

**Title Transfer Tracking Pilot Testing Task Force
9:00 A.M. - 5:00 P.M., December 9, 1996**

Consolidated Edison
New York, New York

Draft Minutes

I. Introductory Items

Jerry Hahn called the meeting to order. Jim Buccigross read the Antitrust warning. A motion was made to adopt the agenda. The motion was seconded and carried. Discussion was held concerning the timing of the next meeting. Previously, the group had agreed to hold meetings the day before the EC meets. The next EC meeting is scheduled for January 9, 1997, but may be moved. The question was posed whether or not to hold the next meeting January 8 or wait until the day before the next EC meeting. The group decided to hold the next meeting the day before the next EC meeting, whenever that may be.

The minutes from the November 4, 1996 meeting were corrected. Jim Buccigross moved they be accepted as amended. Theresa Hess seconded the motion. Motion carried.

II. Base Case

Jerry Hahn reviewed the membership of the 5 work groups and called for new volunteers. Lisa Hassold from Valero joined Case #12; Mike Novak, National Fuels, and Joyce Phillips, Texas Eastern, joined Case #2.

Jerry handed out base case examples. The group decided to accept Jim Buccigross and Norm Walker's example as the test base case. This base case includes title transfer "loops". A question was raised as to whether the points were "physical". The group decided that it did not matter. Lisa Arthur raised the question as to whether this example included multiple packages of gas being sold. The base case was amended to reflect the use of a package ID. It was also decided that the base case needed some expansion to include activity downstream. A short break in the meeting was taken so the case could be amended to include this. Heather Gnenz suggested for consistency's sake, that points be named and companies be referred to by letters. She also suggested the case be flow charted for clarity. Jim will work on cleaning up the base case. Joyce Phillips offered to assist. It will be available on the Home Page by next Wednesday, December 18.

The use of the package ID was questioned by some of the task force members. Cheryl Gillentine said that as far as the TTTSP is concerned, package ID is not important. Pricing is invisible to the TTTSP. However, Mike Novak felt it is important to run the package ID all the way through the model. Mike also noted ranking is important when TTT is accomplished via pooling that is forced balanced. Karen Foy also questioned the value of tracking package ID. However, the majority of the task force decided it was of value to track package ID.

Heather Gnenz asked whether the GISB nomination standards need to be reviewed in regard to TTT. Theresa Hess felt it was too early to map this, but everyone should go back and review them if they are not familiar.

Jerry cautioned all the working groups to not make any changes to the base case unless they notify the entire task force. We are striving for comparability.

III. Test Groups

Each of the 5 work groups reviewed the progress they had made. Some of them had mapped out a TTT example, but all agreed to go back and repeat the procedure with the agreed upon base case.

Mike Novak brought up the issue of the DRN's, i.e. 2 DRN's are needed at an interconnect. Jim Buccigross will modify his base case accordingly.

Jerry asked for suggestions on how the work groups should meet, by teleconference, by fax, etc. He asked if the groups wanted to meet a day before the meeting to work. It was agreed each of the groups will work this out themselves.

Jerry reported the task force was a bit behind schedule, as defined in the October 25, 1996 meeting, but there would still be enough time to complete the testing and have a report to the EC by September 1, 1997. At the November 4 meeting, Norm Walker indicated he wanted to go through the "hat exercise" with one of the groups at this meeting. However, since the task force just agreed on a base case today and Norm was not present, it could not be done. Jerry is going to check with Norm and tentatively, he will lead the group through this exercise at the next meeting. Jim Buccigross cautioned the group that the priority should be to run the base case through the 5 scenarios first, then perform the "hat exercise". Theresa Hess, Mark Scheel, and Heather Gnenz all saw value in going through the "hat exercise" as it will identify the pros and cons of each TTT transaction and help identify the processes involved. This exercise will also demonstrate how well each case scenario meets the previously established criteria defined by the group. Jerry stressed to the group that the task is not to define what TTT is, the marketplace will do that, but to provide the EC with a recommendation of what seems to work best, i.e. one provider vs. numerous providers.

Since comparability will be important, a common format for the work group presentations was decided on. The following format should be used by each test group in presenting the base case:

- 1) Base Business Case
- 2) Model Description-a written plus pictorial description
- 3) Transactional flow chart-like Gene's Case #3
- 4) Energy Balance by point-see Jim's Case #12
- 5) Documents needed, roles & responsibilities (who does what)-see Case #13, all pages except for 1st and last 2 pages; add column for sender/receiver
- 6) Preliminary Evaluation-strengths and weaknesses
- 7) Data Elements-what's on the documents-to be done after the cases are presented, but should be included in the packet presented to the EC
- 8) Define the error tests that we can apply across the models-Jim, Dave, Norm and Jerry will come up with some exceptions-will post to the Home Page by Wednesday, December 18
- 9) Any changes to existing standards or new standards

IV. Assignments

By the next meeting each work group should be prepared to go through Item 6 of the above list. The next meeting date will be posted on the Home Page.

The meeting was adjourned at 3:45 P.M.