

INTRADAY TASK FORCE MEETING - APRIL 11, 1997 - HOUSTON, TX
FINAL MINUTES
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J. Hahn opened meeting. The anti-trust statement was read. Hahn reviewed a document which the Chairs prepared to help summarize the important aspect of the first meeting for everyone's convenience. The Chair's Summary was modified in a few areas and identified as a working document which can be modified as seen fit by the ongoing meetings. The Summary will be incorporated into the Minutes of this meeting..

J. Hahn then reviewed the revised mission for the task force which recognized the existence of current "bumping practices". It was pointed out that the existing as well as BPS proposed standards document had been modified as requested in the last meeting and was on the GISB Homepage.

Minutes of the 3/24/97 meeting were reviewed

Page numbers, date of meeting, attendance list will be added to Final Minutes to be posted on the Home Page.

Lander : Move to adopt minutes.

Fitch : Second

Hahn: No opposition, so moved.

Hahn: Asked for general comments

Smith: What does accommodating existing bumping practices mean?

Novak: Should we address the bumping issue head on? I think that's a FERC issue. Bumping happens and we need to accommodate it in the timeline, for example.

Chezar: Let's not go to the lowest common denominator. Let's do something to raise the standard.

Lander: If we can coordinate intradays across the grid, it will be a substantial improvement and a raising of the standard.

Arthur: Concerned about timing. It could interfere with interventions. They don't know if they can commit to new requirements if they don't know what they implemented so far will actually work. The group should hold off until the June implementations are done.

Hahn: The FERC has given us a deadline of September. I don't necessarily disagree, experience would be helpful. Never-the-less, we have to do our best on this task.

Lander: We have to keep an open mind as we proceed.

Scheel: The (Marketing portion of the Services) Segment Needs list from the Chairman's Summary needs to be lengthened.

Hahn: We are now in a phase of the meeting where we can start discussing this. INTRADAY TASK

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Scheel: a) through f) in 4 should be added to Services list of needs as far as he was concerned. Hahn said the Chair's Summary would be so modified.

Chezar: Reaction to OFOs, critical notices. Do I use my intraday to react?

Arthur: In response to Chezar, are other pipelines limiting the number of intradays? They might be more willing to offer more in a few months.

Lander: There is a difference between a pipeline allowing and being required. No one disagrees that someone won't take nominations when the pipe isn't full. The Service Provider writes the tariff and determines how many intradays a requester will get.

Corcoran: The industry needs time to experience operational reality of GISB implementation. Lack of experience could cause providers to want to limit the number of intradays.

Chezar: With OFOs, pipelines have cooperated in the past.

Smith: Pipelines should try to extend themselves even if they not quite sure if things will work yet. They should listen to the shippers and accommodate their needs.

Fitch: Pipelines should continue to cooperate but not be over extended by tariff provisions. They try to exceed the tariff all the time but they can't do it every time.

Hahn: GISB never intended to prevent parties from cooperating to resolve operational problems. We are all here for the customer community and we all have a responsibility to exceed the standards as long as that doesn't alter some other party's rights based on the GISB standards. We don't have a seamless intraday procedure yet.

Walker: I want to meet customer needs. I have visited other pipelines that do one thing or another well but facilities are not equal. It is not possible for everyone to operate or provide service identically. The same timeline for an intraday change does not preclude another pipeline from offering continuous changes.

Coppens: We've (TET) implemented on April 1. We are providing way beyond our tariff in terms of intradays but it is only because of the low number of requests. An increase in requests would lessen the degree to which they could exceed their tariff.

Hahn: Reality Check- can we come up with a common timeline to achieve seamlessness?

Lander: The number of intradays (scheduling opportunities per day) as well as the facilities on hand have impact on the level of standard we can develop.

Arthur: We are interested achieving the Task Force goal but timing is our issue. The right people at our company are occupied with customer meetings.

Hahn: Does anyone believe we can't come up with a seamless procedure by June 1?

Chezar: We need to focus on why firm shippers want to use intradays. We also need to focus on comparability of IT versus release capacity. Pipelines have differences in facilities but is the intraday for released capacity comparable to IT scheduling rights?

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Ehinger: How many is one? One per contract? One per shipper? What is the least number that everyone has to recognize. Then, how many times does a TSP have to process?. I think we are down to two times at a minimum. There are two types of intradays. Let's zero in on something and bring something back to the office to consider. I think we can get a least common denominator that is higher than what people are offering today.

Tinsley: I agree with Koch; it's premature but we've got to deal with this.

Scheel: FERC has addressed what one means. Let's take into account what they've said. The only issue is it one per service?

Ehinger: We still need more talk on what one means? Is contract size an issue?

Davis: What is a nomination? This is where the confusion starts.

Lander: Clarity is needed with respect to the definition of one in one intraday per day. When we are talking about one intraday nomination per day we need to change the standard to read One intraday transmittal per day with that transmittal containing one or more nomination instructions in that transmittal.

Break.....

Lander: There is confusion about what nomination means. A "Transmittal" can contain many nominations. A proposed definition for transmittal is "*transfer to TSP of one or more nomination(s) as defined in 1.2.1 version 1.0*". Nomination is defined in 1.2.1

then the "one" in 1.3.10 intraday should refer to "transmittal" instead of one "nomination"

Walker: 1.3.10 should be 4.3.x. This is an EDM issue conflicting with a business issue. EDM does not speak to the business requirements for nominations. IT IS OUT OF SCOPE.

Chezar: In response to Walker, do you have a problem with the concept?

Walker: Yes

Chezar: If I have 10 contracts with 10 line items each, how many intradays do I get?

Walker: One EDM transmittal could reschedule the entire pipeline. I can't manage this.

Chezar: What do you mean by nominations?

Walker: Nominations means line items.

Lander: We now know what we mean by nominations or transmittals. One nomination is too few and 20,000 nominations (within one transmittal) is too many.

Sullivan: One contract dropped off three or four places... how many intradays is this?

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Walker: It is one. But that's my interpretation. We need to be specific. Maybe one should be ten but don't make it unlimited.

Scheel: You do need at least two line items to make a point change work, otherwise you can not attempt to stay in balance.

Walker: I agree.

Gardner: Can't multiple contracts be included in a transmittal?

Lander: Yes. But contracts could be broken down further (into smaller contracts) to get more intradays.

Chezar : Four line items to four delivery points. How many intradays?

Walker: Four

Lander: Change via EBB, EDI or paper should not make a difference. It has to be considered the same number of changes. Maybe continuous scheduling is further off. Maybe there should be a total number of intraday nominations per day for a pipeline.

Walker: What is the number of changes that are needed?

Novak: It is a function of contract size, primary delivery points, nomination model and supply basin/pooling.

Fitch: One is too little and we can't create more administration by being too restrictive. If the number is too high, I can't do it. I can't put an unreasonable number in the tariff because could be in violation of the tariff. Perhaps Lander is right about having a number per day per pipeline.

Arthur: Chezar's change request is only one nomination on my pipeline but it might be more on others. Let's talk about what we are trying to achieve.

Ehinger: How about having intradays be a percent of a shippers nominations on a system. Maybe instead of one it should be one percent, for example. It seems to level things across pipelines.

Williams: Let's work on the timeline. If we can't agree on this, we can't approach the other problems.

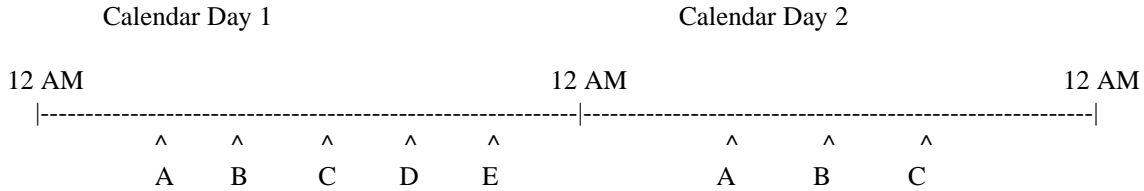
Love: Percentages might be difficult to administer; an absolute number would be better.

Timeline Discussion:

J. Hahn reviewed the last summer's unsuccessful BPS intraday recommendations

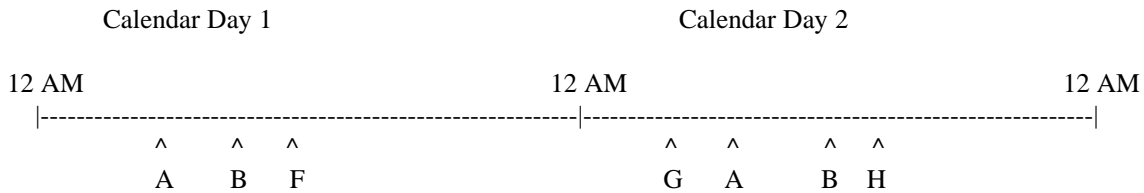
Note: GISB Definition 1.2.7 Ver 1.1 says *"There are two types of intraday nominations: (i) A nomination received during gas day for the same day of flow, and (ii) A nomination received after the nominations deadline for the following gas day."*

74. Type I nominations - A nomination received during gas day for the same day of flow.



- A: Start of the Gas Day at 9:00 AM CCT
- B: Nomination Deadline for the next Gas Day at 11:30 AM CCT
- C: Same Day Intraday Nomination Deadline at 2:00 PM CCT
- D: Scheduled Quantities Communicated at 6:00 PM CCT
- E: Intraday Gas Flow Starts at 9:00 PM CCT

75. Type II nominations - A nomination received after the nominations deadline for the following gas day.



- A: Start of the Gas Day at 9:00 AM CCT
- B: Nomination Deadline for the next Gas Day at 11:30 AM CCT
- F: Beginning of Next Gas Day Intraday Nomination Deadline after 11:30 AM CCT
- G: End of Next Gas Day Intraday Nomination Deadline at 8:00 AM CCT
- H: Scheduled Quantities Communicated and Gas Flow Starts at 12:00 PM CCT

Ehinger: If we have timelines, let's discuss what conditions they would support, recognizing not everyone will agree that there should be timelines. There are at least two opportunities for the two types (on two calendar days) to change the same gas day.

Lander: We need to get all of our definitions consistent. Also, there are two opportunities on a calendar day to change on different gas days.

Walker: Calendar Day is a bit confusing but I understand it somewhat. Standards need to be in terms of Gas Day.

Story: We need one time line that shows the overlap. There are same day intradays and late nominations.

Hahn: While there is no GISB late nomination definition, type I or type II are not late nominations. Late nomination is a nomination that is not submitted on time but is treated by the TSP as if it was timely.

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Chezar: I lost late nominations in a GISB compliance filing.

Tinsley: I don't consider there to be any such thing as a late nomination.

Love: Late nominations are gone even though we used to do them. We now have a timeline to follow for timely nominations. FERC has told NGPL that the tariff has to say that non-timely nominations are intradays.

Chezar: That is the problem.

Several Pipelines: If you do a traditional late nomination, you waive the deadline for all your customers.

Alternative Proposals:

Lander: Reviews his Strawman

The Main Timeline is for the seamless nomination. The other timelines are for best efforts.

Chezar: When we are on flow control, we need to know when the gas is going to flow. More than the quantity matters, timing is critical to meet a peak demand.

Ehinger: Producers may not have people to flow gas into the pipelines exactly at a time certain.

Walker: You are both right, from your ends of the pipe.

Sledge: Some of us have quicker timelines already.

Lander: TSPs can exceed the minimum.

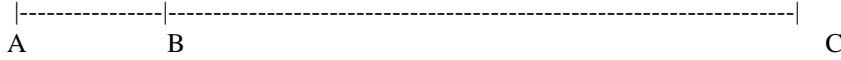
Next Meeting: Houston 4/24 8:30 AM to 2:00 PM (following two days of the BPS meetings)
Following Meeting: DC 5/9 [8:00 AM to 1:00 PM]

Hahn: Please make electronic written comments or alternative strawmen and submit them to GISB so that they can be posted on the home page.

Story: PGT proposal. This is the result of discussions between several but not all westcoast parties (shippers and interconnects). Shippers know their quantities when they start the next business day even though they are available earlier.

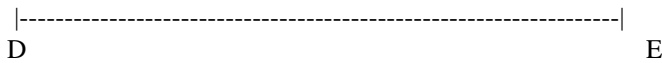
Schedule after Standard Nom Deadline Prior to Gas Flow	Schedule today for Tomorrow	Schedule during Gas Flow
1	2	3

Prior to the Day of Flow (Late Nominations)

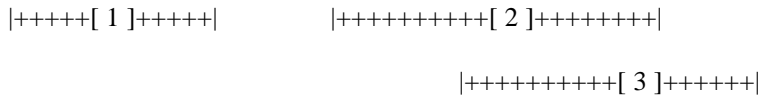
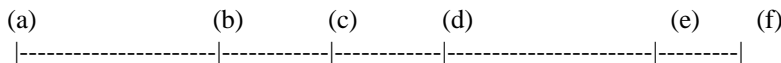


- A: Scheduled Quantities received by Shippers at 4:30 PM CCT
- B: Nomination Received Deadline at 5:30 PM CCT
- C: Scheduled Quantities to Shipper no later than 7:00 AM CCT

Day of Flow



- D: Nomination Deadline for Intraday (Flowday) at 1:00 PM CCT
- E: Gas Flows at 5:00 PM CCT



- (a) 5:30 PM CCT
- (b) 9:00 AM CCT - Start of Gas Day
- (c) 11:00 AM CCT
- (d) 1:00 PM CCT - Deadline for Gas Flow Day Intraday Nominations
- (e) 4:30 PM CCT
- (f) 5:00 PM CCT - Scheduled Quantities sent to shippers and Gas Flows

- [1] 'renom' prior to Flow
- [2] Standard Scheduling Time Line
- [3] Intraday (flowday) process

Story: PGT has been doing intradays for years. This is westcoast perspective and what PGT will do for June 1 GISB implementation.

Novak: Read SoCal Gas proposal which was submitted earlier in the week by Bob Betonte It will be posted on the home page.

Hahn: Kirt Kleinmann of Southwest Gas also has a proposal.

Kleinmann: This proposal attempts to address the "number" of nominations issue.

Novak: Each of the timeline proposals will be posted on the home page. Please review them and submit comments. If you have another proposal, that too could be posted on the home page.

Hahn: Meeting Adjourned

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INTRA-DAY TASK FORCE

ATTENDANCE LIST

4/11/97

NAME	COMPANY	PHONE	FAX	EMAIL
Brian White	AGA	(703) 841-8496	(703) 841-8697	bwhite@aga.com
Tom Ehinger	Amoco	(281) 366-4559	(281) 366-5090	Thomas_G_Ehinger@amoco.com
Joe Bianchi	ANR Pipeline	(313)496-2177	(313)496-2126	
Dolores Chezar	Brooklyn Union	(718) 403-2987	(718) 643-6306	dchezar@bug.com
Iris King	CNG Transmission	(304) 623-8213	(304) 623-8595	Iris_G_King@cngt.cng.com
Stephen C. Sullivan	ConEdison of NY	(212)460-2733		SullivanS@Coned.com
Laverne Tillson	DFSC	(703)767-8562	(703)767-8575	ltillson@dfsc.dla.mil
Norm Walker	El Paso	(915)496-3052	(915)496-2865	Walkerne@epenergy.com
Mark Gracey	El Paso Energy - TGP	(713) 757-2644	(713) 757-5505	
Bob Wallenhorst	Exxon	(713) 656-5230	(713) 656-4144	Robert.P.Wallenhorst@Exxon.Sprint.com
Jean Ford	KN Energy	(303) 763-3518	(303) 914-4644	jean_ford@kne.com
Lisa Arthur	Koch Gateway PL	(713)229-4638	(713)229-4990	Arthur_1@kochind.com
Lee Smith	Midland Cogeneration	(517)839-6008	(517)839-6793	Lesmith41@aol.com
Mike Novak	National Fuel Gas	(716) 857-7884	(716) 857-7415	men@nfgsc.mhs.compuserve.com
Mark Scheel	NGC	(713)507-6787	(713)507-6834	masc@ngccorp.com
Paul Love	NGPL	(713)963-3710	(713)963-3085	Paul_D_Love@oxy.com
Sharon Eady	NorAm	(713) 654-5818	(713) 654-5268	
Eddie Tinsley	NorAm (NGT & MRT)	(318) 429-3554	(318) 429-3965	
Teresa Hess	Northern Natural	(713) 853-4895	(713) 646-2551	thess@enron.com
George Heal	NOVA	(403)290-6112	(403)261-8493	george.heal@pipe.nova.ca
Chip Williams	NW Pipeline	(713)584-7173	(713)584-7076	
John Coppens	Pan Energy	(713)627-4719	(713)627-5769	jecoppens@panenergy.com
Catherine Calpotura	PG&E	(415)973-6789	(415)973-0400	
John Breen	PG&E	(415)973-3220	(415)973-1079	
Jay Story	PGT	(503)833-4309	(503)833-4395	
Kirt Kleinman	SW Gas	(702)364-3228	(702)362-1514	KKleinma@isat.com
Lanyard Sledge	Tennessee Gas Pipeline	(713) 757-8828	(713) 757-2827	lanyard.sledge@tenneco-energy.com
Jerry Hahn	Texaco	(713) 752-7769	(713) 752-4026	hahnge@texaco.com
Cynthia Corcoran	Texas Eastern Trans.	(713) 627-5262	(713) 627-8241	
Greg Lander	Trans Capacity	(508) 535-7500	(508) 535-7744	
Dale Davis	Transco	(713)215-2396	(713)215-3124	tdeldmd@transco.twc.com
Terry C. Fitch	Transco/Williams Co.	(713) 215-3361	(713) 215-2466	terry.c.fitch@tgpl.twc.com
Martha Murphey	Valero	(713)951-2072	(713)951-2252	murphey@valero.com
Debbie Beaver	WESCO	(918)588-4326		