



North American Energy Standards Board

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TO: NAESB Wholesale Gas Quadrant Executive Committee, Posting for Interested Industry Participants
FROM: Meghan McMillan, NAESB Staff
RE: Draft Minutes from the NAESB Wholesale Gas Quadrant Executive Committee – July 29, 2002
DATE: July 31, 2002

**North American Energy Standards Board
Wholesale Gas Quadrant Executive Committee
Conference Call
Monday, July 29, 2002
Draft Minutes**

1. Administrative

Mr. Buccigross opened the meeting and conducted the role call. He noted that any vote that will be taken on the call is notational. He noted there was a quorum and gave the antitrust guidelines.

2. Adoption of Agenda

Mr. Novak moved to adopt the agenda and Ms. Van Pelt seconded the motion. The agenda was adopted as drafted without objection.

3. Order No. 587-N Issues Raised by FERC Staff

Mr. Buccigross reviewed the comments by FERC Staff (ref. posted work paper). He stated they would be discussing the possible assignment of this issue to the Business Practices Subcommittee (BPS). The BPS has developed a tentative meeting schedule. The group was informed that anyone who has questions for the FERC can contact Mr. Michael Goldenberg. The floor was opened for general discussion.

Mr. Novak made a motion to assign the development of proposed standards concerning capacity allocation and billing with regard to order 587-N to the BPS.

Ms. Van Pelt expressed concerns that this sounded like a mandate to develop standards, not to look at the comments and decide what to do.

Mr. Buccigross suggested changing the motion to say “assign consideration of proposed standards...” It was agreed to add this language to the motion. Ms. Chezar then seconded the motion.

Mr. Scheel asked whether the FERC also raised the issue of allocation of penalties. Mr. Buccigross suggested changing the motion by adding the language “including the issues raised by FERC staff” at the end. Mr. Novak and Ms. Chezar agreed to this change.

The final motion reads as follows: **“Assign consideration of proposed standards concerning capacity allocation and billing with regard to order 587-N to the BPS, including the issues raised by FERC staff.”**

Mr. Scheel asked if this was being discussed separately from the current recall standards being proposed.



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Mr. Novak stated they have scheduled BPS meetings, and the results of those meetings may determine whether there will be a vote at the August Executive Committee meeting.

Mr. Love asked if they would be voting on a shortened comment period if they send this back to the subcommittee, and noted that anything coming out of the subcommittee would need to go out for industry comment before being voted on. Mr. Novak stated they probably would not be able to vote on it at the August meeting, and would need to have a meeting in September to make the October deadline. Mr. Buccigross stated if something came out of the BPS then they might have another single issue call or have a short EC meeting at the annual meeting. Mr. Scheel added if they do develop proposed standards it needs to be determined if they impact the current proposed standards and if so they may be looking at the whole package again. It was agreed that the EC would determine in August whether what comes out of BPS affects the current proposed standards, decide at that time whether they will vote.

Ms. Van Pelt stated she understands the FERC's comments, but voiced concerns about how they would affect NAESB's work in relation to the FERC. Ms. Chezar stated when they began the process on the recalls they had this very issue on their list of issues, and at the time they agreed they would not create a standard. She suggested they address the issue and list the existing methodologies.

Mr. Bass asked if FERC would be able to participate, since prior consensus was there were already standards out there that cover this issue and NAESB might reach this same conclusion again. Mr. Novak suggested they draft something in the report to explain Mr. Bass' point, and that if this issue can be handled by existing processes then that needs to be documented.

Mr. Keeler stated either NAESB will make a decision about this issue, or allow FERC to do so. Mr. Buccigross volunteered to ask Mr. Goldenberg if he is available to participate in the BPS call, and also reminded participants that Mr. Goldenberg is also available to answer questions.

Ms. Van Pelt requested they go over the EC attendees on the call before taking a vote on the motion. Mr. Buccigross went over the list of participants. There was no further discussion on the motion. A roll call vote was taken and the motion carried (see p. 4).

4. Next Steps – BPS Meeting Schedule

There is a BPS meeting scheduled for three days: August 7 (9:00am – 5:00pm central), August 8 (9:00am – 5:00pm central) and August 9 (9:00am - 3:00pm central). Mr. Novak asked if there was any interest in arranging a question and answer session with Mr. Goldenberg. He asked that the chairs be notified if anyone was interested. Ms. Chezar suggested it would be a good idea for Mr. Goldenberg to participate by phone for at least the first day. Mr. Scheel volunteered to look into conferencing capabilities for the meeting. Mr. Buccigross volunteered to talk to Mr. Goldenberg about participating. Mr. Novak asked Mr. Buccigross not to issue an invitation to Mr. Goldenberg until he received confirmation from BPS. Mr. Buccigross asked if this was the consensus of the EC and no one objected to this approach.

5. Other Business

Mr. Griffith informed the group that, for the meeting in August, a block of rooms were reserved at the hotel where the meetings will be held and the hotel will hold them at least until August fifth. He suggested that interested parties call the hotel for more information.



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6. Adjourn

Ms. Chezar motioned to adjourn the meeting and Mr. Keeler seconded the motion. The meeting adjourned on Monday, July 29, 2002 as 10:54am CDT.



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Executive Committee Attendees

End Users:	Votes on the Motion
Dona Gussow	Y
LDCs:	
Delores Chezar	Y
Mike Novak	Y
Audrey Bragg	Y
Steve Sullivan	Y
Pipelines:	
Bill Griffith	O
Kim Van Pelt	O
Randy Young	O
Paul Love	O
Producers:	
Paul Keeler	Abstained
Sheri Hesslington	Y
Services:	
Jim Buccigross	Y
Keith Sappenfield	Y
Mark Scheel	Y
Leigh Spangler	Y

Other Attendees

Charlie Bass	Tennessee Gas Pipeline
Kathryn Burch	Duke Energy (Texas Eastern Transmission, LP)
Craig Colombo	Dominion
Iris King	Dominion Transmission, Inc.
Prince McDougal	Southern Natural Gas
Marci McCain	Duke Energy - Algonquin
Brian White	NiSource Pipeline Group