

**GAS INDUSTRY STANDARDS BOARD
 CONTRACTS SUBCOMMITTEE CONFERENCE CALL
 DISCUSSION ITEMS WORK PAPER**

July 31, 2001

#	Section	Discussion Item
1	..... 1.1	Blue highlight area moved from middle of Section 1.3
2	..... Page 2	Footer on page 2 is different than other pages! ! !
3	..... 2.7	Revised to remove the term Transaction Confirmation
4	..... 2.8	Revised to remove the term Transaction Confirmation
5	..... 2.12	Revised to remove the term Transaction Confirmation
6	..... 2.13	Revised to remove the term Transaction Confirmation
7	..... 2.26	Revised
8	..... 3.1	Revised to remove the term Transaction Confirmation
9	..... 3	Language conceptually agreed to be included has been deleted as the concept is in Sec 10
10	..... 3.3	Concept moved to Section 13
11	..... 6	Redline added to "Buyer Pays At and After Delivery Point" - (1) is language still desired and (2) is location correction?
12	..... 6	"Seller Pays Before and At Delivery Point" --(1) delete entire section or (2) delete added language
13	..... 7.2	Add express remedy for failure to pay?
14	..... 10.3	Shall Non-Defaulting Party have right to withhold payment when transactions that are not liquidated (commercially impracticable or applicable law) are outstanding? [language in EEI 5.6]
15	..... 10.3.1	Consider if Non-Defaulting Party should get costs
16	..... 11.5	In the original workpaper (4/24/00), ExxonMobil proposed that line 3 of this section be replaced with the following: "Upon providing written notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make . . ." The minutes do not reflect the outcome; however, notes taken indicate it was okayed 12/15/00
17	..... 14.10	Obligation of confidentiality survive agreement?
18	..... base	Recommend GISB review disclaimer to see if its legal feels it is necessary. (1) If determined it is not needed, remove from base contract, (2) If legal feels it is necessary, could it be moved to the back page, (3) If option 2 is not satisfactory, could it be moved to back page with a check box on base contract stating that both parties have read the disclaimer. This suggestion is proposed in order to gain more space on the base contract for contractual information
19	.....	Definition of BTU in contract is different than BTU in GISB standard
	[GISB 1.3.14: The standard quantity for nominations, confirmation and scheduling is dekatherms per gas day in the U.S., gigajoules per gas day in Canada, and gigacalories per gas day in Mexico. (For reference 1 dekatherm=1,000,000 Btus; 1 gigajoule=1,000,000,000 joules; and 1 gigacalorie=1,000,000,000 calories.) For commercial purposes, the standard conversion factor

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between dekatherms and gigajoules is 1.055056 gigajoules per dekatherm and between dekatherms and gigacalories is 0.251996 gigacalories per dekatherm. The standard Btu is the International Btu, which is also called the Btu(IT); the standard joule is the joule specified in the SI system of units. Footnote: The international Btu is specified for use in the gas measurement standards of the American Gas Association, the American Petroleum Institute, the Gas Processors Association and the American Society for Testing Materials. For noncommercial purposes, these associations note that the exact conversion factor is 1.05505585262 Gigajoules per Dekatherm.]

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| 20 | | Include language so contract can be used in Canada? |
| 21 | | GISB watermark will be added before contract is submitted for executive review |
| 22 | ..... | “Short term” reference? Two contracts? Time frame for contracts? |