



Gas Industry Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002
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Home Page: www.gisb.org

via email and posting

TO: GISB Contract Subcommittee Participants & Posting for Interested Industry Participants
FROM: Rae McQuade, Executive Director
Cary Metz, Co-Chairman, GISB Contracts Subcommittee
RE: Final Minutes of the Contracts Subcommittee Meeting – October 9, 2001
DATE:

**GAS INDUSTRY STANDARDS BOARD
GISB CONTRACTS SUBCOMMITTEE MEETING – CONFERENCE CALL
October 9, 2001 – 2:00 p.m. to 4:00 p.m. Central
FINAL MINUTES**

1. Administrative

Participants were welcomed, attendance was taken, and the antitrust statement was read. The agenda was adopted with the change identified in the meeting. The September 13 minutes were adopted as posted.

2. Discussion Items

- This first item for discussion was the recommendation from the joint subcommittee (10/01/01 meeting) to delete all references to short term in the modified GISB. It was the opinion of the joint committee that the modified GISB contract could be used for both short- and long-term use. By removing the term, companies could decide how the contract would be used within their own companies. Several participants voiced agreement. A vote was taken to see if there were any participants who were opposed to the recommendation. No opposition was expressed; therefore, the recommendation to remove short-term from the contract was accepted.

- The subcommittee discussed whether to send the contract to the GISB office for industry comment. A couple participants presented issues, and the subcommittee discussed and tried to clarify each item presented. It was explained that once the contract goes out for industry comment, that companies have the opportunity to submit comments regarding the contract to the Executive Committee for review. The Executive Committee will determine if the comments received should be included in the contract or whether the contract should be returned to this subcommittee for further work. After discussion, a vote was taken to determine if the contract should be forwarded to the GISB office for industry comment. The result is as follows:

SEGMENT	Actual Count				Balanced			
	FOR	AGAINST	ABSTAIN	TOTAL	FOR	AGAINST	TOTAL	
Services	9			2	9	2.00	0.00	2.00
LDC	2			1	2	2.00	0.00	2.00
End User	3				3	2.00	0.00	2.00
Pipe	0	0		0	0	0.00	0.00	0.00
Producer	2				2	2.00	0.00	2.00
TOTAL	16	0	0	3	19	8.00	0.00	8

The contract will be forwarded to the GISB office for industry comment.



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- The subcommittee discussed the Canadian Addendum posted 10/9/01 as Work paper 1 – Canadian Addendum. The changes are as follows:

Page 1, Addendum	Addendum: This Canadian Addendum constitutes an Addendum to that certain Base Contract for Sale and Purchase of Natural Gas dated _____, as identified above, between the parties (“Base Contract”), and supplements and amends the General Terms and Conditions (“GT&C”)Base Contract affecting Transactions thereunder. Unless amended herein, the GT&C Base Contract continues to apply. Capitalized terms used in this Canadian Addendum which are not herein defined will have the meanings ascribed to them in the GT&C Base Contract . In the event of a conflict between the terms of this Canadian Addendum and the Base Contract, the terms of this Canadian Addendum shall apply.
Section 2.3	2.3 “Business Day” shall mean any day except Saturday, Sunday, or a statutory or banking holiday observed in the jurisdiction specified pursuant to Section 14.5. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. local time for the relevant party’s principal place of business. The relevant party, in each instance unless otherwise specified, shall be the party to whom the noticeNotice, payment or delivery is being sent and by whom the notice-Notice or payment or delivery is to be received.
Section 2.7	2.7 “Contract Price” shall mean, if the Delivery Point is in the United States, the amount expressed in U.S. Dollars per MMBtu or, if the Delivery Point is in Canada, the amount expressed in Canadian Dollars per GJ, unless specified otherwise in a transaction, to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
Section 7.7	7.7 For each transaction, all associated Payment-payments shall be made in the currency of the Contract Price for such transaction.
Transaction Confirmation	Add checkbox to confirmation to indicate Canadian Addendum will apply.

3. Next Steps

Next meeting will be October 23, 2001, 2:00-4:00 cct. Items for discussion are: (1) workpaper submitted by Cinergy regarding Sections 2.30, 7.6, and 10.3.4, and (2) choice of law, Section 14.5, checkbox.

4. Adjourn

The meeting adjourned 4:00 pm CCT.



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ATTENDANCE LIST

GISB			
Member	Segment	Organization	Attendee
✓	Services	AEP	John Toserio Cathy Szasz Janis Shaffer
✓	Services	Aquila	Scott Ackerman Amy Blunt
✗	Producer	Anadarko Canada	Cheryl Williams
✓	Services	BTUWatch	Gina McMahon
✓	End User	Calpine	Tiffany Silvey
✓	Services	Cinergy Marketing & Trading, LLC	Ellen Klecka
✓	Producer	Conoco	Carolyn Hazel
✓	Services	Dynegy	Mark Scheel Margaret Lester
✓	End User	El Paso Merchant Energy	Bill Hebenstreit Porter Ryan
✓	Services	Enron North America	Stacey Dickson
✓	Producer	ExxonMobil	Matt Cross
✗	Services	IS Anderson	Ian Anderson
✗	Services	J. Arons	Steve Bunkin Mick Brogran
✓	End User	Midland Cogeneration	Cary Metz
✓	LDC	Northwest Natural	Amy Lee
✓	Services	NRG Power Marketing Inc.	Arlene Jorgensen Hillstead
✓	End User	PPL	Anne Lovett
✓	Services	Reliant	Paramy Graf Ronda Alphin Jennifer Minnis
✓	End User	Salt River	Jim Trangsrud
✗	LDC	San Diego Gas & Electric	Jim Woodford
✓	LDC	SoCal	Rick Ishikawa Angie Ishikawa
✗	Services	SS&L	Mark Rae
✓	Services	Williams	David Hollingsworth

Membership is not a requirement to participate in this or any GISB meeting. Membership is not a requirement for voting in this subcommittee.