	√(nv)	N
NAESB Office:			

Bold signifies a BPS Chair

nv – not voting