



Gas Industry Standards Board

1100 LOUISIANA, SUITE 4925, HOUSTON, TEXAS, 77002
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HOME PAGE www.gisb.org

April 23, 1998

TO: GISB Membership and posting on the home page for interested industry participants
FROM: Rae McQuade, Executive Director
RE: **FINAL MINUTES FOR THE CONTRACTS TASK FORCE FOR OBAS MEETING --
APRIL 23, 1998**

I. Administrative

Ms. McQuade gave the roll call. Mr. Buccigross welcomed the attendees to the task force call and gave the antitrust advice. Mr. Buccigross updated the group on the duality of functions of the task force that have necessitated a split into two task forces. The OBA task force will address the OBA contract and GISB Standard 2.3.29, and imbalance items (Request Nos. R97117 and R97118) and issues on existing standards (GISB Standard No. 2.3.30) will be under the guidance of the Imbalances Task Force reporting to the Executive Committee. With the above discussion, the draft agenda was adopted. The draft minutes of March 30 were reviewed and adopted with changes.

II. Review of Request R95003 and Vote

Mr. Hahn directed the the group to page 39 and following of the FERC Order 587-G, in reference to the OBA issues. Specifically, he noted the ninety day deadline stated in the order. Ms. Unruh noted that in the prior BPS meeting, it was discussed that if GISB determines that a standard is not required, it does not necessarily conflict with the order.

A motion was made and seconded to recommend declining Request No. R95003, (develop a standardized OBA as stated in the request) (**MOTION 1**). Several noted their support for the recommendation to decline, and Mr. Buccigross and Ms. Munson noted that a model OBA would show benefit to the industry. While several were not in support of a standard, others noted that they might support a model or shell OBA development, depending on the laundry list of clauses. One participant noted that imbalance resolution should not be included in the model. Several participants noted that provisions important to have open, either for negotiation and listed on the model, or not listed all and contained in a section called "Other Provisions" would include operational flexibility, imbalance resolution and credit worthiness. The motion passed.

Ms. Moseley made a motion which was seconded to develop a model OBA as an amendment to Request No. R95003. Mr. Hahn noted that this item should be discussed later in the agenda. It will be discussed after agenda item III.

III. GISB Standard No. 2.3.29

Mr. Hahn reviewed the producer segment work paper. He recommended deletion of the phrase "where economically and operationally feasible" from GISB Standard No. 2.3.29. Mr. Hahn made a motion (**MOTION 2**) which was seconded to modify GISB Standard 2.3.29 to delete the phrase "where economically and operationally feasible." Mr. Young noted that further modifications may be required to define intrastate pipelines references. There was debate over the applicability of this standard. The motion passed.



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IIA. Model OBA Development

Ms. Moseley amended her previous motion which was seconded to work on developing a model OBA as an amendment to Request No. R95003, now renumbered Request No. R95003A (**MOTION 3**). Ms. Corcoran noted that she has already developed a model OBA, which should be posted by April 24. The motion passed.

IV. Next Meetings of the OBA Task Force and Imbalance Subcommittee

Teleconference call for the next meeting of the OBA Task Force is May 12, 9:00 a.m. to Noon central. All work papers should be forwarded to the GISB office by May 8. The agenda item will be to discuss the various OBA drafts submitted by May 8.

Teleconference call for the next meeting of the Imbalance Subcommittee is May 6, 2:00 p.m. to 4:00 p.m. central. All work papers should be forwarded to the GISB office by May 1. The agenda items are to discuss and bring to resolution changes to GISB Standard No. 2.3.30 and Request Nos. R97117 and R97118.

V. Adjourn

Meeting adjourned at 3:20 p.m.



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VI. Attendance

Segment Participant	Company	Motions ¹ :			GISB Member
		1	2	3	
Pipelines:					
Paul Stein	ANR Pipeline	✓	✓	✓	✓
Mary Sue McNeal	EPNG	A	✓	✓	✓
Laura Moseley	FGT	✓	✓	✓	✓
Frasier King	FGT				✓
Julie Unruh	Koch Gateway	✓	✗	A	✓
Randy Young	Koch Midstream Services	✓	✗	A	✓
Rick Dietz	Northern Natural Gas	✓	✓	✓	✓
Theresa Hess	Northern Natural Gas				✓
Keith Higginbotham	Northern Natural Gas				✓
Scott Colburn	Northern Border	✓	✓	✓	✓
Laurie Willemyns	Northern Border				✓
Billi Aherns	Northern Border				✓
Steve Elmer	PG&E Gas Transmission	✓	A		✓
Mike Wells	Panhandle Eastern Pipeline	✓	✗	✗	✓
Lynn Ledlow	Southern Natural Gas Pipeline	✓	✗	✓	✓
Mark Gracey	Tennessee Gas Pipeline	✓	✓	A	✓
Cynthia Corcoran	Texas Eastern Transmission	✓	✗	✓	✓
Carl Rogers	Transco	✓	✓	✓	✓
Ken Schubert	TransCanada Pipe Lines	A	✗	✓	✓
Ramona Bettencourt	Transwestern	✓	✓	✓	✓
Dale Davis	Williams Gas Pipelines	✓	✗	✓	✓
Kelly Wachter	Williston Basin	✓	✓	✗	✓
Kelly Brooks Adolf	Williston Basin				✓
Stephanie Barth	Williston Basin				✓
LDCs:					
Lisa Russo	National Fuel Gas Distribution	A	A	✓	✓
Producers:					
Bob Wallenhorst	Exxon		A	✓	✓
Jerry Hahn	Texaco	A	✓	✓	✓
Services:					
Sylvia Munson	Altra Streamline	✗			✓
Pete Hollyer	Altra Energy	✗	A	✓	✓
Donna Scott	Enron Administrative Corp.	✓	✓	✓	✓
Jim Buccigross	National Registry	✗	✓	✓	✓
Mark Scheel	NGC Corp	✗	✓	✓	✓
Votes: Affirmative		16	13	18	
Opposed		4	7	2	
Abstained		4	4	3	

- Motions:
1. Recommend declining Request No. R95003.
 2. Modification to GISB Standard No. 2.3.29.
 3. OBA Task Force to work to develop a Model OBA, Request No. R95003A.

¹ The motions are indicated by **MOTION #** in the minutes in parentheses directly following the statement of the motion.