



## Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002

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**TO:** BPS Chairs (Bill Hebenstreit, Greg Lander, Robert McAnally, Joyce Phillips, and Kim Van Pelt)  
Posting for Interested Industry Participants

**FROM:** Rae McQuade, Executive Director

**RE:** **Final** Minutes for the Business Practices Subcommittee Order No. 637 Action Items - August 1-2, 2000

**DATE:** August 3, 2000

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**GAS INDUSTRY STANDARDS BOARD**  
**BUSINESS PRACTICES SUBCOMMITTEE MEETING**  
**August 1-2, 2000 - 8:30am - 4:30pm**  
**WILLIAMS GAS PIPELINE, HOUSTON, TEXAS**  
**FINAL MINUTES**

### August 1, 2000

Mr. Hebenstreit called the meeting to order Ms. Davis welcomed the participants to Williams' Tower. Mr. Hebenstreit gave the Antitrust Advice and led the Roll Call of attendees. Item two of the agenda was revised to include the timing of posting following FT & IT Reporting. The revised agenda was adopted. Ms. Davis provided the participants with redlined draft minutes for July 25 and 26, 2000. The July 25 & 26, 2000 redlined minutes and attachments were reviewed and adopted as modified during the meeting. Ms. Van Pelt led the review of the draft minutes from the June 26, 2000 conference call. The revised June 26, 2000 minutes for were adopted as modified during the meeting.

2. Review of Order No. 637 Action Item BPS Priority 3 and 4 for **discussion and possible vote**: (see July 7, 2000 meeting minutes, July 25-26 meeting minutes)
  - 3 - Review award data set codes and structure for firm and interruptible transportation (FT and IT) reporting. (Affects GISB Standard No. 5.4.3.)
  - 4 - Accommodate visual display web pages for FT and IT reporting.FT and IT Reporting, Timing of posting

### **Discussion on Contract Quantity for Firm Service Reporting:**

Question was asked, "in the Index of Customers, the Capacity Held is used. Will it work here?" There was not consensus that this element was equivalent to contract quantity. There seemed to be consensus that the posting requirement was for contract quantity, not for volume transported.

Maximum Offer Quantity Contract, from the Offer Download, was reviewed for a possible definition by the participants. A suggestion was made to define the quantity as being reported as "the total transportation capacity under the specified contract." A lengthy discussion on the use of the terms 'transportation' or 'service' occurred. The concern was to craft a definition that would apply to firm transportation and firm storage service. Mr. Aschbrenner proposed using Contract Quantity, defined as quantity of service specified under the contract. Discussion focused on terms recognized by FERC, such as in the Index of Customers, for



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maximum daily quantity and total capacity. Mr. Scheel requested the definition be *the total capacity held under the specified contract*.

The applicable section on the electronic format requirements from Order 637-A on Index of Customers was reviewed.

Mr. Whatley suggested the use of an indicator to specify when the quantity is contract or location. A second suggestion, by Ms. Van Pelt, was to craft an instruction to IR to handle the quantity. Mr. Scheel would like the instruction to also use the Index of Customers to clarify the information needed. Ms. Van Pelt voiced her concern that this is a FERC requirement not a GISB Standard or data set. There was a general reluctance to send a business document to an information group. The conflict was resolved by specifying the data requirements in the instruction to IR.

Ms. Davis made the following motion , second by Mr. Aschbrenner:

### **Motion**

#### **BPS Instruction to IR (#10):**

BPS instructs IR to accommodate the reporting of Contract Quantity to reflect:

- the maximum daily contract quantity for a firm transportation service contract and
- the maximum storage quantity for a firm storage service contract.

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1	1	0	0
LDCs	0	0	0	0
Services	5	2	0	0
Producers	1	1	0	0
Pipelines	11	2	0	0
<b>Totals</b>	<b>18</b>	<b>6</b>	<b>0</b>	<b>0</b>

Motion passes unanimously

Mr. Keisler made the following motion, second by Ms. Hess:

### **Motion**

#### **Revise proposed standard X.3.1 as follows:**

- With respect to reporting of firm service, Transportation Service Providers should communicate the Rate Charged, Maximum Tariff Rate, quantity(ies), and location ~~Location Data, location zone and/or segment (where zone and/or segment are applicable)~~ information to identify the pertinent terms & conditions of the contract. In addition, these characterizations should be specified as to reservation and usage (or a blended rate, if applicable), and surcharge(s) (where such surcharge(s) are not otherwise included within specified reservation, usage or blended rate(s)). To the extent there are different such rates associated with different quantities or time periods, the quantities and time periods to which the distinct rates apply should also be identified. Where a rate is applicable only with respect to the entire contract for a quantity and time period it should be reported as a contract level rate.



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**Discussion on Motion:** Location data should be lower case, it is not a data element

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1		1	0
LDCs	0		0	0
Services	4		2	0
Producers	1		1	0
Pipelines	9		2	0
<b>Totals</b>	<b>15</b>		<b>6</b>	<b>0</b>

Motion passes unanimously

From parking lot: Should the indication regarding negotiated rates (from Section 284.13 (b)(1)(vii) of FERC's regulations) be reflected in Special Terms or via a data element? A suggestion was made to add an indicator for negotiated rates.

Ms. Davis made the following motion, second by Ms. Hess:

### **Motion**

#### **BPS Instruction to IR (#11):**

- BPS instructs IR to accommodate the indication of whether the contract is a negotiated rate contract.

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1		1	0
LDCs	0		0	0
Services	5		2	0
Producers	1		1	0
Pipelines	9		2	0
<b>Totals</b>	<b>16</b>		<b>6</b>	<b>0</b>

Motion passes unanimously

### **Discussion of data element usage in Firm Service Reporting versus Interruptible Service Reporting:**

Mr. Young suggested at this point to move to interruptible service reporting prior to development of usage for firm service reporting. Others asserted that usage was applicable to the data and should be completed before leaving firm service reporting. Consensus was to move to interruptible service reporting and handle usage for capacity release, firm service and interruptible service after the data element development for all three was completed.

A review of the proposed data elements for firm service reporting was completed to determine which elements would be applicable for interruptible service reporting.



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Ms. Hess made the following motion, second by Mr. Whatley:

### **Motion**

Modify proposed BPS Instruction #6 to IR as follows:

6) BPS instructs IR to accommodate the Rate Charged and Maximum Tariff Rate ~~for reporting of firm service~~ in a manner consistent with the accommodation of rates and surcharges in the Capacity Release data sets.

No discussion on the motion.

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1	1	0	0
LDCs	0	0	0	0
Services	4	2	0	0
Producers	1	1	0	0
Pipelines	8	2	0	0
<b>Totals</b>	14	6	0	0

Motion passes unanimously

Mr. Whatley made the following motion, second by Ms. Hess:

### **Motion:**

Modify proposed BPS Instruction #7 to IR as follows:

7) Instruct IR to accommodate the receipt and/or delivery points, zones and/or segments ~~for reporting of firm service~~ in a manner consistent with the accommodation of receipt and/or delivery points, zones and/or segments in the Capacity Release data sets.

No discussion on the motion.

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1	1	0	0
LDCs	0	0	0	0
Services	5	2	0	0
Producers	1	1	0	0
Pipelines	9	2	0	0
<b>Totals</b>	16	6	0	0

Motion passes unanimously

### **Discussion of Quantity of gas a shipper is entitled to transport:**

It was determined that Contract Quantity, as used in IR instruction #10, would not be appropriate for interruptible service reporting. One suggestion was to use Scheduled Quantity.



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Concerns were raised that this information would not be available at the required posting time of first nomination.

Mr. Young made the following motion, seconded by Mr. Aschbrenner:

### **Motion**

#### **BPS Instruction to IR**

- BPS instructs IR to accommodate the reporting of Interruptible Quantity to reflect the quantity of gas the service requester is entitled to transport.

#### **Discussion on motion:**

Concerns were voiced over the use of “entitled” and the different meanings for entitled. This issue requires more consideration. The topic could be parked until tomorrow or next week. A second thought was to continue with this discussion and if problems are brought forward later, address the problem then. Mr. Aschbrenner suggested having shippers bring forward work papers on what they would like to see reported. Mr. Scheel stated that you could report MDQ when the contract has one and N/A when the interruptible contract does not have a MDQ. Ms. LeCureaux suggested the data element should be a vehicle used to report quantity and the individual service providers could determine what would be reported.

Mr. Young and Mr. Aschbrenner agreed to **withdraw the motion** so that parties could research the possible implementations.

#### **Discussion on special details pertaining to the agreement:**

Does BPS instruction #2 still apply? Instruction #2 in the context of rate still applies.

#### **Discussion on including Contract Number:**

Should Contract Number be reported? One opinion, do not report it, because it is not required as there is not a comparable need for contract number in IT reporting as there is in FT reporting. There was consensus on this point. Further, Posting Date and Posting Time will give shippers a benchmark for comparison of Interruptible Service. It was discussed that there is not a duration date in all interruptible contracts.

This concluded the discussion of interruptible service reporting. Next steps? Complete a side by side comparison of the three sets of data sets, firm, interruptible and capacity release. As an alternate the group could move to usage codes.

The August 1, 2000 meeting adjourned at 4:00 PM.



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**August 2, 2000**

The August 2, 2000 meeting began with a review of the proposed data elements from August 1, 2000.

Mr. Whatley made the observation that the proposed data elements for firm and interruptible are similar and could be provided by the same data set. If there is consensus, then it would be possible to go through the elements and create usage once.

The group agreed that, as originally formatted at the July 7, 2000 meeting, the capacity release reporting would be a separate data set. Firm and interruptible would be reported separately. Usage determinations were made for the proposed data elements for firm and interruptible reporting. (See attachment to August 1-2, 2000 minutes.)

Following a review of the progress made since July 7, 2000 it was observed that GISB Standards 4.3.21 and 4.3.22 should be reviewed for possible modifications for inclusion of transactional reporting.

Ms. Hess made the following motion, second by Mr. Keisler:

**Motion:**

Retract the proposed modifications to GISB Standard 4.3.21.

**Discussion:**

It was determined through discussion that the proposed modification, from July 7, 2000 BPS meeting, to GISB Standard 4.3.21 is in conflict with 4.3.6. To resolve the conflict, consensus was to strike the changes in Standard 4.3.21.

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1	1	0	0
LDCs	0	0	0	0
Services	5	2	0	0
Producers	0	0	0	0
Pipelines	7	2	0	0
<b>Totals</b>	13	5	0	0

Motion passes unanimously

Mr. Young made the following motion, second by Mr. Whatley::

**Motion**

**BPS instruction to IR (#12)** (as modified during the discussion)

- BPS instructs IR to accommodate reporting of firm and interruptible service in a single data set to the extent possible. The reporting of released capacity will be accommodated in the Award Download data set as modified by BPS.

**Discussion:**

Ms. Hess offered an amendment to the motion, which was accepted by Mr. Young and Mr. Whatley. The modifications to the Award Download data set were proposed by BPS during the July 7, 2000 meeting.



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<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	0	0	1	1
LDCs	0	0	0	0
Services	5	2	0	0
Producers	0	0	1	1
Pipelines	8	2	0	0
<b>Totals</b>	<b>13</b>	<b>4</b>	<b>2</b>	<b>2</b>

Motion passes

A question was raised as to the reason the two segments voted No. It was noted that they are not required to respond. One participant questioned whether the group had missed something and possibly needed to readdress any aspects of the instruction to IR. The responses from these segments were not the same. Concerns centered on two issues:

- (1) possible loss of detail in reporting; and,
- (2) the use of separate data sets to report "the same information".

GISB protocol issues were discussed about. In response to issue (1) above, Ms. Hess indicated that there would not be a loss of detail that is reported. The data would merely be combined into one data set. To further explain issue (2) above, Ms. Phillips stated she has a problem with putting segment/participants on the spot to defend their position following a vote, but would give her reason this time only. She said that taking the path of separate data set development could result in non-comparable data between the three (capacity release contracts, firm contracts, and interruptible contracts).

Concerns were raised that this vote raises a flag that the EC may reject the data sets and whether the data set development should go forward. Another concern was raised that this instruction places restrictions on IR, limiting the number of changes to the Capacity Release data set and how to go forward with developing firm and interruptible reporting. Mr. Young suggested a compromise, go back through the FERC Order and determine the requirements for capacity release reporting and compare to the firm and interruptible reporting requirements.

A review of the firm service reporting requirements for capacity either sold by the pipeline or through capacity release, as given in FERC Order 637, was made. (See attachment to BPS August 1-2, 2000 minutes)

The issue of whether there should be an indication that the pipeline is the seller of the capacity was sent to the parking lot of issues.

**Discussion** centered on what and how capacity seller should be reported, y/n indicator, TSP or releasing shipper name, seller of capacity, or other method. Discussion on certain of the data requirements for capacity release reporting from FERC Order 637, 637-A and 637-B are as follows: (For a complete list of data elements, see attachment to BPS August 1-2, 2000 minutes)

*Contract Holder* and *Contract Holder Name* are associated with Service Requester Contract and Rate Charged.



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*Releaser Company Code* and *Releaser Company Name* are associated Releaser Contract Number.

The rate charged under each contract: the meeting participants determined that the rate charged should be reported in the replacement shipper's contract. The releasing shipper's rate would be reported under firm service reporting)

Maximum comparable rate - participants decided not to list as a separate data element as it is the same as maximum rate.

*Negotiated Rate Indicator* -participants reviewed the element and determined it did not apply to capacity release.

### Contract Quantity/Volumetric Quantity

- What does the term "volumetric quantity" mean? Some participants feel the quantity type is tariff/contract driven. The discussion continued to address the questions, "do you need two quantity fields?" "can you use one field for reporting quantity?" A second area of discussion was what is volumetric. Volumetric, is it MCF? And you have a quantity type indicator. The discussion pursued this point for volumetric releases and the ability to have a one to one comparison. Mr. Whatley asserted that the field should just be quantity. A single field use to report for contract quantity or volumetric quantity. Consensus developed for single data element, Contract Quantity.

Affiliate relationship - releasing shipper and replacement shipper OR pipeline and shipper

- The question was raised, who is the shipper in the latter pair? Consensus was this was referring to the replacement shipper, who is the contract holder.

The question, "what about recallable quantities?" was asked. Participants felt this was not addressed in the reporting requirements in Order 637 et al.

Mr. Whatley made the following motion, second by Mr. Scheel

### **Motion:**

#### **BPS instruction to IR (#13)**

- BPS instructs IR to provide clarity in the implementation guide that the date element, Releaser Contract Number, identifies the contract issued by the Transportation Service Provider to the releasing shipper.

### **Discussion:**

Concerns were raised that this is unnecessary information, others felt it provided clarity for developers. Discussion expanded to include BPS instruction to IR #1. Mr. Scheel asked for clarification on contract holder so as to distinguish between the shipper and the replacement shipper when the data element Contract Holder is used.

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1	1	0	0
LDCs	0	0	0	0
Services	5	2	0	0



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Producers	1	1	0	0
Pipelines	6	2	0	0
<b>Totals</b>	13	6	0	0

Motion passes unanimously

Mr. Whatley made the following motion, second by Mr. Scheel:

**Motion**

Modify BPS instruction to IR #10 as follows:

**BPS instruction to IR (#10)**

BPS instructs IR to accommodate the reporting of Contract Quantity to reflect:

the maximum daily contract quantity for a firm transportation service contract, ~~and~~ the maximum storage quantity for a firm storage service contract, and, the contract quantity or the volumetric quantity under a volumetric release for capacity release.

**Discussion:**

Some participants expressed their position that this modification was not necessary since the use of a single contract had been decided. Mr. Whatley agreed to **withdraw his motion.**

Ms. Davis made the following motion, second by Mr. Gwilliam:

**Motion**

**BPS instruction to IR (#14)**

BPS instructs IR to accommodate communication of the existence or lack of an affiliate relationship between the contract holder and the releasing shipper for capacity release reporting only.

No discussion on the motion.

<b>Segments</b>	<b>Vote For</b>	<b>Balanced For</b>	<b>Vote Against</b>	<b>Balanced Against</b>
End Users	1	1	0	0
LDCs	0	0	0	0
Services	5	2	0	0
Producers	1	1	0	0
Pipelines	7	2	0	0
<b>Totals</b>	14	6	0	0

Motion passes unanimously

**Discussion** on BPS's proposed changes to the Award Download data set. Should the data elements, Award Contract Number and Master Contract Indicator, be added to the capacity release reporting requirements? Some participants voiced the opinion that these data elements would not be needed if a new data set was developed for capacity release reporting.

Mr. Whatley made the following motion, second by Ms. Hess:

**Motion:**



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Rescind the proposed addition of the data elements, Award Contract Number, Releaser Contract Number, and Added To Master Contract Indicator to the Award Download data set and to rescind BPS instruction to IR #12.

### Discussion:

Mr. Gwilliam asked what is the effect on pipelines that have master contracts? Consensus was a pipeline experiencing an implementation problem would submit a request to GISB to modify the applicable standard.

Segments	Vote For	Balanced For	Vote Against	Balanced Against
End Users	1	1	0	0
LDCs	0	0	0	0
Services	4	2	0	0
Producers	1	1	0	0
Pipelines	5	2	0	0
<b>Totals</b>	11	6	0	0

Motion passes unanimously

From the parking lot: Pipeline is seller of capacity – firm

Ms. Hess made the following motion, seconded by Ms. Stubblefield:

### Motion

#### BPS instruction to IR (#15)

BPS instructs IR to accommodate the indication that the pipeline is the seller of transportation capacity for reporting of firm service.

### Discussion:

Mr. Scheel asked if this would require a modification to GISB Standard 4.3.23 to include capacity release under transactional reporting? Consideration on this question was deferred.

Segments	Vote For	Balanced For	Vote Against	Balanced Against
End Users	1	1	0	0
LDCs	0	0	0	0
Services	3	2	0	0
Producers	0	0	0	0
Pipelines	6	2	0	0
<b>Totals</b>	10	5	0	0

Motion passes unanimously

The next meeting, August 8-9, 2000, will be at Duke Energy, Houston, Texas.

The agenda for August 8-9, 2000 will be as follows:



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Approval of the minutes from August 1-2, 2000,  
IT Contract Quantity reporting,  
Timing of posting, and  
Open items from today's agenda.  
Meeting adjourned at 4:30 PM.