



Gas Industry Standards Board

1100 Louisiana, Suite 4925, Houston, Texas 77002

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Home Page: www.gisb.org

TO: Business Practices Subcommittee Chairs: Greg Lander, Producer Segment
Vacancy, Diane McVicker (absent), Kim Van Pelt, Robert McAnally
Posting for Interested Industry Participants

FROM: Rae McQuade, Executive Director

RE: Final Minutes from the Business Practices Subcommittee Meeting

DATE: August 19, 1999

GAS INDUSTRY STANDARDS BOARD

GISB BUSINESS PRACTICES SUBCOMMITTEE MEETING

Teleconference Call: August 19, 1999

FINAL MINUTES

I. Administrative

Mr. Lander chaired the meeting and welcomed the participants. Ms. McQuade identified the participants in a roll call. Mr. Lander gave the antitrust advice. The draft agenda was adopted with no changes. The minutes of August 5 and August 12 were adopted as modified in the meeting. Ms. Van Pelt was welcomed as the new chair representing the pipeline segment.

II. General Requests

The chair was transferred to Kim Van Pelt for the discussion of Request No. R96022. Mr. Lander noted that it would be best if each change be handled separately rather than as a package. [The separate changes are titled below by the GISB standard number referenced in the request.]

R96022 Submitted by TransCapacity.

Request: Revised by Submitter:

Make the following principles as standards: GISB Standard Nos. 1.1.4, 1.1.7, 3.1.2 and 4.1.8. Delete GISB Standard No. 4.1.5. GISB Standard No. 4.1.8 should be changed to delete the second sentence.

The balance of the request, namely, requested changes to GISB Standard Nos. 1.1.1, 4.1.6 and 4.1.7 are withdrawn by the requester, as noted in the August 5 minutes, in the restatement of the request.

1.1.4 The motion was made that:

- Upon adoption of 1.3.x, below, delete GISB Standard No. 1.1.4:

1.3.x Pre-nominations should not be a required step in the nominations process.

Discussion: Mr. Lander and Mr. Scheel noted that this should be a standard to emphasize that pre-nominations should not be required as LDCs and intrastate pipelines begin implementation of the standards in their roles as transporters. Mr. Young noted that the principles carry the same weight as the standards. Ms. Unruh stated that making this principle into a standard will not prevent non-regulated



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entities from requiring pre-nominations. Mr. Scheel noted that the FERC does not require that the principles be put in the tariffs.

Action: The motion failed in a balanced vote (3.5 in favor and 3.5 opposed), and the segment vote chart follows, with the individual votes recorded in the attendance section.

Segment	In Favor	Opposed	Balanced In Favor	Balanced Opposed
Pipelines	3	3	1	1
Producers	0	0	0	0
LDCs	0	2	0	2
End Users	1	0	1	0
Services	3	1	1.5	.5
Total	7	6	3.5	3.5

1.1.7 The motion was made that:

- Delete GISB Standard No. 1.1.7 upon adoption of the following instruction to the Information Requirements Subcommittee:

"Use of Service Provider's Activity Code should be mutually agreeable between the Transportation Service Provider and the Service Requester in all communications where it appears."

Action: Passed unanimously.

4.1.8 The motion was made and seconded that:

- Upon adoption of 4.3.x, below, delete GISB Standard No. 4.1.8:
4.3.x To the extent that multiple electronic delivery mechanisms are used, the same business result should occur.

Discussion: Participants to the call agreed that: "The requester acknowledges that, from a timing point of view, the processing of transactions is dependent upon when and how a transaction is communicated. "

Ms. Barnum noted that there may be a consistency issue with this statement and GISB Standard No. 1.3.2 (v):

1.3.2 (v) For the purposes of 1.3.2 ii, iii and iv, "provide" shall mean for transmittals pursuant to standards 1.4.x, receipt of the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

Several on the call described examples where the same business result would be achieved and no discrepancy existed. It was noted that the EBB Internet Implementation Task Force (EII) has addressed part of this issue in GISB Standard No. 4.3.72, but it was limiting in that it addressed only the presentation of data, not the business result.

Action: The motion passed unanimously.



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4.1.5 Delete GISB Standard No. 4.1.5, "Data should be made available to all requesters in an accepted standard format comparable both in time and delivery mechanism."

Discussion: Mr. Lander described the standard and why it was no longer needed, based on the efforts and resulting standards from EII. Several on the call noted that its vague wording made it difficult to implement.

Action: The motion passed unanimously.

3.1.2 As stated in the August 5 minutes, for GISB Standard No. 3.1.2, Mr. Lander suggested the following word change:

- "Elements should stay consistent from nominations through ~~billing~~ invoicing."

Action: This portion of the request is "parked" as **R96022B** until after the resolution of Request Nos. R98011 and R98012 by the Executive Committee. There was no disagreement to this action. The balance of the request, namely, requested changes to GISB Standard Nos. 1.1.1, 4.1.6 and 4.1.7 are withdrawn by the requester, as noted in the August 5 minutes, in the restatement of the request.

R97113 Submitted by Exxon.

Request: This proposal is to reclassify Standards 2.3.14, 2.3.26 and 3.3.15 to the category of "Principles".

These three standards prescribe deadlines for processing prior period adjustments. All three were passed by the Executive Committee at the March 7-8, 1996 meeting. The transcript shows that there was an initial discussion, without dissent, that they should be considered "principles", but when language additions were made, the word "standard" appeared in the text of the standards themselves. There was no explicit categorization by the EC of these as standards, nor was there recognition that the conversation regarding "principles" should be superseded.

The first one considered by the EC was 3.3.15, dealing with the invoicing of prior period adjustments (referred to as 3.25 in the transcript). The discussion of this item appears on pages 127 through 140 of the March 8, 1996 transcript. Discussions on page 129, 130 and 132 center on this item being treated as a principle. It is only on page 135, when the caveat language regarding deliberate omissions, mutual mistake of fact and contractual or statutory rights was added, that the term "standard" found its way into the text. It appears the presence of that word became determinative with respect to categorization, but the EC deliberations seem to have been heading a different direction.

Standard 2.3.14 was discussed on pages 424 through 425 and Standard 2.3.26 was discussed on pages 351 through 357 in the transcript for the same day. The discussion of these items was essentially limited to referring to 3.3.15 and incorporating the same caveat language and consistent timeframes.

The EC discussion recognized that the industry should improve its performance with regard to finalizing numbers and these standards were crafted to establish targets towards which we should progress. Their categorization as standards



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rather than principles, arguably an oversight, makes them particularly difficult to implement on an absolute basis, recognizing the historical reality of industry contracts and complexities and the potential ambiguity of the caveat language. This is evidenced by the fact that these three standards were frequently discussed in Order 587 tariff filings and have been the topic of two GISB interpretations.

Discussion: Mr. Scheel noted that the request documents why these standards should be reclassified to principles based on the transcripts of the meetings. It was determined to postpone action on this request until Exxon, the requester, can join the call. Mr. Scheel noted that he was willing to co-sponsor the request. The request will be on the agenda for the next meeting's call, and the GISB office will contact Exxon representatives in the meantime to invite them to attend. In subsequent conversations, Mr. Scheel noted that he would allow, assuming Exxon permits him to act as a co-sponsor, discussion to be held on this request even though he is unable to attend the next call.

C97001B Submitted by Reliant Energy

Request: What should occur in the nominations, flowing gas, and invoicing related data sets if a party does not have a D-U-N-S® Number, especially in the case of government run agencies, towns and military bases?

Discussion: Many on the call noted that through the recent efforts of the Common Codes Subcommittee, this request is addressed through s4:

s4 Parties should mutually agree to use the Transportation Service Provider's proprietary entity code when the D-U-N-S® Number is not available.

Standard s4 is part of the package of standards and principles offered by the Common Codes Subcommittee, which the Executive Committee adopted on May 20, 1999. This particular standard was held out of the group forwarded for ratification. Ratification will occur for s4 once all needed changes have been made through Information Requirements and Technical Subcommittees.

A representative from Reliant Energy was not on the call to support the request. The request will be on the agenda for the next meeting's call, and the GISB office will contact Reliant Energy representatives in the meantime to invite them to attend.

There was confusion on why this request was shown to be transferred to the Business Practices Subcommittee. Ms. McQuade was asked to provide research on the request before the next meeting (see attached).

Action: This request will be further discussed at the next BPS meeting.

R97046 Submitted by TransCapacity

Request: This is a request to add two definitions to the GISB Business Practice Standards. These definitions are as follows:

1. Transportation is defined as the physical movement of gas through space and/or time.
2. A Transportation Service Provider is defined as an entity which operates



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physical facilities which facilities accomplish the movement of gas through space and/or time and which entity contracts with others to so move gas not owned by the entity through such facilities.

This request asks that these definitions be added to the approved list of GISB Business Practice Standards as definitions. The terms "transportation" and "Transportation Service Provider" are used in several of the existing business practice standards, but are currently undefined. This is in contrast to Pooling, Package ID, etc., which are defined in the standards.

These definitions would act to further clarify existing standards and provide a solid framework as additional standards are proposed and/or adopted. TransCapacity believes that providing these definitions as standards would ease the burden of additional interpretations and requests for enhancements, as well as eliminating the need for redundant definition of terms within existing and new proposed standards.

Discussion: There was no discussion on this request.

Action: The request will be discussed at the next meeting.

III. Agenda for next meeting

The next teleconference meeting, to be held on Thursday, August 26, from 2:30 to 4:30 p.m. central, will review the following requests for discussion only:

General Request Nos.	(2)	R97113	Sponsorship by Exxon and Dynegy
	(3)	C97001B	Sponsorship by Reliant Energy -- NorAm
	(4)	R97046	Sponsorship by TransCapacity

IV. Adjournment

The meeting adjourned at 4:20 p.m. central.



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V. Meeting Attendees & Voting Record

Name	Company	Email Address	Voter?	Member?	R96022A Voting Results			
					1.1.4	1.1.7	4.1.8	4.1.5
Pipelines:								
Theresa Hess	Enron - Northern Natural	thess@enron.com	yes	yes	yes	yes	yes	yes
Julie Unruh	Koch Gateway	unruhj@kochind.com	yes	yes	no	yes	abstain	yes
Tammy Hopkins	Enron - Transwestern	thopkins@enron.com	yes	yes	yes	yes	yes	yes
Dale Lawrence	Williston Basin	lawrdr@wbip.com	yes	yes	no	yes	abstain	yes
Betty Barnum	Panhandle Eastern	babarnum@cmsenergy.com	yes	yes	absent	yes	yes	yes
Bill Griffith	CIG	william.griffith@coastalcorp.com	yes	yes	no	yes	yes	yes
Kim Van Pelt	Trunkline	kvanpelt@cmsenergy.com	yes	yes	abstain	abstain	abstain	abstain
Jim Keisler	Williams Gas Pipeline		no	yes				
Dale Davis	Williams Gas Pipeline	Dale.m.davis@wgp.twc.com	yes	yes	yes	yes	yes	yes
End Users:								
Diane McVicker	Salt River Project	dmcvick@srpnet.com	yes	yes	yes	yes	yes	yes
LDCs:								
Robert McAnally	Northwest Natural	rfm@nwnatural.com	yes	yes	no	yes	abstain	abstain
Rick Ishikawa	So Cal Gas	rishikawa@socalgas.com	yes	yes	no	yes	abstain	yes
Services:								
Greg Lander	TransCapacity	exec@tcapserv.com	yes	yes	yes	yes	yes	yes
Randy Young	Koch Midstream Services	young0r@kochind.com	yes	yes	no	yes	yes	yes
Donna Scott	Enron Administrative Corp.	dscott2@ect.enron.com	yes	yes	absent	yes	yes	yes
Mark Scheel	Dynegy Inc.	masc@dynegy.com	yes	yes	yes	yes	yes	yes
Jim Buccigross	National Registry	legaljb@tcapserv.com	yes	yes	yes	yes	yes	yes