

Gas Industry Standards Board

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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
DATE: June 1, 2000

1. Administrative

Mr. Lander chaired the meeting, welcomed the participants and gave the anti-trust advice. The agenda was adopted as posted.

The modified Draft Minutes of 5/25/2000 were adopted as final.

2. R97019 Noram – for discussion and possible vote

Request: Add looping of the N1 data element within the nominations to enable communication of provider, supplier, provider contract, etc.

Discussion: As no one from Reliant was on the call it was decided to skip the agenda item until the June 22nd BPS meeting and at that time entertain a motion to decline or otherwise process the request in the absence of the requester. Kim Van Pelt was still going to try and visit with Reliant (successor to Noram). Kim Van Pelt also indicated that CMS Panhandle Pipeline (CMS) filed request R00018 that addresses her needs. As such, if Reliant withdraws request R97019, CMS will not adopt it.

3. Category 3 - Capacity Priority for Scheduling - for possible discussion only

• A R97070 – El Paso

Todd Hudson came back with some answers to the questions posed at the last meeting.

These were:

Question: Find out what difference it might make to have this information in the nomination. Can a nomination which is not a back-haul become a back-haul if nominated with the back-haul transaction type?

Answer: No, the transaction type in the nomination can not make a transaction which is not otherwise a back-haul into a back-haul. Bill Griffith asked what we were all referring to as a "back-haul". Was it a nomination which was for a transaction that moved gas against the prevailing physical flow of the pipeline, or, was it a contractual (including references to the tariff within the definition of contractual) matter where someone was taking gas at a delivery point and moving it to a receipt point independent of the prevailing flow. The group determined that for these

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purposes a back-haul should be considered a contractual matter (including references to the tariff) and be independent of direction-of-flow considerations.

Question: Is El Paso seeking to communicate to the shipper earlier than the SQ time, the fact that EP is interpreting a nom as one of these types of nominations (i.e., at the nomination Quick Response stage)?

Answer: Yes, they inform the shipper instantaneously on the EBB and would like to respond in the Nomination Quick Response to the same effect – (i.e., that they changed the transaction to reflect the correct transaction type for the nom).

Question: If the shipper sends a quantity of 10 and the allowable amount is 8, is El Paso going to generate a reduction reason on the nomination of 10 reducing it to 8 and generate a new line item (new transaction) for the 2 with a transaction type, or a reduction reason, or what?

Answer: No they would not generate a separate transaction. They would just send the reduction of the 10 to 8 and make other adjustments to keep the contract in balance.

Question: If all 10 is overrun but communicated in the nom as current business, does that make a difference?

Answer: They would cut the whole nomination to zero. Overruns are supposed to be nominated as a separate line item per GISB standard 1.3.19.

Discussion:

There was a great deal of discussion about whether or not to add a transaction type data element to the Nomination Quick Response document. Many objected to that approach. There was an alternate suggestion to add warning codes to the Nomination Quick Response validation code data element and in the case where the codes applicable to this set of practices, to provide a transaction type in the description field of the validation message data element. Then discussion turned to what to do with the Scheduled Quantity document. Here discussion focused on what the implications of changing the transaction type value in the Scheduled Quantity document to reflect the actual type of transaction (and the associated financial implications) while retaining the same Nominators Tracking ID as was present in the nomination. Mr. Lander pointed out that doing so was in effect changing the value within a data element that was part of the key (the Transaction Type data element is one of the data elements which is associated with the Nominators Tracking ID) and that considerable thought should be given to whether GISB should permit the changing of the value present in one “key” data element while retaining the

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ID that is/was associated with the (unchanged) element values originally sent in the nomination. He stated that while this was possible and not necessarily out-of-bounds, it should only be done explicitly and with recognition that it should not enable (be seen as permitting) the TSP to change the value(s) within other data elements which make up the key. The group agreed to think more about this issue for the next meeting.

- R97082 – Florida Gas
- R00006 – Southern Natural
- R00003 – Great Lakes

None of these items were discussed

5. Next meeting and agenda

1. Administrative:
2. R97019 Noram – for discussion only (15 minutes – assuming a Reliant representative is present)
3. Category 3 - Capacity Priority for Scheduling - for discussion and possible vote
 - A. R97070 – El Paso
4. Capacity Priority for Scheduling - for possible discussion
 - R97082 – Florida Gas
 - R00006 – Southern Natural
 - R00003 – Great Lakes
5. Next meeting and agenda
6. Adjourn

The meeting Adjourned at 4:28 Central Time

Next meeting is June 22nd, 2000

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Meeting Attendees

<u>Segment</u>	<u>Company</u>	<u>Voting</u>	<u>GISB Member</u>
Pipelines:			
Dale Davis	Williams Gas Pipeline	X	X
Todd Hudson	El Paso Natural Gas	X	X
Bill Griffith	CIG	X	X
Roy Beck	Great Lakes Gas	X	X
Tony Pauza	Great Lakes Gas		X
Kim Van Pelt	CMS-Panhandle	X	X
Mark Gracey	Tennessee Gas	X	X
Karen Gossett	Koch Gateway	X	X
Mike Schisler	Natural Gas Pipeline	X	X
Services:			
Debra Stubblefield	Corocoran Law Office	X	X
Greg Lander	CapacityCenter.com	X	X
Mark Scheel	Dynegy, Inc	X	X
Randy Young	Koch Midstream	X	X
Producers:			
End Users:			
Cary Metz	MCV	X	X
LDC's:			

Bold signifies a BPS Chair