



Gas Industry Standards Board

1100 LOUISIANA, SUITE 4925

HOUSTON, TEXAS, 77002

PHONE - (713) 757-4175, FAX - (713) 757-2491, email gisb@aol.com

HOME PAGE www.gisb.org

March 31, 1998

TO: GISB Membership and posting on the home page for interested industry participants
FROM: Rae McQuade, Executive Director
RE: **MINUTES FOR THE CONTRACTS TASK FORCE FOR MTPA¹ MEETING -- MARCH 31, 1998**

I. Administrative

Ms. McQuade gave the roll call, and welcomed the attendees to the task force call and gave the antitrust advice. Corrections were identified to the meeting announcement to correctly identify the related GISB Request Nos. R97060 and R97035. The agenda was adopted. Ms. Corman was confirmed as the Contracts Subcommittee MTPA Task Force chair.

II. GISB Model Trading Partner Agreement

Ms. Corman reviewed the work paper prepared. Ms. Corman noted that she had attempted to draft a red-lined MTPA reflecting changes that were discussed at previous MTPA meetings and determined that it would be best to proceed in this meeting by first identifying issues and concerns that could cause revisions. Her work paper noted some of the issues based on previous MTPA development activities. There were none in opposition to her approach. The issues/concerns identified are:

1. Fully address Internet issues, including security procedures, security key exchanges, digital signatures.
2. Clarify that agreement is intended to define electronic communications, not to be an agreement for the sale of goods.
3. Clarify exactly which communications the MTPA will cover. (e.g. not only documents, but also functional acknowledgments, error notifications and time stamp responses).
4. MTPA must not purport to supersede transportation agreements in event of conflict. (Remove Section 2 statements that the originating party's records control, and Section 3 statements that the terms of the MTPA control.)
5. Add concept that no document should be relied upon by either party if there has not been a proper response. (Remove current garbled document/vague retransmission language). If there has not been proper receipt of a functional acknowledgment sender should initiate communication to determine status.
6. Fix legal deficiencies in the exclusion of damages sections. Limitation of damages must be conspicuous. Need to add disclaimers of implied or statutory warranties.
7. Revisions to the trading partner agreement should be done through an addendum rather than changing the body of the agreement.

Additional concerns may be identified to Ms. Corman, scorman@enron.com, for inclusion in the above list to be sent in by April 7. Ms. Corcoran noted that Ms. Corman had captured the majority of the concerns raised in the previous effort which resulted in the existing MTPA. Mr. Hahn and Mr. Buccigross observed that they should review this plan further. At this time, no advocacy positions were taken, only the identification of the issues that may be addressed.

¹ MTPA -- Model Trading Partner Agreement



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Ms. Corman reviewed each of the concerns and highlighted potential modifications to the existing MTPA. No decisions on the changes were made -- this review was to further the understanding of the concerns. Ms. Corman and Mr. Hahn urged participants to discuss their MTPAs with their trading partners to identify concerns.

III. Workplan

The workplan provided in the work paper was adopted, and Ms. Corman was thanked for her organization of the items to be completed. For deadlines, Ms. Corman set the development of the red-lined MTPA to address the concerns for completion on April 21, and scheduled a conference call to discuss the red-lined MTPA on April 28, from 1:00 p.m. to 4:00 p.m. central. The items on the work plan are:

- | | | |
|----|--|------------------|
| 1. | Complete list of desired revisions started above | April 7 |
| 2. | Start from MTPA approved in R97035 as the base document | April 21 |
| 3. | Use language from R97060 recommendation to address desired revisions. | April 21 |
| 4. | Produce red-lined MTPA | April 21 |
| 5. | Hold task force call to discuss | April 28 |
| 6. | Written changes submitted following meeting | TBD ² |
| 7. | Continue iterations of red-line drafts and task force calls until proposal completed | TBD |
| 8. | Decide model v. standard issues | TBD |
| 9. | Submit to EC as recommendation to R97060 | TBD |

It is her intention that the MTPA should be modified so that it can be taken off the shelf and used with a minimum of revisions. Mr. Hahn added that the task force should address the MTPA as a standard rather than a model.

IV. Next Meeting

The next conference call is scheduled for April 28 from 1:00 p.m. to 4:00 p.m. central. The purpose of the call will be to review, discuss and possibly modify and approve each of the red-lined changes. Further changes may also be identified to the red-lined MTPA.

² TBD -- the date has not yet been determined, but all items should be resolved by June 1998.



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V. Attendance

Segment	Participant	Company	GISB Member
Producers:	Jerry Hahn	Texaco	✓
	Don Loesch	Texaco	✓
Services:	Stacy Dickson	Enron Power Marketing	✗
	Barbara Gray	Enron Capital and Trade	✓
	Mary Cook	Enron Capital and Trade	✓
	Jim Buccigross	National Registry of Capacity Rights	✓
	Marcy Collins	PG&E Texas Industrial	✓
	Susan Bronder	Sabre Energy Network	✓
Pipelines:	Carol Smith	Algonquin	✗
	Stephanie LeCureaux	ANR Pipeline	✓
	Clancy Aschbrenner	CIG	✓
	Shelley Corman	Enron Northern Natural	✓
	Sandy Braband	Houston Pipeline	✗
	Cheryl Hagemann	Koch Gateway	✓
	Sandra Barnett	Mobile Bay	✓
	Mike Schisler	NGPL	✓
	Betty Barnum	Panhandle Eastern Pipeline	✓
	Charlie Bass	Tennessee Gas Pipeline	✓
	Mark Gracey	Tennessee Gas Pipeline	✓
LDCs	Cynthia Corcoran	Texas Eastern Transmission	✓
	Janet Langford	Trunkline	✗
	Dale Davis	Williams Gas Pipelines	✓
	Steve Sullivan	ConEd	✓
	Lisa Russo	NFGD	✓