



GAS INDUSTRY STANDARDS BOARD

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For Immediate Release
Thursday, December 24, 1998

**Standards on Web-Based Electronic Commerce, Title
Transfer Tracking Approved by GISB Executive Committee**

HOUSTON—Natural gas industry standards in two key areas—Web-based electronic commerce and title transfer tracking—have been approved by the Executive Committee (EC) of the Gas Industry Standards Board (GISB).

At a meeting in New York City Dec. 17, the EC approved the first part of a series of standards designed to provide a 13-month transition for interstate natural gas pipelines from electronic bulletin boards to interactive Web sites. The transition timetable was developed by GISB's Internet Implementation Task Force.

The Internet standards approved by the EC last week relate to the overall structure of Web-based commerce and the specific standards for nominations and would be implemented by September 1999. The plan calls for further standards related to flowing gas, invoicing, capacity release and contracting to be approved at later EC meetings and phased in over the following 13 months, with all standards to be implemented by October 2000.

Task force chairman Carl Caldwell, manager, energy practice, Deloitte Consulting-DRT Systems, said, "All industries are at the beginning of a profound change in how we implement electronic commerce—a change that will have a

dramatic impact on technologies, value propositions, design and business models. The natural gas industry is one of the first industries to recognize the added value of business practice standardization and electronic commerce standards."

On title transfer tracking—the accounting for transfers of title to gas at a nomination point when no transportation is involved—the EC approved a set of standards but delayed their implementation until the later of June 1, 2000, or eight months after the standards are published.

This timetable was adopted to allay concerns that other changes called for by GISB standards, such as intraday nominations and the use of the Internet, as well as the Y2K transition, would make it impossible to implement title transfer tracking any sooner.

Jim Buccigross, chairman of the Title Transfer Tracking Task Force and director and general counsel of the National Registry of Capacity Rights, said, "The EC worked through these complex issues one by one during the course of three separate meetings and worked to find a middle ground. It's another illustration of the value of the GISB process."

EC Chairman Mike Bray, vice president for corporate rates and regulatory affairs for Duke Energy Corp., said, "The EC's decisions resolve two of the most difficult issues confronting the natural gas industry. The Federal Energy Regulatory Commission has expressed particular interest in the Internet transition and title transfer tracking, so it was particularly gratifying that we were able to take final action on these matters by the end of 1998.

"The standards approved by the EC represent hours of hard work by hundreds of volunteers," Bray continued. "They were the product of negotiation and compromise and demonstrate once again the ability of GISB member companies to put aside parochial interests and work together for the benefit of the entire gas industry."

GISB was established in September 1994 as an independent and voluntary North American organization to develop and promote the use of business practices and related electronic communications standards designed to promote more competitive, efficient and reliable gas service. The organization has over 150 corporate members, a board of directors, an executive committee, an advisory committee and many other working committees and task forces.

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