

Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002
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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
Order No. 637 Action Items Priority 6 Items Meeting
DATE: July 26, 2000

GAS INDUSTRY STANDARDS BOARD
GISB BUSINESS PRACTICES SUBCOMMITTEE MEETING
Teleconference Call: June 30, 2000, 1:30 – 3:30 pm
FINAL MINUTES

1. Administrative

Mr. Lander gave the anti-trust advice. The Agenda was modified as below

2. Review of Order No. 637 Action Item BPS Priority 6 for identification of issues:

Review timelines for modifications including accommodation of intraday or partial day capacity releases. (Affects GISB Standard No. 5.3.2 and related interpretations.) Review elimination of the restrictions on partial day recalls. (Affects GISB Standard Nos. 5.3.6, 5.3.7.)

Discussion:

Capacity release standards and related interpretations were identified followed by a review of each on a one by one basis. The standards identified were:

5.3.2
5.3.6
5.3.7

The related interpretations identified were:

7.3.2
7.3.15
7.3.3
7.3.44
7.3.45

In addition, the proposed response to C99003 was identified for review. This proposed response is pending adoption by the Executive Committee.

Standard 5.3.2 was reviewed.

Issues Identified:

Are the last two bullets of the short term section of 5.3.2 still appropriate in light of the intraday release language of FERC?

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Is a new section of 5.3.2 needed to deal with intraday pre-arranged releases?

Is there any requirement that an intraday release be only for the balance of the first day?

Is there a need to be clear that the duration of the release is what determines the bidding requirement and not the intraday nature of the first day of the release?

Is there a need for an "end" to the current longer term releases section of 5.3.2 at a period less than a year (i.e., greater than or equal to five months and less than a year), then a third category added for those releases whose duration is equal to or greater than a year?

Discussion:

This issue was identified because the thought was that there was no longer a waiver of bidding for deals less than a year, as there was no longer a maximum rate for deals less than a year. This may be an issue because for deals that are greater than 31 days in duration and less than a year in duration there is no longer a non-biddable status. All these deals have to be posted for open bidding. There is no longer the greater than five months non-biddable prearranged deals at max rate exemption from bidding.

Additional Issues:

Is there a need to rearrange the structure of 5.3.2 to take account of intra day, 31 days or less, greater than 31 days to five months, then five months to a year and over a year?

Discussion:

There needs to be careful review of any possible new language to ensure that there are not any loopholes in any possible new language.

Interpretation 7.3.2 was reviewed.

It was agreed that there were no issues identified within Interpretation 7.3.2

Interpretation 7.3.15 was reviewed.

It was agreed that there were no issues identified within Interpretation 7.3.15

Interpretation 7.3.3 was reviewed.

It was agreed that there were no issues identified within Interpretation 7.3.3

Interpretation 7.3.44 was reviewed.

It was agreed that there were no issues identified within Interpretation 7.3.44

Standard 5.3.6 was reviewed

The issue identified was whether an intra day release can be recalled.

Standard 5.3.7 was reviewed.

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The issue identified was whether an intra day release can be recalled.

Interpretation 7.3.45 was reviewed.

It was agreed that there were no issues identified within Interpretation 7.3.45.

The proposed response in C99003 was reviewed. It consists of a proposed interpretation and a proposed revision to GISB Std. 5.3.24

- Text below of the proposed interpretation

A Service Requester may have its offer posted for review either immediately or at another specified time and if not specified then, at the Transportation Service Provider's option, the offer can be posted for review either immediately or at the next occurrence of 1:00 p.m. on a business day. GISB has no requirement that bidding upon such posting be available prior to the next occurrence of 1:00 p.m. on a business day. Neither is there any prohibition on bidding occurring upon a posting provided that bidding upon such posting continue to be available through at least the next occurrence of 1:00 p.m. to 2:00 p.m. on a business day or the longer period where such offer is a long term offer.

It was agreed that there were no issues identified within the proposed for interpretation C99003.

- Proposed revised Standard 5.3.24 was reviewed. Text of the proposed revised standard follows:

5.3.24 Capacity release facilitator should post offers and bids, including prearranged deals, upon receipt. A releasing shipper may request a later posting time for posting of such offer, and the capacity release service facilitator should support such request insofar as it comports with the standard Capacity Release timeline specified in GISB Standard No. 5.3.2.

It was agreed that there were no issues identified within proposed revised Standard 5.3.24.

3. Next meeting (7/25-26/2000) and agenda

[AM meeting call of BPS identified 7/25/ through 7/26/2000 agenda]

4. Adjourn

The meeting Adjourned at 4:17 PM Central Time

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Meeting Attendees and Voting Record

<u>Segment</u>	<u>Company</u>	<u>Voting</u>	<u>GISB</u>	<u>Vote 1</u>	<u>Vote 2</u>	<u>Vote 3</u>
<u>Member</u>						
Pipelines:						
Dale Davis	Williams Gas Pipeline	X	X			
Theresa Hess	Enron – Transwestern	X	X			
Kim Van Pelt	CMS-Panhandle	X	X			
Mark Gracey	Tennessee Gas	X	X			
Tammy Hopkins	Enron – FGT	X	X			
Iris King	Dominion Transmission	X	X			
Jim Keisler	Williams Gas Pipeline		X			
Stephanie LeCureaux	ANR	X	X			
Fred Cumminger	Texas Eastern	X	X			
Joe Kardas	National Fuel Gas	X	X			
Mark Wilke	CMS – Panhandle		X			
Paul Love	NGPL	X	X			
Sally Turley	El Paso	X	X			
Twyla Strogon	Dominion Transmission		X			
Tom Gwilliam	Iroquois Gas	X	X			
Katherine Burch	Texas Eastern		X			
Susan Croley	Algonquin Gas		X			
Clancy Ashbrenner	CIG	X	X			
Kelly Wachter	WBI	X	X			
Gene Fava	Great Lakes	X	X			
Services:						
Debra Stubblefield	Corocoran Law Office	X	X			
Greg Lander	CapacityCenter.com	X	X			
Randy Young	Koch Midstream	X	X			
Producers:						
Joyce Phillips	PanCanadian	X	X			
End Users:						
Bill Hebenstreit	El Paso Merchant Energy	X	X			
LDC's:						
Robert McNally	Northwest Natural	X	X			

Bold signifies a BPS Chair