



North American Energy Standards Board

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TO: NAESB Business Practices Subcommittee, Posting for Interested Industry Participants
FROM: Meghan McMillan, NAESB Staff
RE: Draft Minutes from the NAESB Business Practices Subcommittee Conference Call – July 23, 2002
DATE: July 24, 2002

**North American Energy Standards Board
Business Practices Subcommittee
Conference Call
Tuesday, July 23, 2002
Draft Minutes**

1. Administrative

Ms. Van Pelt gave the antitrust guidelines. Mr. Novak moved to adopt the agenda and Ms. King seconded the motion. The agenda was adopted as written. Ms. Van Pelt reviewed the events of the last meeting (July 10, 2002) and asked if anyone had any modifications to the minutes. No suggested modifications were voiced. Mr. Novak moved to adopt the July 10 draft minutes and Ms. King seconded the motion. The draft minutes were adopted with no modifications.

2. Discussion of informal comments from FERC staff on aspects of the recommendation for RO2002

Ms. Van Pelt stated that the EC chairs requested the BPS chairs have a call to discuss informal comments received from the FERC. Mr. Novak added the general intention was to allow enough notice to schedule any necessary face to face meetings, and if they do need to reconvene they need to report this back to the EC because there is no formal request on the table. Ms. Van Pelt asked for clarification on this process. She suggested that the EC members need to have input and that it would have been better to have an EC call today and not a BPS chairs call today so that the EC could be aware of the FERC's concerns.

Mr. Buccigross discussed FERC Staff's comments requesting that NAESB address capacity allocation and billing issues for partial day recall standards. Mr. Buccigross stated there was not an order out or a rate case. He relayed FERC Staff's suggestion that it would be better, rather than deal with this issue on a pipeline by pipeline basis, if NAESB could come up with some guidance on these issues. Mr. Bass suggested it might help to have FERC Staff involved in these discussions.

Mr. Novak suggested putting together standards or principles might be a better way to resolve this issue. At the core there are two different answers to the allocation and between those there may be flexibility to accommodate a tariff. He stated he does not think it is an unreasonable request to attempt to come up with the answers FERC Staff wants. Mr. Bass suggested that FERC Staff formally communicate these issues to NAESB so that the BPS can be clear about what exactly they are trying to resolve. Mr. Buccigross volunteered to obtain permission to forward copies of the informal comments. Mr. Novak referred to footnotes 22 and 23 of the provided work paper to illustrate why FERC Staff sees this as an issue.

Ms. Gibbs stated that her understanding was that this was a pipeline by pipeline implementation process. She suggested that if they intend to change that now they need to make it generally known that this will be markedly different that what was discussed, because if uniform penalties will be implemented then this issue is of uniform interest to everyone. Mr. Novak responded that they will not be addressing penalties. Ms. Gibbs responded that by implementing a standard she feels like they are mandating something across the pipeline grid that is not there. Mr. Novak answered the only thing standardized would be how to calculate the actual numbers. This standard would not address a penalty based on those calculations. Ms. Van Pelt suggested they not discuss specific standard related issues until they are on the transcript. Mr.



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Novak stated he appreciates Ms. Gibbs comments. He proposed, as a subsequent step, to hold an EC call and begin the process of formally reconvening the BPS to discuss these issues. Ms. Van Pelt stated this needs to be a conversation, not a procedural or notational vote. Mr. Novak suggested they could create a request or ask a company to submit a request, and he volunteered to work on that. Ms. Van Pelt suggested they need to convene the EC and the EC needs to give direction to the subcommittee (BPS). Mr. Novak stated it might be simpler if a request came in and got triaged. Ms. Van Pelt suggested they not file a request or triage anything, but bring this issue to the EC and ask them what they want to do with it. Mr. Buccigross asked the BPS assume the EC will send this to them and develop a plan of action accordingly.

3. Next Meeting(s) and Agenda

It was decided that an EC call would be scheduled by Mr. Buccigross for early next week (Monday or Tuesday), and that face to face meetings would be scheduled to follow sometime after this call. It was agreed to schedule a three day face to face meeting on August 7, 8, and 9, location to be determined. Final meeting plans will be resolved in the next couple of days. Ms. McCain volunteered to find a place for the meeting. Ms. Wincowski requested that the meeting have conference call capabilities.

There was no further discussion.

4. Adjourn

The meeting adjourned on Tuesday, July 23, 2002 at 2:58p.m. CST.



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Attendees

Kim Van Pelt	CMS-Panhandle Eastern
Mark Wilke	CMS-Trunkline Gas
Bill Griffith	Colorado Interstate Gas
Sally Wood	El Paso Natural Gas
Donna Scott	Enron-Transwestern
Charlie Bass	ANR
Mark Gracey	Tennessee Gas Pipeline
Rita Bianchi	Northern Natural Gas
Iris King	Dominion
Dolores Chezar	KeySpan
Michele Wincowski	Northern Natural Gas
Kirsten Gibbs	Sutherland Asbill & Brennan
Tammy Lee Jacquet	Duke Energy Marketing & Trading
Jim Buccigross	8760 Inc.
Meghan McMillan	NAESB
Mike Novak	National Fuel Gas Distribution
Marci McCain	Duke Energy