

Title Transfer Tracking Meeting
July 21, 1998
Marland Mansion
Ponca City, OK
Final Minutes

1. Administrative

Diane McVicker welcomed meeting participants.

Jim Buccigross read the anti-trust guidelines.

Jean Ford reviewed housekeeping.

Jim Buccigross will take the minutes.

Introduction of meeting attendees

Adoption of Draft Agenda - agenda was adopted with an addition of "Issues Related to Communication Process" prior to draft standards discussion.

Minutes from the July 8-9, 1998 meeting were adopted as modified without objection.

Approval of minutes from July 17, 1998 meeting was deferred until tomorrow.

2. Issues Related to Communication Process

A document titled "Title Transfer Tracking Pilot Testing Task Force Open Issues" was distributed by Bill Griffith. He explained the rationale behind the paper. The issues revolved around timing and results where a TSP may be impacted by data from 3PADs. This may result in a timing issue whereby the standard nomination timeline may not be sufficient to allow time to handle TTT activity. It also involved how allocations (cuts) would be determined for TTT nominations.

Bill proposed a scenario whereby the TTTSPs may need to communicate with both TSPs at an interconnect and coordinate flows. Flows between the interconnected operators would be identified as "direct flow" and as TTT activity. The TTTSP would not however, get "in between" the welded (interconnected) operators when they are confirming total flow activity.

Discussion ensued on U.S. customs issues. There was significant discussion on whether this model involved the TTTSP taking "title" to the gas. There were mixed opinions on whether this was true or not. Some felt that the TTTSP having to take title to the gas was not an acceptable solution.

There was further discussion on the "default" rule involving cuts and how this should be done. Bill proposed starting cuts with the largest volume, and then working down from there. Others proposed a pro rata method as a default, as with the standard transportation nominations.

Diane determined to "book mark" Bill's handout and deal with it during the discussion of timing issues. At this point, we will continue with review of draft standards.

3. Review of Draft Standards

Proposed Principals, Definitions, and Standards were reviewed, discussed and modified. They are presented below. No "sense of the room" votes were taken on these proposals, except if specifically noted below. The group picked up where we left off at the last TTT Meeting on July

17,1998. Finalized draft language only is shown below. The initial standards to be addressed are: S6, S16, S10, S11, S9

S6: Any party participating in the Title Transfer Tracking service, whether they be an Account Holder, a Title Transfer Tracking Service Provider (TTTSP) or a Transportation Service Provider exchanging information with a TTTSP, should do so by means of applicable GISB 1.4.X standards.

S19: Once a party has chosen to provide Title Transfer Tracking (TTT) services they may choose to do so at one or more locations with respect to a Transportation Service Provider but should not be required to provide the service at all locations nor should they be required to provide the services at any particular location(s). Except where restricted by other GISB standards, TTT, when supported by a Title Transfer Tracking Service Provider, can occur at any Receipt or Delivery Location nominatable under a transportation service agreement.

An issue was raised regarding the last clause in the (old) proposed standard, "except where tariff restrictions prevent transfers of gas between storage accounts." In order to deal with the restriction as stated in the last sentence of the proposed standard, it made more sense to the group to add it to Principle P1, and have all restrictions in the same place. P1 would be modified to read as follows:

P1: Title Transfer Tracking by Third Party Account Administrators should not include pool-to-pool transfers, transfers of gas between storage service accounts or transfers between Transportation Service Agreement contracts on the same Transportation Service Provider (TSP) with no physical receipts or deliveries required to effectuate the contract-to-contract transfer. Pool-to-pool transfers or contract-to-contract transfers on the same TSP are nominated to the TSP at nomination deadlines.

S16: For purpose of the Confirmations, Scheduling and Allocations processes, the Third Party Account Administrator (3PAD) and Transportation Service Provider (TSP) should exchange information as follows:

- a) for receipts into the 3PAD, the information should be delineated at the level of the TSP's applicable Service Requester or Upstream Identifier (i.e., party) and the 3PAD's Account Holder receiving gas from such Service Requester or Upstream Identifier party; and,
- b) for deliveries out of the 3PAD, the information should be delineated at the level of the 3PAD's Account Holder and the TSP's applicable Service Requester or Downstream Identifier (i.e., party) receiving gas from such Account Holder.

Standard S16 will be worked on by people to get the language correct, both from a perspective viewpoint and at the "level" viewpoint. The concept is that the level should be at the nomination level. Jim and Sylvia will work on specific language.

S10: Except where specific GISB timeline and information exchange provisions provide otherwise, Title Transfer Tracking Service Providers are considered Point Operators. and should perform all the same duties; be provided all the same rights and opportunities; and, should accept the same obligations with respect to the confirmation, scheduling (excluding determination of hourly flow quantities) and allocation processes as required by Transportation Service Providers of Point Operators. – DELETED --

S11: Transportation Service Providers (TSPs) should accept Confirmation Responses, unsolicited Confirmation Responses and PDAs from Third Party Account Administrators (3PADs) with respect to coordinating the 3PAD's Title Transfer activities related to the TSP and TSPs should provide Requests for Confirmation, Confirmation Responses, Scheduled Quantities for Operator and Allocation Statements to 3PADs related to the 3PAD's Title Transfer activities related to the TSP. – DELETED --

There was discussion that with the modified S12 and S13, as discussed at the last meeting, that perhaps proposed standards S10 and S11 were not necessary any more. There was general consensus on this point.

-- Lunch Break --

S14: Title Transfer Tracking service should be accomplished by using the nomination-related, flowing gas-related, invoice-related and electronic delivery mechanism-related GISB standards with codes and values appropriate to Title Transfer Tracking services. [Bookmark as pertaining to possible instructions to IR, or as separate standard. Will revisit. This bookmark applies to proposed standard S16 also.]

S21: Title Transfer Tracking services should be open to be provided by any party.

There was general agreement that this was more appropriately a principle. We will leave it numbered as is, and it will be classified as a principle when we re-number the principles, definitions and standards.

S20: Title transfers can occur regardless of the service class of any related transportation.

We will leave it numbered as is, and it will be classified as a principle when we re-number the principles, definitions and standards.

P1 was modified today, and may be affected by proposed S22, so we're starting with the current (as modified today) language with P1.

P1: Title Transfer Tracking by Third Party Account Administrators should not include pool-to-pool transfers, transfers of gas between storage service accounts or transfers between Transportation Service Agreement contracts on the same Transportation Service Provider (TSP) with no physical receipts or deliveries required to effectuate the contract-to-contract transfer.

Pool-to-pool transfers or contract-to-contract transfers on the same TSP are nominated to the TSP at nomination deadlines.

S22 (new from Phoenix meeting): Where a Transportation Service Provider (TSP) enables its Service Requesters to conduct Pool-to-Pool transfers by means of nominations to the TSP under transportation and/or pooling agreements between the TSP and the pool operating Service Requester then the TSP may determine that, on their system, Title Transfer Tracking by Third Party Account Administrators should not include pool-to-pool transfers with respect to the subject TSP.

Likewise, where a TSP enables its Service Requesters to conduct contract-to-contract transfers via nominations to the TSP under transportation agreements between the TSP and the Service Requester and such transfers are not considered by the TSP to be Title Transfer Tracking then the TSP may determine that, on their system, Title Transfer Tracking by Third Party Account Administrators should not include contract-to-contract transfers with respect to the subject TSP.

Pool-to-Pool transfers and contract-to-contract transfers on the same TSP are nominated to that TSP at the nomination deadline(s).

The concept we are trying to capture is the following: Where there is no type of TTT service being offered in a pool-to-pool transfer situations, then it is open for a third party TTTSP to come in and offer a service.

A modified P1, capturing the concepts from S22, would negate the need for a separate S22. The following P1 is now stated as follows:

There was extensive discussion on this issue. Re-wording of the principle P1/ standard S22

Proposed Modified P1/S22: Title Transfer Tracking(TTT) by Third Party Account Administrators (3PADs) should not include transfers of gas between storage service accounts or transfers between Transportation Service Agreement contracts on the same Transportation Service Provider (TSP) with no physical receipts or deliveries required to effectuate the contract-to-contract transfer.

Additionally, where TSPs do not provide pool-to-pool transfers, TTT by 3PADs at pool locations should be allowed. Where TSPs do provide pool-to-pool transfers, TTT by 3PADs at these pooling locations can be excluded by the TSP.

Pool-to-pool transfers or contract-to-contract transfers on the same TSP are nominated to the TSP at nomination deadlines.

This language was determined to resolve (for now) both P1 and S22. The book marked issue is additional language in the second paragraph to the effect of "unless the 3PAD can conform to nomination deadlines."

3A. Timing Issues - Draft Standards

The group now turned to timing issues.

In preparation for tomorrow, the proposed standards (including those "new" ones from the Phoenix meeting) were laid out on the Communication Flow diagram which showed the various communication steps in the TTT process. Thus proposed standard numbers were superimposed on the diagram, which will be printed out for tomorrow's meeting.

Tomorrow's meeting will focus on timing issues for the various processes. Nominations are due to the TSP and the 3PAD at the same time.

The meeting adjourned at approximately 4:50 pm local time.

**Title Transfer Tracking Meeting
July 22, 1998
Marland Mansion
Ponca City, OK
Final Minutes**

1. Administrative

Diane McVicker welcomed meeting participants to the second day of the meeting.

Jim Buccigross reviewed the anti-trust guidelines.

Introduction of meeting attendees

There was discussion of the upcoming meeting schedule. It was determined to keep the scheduled meeting in Houston on August 29-30, 1998, and the current proposed August 4-5, 1998 meeting in Phoenix. This is the schedule we will proceed with for now.

Bill Oppenheim asked the group if it envisioned drafting additional standards regarding the TSP in the role of TTTSP, since he believed there were no specific standards addressing this, and how TSPs perform TTT could potentially impact LDCs down the line.

Joe Bianchi believed that additional standards in this area may not be necessary as these would in effect be "nominatable" services and so would come under existing GISB nomination standards.

Bill Griffith reflected similar views.

Minutes from the July 17, 1998 Boston meeting were distributed. These minutes will be reviewed and discussed after the lunch break.

3A. Timing Issues - Draft Standards

The modified diagram, with the new proposed standard numbers superimposed was distributed and, along with the work paper of new proposed standards, will act as the basis of discussion for today.

The group started with proposed standards and definitions.

D7: A Title Transfer Nomination is a nomination line item requesting the service of Title Transfer Tracking and is sent by an Account Holder to a Title Transfer Tracking Service Provider.

D8: A Title Transfer Nomination Quick Response is a quick response providing data validation of a Title Transfer Nomination(s) for service received by a Title Transfer Tracking Service Provider (TTTSP). The Title Transfer Nomination Quick Response is sent by the TTTSP to the Account Holder which requested the service.

D9: A Title Transfer Request for Validation is a request for validation of a Title Transfer Nomination(s) received by a Third Party Account Administrator (3PAD). The Title Transfer Request for Validation is sent by the 3PAD to the Transportation Service Provider (TSP) and reflects only those nomination(s) received by the 3PAD which pertain to activities entering or leaving the TSP at a location(s).

D10: A Title Transfer Request for Validation Quick Response is a quick response providing data validation of a Title Transfer Request for Validation received by a Transportation Service Provider (TSP). The Title Transfer Request for Validation Quick Response is sent by the TSP to the Third Party Account Administrator.

D11: A Title Transfer Validation Response is a validation response concerning the Title Transfer Tracking (TTT) transactions for quantities entering and leaving the Third Party Account Administrator (3PAD) from and to the Transportation Service Provider (TSP) at a location(s). The Title Transfer Validation Response may be sent in response to a Title Transfer Request for Validation or may be sent as an unsolicited transaction. The Title Transfer Validation Response is sent by the TSP to the 3PAD and includes all TSP transactions regarding TTT by the 3PAD at a location(s).

D12: A Title Transfer Validation Response Quick Response is a quick response providing data validation of a Title Transfer Tracking Validation Response. The Title Transfer Validation Response Quick Response is sent by the Third Party Account Administrator to the Transportation Service Provider.

There was discussion on the need for a Request for Validation Quick Response. The question was whether this is/was a necessary document or whether the Validation Response was the proper response document to the Request for Validation. This impacts proposed definition D10. There was also discussion as to whether this could be a mutually agreeable dataset.

It was determined without objection to "park" this item and deal with it as necessary down the line.

There was additional discussion on the need to add language regarding unsolicited Validation Responses. Finally, there was an issue regarding the proper term (i.e., status, validation, confirmation, etc.) was in the definitions for the role of the various quick responses. It was decided to use the term "data validation" in standards D8, D10 and D12.

S23: The Title Transfer Tracking Timing and Information Flow Diagram (the TTT TIF Diagram) represents the movement of information between parties with respect to processing (from nomination through scheduled quantity) a given Title Transfer Tracking transaction.

[Insert Diagram here]

In the diagram, transmittals of information are identified by lines labeled with letters. Some of the lines identified with letters are intended to be logical branches to processes which involve transmittals of information between parties. In addition, processes where information is compared with other information or otherwise processed in order to generate a transmittal are identified by boxes labeled with numbers.

In the TTT TIF Diagram, the boxes represent processes performed by the entity listed below:

Box 1: Third Party Account Administrator

Box 2: Transportation Service Provider

Note: Fill in the rest of the boxes.

In the TTT TIF Diagram, lines represent transmittal of the transaction listed below:

Line D: Title Transfer Request for Validation

Line B: Title Transfer Validation Response

Note: Fill in the rest of the lines.

Note: We will "clean-up" the diagram to have similar representations of parties and processes in the same relative locations (i.e., party on top of the box, processes within the box, etc.) which may result in corresponding changes in this standards wording.

-- Lunch Break --

Minutes from the July 17, 1998 Boston meeting were reviewed. The minutes were adopted with modifications as final without objection.

S24.1: With respect to the TTT TIF Diagram

- a) the line D from Box 1 to Box 3 should be received at the Transportation Service Provider's Designated Site within one hour of the nomination deadline;
- b) the line V from Box 3 to Box 1 should be received at the Third Party Account Administrator's Designated Site within one half of an hour (30 minutes) of the receipt of the Title Transfer Request for Validation; and,
- c) the line U should be received at the applicable receiver's Designated Site within fifteen (15) minutes of receipt at the sender's designated site of the transmittal to which the quick response responds.

[Note the section c may contain a Line W transmittal depending on the outcome of the "parked" issue of Title Transfer Validation Response Quick Responses (D10).

There was discussion of the above standard and its impact on the whole nomination cycle. The pipelines asked for a few minutes to caucus and come up with a possible approach.

Bill Griffith reviewed the outcome of these discussions. They are not comfortable about adding an additional process to the time allotted for confirmation and scheduling. He suggested that the group focus on 3PAD to 3PAD communications for the remaining time of the meeting and suggested that the pipeline may come up with an alternative approach for the next meeting which could involve moving the nomination deadline.

Donna Scott responded that moving the nomination deadline was not an acceptable approach. She believes that Order No. 587-G states that TTT does not have to be done by pipelines, but that pipelines must support third-party TTT service providers via the confirmation process.

Iris King noted that in come cases she could not start the confirmation process until 2:30 pm (central) which left her only an hour to perform the confirmation process with her interconnects.

Greg Lander responded that he was attempting to give the information in a time certain to allow pipelines sufficient time to perform the confirmation process. He said that if no time were specified, we could leave the confirmation process timeline as it is.

The chair suggested that we determine the baseline issues for timing. Tammy Hopkins suggested that we also outline the baseline issues involved in 3PAD to 3PAD communication for the next meeting.

There was various discussion back and forth regarding both the timeline and the 3PAD to 3PAD issues.

Joe Bianchi noted that these issues were inter-related in his mind and that resolution of the timing issue was to some extent dependent on the resolution of the multiple 3PAD issue.

Next Meeting is at Duke Energy in Houston at 9:00 am - 5:30 pm, August 29-30, 1998.

There was brief discussion on the upcoming meeting in Houston. Issues to be discussed will start with the above described "Multiple 3PAD and Timing" issues.

The meeting adjourned approximately 2:30 pm local time.

**Title Transfer Tracking
Sign up Sheet - July 21 -22, 1998**

First Name	Last Name	Company	Segment	Phone / Fax	E-Mail Address	Present
Sandra	Barnett	Koch Gateway	Pipeline	713-544-5732	barnett@kochind.com	21, 22
Betty	Barnum	Trunkline Gas Co	Pipeline	713-627-5618 / 5769	babarnum@duke-energy.com	21, 22
Chuck	Beaver	Transenergy Mgt.	Services	713-693-2205 / 2101	cbeaver@transenergy.com	
Joseph	Bianchi	ANR Pipeline	Pipeline	313-496-2177 / 2126	Joseph.Bianchi@coastalcorp.com	21, 22
Jim	Buccigross	National Registry	Services	978-535-7500 / 7744	legaljb@tcapserv.com	21, 22
Jackie	Butler	Panhandle Eastern	Pipeline	713-627-5033 /	mjbutter@duke-energy.com	
Melissa	Casey	Williams - Transco	Pipeline	713-215-2906 / 4537	melissa.k.casey@wgp.twc.com	21, 22
Kelly	Daly	Arizona Public Service Co.	End User	202-785-9100	KellyADaly@aol.com	21, 22
Dale	Davis	Williams Gas Pipelines	Pipeline	713-215-2396 / 3946	dale.m.davis@wgp.twc.com	21, 22
Anne	Denison	Williams Energy Services	Services	918-588-3886	denison_anne@wes.twc.com	
Jean	Ford	Anderson Consulting	Services	580-767-2114 / 4760	mmbtu@ibm.net	21, 22
Mark	Gracey	Tennessee Gas Pipeline	Pipeline	713-420-2644 / 3294	graceym@epenergy.com	21, 22
Bill	Griffith	Colorado Interstate Gas	Pipeline	719-520-4334 / 4318	williamgriffith@coastalcorp.com	21, 22
Jerry	Hahn	Texaco Natural Gas Inc	Producer	713-752-7769 / 4026	hahnge@texaco.com	
Doug	Hahn	PG&E GT-NW	Pipeline	503-833-4312	Dhahn@PGE-NW.com	21, 22
Tommie	Hartmann	Exxon USA	Producer	713-656-1875	Tommie.R.Hartmann@Exxon.Sprin t.com	21, 22
Lisa	Hassold	PG&E Gas Transmission - Texas	Pipeline	210-528-4282 / 4302	hassoldl@pge-texas.com	
Theresa	Hess	Enron - TW	Pipeline	713-853-4895	thess@enron.com	21, 22
Keith	Higginbotham	Enron - NNG	Pipeline	713-853-5466 / 713-646-2551	khiggin@enron.com	21, 22
Tammy	Hopkins	Enron - Northern Border Pipeline	Pipeline	713-853-5818 /	thopkins@enron.com	21, 22
Ken	Kapp	CNG-Sabine	Services	713-752-4018 / 4667	kappke@texaco.com	21, 22
Iris	King	CNG Transmission	Pipeline	304-623-8213 / 8595	Iris_G_King@cngt.cng.com	21, 22
Frazier	King	Enron - FGT	Pipeline	713-853-7228 / 5425	fking@enron.com	
Greg	Lander	TransCapacity	Services	978-535-7500 / 7744	exec@tcapserv.com	22
Tammy	Lytle	Williams - Texas Gas	Pipeline	502-688-6472 / 683-8978	Tammy.A.Lytle@wgp.twc.com	21, 22
Marcy	McCain	Algonquin	Pipeline	713-627-4738 / 5041	mlmccain@duke-energy.com	21, 22
Laurie	McCauley	WGP - Transco	Pipeline	713-215-4473 / 4537	laurie.l.mccauley@wgp.twc.com	21, 22
Allison	McLean	Mobile Bay P/L	Pipeline	713-544-5631 / 6012	mcleana@kochind.com	21, 22
Rae	McQuade	GISB		713-757-2283		
Diane	McVicker	Salt River Project	Enduser	602-236-4315 / 4322	dbmcvick@srp.gov	21, 22
Todd	Meaux	KN Energy - KNI	Pipeline	713-963-3239 / 3566	todd_meaux@kne.com	21, 22

Krissy	Montemarano	Sabine Pipeline	Pipeline	713-752-7657 / 650-0848	montekm@texaco.com	21, 22
Matt	Morrow	Sabine Hub Services	Services	713-752-4014 / 7689	morromk@sabnet.com	21, 22
Laura	Moseley	Enron - FGT	Pipeline		lmoseley@enron.com	
Sylvia	Munson	Altra Energy	Services	713-210-8169 / 8004	sylviam@altranet.com	21, 22
Sheila	Nacey	Enron - Northern Natural Gas	Pipeline	713-853-5146 / 713-646-2551	snacey@enron.com	
Gene	Nowak	KN Energy - NGPL	Pipeline	713-963-3588 / 3566	gene_nowak@kne.com	21, 22
Mike	Oberleitner	Baltimore Gas & Electric	LDC	410-291-4785 / 4601	michael.s.oberleitner@bge.com	
Bill	Oppenheim	PECO Energy	LDC	610-832-6414 / 6499	woppenheim@peco-energy.com	21, 22
Gary	Payne	Enron Capital & Trade	Services			
Dale	Sanders	Williams - Texas Gas	Pipeline	502-688-6843	Dale.T.Sanders@wgp.twc.com	21, 22
Rick	Santerre	TransEnergy	Services			
Mark	Scheel	Dynegy Inc	Services	713-507-6787 / 6834	masc@dynegy.com	
Mike	Schisler	Natural Gas Pipe Line	Producer	713-963-3589 / 3085	mike_schisler@knergy.com	
Ken	Schubert	TransCanada Pipe Lines	Pipeline	403-267-8606 / 8632	ken_schubert@tcpl.ca	21, 22
Donna	Scott	Enron Admin Corp	Services	713-853-6136 /	dscott2@ect.enron.com	21, 22
Jay	Story	PG&E Gas Transmission NW	Pipeline	503-533-4309 / 503-402-4004	jstory@pge-nw.com	21, 22
Twyla	Strogen	CNG Transmission	Pipeline	304-623-8581 / 8587	Twyla_S_Strogen@cngt.cng.com	21, 22
Veronica	Thomason	GISB		713-757-4175 / 2491	gisb@aol.com	
Julie	Unruh	Koch Gateway Pipeline	Pipeline	713-544-5438 / 6012	unruhj@kochind.com	
Kim	Van Pelt	Panhandle Eastern Pipeline	Pipeline	713-627-5566 / 4066	kvanpelt@duke-energy.com	21, 22
Norm	Walker	El Paso Natural Gas	Pipeline	915-496-3052 / 915-496-2865	walkerne@epenergy.com	
Bob	Wallenhorst	Exxon	Producer	713-656-5230 / 4144	robert.p.wallenhorst@exxon.sprint.com	
Dave	Weathers	Texas Eastern	Pipeline	713-627-4773 / 713-989-1534	daweathers@duke-energy.com	