



North American Energy Standards Board

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TO: NAESB Wholesale Gas Quadrant Contracts Subcommittee, Posting for Interested Industry Participants
FROM: Meghan McMillan, NAESB Staff
RE: Final Minutes from the NAESB Wholesale Gas Quadrant Contracts Subcommittee Meeting - June 24, 2003
DATE: July 23, 2003

**Wholesale Gas Quadrant
Contracts Subcommittee
June 24, 2003 (10:00 am - 6:00 pm Central)
Final Minutes**

1. Welcome & Administrative Items

Mr. Sappenfield opened the meeting and gave the antitrust advice. Mr. Ishikawa moved, seconded by Ms. Allen to adopt the agenda. The agenda was adopted absent objection. Ms. Klecka moved, seconded by Ms. McLaughlin to adopt the draft minutes from May 30, 2003 with minor changes. The draft minutes were adopted as modified absent objection.

2. Review & Discuss Comments on the "NAESB WGQ Credit Support Addendum" and "User's Guide"

The subcommittee reviewed the three flow charts for Time Frames for Collateral Posting Under Draft of NAESB Credit Support Agreement. Concerns were voiced about stipulating a one day time period and it was noted that even if these time lines become the standard they will still be negotiable during contract deliberations. Ms. Allen suggested an alternate timeline could be included in the User's Guide. Suggested changes for timelines were discussed and noted on the draft CSA. It was noted that the group would need to verify that the timelines in the flow charts agree with the timelines stated in the CSA. The group agreed to modify the flow chart timelines as necessary and have volunteers check these timelines against the draft CSA for accuracy. Ms. Sager volunteered to revise the timelines and Ms. Allen, Ms. Groff and Ms. McLaughlin volunteered to edit the language in the CSA as necessary to agree with the timelines. It was noted that all votes will be deferred until language is drafted for the timeline issues.

Mr. Sappenfield reviewed the CSA Open Issues as follows:

- title of CSA
- add email addresses to notices section
- discussion of adopting EEI collateral annex
- discussion of Credit Rating options
- paragraphs 4,5, and 6 which will be re-written based on the timeline diagrams discussed at the meeting
- possible move of former 7h to the User's Guide
- discuss Custodian issues
- move language on emails and messages to the User's Guide to clarify some things that were said in the Pipeline Creditworthiness meetings



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- research current 13g (renumbered 13f) find out who submitted this comment and what it means
- proposed exclusion language for the User's Guide

Mr. Sappenfield reviewed the User's Guide and confirmed with the group that all comments were included. It was also noted that it would not be necessary to continue this meeting on June 25.

3. Vote on Outstanding Issues and Recommendation

All votes were deferred pending the drafting of language for timeline issues in the CSA.

4. Discuss Dates & Times for Meetings or Conference Calls

Upcoming Contracts Subcommittee meetings were noted as follows:

Conference call on July 10, 2003 (1:00 pm – 2:00 pm Central)

July 23-24, 2003 in Columbus, OH Hosted by AEP

5. Next Steps and Other Business

It was noted that the agenda for the next meeting would contain a possible vote on the open issues listed in item two in these minutes.

6. Adjourn

Ms. Klecka moved, seconded by Mr. Ishikawa to adjourn the meeting on June 24, 2003 at 5:04 pm Central.

7. Attendees

Name	Company	In Person/Phone
Allen, Jannalyn	Cinergy	In Person
Berkemeier, Frank	Consumers Energy	Phone
Castrejana, Josie	AEP - HPC	In Person
Connor, Pete	NiSource Distribution Co.	Phone
Groff, Lisa	AEP	In Person
Ishikawa, Richard	Southern California Gas Co.	In Person
Kendrick, Ira	Consumers Energy	Phone
Klecka, Ellen	Cinergy	In Person
McLaughlin, Tracy	AEP	In Person
McMillan, Meghan	NAESB	In Person
Oppenheim, Bill	PECO	Phone
Russell, Mark	Salt River Project	Phone
Sager, Elizabeth	UBS Warburg	Phone
Sappenfield, Keith	EnCana	In Person
Scott, Donna	Transwestern	Phone
Snyder, Abby	Sempra Energy	Phone