

**Imbalance Subcommittee - Conference Call**  
**August 12, 1998 - Wednesday**  
**9:00 AM to Noon, Central Time**  
**FINAL Minutes**

**1. Administrative**

Jim Buccigross welcomed participants, gave the anti-trust advice and read the roll.

Adoption of Agenda: The agenda was adopted as drafted.

It was later determined to skip continued discussion of the draft data elements for the "imbalance trading" dataset and move on to other open issues under effectuation.

Adoption of Prior Meeting Minutes: Minutes of the July 24, 1998 conference call were reviewed. Changes were made and the modified minutes were then adopted as final without objection.

**2. Continuation with discussion of open issues - Effectuation**

a. Deadline for Trading of Imbalances

Mark Scheel proposed a strawman deadline for trading of 10 days after the Imbalance Statement and Invoice are available. (Note that Imbalance Statements are due on the 9<sup>th</sup> business day after the end of the month.

Betty Barnum noted that she would like to see trading prior to the due date of the Imbalance Statement, and that shippers could trade on estimated numbers. There was discussion on whether trading should/would be done on estimated, on actuals, or possibly on both.

Jim B. noted that any deadline was a date certain and that trading could occur prior to the deadline.

ANR noted that the deadline is affected by the "cashout" date. Dale Davis raised the issue as to whether trades should occur prior to, or after cashout. Some TSPs cash out the current month while others cash out the prior month.

No vote on the deadline was taken, but it was determined to move forward onto the other issues keeping the strawman in place for discussion, though it could be affected in the future by the resolutions to other open effectuation issues.

b. Process Discussion

This issue was raised as to whether we are "constrained" by existing GISB Standards (i.e., deadline for Imbalance Statements), or can we modify existing standards.

Most believed that we should be guided by the existing GISB standards, but others expressed the thought that these standards could certainly be modified by this Subcommittee if necessary to accomplish the goals.

The general principle was that we would certainly give some deference to existing GISB standards, but if the group determined that some existing standards needed to be modified to allow imbalance trading, then we would do so.

It was determined to capture this issue and move on.

### c. Concurrency of Trades

These issues were centered around the effectuation, the overwrite or replace issue, the continuous processing issue (first in first processed), and the batch issue, that is holding all trades until the deadline.

There was also discussion on whether the trading would be a two party process, whereby one party would submit a trade, and the other trading party would then "confirm" the trade; or,

whether we would design a dataset which would contain both party's trade information in one document.

Sylvia Munson suggested that the process be designed so that both party's information could be contained in one "transmission" to the TSP.

Charlie Bass suggested that this could be accomplished even if two documents were required by the third-party service provider being an agent for both trading parties and submitting both documents at the same time.

It was also noted that we should have some type of response document and enable notification to shippers on "invalid trades."

[Discussion at this point went on to Administration and then returned to Concurrency of Trades. Discussions are organized here by topic for clarity, Administration discussion will be detailed below.]

Discussion continued noting that concurrency/processing/replace issues are affected depending on whether a TSP allows a shipper to "worsen" his imbalance via a trade (i.e. going more negative or more positive), and/or allows the shipper to cross over a zero imbalance with a trade (i.e., going from a negative imbalance to a positive imbalance via a trade, or *vice-versa*).

Some TSPs allow the trade regardless, others do not allow a trade to worsen a shipper's imbalance or to trade from a positive position to a negative position (or *vice-versa*).

Jim noted that whatever standards and datasets we develop should work for all of these situations, so we would need some type of response regarding invalid trades.

There was further discussion on whether we should use a "key" concept like the nomination to determine whether a trade is an original or overwrite, or have a simple overwrite similar to the authorization process. There were further questions on whether trades should be processed as they are received or held until the deadline and "batch" processed at that time.

It was determined to discuss the "first in first processed," hold until deadline and replace issues on the next conference call.

#### d. Administration

Jim B. noted that during our discussions there seemed to be a general assumption that Transportation Service Providers would administer the Imbalance Trading process, but that this was not stated explicitly. While there was not necessarily any disagreement on this topic, there were questions raised as to what we would define administration as.

The following was suggested:

Administration means that the TSP would:

- Receive the imbalance trade
- Receive the trade "confirmation"
- Send a relevant response document indicating the outcome of the trade (i.e. valid, invalid, etc.)
- Update/adjust the shipper's relevant documents to reflect the trade

There was a brief discussion on what updating meant. Jim B. suggested that this would be an update of the relevant accounting records to reflect the outcome of valid trades. Jerry Hahn noted that this was his intention, and there was no stated disagreement on this point.

The above was deemed to resolve the open issue of Effectuation - Administration. (Yay!)

### **3. Discussion on next meeting**

The next meeting via conference call is already scheduled for Thursday, August 27, 1998 from 1:00 - 4:00 pm central time.

### **4. Adjourn**

The meeting adjourned at approximately noon central time.

## 5. Attendance

### SERVICES:

Jim Buccigross	National Registry
Sylvia Munson	Altra
Mark Scheel	Dynegy

### LDCs:

Lisa Russo	National Fuel Gas Distribution
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### PIPELINES:

Dennis LaTour	ANR
Cindy Reppke	ANR
Pete Howells	ANR
Sherry Wake	ANR
Flo Comini	ANR
Cari Sloan	ANR
Julie Unruh	Koch Gateway
Clarinda Smith	Koch Midstream
Scott Garrison	Mobile Bay
Mary Sue McNeal	El Paso Natural Gas
Rick Deitz	Enron - Northern Border
Betty Barnum	Trunkline
Marcy McCain	Algonquin
Lynn Ledlow	Southern Natural
Damon Sykes	National Fuel Gas Supply
Karen Boren	NGPL
Charlie Bass	Tenneco
Carl Rogers	Transco
Dale Davis	Williams Gas Pipelines
Rita Jones	Texas Gas
Tammy Lytle	Texas Gas
Laura Moseley	FGT
Hilda Linley	FGT
Doug Hahn	PG&E GTNW
Kim Van Pelt	Duke Energy

### PRODUCERS:

Jerry Hahn	Texaco
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