

# North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002  
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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, March 4, 2004**  
**DATE: April 7, 2004**

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## 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 02/19/2004 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 "Stds of Conduct Info." with a subcategory of "Emergency Deviations"
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 "Stds of Conduct Info." 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 "Stds of Conduct Info." 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 "Stds of Conduct Info." 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 "Stds of Conduct Info." with a subcategory of "Discounts"

### Discussion:

There was discussion related to the concept of the NAESB-defined Transportation Service Provider (TSP) and the FERC-defined Transmission Provider (TP). It was discussed that, for example, while KeySpan is considered a TSP by NAESB, they are not considered a TP as specified by the Commission. One option discussed was that we should label the items that they only apply to TPs as defined in Order 2004. It was discussed by some that if you are not a TP, you are not a TP and that it is probably not a good idea to make a distinction in the standard or that it is not necessary. It was determined that we would create a proposed principle underlying the difference in the NAESB TSP and the FERC TP and referencing the place in the Code of Federal Regulations where the definition of a TP is specified.

### WGQ Proposed Principle 0.1.z1

A Transportation Service Provider as used in the NAESB WGQ standards is not necessarily the same as a Transmission Provider as defined in Title 18 of the Code of Federal Regulations.

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We continued to make modifications to 4.3.23 based on discussion. The modifications follow:

## 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>
<del>Affiliated Marketer Info.</del>	<del>Capacity Allocation Log (when applicable)</del>
Capacity	Discount Offers
	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>Stds of Conduct Info.</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.

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 before the 3/11/2004 meeting. Ms. Van Pelt explained that we should get the standards modifications finalized and get the proposed standards out for comment as quickly as possible and thought that BPS could finalize its portion at the 3/11/2004 meeting.

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### 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
R04004	Williams Gas Pipeline

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

3/04/2004	10:00a.m.-12:00p.m.	Conference Call
3/11/2004	10:00a.m.-12:00pm	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	03/04/2004	NAESB WGQ Member?
<b>Pipelines:</b>			
<b>Kim Van Pelt</b>	<b>Panhandle Eastern Pipe Line</b>	√	√
Randy Young	Gulf South Pipeline	√	√
Dale Davis	Williams Gas Pipeline	√	√
Paul Love	NGPL	√	√
Marcy McCain	Duke Energy Gas Transmission	√(nv)	√
Kathryn Burch	Texas	√	√
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	√	√
Kelly Brooks	Williston Basin	√	√
Joe Kardas	National Fuel Gas Supply	√	√
Bill Griffith	Colorado Interstate Gas	√	√
Toby Kuehl	Northern Natural Gas Co.	√(nv)	√
Jeff Bittel	Texas Gas Transmission	√	√
Mark Wilke	Trunkline Gas Company	√	N
<b>Services:</b>			
Leigh Spangler	Latitude Technologies	√	√
<b>Producers:</b>			
<b>End Users:</b>			
<b>LDCs:</b>			
<b>Mike Novak</b>	<b>National Fuel Gas Distribution</b>	√	√
Barb Salvador	National Fuel Gas Distribution	√	√
Pete Connor	NiSource Distribution	√	√
Craig Colombo	Dominion Resources	√	√
Mark Sellers-Vaughn	Cascade Natural Gas	√	√
Dolores Chezar	KeySpan Energy	√	√
Lori VanWest	XCEL Energy	√	N
<b>Government:</b>			
<b>Associations:</b>			
Mariam Arnaout	American Gas Association	√(nv)	N
<b>NAESB Office:</b>			

**Bold signifies a BPS Chair**

**nv – not voting**