

# North American Energy Standards Board

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Via posting

**TO:** NAESB Contract Subcommittee Participants  
**FROM:** Rae McQuade, Executive Director  
Cary Metz, Co-Chairman, NAESB Contracts Subcommittee  
**RE:** **Contracts Subcommittee Meeting -- Response to Industry Comments**  
**DATE:** January 18, 2002

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Subcommittee participants are asked to join a three-day meeting in Houston to respond to industry comments filed during the comment period. Some issues that surfaced during the Executive Committee meeting were as follows (hopefully the concepts were captured correctly):

#### Specific Issues:

- Section 11.3 (iii) and (iv): Not include these points
- Section 3: The term "non-defaulting party" was changed to "performing party"
- Section 10: More favorable to seller
- Include section for dispute resolution
- Texas law is not acceptable as the default

#### General Comments

- Contract was lacking for long-term purposes
- The concept of a special provisions page does not work because if this contract is accepted as an industry standard, a company would have a more difficult time introducing language that is not in the contract

The comment period ends January 15, 2002, so additional issues can be expected to be filed.

#### The meeting specifics are:

**Date:** Monday – Wednesday, January 21-23  
**NOTE:** Monday is a holiday for some companies, so those who can will meet Monday and others will join in Tuesday

**Location:** Monday and Tuesday: Williams (Galleria area)  
2800 Post Oak Blvd.  
Manassas Room, Level 6  
Houston, TX 77056  
Please check in with Security on Level 2

Wednesday: Reliant Energy Services  
1111 Louisiana  
Room 4371  
Houston, TX 77002

**Time:** Monday: 9am through 5pm  
Tuesday: 10am through 5pm (later start date due to travelers)  
Wednesday: Time to be determined at Monday and Tuesday meeting

**Phone Participation:** Participation is available by phone in addition to attending the meeting in person. To participate by phone, please call the NAESB office for information (713-356-0060, [gisb@aol.com](mailto:gisb@aol.com), [naesb@aol.com](mailto:naesb@aol.com)).

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This will be a working meeting. The revised contract will be the minutes of the meetings. All interested parties are invited to attend either by phone or in person. Please confirm your attendance with the NAESB office (713-356-0060 or [gisb@aol.com](mailto:gisb@aol.com) or [naesb@aol.com](mailto:naesb@aol.com)) by end of business on January 16 to ensure that an accurate attendance sheet is available for the increased security procedures now in effect at Williams and Reliant.

PRIOR TO JANUARY 15 - Please file company comments and include specific language changes

AFTER JANUARY 15 - Please retrieve filed comments from the GISB website

PRIOR TO JANUARY 21 - Please review filed comments and issues that have been proposed

Thank you so much for your participation throughout this process. Your continued support is greatly appreciated. Hope to see you or hear from you in January!