



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, 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 15, 2000

DATE: August 15, 2000

**GAS INDUSTRY STANDARDS BOARD
BUSINESS PRACTICES SUBCOMMITTEE MEETING
August 15, 2000 – 9:30am – 4:30pm
CMS ENERGY HOUSTON, TEXAS
FINAL MINUTES**

Ms. Van Pelt called the meeting to order and welcomed the meeting participants. The Antitrust Advice was given. The agenda was amended to move the adoption of meeting minutes to later in the day. The agenda was adopted as amended.

Review of Order No. 637 Action Item BPS Priority 6 for discussion and possible vote: (see June 30, 2000 p.m. meeting minutes, see August 8-9, 2000 meeting minutes for remaining 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)

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

Motion:

Modify GISB Standard No. 5.3.2 as follows (which includes modification made by BPS on 8/9/2000):

5.3.2 For short-term releases (less than 5 months):

- Offers should be tendered by 1:00 P.M. on the day before nominations
- open season ends no later than 2 P.M. on the day before nominations are due (evaluation period begins at 2 P.M. during which contingency is eliminated, determination of best bid is made, and ties are broken);
- evaluation period ends at 3:15 P.M.;
- match or award is communicated by 3:15 P.M.;
- match response by 4 P.M.;
- award posting by 5 P.M.;
- contract tendered with contract # by ~~40-9~~ 9 A.M.; contract executed; nomination possible for next day gas flow. (Central Clock Time)

For longer term releases (five months or more):

- offers should be tendered by 1:00 P.M. four business days before award for long-term releases;



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- open season ends no later than 2 P.M. on the day before nominations are due (open season is three business days)
 - evaluation period begins at 2 P.M. during which contingency is eliminated, determination of best bid is made, and ties are broken;
 - evaluation period ends at 3:15 P.M.;
 - match or award is communicated by 3:15 P.M.;
 - match response by 4 P.M.;
 - award posting by 5 P.M.;
 - contract tendered with contract # by ~~4-9~~ 9 A.M.; contract executed; nomination possible for next day gas flow. (Central Clock Time)

For non-biddable releases:

Timely Cycle

- posting of pre-arranged deals not subject to bid are due by 9:30 A.M.
- contract tendered with contract # by 10:30 A.M.; contract executed; nomination possible for Timely cycle.

Evening Cycle

- posting of pre-arranged deals not subject to bid are due by 4:00 P.M.
- contract tendered with contract # by 5:00 P.M.; contract executed; nomination possible for Evening cycle.

Intraday 1 Cycle

- posting of pre-arranged deals not subject to bid are due by 8:00 A.M.
- contract tendered with contract # by 9:00 A.M.; contract executed; nomination possible for Intraday 1 cycle

Intraday 2 Cycle

- posting of pre-arranged deals not subject to bid are due by 3:00 P.M.
- contract tendered with contract # by 4:00 P.M.; contract executed; nomination possible for Intraday 2 cycle. (Central Clock Time)

Discussion:

There was discussion and disagreement as to whether Order 637 gives direction to biddable deals, in addition to pre-arranged capacity release deals. It was discussed by some that biddable deals was out of scope of GISB's work for Order 637. It was discussed by others that to the extent scheduling equality can be offered, the order does not preclude parties to give scheduling equality to biddable as well as pre-arranged capacity releases. There was further discussion that this issue may not be ripe for standards development.

Ms. Hopkins reported that the Enron pipelines reviewed the order again (since the last meeting) and they feel the Commission did not mean to include biddable deals at this time.

Mr. Whatley observed that we ought to at least address the timelines in 5.3.2 so that they refer to the time and date that gas flows and not the time and date of nomination. In response, some felt that now is probably not the time to clean up the standards.

Mr. Scheel stated that even though it is his opinion that Order 637 does address scheduling equality for biddable deals, in light of the feeling by some participants that the FERC did not give direction to



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scheduling equality for biddable deals, he agreed to withdraw his motion and wait for further direction from the FERC.

Motion withdrawn

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

Motion:

Modify GISB Standard No. 5.3.2 as follows:

5.3.2 For short-term biddable releases (less than 5 months):

- ~~Offers~~ should be tendered by 1:00 P.M. on the Business dDay before timely nominations ~~for short-term releases (less than 5 months);~~
- open season ends no later than 2:00 P.M. on the Business dDay before timely nominations are due (evaluation period begins at 2:00 P.M. during which contingency is eliminated, determination of best bid is made, and ties are broken);
- evaluation period ends at 3:15 P.M.;
- match or award is communicated by 3:15 P.M.;
- match response by 4:00 P.M.;
- award posting by 5:00 P.M.;
- contract tendered with contract # by 10:00 A.M.; contract executed; timely nomination possible for next day gas flow. (Central Clock Time)

For longer term biddable releases (five months or more):

- offers should be tendered by 1:00 P.M. four ~~bBusiness dDays~~ before award ~~for long-term releases;~~
- open season ends no later than 2:00 P.M. on the Business dDay before timely nominations are due (open season is three ~~bBusiness dDays~~);
- evaluation period begins at 2:00 P.M. during which contingency is eliminated, determination of best bid is made, and ties are broken;
- evaluation period ends at 3:15 P.M.;
- match or award is communicated by 3:15 P.M.;
- match response by 4:00 P.M.;
- award posting by 5:00 P.M.;
- contract tendered with contract # by 10:00 A.M.; contract executed; timely nomination possible for next day gas flow. (Central Clock Time)

For non-biddable releases:

Timely Cycle

- posting of pre-arranged deals not subject to bid are due by 9:30 A.M. on a Business Day;
- contract tendered with contract # by 10:30 A.M.; contract executed; nomination possible for Timely eCycle.

Evening Cycle

- posting of pre-arranged deals not subject to bid are due by 4:00 P.M. on a Business Day;
- contract tendered with contract # by 5:00 P.M.; contract executed; nomination possible



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for Evening eCycle.

Intraday 1 Cycle

- posting of pre-arranged deals not subject to bid are due by 8:00 A.M. on a Business Day;
- contract tendered with contract # by 9:00 A.M.; contract executed; nomination possible for Intraday 1 eCycle.

Intraday 2 Cycle

- posting of pre-arranged deals not subject to bid are due by 3:00 P.M. on a Business Day;
- contract tendered with contract # by 4:00 P.M.; contract executed; nomination possible for Intraday 2 eCycle. (Central Clock Time)

Segments	Vote For	Balanced For	Vote Against	Balanced Against
End Users	0	0	0	0
LDCs	0	0	0	0
Services	4	2	0	0
Producers	0	0	0	0
Pipelines	10	2	0	0
Totals	14	4	0	0

Motion passes unanimously

Review of Order No. 637 Action Item BPS Priority 7 for discussion and possible vote:

Accommodate reporting of the reasons for and the severity of outages. To accommodate the reporting, there are two issues: (1) where the OFO reporting is placed on the web site and (2) whether the report is standardized for reasons of outage and severity or whether the report is textual (i.e. through the existing informational postings).

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

Motion:

No action is required on OFOs relative to Order 637 as existing GISB standards effectively accommodate the provision of timely information, through critical notice postings and email, that will enable shippers to minimize the adverse impacts of an OFO.

Discussion:

Mr. Love discussed that existing GISB Standard Nos. 4.3.28, 4.3.29, 5.3.34 - 5.3.40 sufficiently address the handling of OFOs.

Segments	Vote For	Balanced For	Vote Against	Balanced Against
End Users	0	0	0	0
LDCs	0	0	0	0
Services	2	2	0	0
Producers	0	0	0	0
Pipelines	7	2	0	0
Totals	9	4	0	0

Motion passes unanimously



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Review of Order No. 637 Action Item BPS Priority 8 for discussion and possible vote:

Accommodate 3rd party balancing services interaction with TSPs.

Mr. Whatley made the following motion, seconded by Mr. Payne:

Motion:

No further action is required to accommodate third party balancing services interaction with TSPs as existing and proposed GISB standards adequately address the inclusion of agents in related data sets.

Discussion:

The current work completed by the Expedited Data Development Subcommittee with regard to the imbalance trading and netting data sets has already addressed third party balancing services. Additionally, nominations and flowing gas data sets already have provisions for agency.

Segments	Vote For	Balanced For	Vote Against	Balanced Against
End Users	0	0	0	0
LDCs	0	0	0	0
Services	2	2	0	0
Producers	0	0	0	0
Pipelines	9	2	0	0
Totals	11	4	0	0

Motion passes unanimously

Review of Order No. 637 Action Item BPS Priority 9 for discussion and possible vote:

Review and establish a timeline for posting.

Mr. Whatley made the following motion, seconded by Mr. Love:

motion:

No further action is required to establish a timeline for the posting of transactional data, since FERC Order 637-A clarified "contemporaneously" (from FERC Order 637) to mean "no later than the first nomination under a transaction."

Segments	Vote For	Balanced For	Vote Against	Balanced Against
End Users	0	0	0	0
LDCs	0	0	0	0
Services	2	2	0	0
Producers	0	0	0	0
Pipelines	9	2	0	0
Totals	11	4	0	0

Motion passes unanimously

Adoption of Draft Meeting Minutes for 8/8-9/2000:

The draft meeting minutes and attachments for 8/8-9/2000 were adopted as modified. NOTE: There was a consensus to modify the title of the combined table attachment to 'Combined Table for Transactional



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Reporting of Firm (including Capacity Release) and Interruptible Services'. The instructions to IR will be modified to reflect this change.

Next meeting date and time:

Since all of the BPS priority items have been completed, there will not be any further face-to-face meetings scheduled. There will be a conference call scheduled for 8/31/00 from 2:30-3:30pm to approve the 8/15/2000 Meeting Minutes.

The meeting was adjourned with no further business.