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Gas Industry Standards Board

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February 8, 1999

TO: Common Codes Subcommittee chairs, Posting on the GISB home page for interested industry participants

FROM: Rae McQuade, Executive Director

RE: **Final Minutes from the Common Codes Subcommittee Meeting--February 5, 1999**

I. Administrative

The meeting opened with Ms. Scott welcoming the participants to the meeting. Ms. Julie Unruh was introduced as a new co-chair for the subcommittee. Ms. Unruh gave the antitrust advice. Ms. Scott covered housekeeping items as the host for the meeting. The attendees introduced themselves. The agenda was adopted. The minutes of January 8, 1999 were adopted with changes.

II. Update on D&B Effort

Ms. McQuade reported on the progress of the committee that is working with D&B. She stated there would be a statement of work issued by D&B to GISB on or about February 12. She noted the statement of work would include such things as: how to use the web site and what it will provide, how to upload/download flat files for cleanup, and how to use EDI process for sending data in to D&B and how to get data back. She reported the statement of work should also include pricing and show a discount over what members are presently paying. There will be a price difference between members and non GISB members. She thanked Denise Breeden at El Paso Energy for all her work in getting the testing results for D&B. She stated that should the statement of work be received on February 12, it would be reviewed by the Board and then made available to GISB members to enable the pipelines to meet the April 30 FERC deadline.

III. Level Issue Regarding the Use of the D-U-N-S® Number

Ms. Scott recapped the results of the January 5 meeting for the group and the concepts so far identified:

C1 The entity common code should not be limited to the headquarters/single location level only of the D-U-N-S® Number.

C2 An Entity is a person or organization with sufficient legal standing to enter into a contract or arrangement with another such person or organization (as such legal standing may be determined by those parties) for the purpose of conducting and/or coordinating natural gas transactions.

Discussion then ensued on the question of whether there should be different codes for the same business party in different processes (Question 3 from the last meeting of this group). Concern was

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expressed about those companies that follow a validation process at this time and those that do not. Others noted that it may be possible for two TSPs to have two different codes for the same Service Requester due to name changes, spin-offs, mergers, etc. A concern was also voiced that once one code for the same business party through all process was issued, it might not necessarily be correct in all instances. Mr. Lander then presented an example, and described various scenarios regarding the example.

Ms. Scott described another example where subsidiaries of a parent company have not been assigned DUNS headquarters numbers, but the parent company had such a number. She prefers that the subsidiaries be given a headquarters number, since in many cases, parties may not know who the parent company is.

Several noted that the situations the group has discussed thus far are relatively uncommon; that is, it is unusual for there to be a need for the use of a DUNS number other than headquarters level.

Ms. Hess noted that she believed there are really two issues: (1) should GISB deviate from using headquarters-level DUNS numbers, and if so, (2) should GISB allow parties to use multiple branch numbers?

A motion for Concept 3 was made by Mr. Lander:

C3 When a TSP determines a code for an entity, and that code is used in communications which initiate transactions, that code should be used to identify that entity throughout the business process information associated with that transaction when that information is communicated between the TSP and parties with whom it communicates with respect to that entity and that transaction.

Discussion:

Ms. Davis pointed out that a TSP does not determine the code used - Service Requesters submit them to the TSP. Changes were made to the motion to reflect this. In response to questions about how two TSPs can ensure that only one code is used for a given Service Requester, Mr. Lander noted that all codes should be made available in a central repository so that both TSPs could verify the codes being sent to them. Mr. Keisler was concerned that TSPs would not have sufficient time to validate these codes against a central repository. Mr. Hobson was not comfortable assuming that there are communication problems between the TSPs, as he believed the motion indicated.

Mr. Lander offered additional language as a result of the discussion. The group then discussed what might be involved if a TSP were to have to validate codes against a central repository. Ms. Davis felt that it would eventually be necessary for all TSPs to integrate the entire repository into their respective systems. Mr. Young did not believe that it was necessary to develop a complex solution for this problem, and asked why GISB did not consider using the DUNS + 4 numbers. Mr. Hobson noted that he believes it is the responsibility of the Service Requester to keep its information current and submit accurate information to the TSP. Ms. Scott noted that the issue being discussed would be much less troublesome if all parties were communicating electronically, rather than using proprietary systems. She believes that the broader issue is that information can be exchanged between Service Requesters and TSPs in several ways, but the results may differ. After further discussion about the proposed changes, Mr. Lander withdrew the proposed changes.

Ms. Davis then offered the idea that perhaps GISB should not dictate at what level parties will do business. Instead, perhaps during the confirmation process, for instance, if two TSPs discover that one

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is using headquarters-level DUNS numbers and the other is using a lower level, there would be rules to allow the two TSPs to communicate at a headquarters level, regardless of the level at which they each do business. Discussion about this idea ensued. Several believed that such a solution would require the parties to establish a procedure to this effect in their respective Trading Partner Agreements.

More modifications were made to C3, with corresponding discussions. Ms. Hess asked why an upstream TSP would care which DUNS number (headquarters or otherwise) a downstream TSP would send to it in the confirmation process. Mr. Lander responded that it would only matter to the upstream TSP if it was validating the up/downstream information contained in the nomination. Ms. Hess disagreed, stating that the upstream TSP could check the central repository if there was confusion. Mr. Lander then asked if the group believed that if the upstream TSP could find the correct number in the central repository and all other information contained in the nomination was correct, the Service Requester's nomination would not be rejected. Ms. Hess responded that she believed that if the code could be found in the repository, the upstream TSP should not rejected the nomination purely on that basis. Mr. Lander then offered the following as a motion:

C3a A transaction containing an entity identifier code (EIC) should not be rejected solely on the basis of the EIC, provided that the EIC is in the EIC repository.

Ms. Hess asked Mr. Lander if this implies that the codes must be in the repository before the nomination can be accepted. Mr. Lander replied no, this is not the implication. Ms. Barnum was concerned that her pipeline will not have sufficient time to check to see if the code exists in her internal system, if it also exists in the central repository, and then for the system to determine whether to accept or reject the code. Mr. Stewart noted that there may be a need to establish new timelines to allow TSPs time to check the central repository prior to running its other processes. Mr. Jones asked whether this motion requires TSPs to download the central repository into their internal systems. Several did not feel this would be necessary, but it is an option for the TSP, should it choose to download it.

Mr. Stewart asked Mr. Lander to provide an example of the above motion. Mr. Lander offered the following:

A transaction with a Service Requester EIC equal to 123 could be rejected because the TSP does not have a contract with Service Requester 123, but the transaction could not be rejected on the basis of the EIC itself provided 123 is in the repository.

Ms. Barnum noted that she believes that the implication of this motion is to simply move any confirmation problems further down the confirmation timelines that they currently happen on her system. Others agreed.

The discussion lead to the following revised motion:

C3 When an entity identifier code (EIC) is used in communications which initiate transactions, that EIC should be used to identify that entity throughout the business process information associated with that transaction when that information is communicated between the Transportation Service Provider and parties with whom it communicates with respect to that entity and that transaction.

A transaction containing an EIC should not be rejected solely on the basis of the EIC, provided that the EIC is in the EIC repository.

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It was noted that the discussions of the group were assuming that a repository would exist.

Vote: **4 in favor**
4 opposed
Motion failed.

After a break, Ms. Scott reminded everyone that what the group had been discussing were not standards, principles or definitions but only concepts to work from.

The following was offered by Mr. Lander (but was not moved):

C4 When providing entity information to the EIC repository, the TSP should only seek a non-headquarters level identifier when it requires a lower level identifier for contracting or transaction communications purposes.

Ms. Scott asked that the following except from the Nominations Implementation Guide be put on the board. She stated she felt the changing of the language in this except was what the group needed to focus on.

"For GISB Common Code purposes, a legal entity will use one and only one D-U-N-S® number. Since D&B offers customers the option of carrying more than D-U-N-S® number per legal entity. Please refer to GISB web page…for directions on determining the one and only one D-U-N-S® number constituting the GISB Legal Entity Common Code."

Ms. Barnum asked whether D&B has asked GISB to provide it with a list of GISB's needs. If so, she believes that GISB should indicate that D&B should assign only one name to one entity.

Mr. Lander indicated that in his talks with representatives of D&B they had indicated that if there was a need to support more than the D&B name as they had it, this need would have to be undertaken by the industry because they would not be changing their D&B names.

Discussion returned to proposed C4. Mr. Keisler moved the following:

C4 All entity identifier codes (EICs) incorporated in the entity repository should be legal entities, that is, in D&B terms, Ultimate, Headquarters, and Single Location. However, D-U-N-S® numbers as EICs can also include, in D&B terms, Branch locations in the following situations:

1. when the contracting party provides a DUNS number at the Branch level; or,
2. to accommodate accounting for entities that are at the Branch level .

Discussion:

After discussion about the second point, Ms. Scott offered some alternative language. Mr. Keisler declined to accept the proposed change. Mr. Young noted that he does not believe that Mr. Keisler's proposed rule can be policed because there will be no way to prevent a party that asks for a new code from receiving one. Mr. Lander and Ms. Scott did not necessarily agree that there would be a big problem. Mr. Lander stated that he believes having TSPs police this effort will be the best solution. After more discussion, the vote was taken.

Vote: **13 in favor**

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0 opposed
Motion passed unanimously

A motion was made by Mr. Lander to reconsider the language of C3 as:

C5 When an entity identifier code (EIC) is used in communicating a transaction, all parties should utilize that EIC for that entity throughout the business processes associated with that transaction.

Discussion:

Ms. Hess asked if the group intended to change the existing GISB practice that only the headquarters number may be used. She does not believe that two different codes should be used by the same party. Mr. Lander and Ms. Scott agreed with her. Ms. Hess expressed concerns that this motion may allow a Service Requester to use one code on her pipeline and another code on another pipeline. She added that the group may not be addressing the problem directly and is offering only piecemeal solutions. After more discussion, Mr. Lander withdrew the motion.

Mr. Lander then offered the following:

C6 There should be a unique entity identifier code (EIC) for each entity name and there should be a unique entity name for each EIC.

Discussion:

Ms. Unruh asked if this motion should be considered instructions to D&B. Mr. Lander responded that he believed that this motion could be considered instructions to the GISB Board/EC group reviewing the statement of work from D&B to use as they see fit in its deliberations.

Vote: **12 in favor**
0 opposed
Motion passed unanimously

Mr. Lander again offered language for C5:

C5 When an entity identifier code (EIC) is used in communicating a transaction, all parties should utilize that EIC for that entity throughout the business processes associated with that transaction.

Discussion:

Mr. Lander was asked why C5 was needed. After discussion, the motion for C5 was withdrawn.

V. Meeting Adjournment

The meeting adjourned at 4:00 p.m. The next meeting will be on February 24 from 1:30 p.m. to 4:30 p.m. and will be held at Columbia Gulf's offices for those in Houston and teleconferencing will be

available for non-Houston participants who do not wish to travel. The agenda will be posted shortly and will focus on reviewing the concepts to determine if any standards, principles, or definitions should be recommended to the EC. The work paper that is posted on DRNs will be added to the agenda after the DUNS issues have been resolved..

IV. Attendance

Name	Company	Phone/Fax/Email	Member	Voting
James, Doug	ANR	(713) 877-3688/not specified douglas.james@coastalcorp.com	✔	✔
Barnum, Betty	Duke - Panhandle Eastern	(713) 627-5618/(713)627-5769 babarnum@duke-energy.com	✔	✔
Jones, Johnny	Southern Natural Gas Co.	(205) 325-7153 johnny_Jones@KOChind.com	✔	✕
Hobson, W. Frank	El Paso Natural Gas	(713) 496-2962/not specified hobsonw@epenergy.com	✔	✔
Unruh, Julie	Koch Gateway	(713) 544-5438/(713)544-6012 thopkins@enron.com	✔	✔
Scott, Donna	Enron Administrative Corp	(713) 853-7148/(713)646-2372 dscott2@ect.enron.com	✔	✔
Stewart, Larry	Duke Energy	(713) 627-4248/(713)627-4066 lstewart@duke-energy.com	✔	✔
Payne, Gary	Enron Capital and Trade	(713) 853-7148/not specified gpayne@ect.enron.com	✔	✔
Colbert, Marilyn	Enron Capital and Trade	(713) 853-6517/not specified email: not specified	✔	✕
Hess, Theresa	Enron - Transwestern	(713) 853-4895/not specified thess@enron.com	✔	✔
Garcia, JoAnn	GISB	(713) 356-0060/(713)356-0067 gisb4@aol.com	✔	n/a
Young, Randall	Koch Midstream Services	(713) 544-4715/(713)544-5112 young0r@kochind.com	✔	✔
Gracey, Mark	Tennessee Gas Pipeline	(713) 420-2644/(713)420-3284 graceym@epenergy.com	✔	✔
Lander, Greg	TransCapacity	(978) 535-7500/(978)535-7744 exec@tcapserv.com	✔	✔
Keisler, Jim	Transco	(713) 215-4322/(713)215-4770	✔	✔

Davis, Dale	Williams Gas Pipelines	jim.e.keisler@wgp.twc.com (713) 215-2396/(713)215-3946 dale.m.davis@wgp.twc.com	✔	✔

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Concepts Approved as of February 5, 1999

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