

TO: WIEB Natural Gas Core Team

FROM: Doug Larson/Tom Carr

DATE: August 31, 2004

SUBJECT: **Summary of August 30 Conference Call**

Joining the call were: Larry Charach/Matthew Foss (AB); Mark Ellery (AZ); Ines Piccinino (BC); Jim Fore/Jairam Gopal/Mark DiGiovanna/Leon Brathwaite (CA); Jeff Wright (FERC); Dick Burdette (NV); Phil Carver (OR); Hal Chapelle, project consultant; and Doug Larson/Tom Carr/Alison Wilson (WIEB). The following decisions were made:

- The CEC will be updating gas reserves numbers and provide the revised numbers to the Team.
 - Matthew Foss, Leon Brathwaite and Mike Purcell will examine the derivation of the Alberta reserves numbers and report the resolution of this item on the next call.
 - As part of the strawman reference case, the CEC will compare model results with recent historical experience in the gas market.
- Matthew Foss will examine Alberta's industrial demand in the context of the National Energy Board demand numbers that are being used by the CEC.
 - The issue of industrial demand destruction will be put in the "bin" of issues deserving further attention.
- The CEC will compare the gas generation demand numbers used by the Seams Steering Group-Western Interconnection for the Western Interconnection with numbers they are using, with particular reference to the gas demand for gas-fired generation in Oregon and Washington. Mark DiGiovanna will follow-up with Phil Carver.
 - The CEC will try to link the names of the power plants to the spreadsheet on gas demand for generation.
- The CEC needs all state/provincial comments on the supply and demand data.
 - Jim Fore will send Mark Ellery the current supply and demand data for Arizona for his review.
 - As an example of what is needed, Mark DiGiovanna will send the Team the feedback from Saskatchewan which was very helpful.
- Mark DiGiovanna is assembling responses to questions that have been posed by Team members and will be emailing those to the team.

- The Team agreed with Hal Chapelle's suggestion of creating a small (12-15) group of technical people that includes experts outside the Team (e.g., Encanda, BLM, representative of the refining/petrochemical industry, representative of the power generation industry, environmental stakeholder) to advise the team on the strawman reference case, sensitivity analysis, and scenario development. The Team will continue to make final decisions on the content of the analysis.
 - States/provinces are asked to provide Jim Fore (Jfore@energy.state.ca.us) and Doug Larson (dlarson@westgov.org) suggested names of potential technical advisors. You are asked to review the names of people who participated in the June 29 workshop. The CEC will provide the list of participants.
 - The technical advisors may participate via email and at a future workshop.
 - Hal Chapelle and Jim Fore will provide a project timeline that reflects participation by technical advisors.

- The model will be initialized this week. The first output will be in about three weeks with a complete strawman for the October workshop.

- As the next step in reviewing the factors that affect the model results (the low, medium, high impact matrix from the previous conference call), the CEC will send the Team past CEC sensitivity analyses and provide the related value in the strawman reference case.

- On August 31, the CEC provided the attached timeline for data delivery and review.

- THE NEXT CALL WILL BE ON SEPTEMBER 23 AT 10:00 a.m. MDT/9:00 a.m. PDT. TO CONNECT TO THE CALL DIAL 312/461-0833. THE PASS CODE IS 383973.