North American Energy Standards Board

Executive Committee Meeting

Wholesale Electric Quadrant
Retail Gas Quadrant
Retail Electric Quadrant
Wholesale Gas Quadrant

August 24-26, 2004

Hosted by El Paso Western Pipelines
Colorado Springs, Colorado

NORTH AMERICAN ENERGY STANDARDS BOARD

Executive Committee Meeting – WEQ, REQ, RGQ, WGQ Meeting Materials
August 24-26, 2004

Table Of Contents

General Materials Applicable to Multiple Quadrants

Description of Materials

Tab 1. Welcome & Opening Remarks
- EC Members and Terms
- Schedule of 2004 Meetings

Tab 2. Agendas

Tab 3. Executive Committee Draft Minutes: May 4-6, 2004

Tab 4. Triage Report and Results

Tab 5. NAESB GECTF Report

Tab 6. Gas Quality Proposed Standards - Update

Tab 7. DUNs Number Usage

Wholesale Electric Quadrant Materials

Tab 8. 2004 Annual Plan for WEQ

Tab 9. WEQ Subcommittee Updates

Tab 10. Level 0 Progress Report

Tab 11. Standards Numbering

Retail Electric and Retail Gas Quadrants Materials

Tab 12. 2004 Annual Plans for REQ and RGQ

Tab 13. Retail Subcommittee Updates

Tab 14. Proposed Standards – Market Participants Interactions and Non-disclosure Agreement

Tab 15. REQ Proposed Amendments to Quadrant Procedures and Comments

Wholesale Gas Quadrant Materials

Tab 16. 2004 Annual Plan for WGQ

Tab 17. Subcommittee Updates

Tab 18. Proposed Standards – Producer Imbalance Statement

Tab 19. Minor Corrections

TAB 8

WEQ 2004 Annual Plan

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

NORTH AMERICAN ENERGY STANDARDS BOARD
2004 WEQ Annual Plan
Approved by the Board of Directors December 4, 2003
Modified by the WEQ Executive Committee – May 4, 2004

	Item Description	Completion[1]	Assignment
1	**Develop business practices standards as needed to complement reliability standards**		
	(a) Develop business practice standards to support and complement NERC reliability standards, NERC policies and NERC standards authorization requests (SARs). Current NAESB activities underway to develop business practice standards that are supportive of this annual plan item are:		Standards Review Subcommittee (SRS)[2]
	i. Develop Inadvertent Interchange Payback Business Practices		BPS (IIPTF)
	Status: Underway		
	ii. R03013 – Coordinate Interchange		ESS
	Status: Complete		
	iii. R03014 – Coordinate Operations		SRS
	Status: Complete		
	iv. R03017 -- Operate Within Limits		SRS
	Status: Underway		
	v. Balance Resources and Demand		SRS
	vi. Facility Ratings		SRS
	(b) Develop business practice standards applicable to the transition period from NERC policies to NERC reliability standards.		SRS/Various[3]
2	**Develop and Maintain Business Practice and Communication Standards for OASIS and Electronic Scheduling**		
	(a) Develop and/or maintain *business practice standards* as needed for OASIS and electronic scheduling including determining which, if any, ESC/OSC and other related industry groups' business practices and standards should be adopted as NAESB standards. Specific items to address include:		Electronic Scheduling Subcommittee (ESS)

[1] Dates in the completion column are by end of the quarter for completion by the assigned committee. The dates do not necessarily mean that the standards are fully staffed so as to be implementable by the industry, and/or ratified by membership. If one item is completed earlier than planned, another item can begin earlier and possibly complete earlier than planned. There are no begin dates on the plan.

[2] The Standards Review Subcommittee scopes, identifies and defines the standards development work to be done to suppoer and complement NERC policies, SARs and NERC reliability standards. Once completed, the request, initial review document, scoping document and other work papers are transferred to the appropriate standards development subcommittee.

[3] The North American Electric Reliability Council Transition Team is responsible for establishing a plan to convert existing NERC policies to NERC reliability standards. Co-commitant with that conversion, NAESB will develop corresponding NAESB business practices. Michael Desselle, Rae McQuade and Charles Yeung are representatives of NAESB on the NERC Transition Team.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

NORTH AMERICAN ENERGY STANDARDS BOARD
2004 WEQ Annual Plan
Approved by the Board of Directors December 4, 2003
Modified by the WEQ Executive Committee – May 4, 2004

	Item Description	Completion[1]	Assignment
	i. OASIS Phase IA (a) Adoption of business practices per FERC Order 638 Status: Complete		ESS
	ii. OASIS Phase II per FERC ANOPR (Docket no. RM00-10-000) and subsequent orders 1. Adoption/maintenance of ESC use cases 2. Adoption/maintenance of Functional Requirements Document 3. Develop and Maintain business practices to support and implement the ESC use cases Status: Underway		ESS ITS ESS
	(b) Develop and/or maintain *standard communication protocols* and cybersecurity requirements as needed, including related industry standard communication protocols and cybersecurity requirements		Information Technology Subcommittee (ITS)
	(i) OASIS Phase IA Adoption of S&CP version 1.4 Status: Complete		
	(ii) OASIS Phase II per FERC ANOPR (Docket no. RM00-10-000) and subsequent orders Development of S&CP document Status: Underway		
	(iii) NERC PKI initiative Status: Underway		
3	**Develop business practices standards to Improve the Current Operation of the Wholesale Electric Market**		
	(a) Develop business practice standards needed to complement or assist specific seams mitigation efforts initiated by or coordinated with the NERC, the IRC, RTOs or ISOs, or other regional entities. Status: Underway		Seams/Various[4]

[4] The Seams Subcommittee scopes, identifies and defines the standards development work to be done related to the seams catalog. After seams catalog items are assigned to NAESB by the Joint Interface Committee, and the Seams Sucommittee completes its review and analysis, the request, initial review document, scoping document and other work papers are transferred to the appropriate standards development subcommittee.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

NORTH AMERICAN ENERGY STANDARDS BOARD
2004 WEQ Annual Plan
Approved by the Board of Directors December 4, 2003
Modified by the WEQ Executive Committee – May 4, 2004

	Item Description	Completion[1]	Assignment
4	**Determine the need for and develop, if necessary, standard(s) requests for electric or gas standards required to provide additional flexibility in generation scheduling (including gas nominations).** Status: Underway		Gas Electric Coordination Task Force[5]

PROVISIONAL ITEMS

1	Develop standards and model business practices in accordance with FERC orders and rules issued in the SMD docket (RM01-12-000), or pursuant to Order Nos. 888 or 2000, or otherwise directed by the FERC.
2	Respond to FERC inquiries pertaining to business practice standard development and keep FERC informed on the nature and effectiveness of coordination activities with other standards setting organizations.
3	Develop business practice standards related to FERC's forthcoming generation interconnection orders (large and small generators), in Docket Nos. RM02-01-000 and RM02-12-000.
4	FERC Reporting of Electricity Prices
5	Develop business practice standards as requested by the regional and state advisory groups.
6	Develop electric purchase and sales contract.

[5] The Gas Electric Coordination Subcommittee is an ad hoc subcommittee comprised of participation by all four quadrants of NAESB to address the issues outlined in request number R03031, submitted by TVA and amended on November 20, 2003.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

Appendix
Comments Accompanying the Action Items and Provisional Items
For the 2004 Annual Plan Adopted by the Executive Committee – October 7, 2003

ACTION ITEMS:

1a The original 1(a) from the 2003 plan is implied and 1(b) and 1(c) have been rewritten as a part of this plan: 1(a) Apply NERC/NAESB MOU provisions in reviewing proposed reliability standards for their business practice implications, 1(b) Review existing NERC reliability policies and standards for their business practice implications, 1(c) Review each of the SARs in light of the NERC/NAESB MOU.

1b This is a new item that reflects the recent NERC decision to create Transition team. NAESB has been asked to join the Transition Team which is led by Gerry Cauley. NAESB members on the team are Charles Yeung, Rae McQuade and Michael Desselle.

2a The Information Technology Subcommittee has been formed and is currently reviewing existing lists of enhancements for OASIS 1A and OASIS 2. A NAESB Electronic Scheduling Subcommittee was created but is inactive awaiting input from the existing ESC industry group

2b The PKI request R03007 has been assigned to the NAESB WEQ to be addressed which is a portion of this annual plan item.

This item also corresponds to the 2003 WEQ Annual Plan item 4(h) Review activities of NERC CIPAG in light of NERC-NAESB MOU regarding cyber security requirements for their business practice and system communication standards implications.

3a A seams catalog is under development now and will identify many of the items to be included under this action item. This item was originally numbered item 4 in the 2003 WEQ Annual Plan. Several items were deleted, and will be added back to the plan if they are requested through the comments or meetings on the plan and the requesters indicate a willingness to participate in the standards development effort or in the drafting effort. The items removed from the 2003 plan are: 4(a) Establish a standardized electric trading day; 4(b). Identify and develop business practices on the public dissemination of market information.

Other items from the 2003 WEQ Annual Plan were reordered and renamed such as: 4(d) Develop business standards as necessary to resolve seams issues between ISOs and RTOs; 4(c) Establish standard business practices relating to: i) Definition and treatment of firm/nonfirm power; ii) Definition and treatment of firm/nonfirm transmission; iii) Provision of reserves for transactions across multiple control areas, 4(e) Develop standards for data requirements, data exchange and scheduling of day-ahead and real-time bilateral markets; and 4(h) Review activities of NERC CIPAG in light of NERC-NAESB MOU regarding cyber security requirements for their business practice and system communication standards implications.

Some items on the 2003 WEQ Annual Plan were considered assumed in each of the action items, so they were not specifically highlighted as a separate action item, such as : 4(f) Examine business practices and definitions currently in use to determine applicability on a North American basis and 4(g) Catalogue, assess and prioritize existing “standards” that have significant business practice implications.

4 This is a new item, not in the 2003 plan. It was added at the August 5 Executive Committee meeting.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

Appendix
Comments Accompanying the Action Items and Provisional Items
For the 2004 Annual Plan Adopted by the Executive Committee – October 7, 2003

PROVISIONAL ITEMS:

1 These items (originally items 3 and 7 of the 2003 Annual Plan) were reclassified as provisional and will be acted upon as such FERC actions are taken.

4 This is a new item, not in the 2003 plan. It was added at the August 5 Executive Committee meeting.

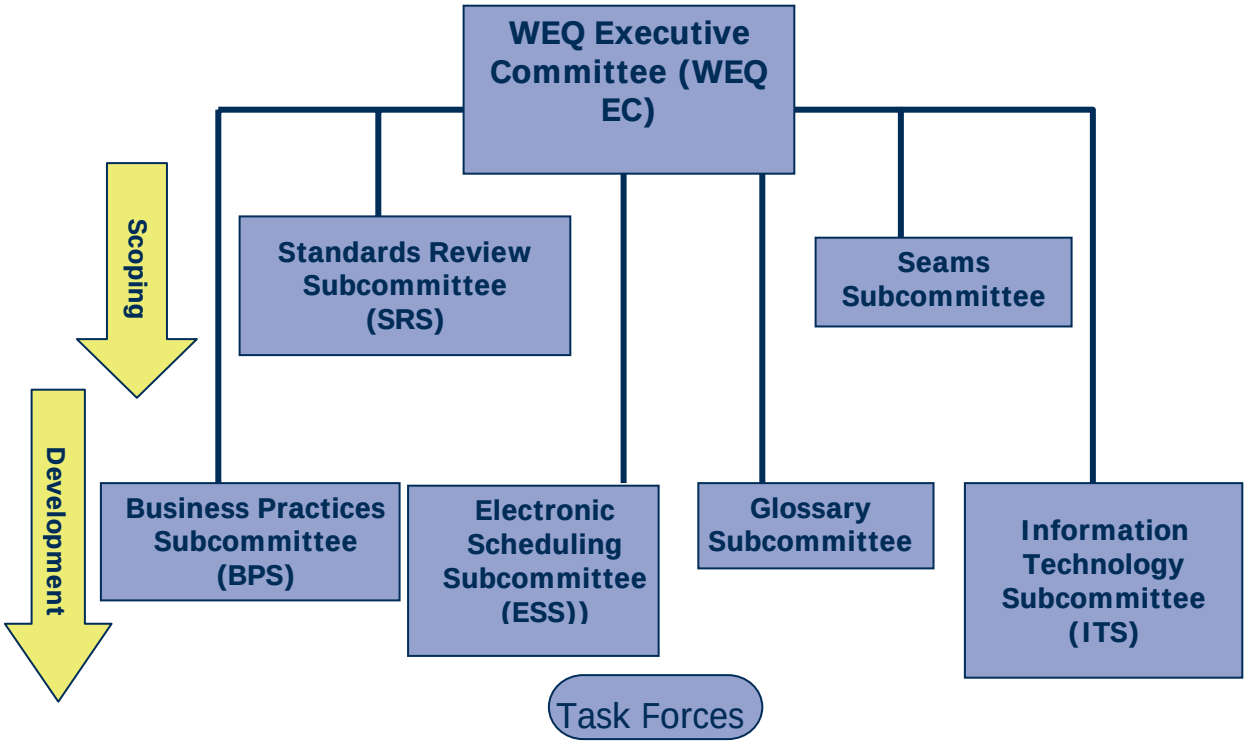
5 This is a new item, not in the 2003 plan. It was added at the August 5 Executive Committee meeting.

6 There is industry interest, but there is neither consensus to move forward at this time nor may resources be available.

On August 5, several of the WEQ EC members discussed possibly preparing a request that would add an item to the 2004 annual plan to develop a master service agreement. The request was prepared but subsequently withdrawn by the submitter due to an expected lack of resources.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

NAESB Wholesale Electric Quadrant Committee Structure



Subcommittee Leadership is:

Executive Committee: Lou Oberski (WEQ EC Chair) and Steve Cobb (WEQ EC Vice Chair)

Standards Review Subcommittee: Charles Yeung and Raj Rana
Seams Subcommittee: Steve Cobb and Joe Rossignoli
Business Practices Subcommittee: Bob Goss
Electronic Scheduling Subcommittee: Joel Dison, Andy Rodriguez and John Simonelli
Glossary Subcommittee: Tony Reed and Sherri Monteith
Information Technology Subcommittee: Monroe Landrum and Alan Johnson

TAB 9

WEQ Subcommittee Updates

NORTH AMERICAN ENERGY STANDARDS BOARD

Executive Committee Meeting – WEQ, REQ, RGQ, WGQ Meeting Materials
August 24-26, 2004

IIPTF Documents

Inadvertent Interchange Settlement Standard

Introduction:

Inadvertent Interchange is defined as the difference between a Balancing Authority's net actual interchange and its net scheduled interchange. The Inadvertent Interchange Payback Task Force (IIPTF) ascertains that Inadvertent Interchange is a natural result of interconnected system operations. The root causes of Inadvertent Interchange are errors in measurement (frequency and/or net actual interchange), errors in schedules (frequency and/or net scheduled interchange), inadequate control systems or telecommunications, and/or energy conversion units responsive to AGC function not available or not assigned. The standard appropriately holds accountable those Balancing Authorities exhibiting poor control practices and recognizes those exhibiting good control practices.

Business Practices:

1.0 Inadvertent Payback will incorporate a bandwidth defined by frequency where inadvertent accumulated within the bandwidth is paid back pursuant to Section 5, inadvertent outside the bandwidth would be settled on a financial basis (see Section 6) where there is a fixed price with discovery (see Section 8).

2.0 Hourly Inadvertent Interchange data and hourly integrated frequency data will be provided to the Settlement Entity by NERC[1].

2.0.1 The Settlement Entity will notify the Balancing Authorities and NERC simultaneously the hours that a financial settlement trigger has occurred. [Pursuant to discussions this morning, NERC might not want to receive the data].

2.0.2 Once an hourly accumulation is determined to be financial, those amounts will be removed from the NERC Inadvertent Interchange balances by all parties involved. [see comment above]

2.1 INADVERTENT INTERCHANGE Accounting. ADJACENT BALANCING AUTHORITIES shall operate to a common NET INTERCHANGE SCHEDULE and ACTUAL NET INTERCHANGE value and shall record these hourly quantities, with like values but opposite sign. Each BALANCING AUTHORITY shall compute its INADVERTENT INTERCHANGE based on the following:

2.1.1 Daily accounting. Each BALANCING AUTHORITY, by the end of the next business day, shall agree with its adjacent CONTROL AREAS to:

2.1.1.1 The hourly values of NET INTERCHANGE SCHEDULE.

2.1.1.2 The hourly integrated MWh values of NET ACTUAL INTERCHANGE

[1] NERC has agreed to provide inadvertent energy and frequency deviation measurements with hourly granularity. Although payback of inadvertent energy and contribution to frequency deviation shall be performed for each hour, reporting of such hourly information to be used for settlement purposes shall occur at such time intervals as deemed feasible by NERC. The IIPTF will accept the limitation of a monthly measurement reporting interval until such time that technology and NERC allow this data to be reported more frequently.

2.2 NERC and the Settlement Entity will maintain hourly Inadvertent Interchange Balances for all Balancing Authorities. Upon payback, regardless of settlement method, the Balancing Authorities involved in the settlement must notify the Settlement Entity that payback has occurred. The Settlement Entity will verify with all parties that the described payback has occurred and once verified, will correspondingly adjust the individual Balancing Authorities' balances to reflect the settlement. The Settlement Entity will then notify NERC of the balance adjustment, as to facilitate the same adjustment to the balances maintained at NERC. All Balancing Authorities shall be responsible for keeping records that will provide a clear history of all of its Inadvertent Interchange transactions. [this section could possibly be moved]

2.3 Monthly accounting. Each BALANCING AUTHORITY shall use the agreed-to Daily and Monthly accounting data to compile its monthly accumulated INADVERTENT INTERCHANGE for the On-Peak and Off-Peak hours of the month. [Refer to "Inadvertent Interchange Accounting Training Document"]

2.4 After-the-Fact Corrections. After-the-fact corrections to the agreed-to Daily and Monthly accounting data shall only be made to reflect actual operating conditions (e.g. a meter being used for control was sending bad data). Changes or corrections based on non-reliability considerations shall not be reflected in the BALANCING AUTHORITY'S INADVERTENT INTERCHANGE. After-the-fact corrections to scheduled or actual values will not be accepted without agreement of the ADJACENT BALANCING AUTHORITY (S).

3.0 On Peak/Off Peak definition

3.1 On-Peak and Off-Peak Hours (Monday Through Sunday)

3.1.1 On- and Off-Peak designation. The hourly inadvertent energy created by a BALANCING AUTHORITY is classified as either On-Peak or Off-Peak inadvertent. The peak designation assigned is a function of hour of day, day of week, time zone, prevailing time (standard or daylight savings), and special holiday status.

3.1.2 Daylight saving time. The On-Peak to Off-Peak and Off-Peak to On-Peak boundary hours are unaffected by transitions to or from daylight savings time. If a BALANCING AUTHORITY remains on either standard or daylight savings time throughout the year, their inadvertent accounting practices shall use prevailing time.

3.1.3 On-peak hours. Each INTERCONNECTION has a reference time zone and standardized On-Peak and Off-Peak periods. On-Peak periods are summarized in the table below for each INTERCONNECTION. Sundays and special holidays are designated to be Off-Peak periods for the entire day. Hours for Monday through Saturday that are not shown in the table below are also designated as Off-Peak hours.

3.1.4 On-Peak Hours For Monday Through Saturday In Hour-Ending Format

• *Interconnection*	• *Reference Time Zone*	• *Hour Ending*	
		• *From*	• *To*

• Eastern	• Central	• 0700	• 2200
• ERCOT	• Central	• 0800	• 2200
• Western	• Pacific	• 0700	• 2200

3.1.5 Additional Off-Peak Holidays for the Eastern and Western Interconnections

There are six identified U.S. holidays each year:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

If any of these holidays fall on a Sunday, the following Monday will be considered an Off-Peak day. Otherwise, the Off-Peak day will be the holiday itself.

4.0 Frequency bandwidth is plus or minus 20 mHz around HOURLY INTEGRATED "need to discuss 20 mHz hourly integrated" scheduled frequency.

5.0 Settlement inside the frequency bandwidth will be as it is today or financial.

5.1 Policy 1, Section F5 – Inadvertent Interchange Payback. INADVERTENT INTERCHANGE payback. Each BALANCING AUTHORITY shall be diligent in reducing accumulated inadvertent balances. INADVERTENT INTERCHANGE accumulations shall be paid back by either of the following methods:

5.1.1 Energy "in-kind" payback. INADVERTENT INTERCHANGE accumulated during "on-peak" hours shall only be paid back during "on-peak" hours. INADVERTENT INTERCHANGE accumulated during "off-peak" hours shall only be paid back during "off-peak" hours. [See Appendix 1F, "On-Peak and Off-Peak Periods."]

5.1.2 Bilateral payback. INADVERTENT INTERCHANGE accumulations may be paid back via an INTERCHANGE SCHEDULE with another BALANCING AUTHORITY. [Refer to Policy 3, "Interchange" for Interchange Scheduling Requirements.]

5.1.2.1 Opposite balances. The SOURCE BALANCING AUTHORITY and SINK BALANCING AUTHORITY must have inadvertent accumulations in the opposite direction.

5.1.2.2 Agreement on schedule. The terms of the inadvertent payback INTERCHANGE SCHEDULE shall be agreed upon by all involved BALANCING AUTHORITIES and TRANSMISSION PROVIDERS in accordance with NERC operating Policy 3, "Interchange."

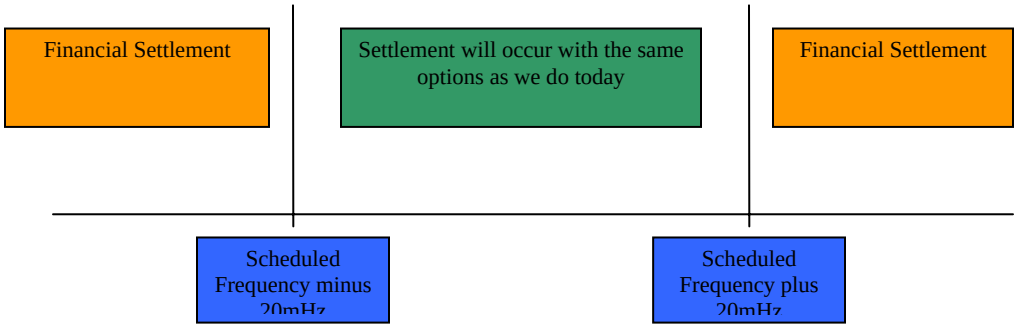
5.1.3 Unilateral payback. INADVERTENT INTERCHANGE accumulations may be paid back unilaterally controlling to a target of non-zero ACE. Controlling to a non-zero ACE ensures that the unilateral payback is accounted for in the CPS calculations. The unilateral payback control offset is limited to the BALANCING AUTHORITY 'S L_{10} limit and shall not burden the

INTERCONNECTION. In the event L_{10} no longer exists, a replacement will be developed.

5.1.4 Other payback methods. Upon agreement by all REGIONS within an INTERCONNECTION, other methods of INADVERTENT INTERCHANGE payback may be utilized.

5.2 Financial Settlement of Inadvertent will be allowed …….

6.0 Settlement outside the frequency bandwidth will be settled financially. How does this affect negative pricing?



6.1 At HOURLY INTEGRATED FREQUENCIES greater than or equal to 20 mHz over scheduled frequency:

6.1.1 The over generating balancing authority will be paid less than or equal to $0 per MWh from the under generating balancing authority.

6.1.1.1 Costs incurred by the appropriate responding balancing authority(s) to accept the inadvertent energy will be passed on to the overgenerating entity. [this needs to be cleaned up]

6.1.2 The under generating balancing authority(s) will pay less than or equal to $0 per MWh to the over generating balancing authorities.

6.1.3 The undergenerating balancing authority's price is discoverable as defined in Section 8.0.

6.2 At HOURLY INTEGRATED FREQUENCIES less than or equal to 20 mHz below scheduled frequency,

6.2.1 The over generating balancing authority will be paid the greater of $100 per MWh or a discoverable price detailed in 8.0 from the under generating BALANCING AUTHORITY.

6.2.2 The under generating balancing authorities will pay $100 per MWh to the over generating balancing authorities.

6.2.3 The overgenerating balancing authority's price is discoverable as defined in Section 8.0.

7.0 Settlement Entity "interchange authority?"

7.1 The settlement entity will receive information from NERC and compute any settlements that may be required for the given month on a per hour basis. This entity will also match up payer and payee based upon:

7.1.1 the closest full dollar amounts due.
7.1.2 Based on proximity.

7.2 A balanced collection will be utilized to assure that no balances remain at the end of the settlement period.

7.2.1 Balanced collection means amounts collected equals amounts paid.

7.3 The settlement entity will collect a fee to be paid by the Balancing Authority(s) not responding appropriately.

7.4 Credit – possibly an addition to NERC BA certification.

8.0 Price Discovery

For Price discovery any party to the transaction has the right to ask for proof of price/cost.

9.0 Prior to full implementation there will be a one year test period.

9.1 The test period will follow all of the normal criteria as stated in the Standard. This will allow for Real Time, Real Data comparisons and the opportunity to make adjustments prior to full implementation.

9.2 mandatory review process

NORTH AMERICAN ENERGY STANDARDS BOARD

Executive Committee Meeting – WEQ, REQ, RGQ, WGQ Meeting Materials
August 24-26, 2004

Electronic Scheduling Subcommittee and Information Technology Subcommittee Reports

OASIS 2 Documents

OASIS II
Scope
Version 1

July 13, 2004

North American Energy Standards Board
Electronic Scheduling Subcommittee
OASIS II Scoping Task Force

Revision History

DATE	VERSION	COMMENTS	EDITOR
04-15-2004	1.0	Initial document	Andrew Rodriquez

OASIS II Scope

In order to properly understand the breadth of OASIS II and how it may be approached, it is necessary to define the scope of OASIS II. The NAESB OASIS II Scoping Task Force has prepared the following document in order to facilitate this definition.

Relation to Overall OASIS II Project

This document, the OASIS II Scope, is intended to be one of two initial documents that are to be created by NAESB as development of OASIS II begins. Its companion, the OASIS II Vision, will describe the general end state and various stages of this project that are expected to be achieved.

Upon completion, these two documents will serve as the starting point and guideline for developing the following documents for the OASIS II Project:

- The OASIS II Use Cases, which will describe all in-scope business processes, business objects, and their associated logic.
- The OASIS II Requirements, which will support the Use Cases by detailing specific requirements and metrics
- The OASIS II Structural Design, which will describe the technical architecture and how functionality will be staged for deployment
- The OASIS II Implementation Plan, which will indicate the order and timeline of how the stages will be specified, developed, and deployed
- The OASIS II Standards and Communications Protocols, which will describe the data exchanges and communications between the various OASIS systems, physical entities, etc. and their associated business logic, and
- The OASIS II Business Practices Standards, which will indicate North-American standards to be considered when utilizing the OASIS II system(s).

The above documents represent the deliverables expected of the OASIS II design effort. Upon completion of this work, the Standards and Communications Protocols and Business Practices will be recommended for adoption as NAESB and/or NERC standards.

Overall Technical Approach

In general, there will be a fundamental shift in paradigm between the OASIS systems in use today and the OASIS II systems of the future. While today's OASIS nodes are web servers operated by one or more tariff administrators, the Task Force envisions OASIS II to be a much more expansive network, comprised of many systems each performing specific tasks in the wholesale power industry. Similar to the NERC E-Tag system,

which is made up of four different types of systems (services) that all work together, the Task Force expects OASIS II will similarly be a large collection of systems exchanging information to facilitate commerce and trade, as well as support the physical operation of the bulk power system. As such, the term OASIS II is specifically meant to refer to a set of standardized business functionality and associated supporting electronic communication interfaces implemented between cooperating entities (e.g., market participants, reliability entities, market operators, system operators, etc.), and is not meant to correspond to any one or group of specific systems that implement that interface. The primary scope of OASIS II is to define the functionality of these systems and the communications standards to exchange data among these systems and the users of these systems.

In order to ensure that all stakeholders that may be impacted by OASIS II are properly considered, the OASIS II design process will incorporate formal communications plans and relationships as necessary with other industry groups representing their stakeholder interests. This includes, but is not necessarily limited to, the ISO/RTO Council and various impacted committees and subcommittees within NERC and NAESB.

The focus of OASIS II will actually be on the exchange of data, rather than the usage of data. This will ensure that the solutions the Task Force proposes are applicable to various forms of market design. While there will undoubtedly be some business logic associated with the OASIS II Processes themselves, the intent is to avoid mandating specific processes whenever possible.

Scope of OASIS II Project

The scope of OASIS II can be considered to be any function where business entities exchange data related to the commerce surrounding the use of the bulk power system or operational data to ensure the reliable operation of the power grid. This includes:

1. The interaction between market participants and various power markets, including both existing 888-style Transmission and Ancillary Service markets as well as more centralized transmission and energy markets.
2. The submission of Market data to the Interchange Authority (IA) as described within the NERC functional model; in other words, the manner in which the IA receives “transactions.”
3. The exchange of Operational data as described within the NERC Reliability Functional Model; in other words, communications involving the Balancing Authority (BA), Reliability Authority (RA), Transmission Service Providers (TSP), Interchange Authority (IA) or other Functional Model entities. The scope of OASIS II would not include the development of any reliability policies or standards directly, but would include supporting the reliability goals established by NERC (or other reliability organizations).

4. The data exchanged between marketers when writing a transaction; in other words, the process through which marketers build "source to sink" transactions and request their implementation (i.e. "scheduling"). This means defining standards that could be used to exchange information between the parties involved in the transaction.
5. The process through which both market and operation entities exchange reliability information, such as outages, system topology, and other significant data.
6. The coordination of the implementation of Industry cyber-security standards with regard to securing these systems.
7. The provision of a mechanism through which the confidentiality of any data is preserved.
8. The exchange of settlements and billing data. This is not considered a high priority, but rather a strategic direction and goal for later development.

The standards should be flexible and comprehensive enough to accommodate regional diversity. OASIS II must be market-design neutral. The standards should be designed to support as many options as to the extent required by local conditions, and leave implementation to either voluntary actions or regulatory directive. In no case should OASIS II requirements drive market design or reliability standards (Option 1). OASIS II requirements should not drive market design or reliability standards (Option 2).

OASIS II will provide a single standardized communication process satisfying the market interface and associated reliability needs of the bulk power industry.

OASIS II
Vision
Version 1

July 13, 2004

North American Energy Standards Board
Electronic Scheduling Subcommittee
OASIS II Scoping Task Force

Revision History

DATE	VERSION	COMMENTS	EDITOR
05-13-2004	1.0	Initial document	Jagjit Singh

OASIS II Vision

In order to properly understand the breadth of OASIS II and how it may be approached, it is necessary to define the vision for OASIS II. The NAESB OASIS II Scoping Task Force has prepared the following document in order to facilitate this definition.

Relation to Overall OASIS II Project

This document, the OASIS II Vision, is intended to be one of two initial documents that are to be created by NAESB as development of OASIS II begins. Its companion, the OASIS II Scope, will describe the items that are considered within the scope of the OASIS II initiative.

Upon completion, these two documents will serve as the starting point and guideline for developing the following documents for the OASIS II Project:

- The OASIS II Use Cases, which will describe all in-scope business processes, business objects, and their associated logic.
- The OASIS II Requirements, which will support the Use Cases by detailing specific requirements and metrics
- The OASIS II Structural Design, which will describe the technical architecture and how functionality will be staged for deployment
- The OASIS II Implementation Plan, which will indicate the order and timeline of how the stages will be specified, developed, and deployed
- The OASIS II Standards and Communications Protocols, which will describe the data exchanges and communications between the various OASIS systems, physical entities, etc. and their associated business logic, and
- The OASIS II Business Practices Standards, which will indicate North-American standards to be considered when utilizing the OASIS II system(s).

The above documents represent the deliverables expected of the OASIS II design effort. Upon completion of this work, the Standards and Communications Protocols and Business Practices will be recommended for adoption as NAESB and/or NERC standards.

OASIS II Vision

OASIS II is envisioned to provide electronic communication standards to facilitate the procurement and scheduling of energy and related services among market participants and operating entities. OASIS II should provide a seamless method for procuring and scheduling of transmission, ancillary services, and energy, regardless of regional practices, market structure or type of operating entity. OASIS II will also facilitate standard communications between operating entities to assist in coordinating market operations (e.g., market redispatch, reassignments, line loading relief, etc.) and the exchange of operational reliability information. OASIS II will be implemented through the development of industry standards addressing both the technical Standards and Communications Protocols, procedural Business Practice Standards, and operational standards required to achieve this vision. OASIS II will encompass but may not be limited by the implementation of the NERC Reliability Functional Model, corresponding NERC Standards and corresponding NAESB Standards. Similarly, OASIS II will accommodate the posting of information as required by the FERC.

The OASIS II Vision recognizes that there is diversity in market designs and regional practices and that not all OASIS II features will apply to every market and/or region. However, except for differences that are specifically required to accommodate diversity in market designs and regional practices, each OASIS II provider should consistently follow the technical and procedural Standards approved for OASIS II. Approval and implementation of any other exceptions and waivers to OASIS II Standards will significantly dilute the effectiveness of OASIS II. The following are the key objectives of the vision for OASIS II:

- Facilitate Procurement of Energy and Ancillary Services
- Facilitate Procurement of both Physical and Financial Transmission Rights
- Facilitate Electronic Scheduling of Physical Transactions
- Accommodate Financial Only Contracts
- Accommodate Regional Diversity
- Support Reliable System Operations
- Accommodate Market Operations for Centralized Markets
- Accommodate Data Publishing to Industry
- Support Market Monitoring
- Provide Standards for Electronic Data Communication and User Interfaces
- Function Consistently and Reliably
- Implement in a Cost-Effective Manner

Detailed descriptions of each of these key objectives follow below.

Facilitate Procurement of Energy and Ancillary Services

OASIS II will provide standardized mechanisms for the procurement of energy and ancillary services in both unilateral market structures (*e.g.*, typical ISO/RTO two-settlement markets, etc.) and bilateral market structures (*e.g.*, power exchanges,

automated bilateral matching systems). In a unilateral market, this procurement will likely be achieved through the submittal of price-sensitive or price-taking energy offers and bids to the Market Operator. The energy products in a unilateral market may include both energy and ancillary services (e.g. operating reserves, regulation, etc…). In bilateral market structures, the required procurement of transmission and ancillary services, either separately or in coordination with scheduling energy, will be accommodated.

Facilitate Procurement of Both Physical and Financial Transmission Rights

OASIS II will accommodate the procurement of both financial and physical transmission rights and facilitate secondary markets for trading those rights (*e.g.*, resales, reassignments, etc.). There will also be a mechanism for tracking transmission rights obtained outside of OASIS II (e.g. pre-Order No. 888 transmission service, off-OASIS resales, etc.).

Facilitate Electronic Scheduling of Physical Transactions

[Option 1 – without SRP comments] OASIS II will facilitate the timely scheduling of energy transfers using transmission and energy rights. OASIS II will also facilitate tracking of both energy and transmission rights usage with regard to those schedules. The facilitation needed between the procurement of transmission, energy and ancillary services may vary between market structures. OASIS II shall communicate data between all parties within and between regions for these transactions, as required by the appropriate NERC reliability standards and NAESB business practice standards; thereby allowing for coordination of operations. All OASIS II systems will support real-time status updates regarding current schedules/transactions, as well as historical audit and analysis of past transactions.

[Option 2 – with SRP changes] OASIS II will facilitate the timely scheduling of physical energy transfers, and the tracking of both energy and transmission rights usage with regard to those transfers. Given the range of market structures and regional practices among potential users, OASIS II will provide flexibility for the scheduling and tracking of transmission, energy and ancillary service transactions to meet both NERC reliability standards and NAESB business practice standards. All OASIS II systems will support real-time status updates for current schedules/transactions, permit audits and analysis of historical transactions and comply with FERC requirements for information postings as well.

Accommodate Financial Only Contracts

OASIS II will accommodate the submittal of financial only contracts for energy or ancillary services and provide a means to electronically submit these contracts for market settlement processes.

Accommodate Regional Diversity

OASIS II will implement common business models when appropriate, but allow for both regional and market diversity and innovation. Variations in such items as time frames, congestion management schemes, ramping rules, ancillary services, and uses of resources will be accommodated. OASIS II will also support different market models for the trading of transmission and energy, but in such a way as to capitalize on the exchange of common data to reduce data redundancy.

Support Reliable System Operations

OASIS II will support submittal of outage and load forecast data by participants, support data exchange between market and reliability entities, as well as support the physical operation of the bulk power system. OASIS II will ensure data is collected to support timely reliability analysis and operational management of the electric grid. As such, the data needs of reliability entities as defined in the NERC Reliability Functional Model will be supported in OASIS II. Additionally, the standards should support the monitoring of the systems by reliability organizations for compliance with policies and/or standards.

Accommodate Market Operations for Centralized Markets

OASIS II will provide information to support a variety of market operations for centralized markets. While the actual market operation functions are not within the scope, OASIS II will provide automated data exchange in order to support these functions. Such functions may include market operator functions,analysis of offers and bids, performing security-constrained unit commitment, clearing markets, and calculating LMP or other pricing calculations.

Accommodate Data Publishing to Industry

OASIS II will provide automated access to a wide range of data that participants can use to analyzemarket and/or operational conditions. OASIS II will also include informal and/or formal bulletin boards to match buyers and suppliers, etc...

Support Market Monitoring

OASIS II will provide the capability for access to and viewing of data by market monitors. OASIS II is not intended to be the sole source of data for Market Monitors.

Provide Standards for Electronic Data Communication and User Interfaces

OASIS II communication protocols will use standardized electronic interfaces (*e.g.*, common nomenclatures, common data models, etc.). The standardized electronic interfaces will facilitate participant ability to conduct transactions through a single standard data exchange. OASIS II will also define default user interface standards describing common navigational paradigms for each user class (*e.g.*, marketer,

transmission provider, etc.). However, OASIS II will not specify detailed user interface standards (*i.e.*, graphics or other detailed GUI design elements).

Function Consistently and Reliably

Systems implementing the OASIS II protocols must be reliable and robust. OASIS II will require systems to meet performance and availability standards for the exchange of data and completion of all related processes, and to meet standards for backup and recoverability. Systems must also provide for secure communications to ensure both the integrity of data exchange and the protection of confidential information. Systems must be tested and certified as compliant with the OASIS II standards as a pre-condition to registration as an OASIS II system.

Implement in a Cost-Effective Manner

OASIS II will facilitate the implementation of systems in a cost effective manner. The OASIS II Standards and Communications Protocols will be developed in light of current industry trends and widely available software tools that will reduce the cost of implementation. The architecture will be both hardware and software platform independent. Selection of technologies that have already achieved a wide degree of standardization and adoption through other standards bodies (e.g., W3C, OASIS, ebXML etc.) should be evaluated for applicability to OASIS II. To promote a cost effective transition from existing system implementations (e.g., OASIS 1A, e-Tagging, etc…), the leveraging of concepts and components from these existing systems should be evaluated wherever practical.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

1. RECOMMENDED ACTION:

__X__Accept as requested
___Accept as modified below
___Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

__X__Change to Existing Practice
___Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:	**Per Recommendation:**
___Initiation	___Initiation
__X__Modification	__X__Modification
___Interpretation	___Interpretation
___Withdrawal	___Withdrawal
___Principle	___Principle
___Definition	___Definition
__X__Business Practice Standard	__X__Business Practice Standard
___Document	___Document
___Data Element	___Data Element
___Code Value	___Code Value
___X12 Implementation Guide	___X12 Implementation Guide
___Business Process Documentation	___Business Process Documentation

3. RECOMMENDATION

SUMMARY:

This recommendation makes modifications to the NAESB OASIS 1A Business Practices (ratified Spring 2004) as follows:

1. Addition of Standard 1

2. Standards 8-21, with exceptions for Standards 15-16, consolidated as subsections 1.1-1.8 of Standard 1

3. Standards 15 and 16 deleted as a standard but retained as introductory sections to Standard 1.

4.Standard 22 deleted as not applicable

5. Many external references were changed, where appropriate, to be internal references (e.g., references to “Section 37” changed to “Standard 1”)

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

6. Minor, non material reformatting

7. Some material changes to Standards 1.1-1.7 reflecting the most recent Federal regs – original requirements inadvertently contained older language (see commentary in Supporting Documentation section below).

RECOMMENDED STANDARDS:

Standard 1: Provision of Open Access Transmission Service. All transmission providers shall provide open access transmission service in accordance with the following requirements.

Applicability

Standard 1 applies to any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce and to transactions performed under the pro forma tariff required under currently applicable regulations.

Purpose

(a) The purpose of Standard 1 is to ensure that potential customers of open access transmission service receive access to information that will enable them to obtain transmission service on a non-discriminatory basis from any Transmission Provider. These rules provide standards of conduct and require the Transmission Provider (or its agent) to create and operate an Open Access Same-time Information System (OASIS) that gives all users of the open access transmission system access to the same information.

(b) The OASIS will provide information by electronic means about available transmission capability for point-to-point service and will provide a process for requesting transmission service. OASIS will enable Transmission Providers and Transmission Customers to communicate promptly requests and responses to buy and sell available transmission capacity offered under the Transmission Provider's tariff.

Standard 1.1: RESERVED

Standard 1.2: RESERVED

Standard 1.3: Definitions.

(a) Transmission Provider means any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce.

(b) Transmission Customer means any eligible customer (or its designated agent) that can or does execute a transmission service agreement or can or does receive transmission service.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

(c) Responsible party means the Transmission Provider or an agent to whom the Transmission Provider has delegated the responsibility of meeting any of the requirements of this part.

(d) Reseller means any Transmission Customer who offers to sell transmission capacity it has purchased.

(e) Wholesale merchant function means the sale for resale of electric energy in interstate commerce.

(f) Affiliate means:

(1) For any exempt wholesale generator, as defined under section 32(a) of the Public Utility Holding Company Act of 1935, as amended, the same as provided in section 214 of the Federal Power Act; and

(2) For any other entity, the term affiliate has the same meaning as given in 18 CFR 161.2(a).

(g) Commission shall mean the Federal Energy Regulatory Commission.

Standard 1.4: Standards of conduct.

A Transmission Provider must conduct its business to conform with the following standards:

(a) General rules.

(1) Except as provided in paragraph (a)(2) of this standard, the employees of the Transmission Provider engaged in transmission system operations must function independently of its employees, or the employees of any of its affiliates, who engage in Wholesale Merchant Functions.

(2) Notwithstanding any other provisions in this section, in emergency circumstances affecting system reliability, Transmission Providers may take whatever steps are necessary to keep the system in operation. Transmission Providers must report to the Commission and on the OASIS each emergency that resulted in any deviation from the standards of conduct, within 24 hours of such deviation.

(b) Rules governing employee conduct.

(1) Prohibitions. Any employee of the Transmission Provider, or any employee of an affiliate, engaged in wholesale merchant functions is prohibited from:

(i) Conducting transmission system operations or reliability functions; and

(ii) Having access to the system control center or similar facilities used for transmission operations or reliability functions that differs in any way from the access available to other open access Transmission Customers.

(2) Transfers. Employees engaged in either wholesale merchant functions or transmission system operations or reliability functions are not precluded from transferring between such functions as long as such transfer is not used as a means to circumvent the standards of conduct of this section. Notices of any employee transfer to or from transmission system operations or reliability functions must be posted on the OASIS as provided in Standard 1.6(g)(3).
The information to be posted must include: the name of the transferring employee, the respective titles held while performing each function (i.e., on behalf of the Transmission Provider and wholesale merchant or affiliate), and the effective date of the transfer. The information posted under this section must remain on the OASIS for 90 days.

(3) Information access. Any employee of the Transmission Provider, or of any of its affiliates, engaged in wholesale merchant functions:

(i) Shall have access to only that information available to the Transmission Provider's open access transmission customers (i.e., the information posted on an OASIS), and must not have preferential access to any information about the Transmission Provider's transmission system that is not available to all users of an OASIS; and

(ii) Is prohibited from obtaining information about the Transmission Provider's transmission system (including information about available transmission capability, price, curtailments, ancillary services, and the like) through access to information not posted on the OASIS that is not otherwise also available to the general public without restriction, or through information through the OASIS that is not also publicly available to all OASIS users.

(4) Disclosure. A Transmission Provider is responsible for ensuring compliance with the following provisions:

(i) Any employee of the Transmission Provider, or any employee of an affiliate, engaged in transmission system operations or reliability functions may not disclose to employees of the Transmission Provider, or any of its affiliates, engaged in wholesale merchant functions any information concerning the transmission system of the Transmission Provider or the transmission system of another (including information received from non-affiliates or information about available transmission capability, price, curtailments, ancillary services, etc.) through non-public communications conducted off the OASIS, through access to information not posted on the OASIS that is not at the same time available to the general public without restriction, or through

information on the OASIS that is not at the same time publicly available to all OASIS users (such as E-mail).

(ii) If an employee of the Transmission Provider engaged in transmission system operations or reliability functions discloses information not posted on the OASIS in a manner contrary to the requirements of the standards of conduct, the Transmission Provider must immediately post such information on the OASIS.

(iii) A Transmission Provider may not share any market information, acquired from nonaffiliated Transmission Customers or potential nonaffiliated Transmission Customers, or developed in the course of responding to requests for transmission or ancillary service on the OASIS, with its own employees (or those of an affiliate) engaged in merchant functions, except to the limited extent information is required to be posted on the OASIS in response to a request for transmission service or ancillary services.

(5) Implementing tariffs.

(i) Employees of the Transmission Provider engaged in transmission system operations or reliability functions must strictly enforce all tariff provisions relating to the sale or purchase of open access transmission service, if these provisions do not provide for the use of discretion.

(ii) Employees of the Transmission Provider engaged in transmission system operations must apply all tariff provisions relating to the sale or purchase of open access transmission service in a fair and impartial manner that treats all customers (including the public utility and any affiliate) in a non-discriminatory manner, if these provisions involve discretion.

(iii) The Transmission Provider must keep a log, available for Commission audit, detailing the circumstances and manner in which it exercised its discretion under any terms of the tariff. The information contained in this log is to be posted on the OASIS as provided in Standard 1.6(g)(4).

(iv) The Transmission Provider may not, through its tariffs or otherwise, give preference to sales for resale by the wholesale merchant function or by any affiliate, over the interests of any other wholesale customer in matters relating to the sale or purchase of transmission service (including issues of price, curtailments, scheduling, priority, ancillary services, etc.).

(6) Books and records. A Transmission Provider must maintain its books of account and records as prescribed under currently applicable regulations separately from those of its affiliates and these must be available for Commission inspection.

(c) Maintenance of written procedures. The Transmission Provider must maintain in a public place, and file with the Commission, current written procedures implementing the standards of conduct in such detail as will enable customers and the Commission to determine that the Transmission Provider is in compliance with the requirements of this section.

Standard 1.5: Obligations of Transmission Providers and Responsible Parties.

(a) Each Transmission Provider is required to provide for the operation of an OASIS, either individually or jointly with other Transmission Providers, in accordance with the requirements of these Standards. The Transmission Provider may delegate this responsibility to a Responsible Party such as another Transmission Provider, an Independent System Operator, a Regional Transmission Group, or a Regional Reliability Council.

(b) A Responsible Party must:

(1) Provide access to an OASIS providing standardized information relevant to the availability of transmission capacity, prices, and other information (as described in these Standards) pertaining to the transmission system for which it is responsible;

(2) Operate the OASIS in compliance with the standardized procedures and protocols found in the NAESB Standards and Communication Protocols for Open Access Same Time Information Systems; and

(3) Operate the OASIS in compliance with the Business Practice Standards for Open Access Same-time Information System (OASIS) Transactions set forth herein.

(c) A Responsible Party may not deny or restrict access to an OASIS user merely because that user makes automated computer-to-computer file transfers or queries, or extensive requests for data.

(d) In the event that an OASIS user's grossly inefficient method of accessing an OASIS node or obtaining information from the node seriously degrades the performance of the node, a Responsible Party may limit a user's access to the OASIS node without prior Commission approval. The Responsible Party must immediately contact the OASIS user to resolve the problem. Notification of the restriction must be made to the Commission within two business days of the incident and include a description of the problem. A closure report describing how the problem was resolved must be filed with the Commission within one week of the incident.

(e) In the event that an OASIS user makes an error in a query, the Responsible Party can block the affected query and notify the user of the nature of the error. The OASIS user must correct the error before making any additional queries. If there is a dispute

over whether an error has occurred, the procedures in paragraph (d) of this section apply.

(f) Transmission Providers must provide ``read only'' access to the OASIS to Commission staff and the staffs of State regulatory authorities, at no cost, after such staff members have complied with the requisite registration procedures.

Standard 1.6: Information to be posted on the OASIS.

(a) The information posted on the OASIS must be in such detail and the OASIS must have such capabilities as to allow Transmission Customers to:

(1) Make requests for transmission services offered by Transmission Providers, Resellers and other providers of ancillary services;

(2) View and download in standard formats, using standard protocols, information regarding the transmission system necessary to enable prudent business decision making;

(3) Post, view, upload and download information regarding available products and desired services;

(4) Clearly identify the degree to which transmission service requests or schedules were denied or interrupted;

(5) Obtain access, in electronic format, to information to support available transmission capability calculations and historical transmission service requests and schedules for various audit purposes; and

(6) Make file transfers and automated computer-to-computer file transfers and queries as defined by the Standards and Communications Protocols Document.

(b) Posting transmission capability. The transmission capability that is expected to be available on the Transmission Provider's system (ATC) and the total transmission capability (TTC) of that system shall be calculated and posted for each Posted Path as set out in this section.

(1) Definitions. For purposes of this section the terms listed below have the following meanings:

(i) Posted path means any control area to control area interconnection; any path for which service is denied, curtailed or interrupted for more than 24 hours in the past 12 months; and any path for which a customer requests to have ATC or TTC posted. For this last category, the posting must continue for 180 days and thereafter until 180 days have elapsed from the most recent request for service over the requested path.

For purposes of this definition, an hour includes any part of an hour during which service was denied, curtailed or interrupted.

(ii) Constrained posted path means any posted path having an ATC less than or equal to 25 percent of TTC at any time during the preceding 168 hours or for which ATC has been calculated to be less than or equal to 25 percent of TTC for any period during the current hour or the next 168 hours.

(iii) Unconstrained posted path means any posted path not determined to be a constrained posted path.

(iv) The word interconnection, as used in the definition of ``posted path'', means all facilities connecting two adjacent systems or control areas.

(2) Calculation methods, availability of information, and requests.

(i) Information used to calculate any posting of ATC and TTC must be dated and time-stamped and all calculations shall be performed according to consistently applied methodologies referenced in the Transmission Provider's transmission tariff and shall be based on current industry practices, standards and criteria.

(ii) On request, the Responsible Party must make all data used to calculate ATC and TTC for any constrained posted paths publicly available (including the limiting element(s) and the cause of the limit (e.g., thermal, voltage, stability)) in electronic form within one week of the posting. The information is required to be provided only in the electronic format in which it was created, along with any necessary decoding instructions, at a cost limited to the cost of reproducing the material. This information is to be retained for six months after the applicable posting period.

(iii) System planning studies or specific network impact studies performed for customers to determine network impacts are to be made publicly available in electronic form on request and a list of such studies shall be posted on the OASIS. A study is required to be provided only in the electronic format in which it was created, along with any necessary decoding instructions, at a cost limited to the cost of reproducing the material. These studies are to be retained for two years.

(3) Posting. The ATC and TTC for all Posted Paths must be posted in megawatts by specific direction and in the manner prescribed in this subsection.

(i) Constrained posted paths—

(A) For Firm ATC and TTC.

(1) The posting shall show ATC and TTC for a 30-day period. For this period postings shall be: by the hour, for the current hour and the 168 hours next following; and thereafter, by the day. If the Transmission Provider charges separately for on-peak and off-peak periods in its tariff, ATC and TTC will be posted daily for each period.

(2) Postings shall also be made by the month, showing for the current month and the 12 months next following.

(3) If planning and specific requested transmission studies have been done, seasonal capability shall be posted for the year following the current year and for each year following to the end of the planning horizon but not to exceed 10 years.

(B) For Non-Firm ATC and TTC. The posting shall show ATC and TTC for a 30-day period by the hour and days prescribed under paragraph (b)(3)(i)(A)(1) of this standard and, if so requested, by the month and year as prescribed under paragraph (b)(3)(i)(A) (2) and (3) of this standard.

(C) Updating Posted Information for Constrained Paths.

(1) The capability posted under paragraphs (b)(3)(i) (A) and (B) of this standard must be updated when transactions are reserved or service ends or whenever the TTC estimate for the Path changes by more than 10 percent.

(2) All updating of hourly information shall be made on the hour.

(ii) Unconstrained posted paths.

(A) Postings of firm and nonfirm ATC and TTC shall be posted separately by the day, showing for the current day and the next six days following and thereafter, by the month for the 12 months next following. If the Transmission Provider charges separately for on-peak and off-peak periods in its tariff, ATC and TTC will be posted separately for the current day and the next six days following for each period. These postings are to be updated whenever the ATC changes by more than 20 percent of the Path's TTC.

(B) If planning and specific requested transmission studies have been done, seasonal capability shall be posted for the year following the current year and for each year following until the end of the planning horizon but not to exceed 10 years.

(c) Posting Transmission Service Products and Prices.

(1) Transmission Providers must post prices and a summary of the terms and conditions associated with all transmission products offered to Transmission Customers.

(2) Transmission Providers must provide a downloadable file of their complete tariffs in the same electronic format as the tariff that is filed with the Commission.

(3) Any offer of a discount for any transmission service made by the Transmission Provider must be announced to all potential customers solely by posting on the OASIS.

(4) For any transaction for transmission service agreed to by the Transmission Provider and a customer, the Transmission Provider (at the time when ATC must be adjusted in response to the transaction), must post on the OASIS (and make available for download) information describing the transaction (including: price; quantity; points of receipt and delivery; length and type of service; identification of whether the transaction involves the Transmission Provider's wholesale merchant function or any affiliate; identification of what, if any, ancillary service transactions are associated with this transmission service transaction; and any other relevant terms and conditions) and shall keep such information posted on the OASIS for at least 30 days. A record of the transaction must be retained and kept available as part of the audit log required in Standard 1.7.

(5) Customers choosing to use the OASIS to offer for resale transmission capacity they have purchased must post relevant information to the same OASIS as used by the one from whom the Reseller purchased the transmission capacity. This information must be posted on the same display page, using the same tables, as similar capability being sold by the Transmission Provider, and the information must be contained in the same downloadable files as the Transmission Provider's own available capability. A customer reselling transmission capacity without the use of an OASIS must, nevertheless, inform the original Transmission Provider of the transaction within any time limits prescribed by the Transmission Provider's tariff or in a contract or service agreement between the Transmission Provider and a customer.

(d) Posting Ancillary Service Offerings and Prices.

(1) Any ancillary service required to be provided or offered under the pro forma tariff required under currently applicable regulations must be posted with the price of that service.

(2) Any offer of a discount for any ancillary service made by the Transmission Provider must be announced to all potential customers solely by posting on the OASIS.

(3) For any transaction for ancillary service agreed to by the Transmission Provider and a customer, the Transmission Provider (at the time when ATC must be adjusted in response to an associated transmission service transaction, if any), must post on the OASIS (and make available for download) information describing the transaction (including: date and time when the agreement was entered into; price; quantity; length and type of service; identification of whether the transaction involves the Transmission Provider's wholesale merchant function or any affiliate; identification of what, if any, transmission service transactions are associated with this ancillary service transaction; and any other relevant terms and conditions) and shall keep such information posted on the OASIS for at least 30 days. A record of the transaction must be retained and kept available as part of the audit log required in Standard 1.7.

(4) Any other interconnected operations service offered by the Transmission Provider may be posted, with the price for that service.

(5) Any entity offering an ancillary service shall have the right to post the offering of that service on the OASIS if the service is one required to be offered by the Transmission Provider under their pro forma tariff. Any entity may also post any other interconnected operations service voluntarily offered by the Transmission Provider. Postings by customers and third parties must be on the same page, and in the same format, as postings of the Transmission Provider.

(e) Posting specific transmission and ancillary service requests and responses—

(1) General rules.

(i) All requests for transmission and ancillary service offered by Transmission Providers under the pro forma tariff, including requests for discounts, must be made on the OASIS, and posted prior to the Transmission Provider responding to the request, except as discussed in paragraphs (e)(1) (ii) and (iii). The Transmission Provider must post all requests for transmission service and for ancillary service comparably. Requests for transmission and ancillary service, and the responses to such requests, must be conducted in accordance with the Transmission Provider's tariff, and all currently applicable laws and regulations.

(ii) The requirement in paragraph (e)(1)(i) of this standard, to post requests for transmission and ancillary service offered by Transmission Providers under the pro forma tariff, including requests for discounts, prior to the Transmission Provider responding to the request, does not apply to requests for next-hour service made during Phase I.

(iii) In the event that a discount is being requested for ancillary services that are not in support of basic transmission service provided by the Transmission Provider, such request need not be posted on the OASIS.

(iv) In processing a request for transmission or ancillary service, the Responsible Party shall post the same information as required in Standard 1.6(c)(4), Standard 1.6(d)(3), and the following information: the date and time when the request is made, its place in any queue, the status of that request, and the result (accepted, denied, withdrawn).

(2) Posting when a request for transmission service is denied.

(i) When a request for service is denied, the Responsible Party must provide the reason for that denial as part of any response to the request.

(ii) Information to support the reason for the denial, including the operating status of relevant facilities, must be maintained for 60 days and provided, upon request, to the potential Transmission Customer.

(iii) Any offer to adjust operation of the Transmission Provider's System to accommodate the denied request must be posted and made available to all Transmission Customers at the same time.

(3) Posting when a transaction is curtailed or interrupted.

(i) When any transaction is curtailed or interrupted, the Transmission Provider must post notice of the curtailment or interruption on the OASIS, and the Transmission Provider must state on the OASIS the reason why the transaction could not be continued or completed.

(ii) Information to support any such curtailment or interruption, including the operating status of the facilities involved in the constraint or interruption, must be maintained and made available upon request, to the curtailed or interrupted customer, the Commission's Staff, and any other person who requests it, for three years.

(iii) Any offer to adjust the operation of the Transmission Provider's system to restore a curtailed or interrupted transaction must be posted and made available to all curtailed and interrupted Transmission Customers at the same time.

(f) Posting Transmission Service Schedules Information. Information on transmission service schedules must be recorded by the entity scheduling the transmission service and must be available on the OASIS for download. Transmission service schedules must be posted no later than seven calendar days from the start of the transmission service.

(g) Posting Other Transmission-Related Communications.

(1) The posting of other communications related to transmission services must be provided for by the Responsible Party. These communications may include ``want ads'' and ``other communications'' (such as using the OASIS as a

Transmission-related conference space or to provide transmission-related messaging services between OASIS users). Such postings carry no obligation to respond on the part of any market participant.

(2) The Responsible Party is responsible for posting other transmission-related communications in conformance with the instructions provided by the third party on whose behalf the communication is posted. It is the responsibility of the third party requesting such a posting to ensure the accuracy of the information to be posted.

(3) Notices of transfers of personnel shall be posted as described in Standard 1.4(b)(2). The posting requirements are the same as those provided in Standard 1.7 for audit data postings.

(4) Logs detailing the circumstances and manner in which a Transmission Provider or Responsible Party exercised its discretion under any terms of the tariff shall be posted as described in Standard 1.4(b)(5)(iii). The posting requirements are the same as those provided in Standard 1.7 for audit data postings.

Standard 1.7: Auditing Transmission Service Information.

(a) All OASIS database transactions, except other transmission-related communications provided for under Standard 1.6(g)(2), must be stored, dated, and time stamped.

(b) Audit data must remain available for download on the OASIS for 90 days, except ATC/TTC postings that must remain available for download on the OASIS or 20 days. The audit data are to be retained and made available upon request for download for three years from the date when they are first posted in the same electronic form as used when they originally were posted on the OASIS.

Standard 1.8: Obligations of OASIS users.

Each OASIS user must notify the Responsible Party one month in advance of initiating a significant amount of automated queries. The OASIS user must also notify the Responsible Party one month in advance of expected significant increases in the volume of automated queries.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 2.0 Standard Terminology for Transmission and Ancillary Services

Attribute Values Defining the Period of Service

The data templates of the most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems have been developed with the use of standard service attributes in mind. What the most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems does not offer are specific definitions for each attribute value. This section offers standards for these services attribute definitions to be used in conjunction with the Phase IA data templates.

Fixed services are associated with transmission services whose periods align with calendar periods such as a day, week, or month. Sliding services are fixed in duration, such as a week or month, but the start and stop time may slide. For example a Sliding week could start on Tuesday and end on the following Monday. Extended allows for services in which the start time may slide and also the duration may be longer than a standard length. For example an Extended week of service could be nine consecutive days. Various transmission service offerings using these terms are defined in Standards 2.1.1 through 2.1.14 below. Next_Increment indicates the next available full Service_Increment, such as the next hour, next day, or next week. Next_Increment is added at this time to address Next Hour Market Service, but may be used in the future to denote other products.

Table 2-1 identifies the standard terminology in OASIS Phase IA for the attributes SERVICE_INCREMENT (Hourly, Daily, Weekly, Monthly, and Yearly) and TS_WINDOW (Fixed, Sliding, Extended, and Next_Increment). Values shown in Table 2-1 as N/A (Not Applicable) are not sufficiently common in the market to require standards.

Next Hour Market Service, a new pro forma service, is denoted as having a Service Increment of Hourly and a TS_WINDOW of Next_Increment.

Table 2-1
Standard Service Period Attribute Values in Phase IA

	Fixed	**Sliding**	**Extended [1]**	**Next_Increment**
Hourly	X	N/A	N/A	X[2]
Daily	X	X	X	N/A
Weekly	X	X	X	N/A
Monthly	X	X	X	N/A
Yearly	X	X	X	N/A

[1]Included in the most current version of the Data Dictionary for the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems

[2]Next Hour Market Service is identified by Service Increment = Hourly and TS_WINDOW = Next_Increment

The existence of an attribute value in this table does not imply the services must be offered by a Transmission Provider. Requirements as to which services must be offered are defined by

regulation and tariffs. Likewise, absence of a service period value in Table 2-1 does not restrict a Transmission Provider from offering a service. The intent of the table is to establish common terminology associated with standard products.

Each service period value assumes a single time zone specified by the Transmission Provider. It is recognized that daylight time switches must be accommodated in practice, but they have been omitted here for the purpose of simplicity.

Standard 2.1: A Transmission Provider shall use the values and definitions below for the service period attributes, SERVICE_INCREMENT AND TS_WINDOW for all transmission services offered on OASIS, or shall post alternative service period values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use existing attribute values and definitions posted by other Transmission Providers. (See Standard 3 for registration requirements.)

Standard 2.1.1: FIXED HOURLY - The service starts at the beginning of a clock hour and stops at the end of a clock hour.

Standard 2.1.2: FIXED DAILY - The service starts at 00:00 and stops at 24:00 of the same calendar date (same as 00:00 of the next consecutive calendar date).

Standard 2.1.3: FIXED WEEKLY - The service starts at 00:00 on Monday and stops at 24:00 of the following Sunday (same as 00:00 of the following Monday).

Standard 2.1.4: FIXED MONTHLY - The service starts at 00:00 on the first date of a calendar month and stops at 24:00 on the last date of the same calendar month (same as 00:00 of the first date of the next consecutive month).

Standard 2.1.5: FIXED YEARLY - The service starts at 00:00 on the first date of a calendar year and ends at 24:00 on the last date of the same calendar year (same as 00:00 of the first date of the next consecutive year).

Standard 2.1.6: SLIDING DAILY - The service starts at the beginning of any hour of the day and stops exactly 24 hours later at the same time on the next day.

Standard 2.1.7: SLIDING WEEKLY - The service starts at 00:00 of any date and stops exactly 168 hours later at 00:00 on the same day of the next week.

Standard 2.1.8: SLIDING MONTHLY - The service starts at 00:00 of any date and stops at 00:00 on the same date of the next month (28-31 days later). If there is no corresponding date in the following month, the service stops at 24:00 on the last day of the next month.

For example: SLIDING MONTHLY starting at 00:00 on January 30 would stop at 24:00 on February 28 (same as 00:00 March 1).

Standard 2.1.9: SLIDING YEARLY - The service starts at 00:00 of any date and stops at 00:00 on the same date of the following year. If there is no corresponding date in the

following year, the service stops at 24:00 on the last day of the same month in the following year.

For example SLIDING YEARLY service starting on February 29 would stop on February 28 of the following year.

Standard 2.1.10: EXTENDED DAILY - The service starts at any hour of a day and stops more than 24 hours later and less than 168 hours later.

Standard 2.1.11: EXTENDED WEEKLY - The service starts at 00:00 of any date and stops at 00:00 more than one week later, but less than four weeks later.

Standard 2.1.12: EXTENDED MONTHLY - The service starts at 00:00 of any date and stops at 00:00 more than one month later, but less than twelve months later.

Standard 2.1.13: EXTENDED YEARLY - The service starts at 00:00 of any date and stops at 00:00 more than one year later, but must be requested in increments of full years.

Standard 2.1.14: NEXT_INCREMENT HOURLY – The service starts at the beginning of the next clock hour and stops at the end of that clock hour.

Attribute Values Defining Service Class

Standard 2.2: A Transmission Provider shall use the values and definitions below to describe the service class, TS_CLASS, for transmission services offered on OASIS, or shall post alternative TS_CLASS attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use the attribute values and definitions posted by other Transmission Providers. (See Standard 3 for registration requirements.)

Standard 2.2.1: FIRM - Transmission service that always has priority over NONFIRM transmission service and includes Native Load Customers, Network Customers, and any transmission service not classified as non-firm in accordance with the definitions in the pro forma tariff.

Standard 2.2.2: NON-FIRM - Transmission service that is reserved and/or scheduled on an as-available basis and is subject to curtailment or interruption at a lesser priority compared to FIRM transmission service, including Native Load Customers and Network Customers, in accordance with the definitions in the pro forma tariff.

Attribute Values Defining Service Types

Standard 2.3: A Transmission Provider shall use the values and definitions below to describe the service type, TS_TYPE, for transmission services offered on OASIS, or shall post alternative attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use the attribute values and definitions posted by other Transmission Providers. (See Standard 3 for registration requirements.)

Standard 2.3.1: POINT-TO-POINT (PTP) - Transmission service that is reserved and/or scheduled between specified POINTS OF RECEIPT and DELIVERY pursuant to Part II of the pro forma tariff and in accordance with the definitions in the pro forma tariff.

Standard 2.3.2: NETWORK - Network Integration Transmission Service that is provided to serve a Network Customer load pursuant to Part III of the pro forma tariff and in accordance with the definitions in the pro forma tariff.

Curtailment Priorities

Standard 2.4: A Transmission Provider that has adopted NERC TLR Procedures shall use the curtailment priority definitions contained in those procedures for all transmission services offered on OASIS. A Transmission Provider that has adopted alternative curtailment procedures shall post its alternative attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use attribute values and definitions posted by another Transmission Provider. (See Standard 3 for registration requirements.)

Other Service Attribute Values
The Commission has defined six ancillary services in Order No. 888. Other services may be offered pursuant to filed tariffs.

Standard 2.5: A Transmission Provider shall use the definitions below to describe the AS_TYPEs offered on OASIS, or shall post alternative attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use attribute values and definitions posted by another Transmission Provider. (See Standard 3 for registration requirements.)

FERC Ancillary Services Definitions

Standard 2.5.1: SCHEDULING, SYSTEM CONTROL AND DISPATCH SERVICE (SC) -
is necessary to the provision of basic transmission service within every control area. This service can be provided only by the operator of the control area in which the transmission facilities used are located. This is because the service is to schedule the movement of power through, out of, within, or into the control area. This service also includes the dispatch of generating resources to maintain generation/load balance and maintain security during the transaction and in accordance with Standard 3.1 (and Schedule 1) of the pro forma tariff.

Standard 2.5.2: REACTIVE SUPPLY AND VOLTAGE CONTROL FROM GENERATION SOURCES SERVICE (RV) - is the provision of reactive power and voltage control by generating facilities under the control of the control area operator. This service is necessary to the provision of basic transmission service within every control area and in accordance with Standard 3.2 (and Schedule 2) of the pro forma tariff.

Standard 2.5.3: REGULATION AND FREQUENCY RESPONSE SERVICE (RF) - is provided for transmission within or into the transmission provider's control area to serve load in the

area. Customers may be able to satisfy the regulation service obligation by providing generation with automatic generation control capabilities to the control area in which the load resides and in accordance with Standard 3.3 (and Schedule 3) of the pro forma tariff.

Standard 2.5.4: ENERGY IMBALANCE SERVICE (I) - is the service for transmission within and into the transmission provider's control area to serve load in the area. Energy imbalance represents the deviation between the scheduled and actual delivery of energy to a load in the local control area over a single hour and in accordance with Standard 3.4 (and Schedule 4) of the pro forma tariff.

Standard 2.5.5: OPERATING RESERVE - SPINNING RESERVE SERVICE (SP) - is provided by generating units that are on-line and loaded at less than maximum output. They are available to serve load immediately in an unexpected contingency, such as an unplanned outage of a generating unit and in accordance with Standard 3.5 (and Schedule 5) of the pro forma tariff.

Standard 2.5.6: OPERATING RESERVE - SUPPLEMENTAL RESERVE SERVICE (SU) - is generating capacity that can be used to respond to contingency situations. Supplemental reserve is not available instantaneously, but rather within a short period (usually ten minutes). It is provided by generating units that are on-line but unloaded, by quick-start generation, and by customer interrupted load and in accordance with Standard 3.6 (and Schedule 6) of the pro forma tariff.

Other Service Definitions
Other services may be offered to Transmission Customers through Commission-approved revisions to their individual open access tariffs. Examples of other services that may be offered include the Interconnected Operations Services described below in Standards 2.5.7, 2.5.8, and 2.5.9. Ancillary service definitions may be offered pursuant to an individual transmission provider's specific tariff filings.

Standard 2.5.7: DYNAMIC TRANSFER (DT) - is the provision of the real-time monitoring, telemetering, computer software, hardware, communications, engineering, and administration required to electronically move all or a portion of the real energy services associated with a generator or load out of its Host Control Area into a different Electronic Control Area.

Standard 2.5.8: REAL POWER TRANSMISSION LOSSES (TL) - is the provision of capacity and energy to replace energy losses associated with transmission service on the Transmission Provider's system.

Standard 2.5.9: SYSTEM BLACK START CAPABILITY (BS) - is the provision of generating equipment that, following a system blackout, is able to start without an outside electrical supply. Furthermore, BLACK START CAPABILITY is capable of being synchronized to the transmission system such that it can provide a startup supply source for other system capacity that can then be likewise synchronized to the transmission system to supply load as part of a process of re-energizing the transmission system.

Standard 2.6: A Transmission Provider shall use the definitions below to describe the scheduling period leading up to the start time of a transaction:

Standard 2.6.1: SAME-DAY is after 2 p.m. of the preceding day and

Standard 2.6.2: NEXT-HOUR is one hour or less prior to the service start time.

Standard 3.0 OASIS Registration Procedures

Entity Registration
Operation of OASIS requires unambiguous identification of parties.

Standard 3.1: All entities or persons using OASIS shall register the identity of their organization (including DUNS number) or person at the OASIS Home Page at http://www.tsin.com. Registration identification shall include the parent entity (if any) of the registrant. Registration shall be a prerequisite to OASIS usage and renewed annually and whenever changes in identification occur and thereafter. An entity or person not complying with this requirement may be denied access by a transmission provider to that transmission provider's OASIS node.

The registration requirement applies to any entity logging onto OASIS for the purpose of using or updating information, including Transmission Providers, Transmission Customers, Observers, Control Areas, Security Coordinators, and Independent System Operators.

Process to Register Non-Standard Service Attribute Values
Standard 2 of the NAESB OASIS Business Practice Standards addresses the use of standard terminology in defining services on OASIS. These standard definitions for service attribute values will be posted publicly on the OASIS Home Page at http://www.tsin.com and may be used by all Transmission Providers to offer transmission and ancillary services on OASIS. If the Transmission Provider determines that the standard definitions are not applicable, the Transmission Provider may register new attribute values and definitions on the OASIS Home Page. Any Transmission Provider may use the attribute values and definitions posted by another Transmission Provider.

Standard 3.2: Providers of transmission and ancillary services shall use only attribute values and definitions that have been registered on the OASIS Home Page at http://www.tsin.com for all transmission and ancillary services offered on their OASIS.

Standard 3.3: Providers of transmission and ancillary services shall endeavor to use on their OASIS nodes attribute values and definitions that have been posted by other Transmission Providers on the OASIS Home Page at http://www.tsin.com whenever possible.

Registration of Points of Receipt and Delivery
In order to improve coordination of path naming and to enhance the identification of commercially available connection points between Transmission Providers and regions, the business practice for Phase IA OASIS requires that:

I. Transmission Providers register at the OASIS Home Page at http://www.tsin.com, all service points (Points of Receipt and Delivery) for which transmission service is available over the OASIS.

II. Each Transmission Provider would then indicate on its OASIS node, for each Path posted on its OASIS node, the Points of Receipt and Delivery to which each Path is connected.

A Transmission Provider is not required to register specific generating stations as Points of Receipt, unless they were available as service points for the purposes of reserving transmission service on OASIS. The requirement also does not include registration of regional flowgates, unless they are service points for the purposes of reserving transmission on OASIS.

Standard 3.4: A Transmission Provider shall register and thereafter maintain on the OASIS Home Page at http://www.tsin.com all Points of Receipt and Delivery to and from which a Transmission Customer may reserve and schedule transmission service.

Standard 3.5: For each reservable Path posted on their OASIS nodes, Transmission Providers shall indicate the available Point(s) of Receipt and Delivery for that Path. These Points of Receipt and Delivery shall be from the list registered on the OASIS Home Page at http://www.tsin.com.

Standard 3.6: When two or more Transmission Providers share common Points of Receipt or Delivery, or when a Path connects Points of Receipt and Delivery in neighboring systems, the Transmission Providers owning and/or operating those facilities shall apply consistent names for those connecting paths or common paths on the OASIS.

Standard 4.0 On-line Negotiation and Confirmation Process

Standard 4.1: Consistent with FERC policy and regulations, all reservations and price negotiations shall be conducted on OASIS.

Phase IA Negotiation Process State Transition Diagram
The most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems provides a process state diagram to define the Customer and Transmission Provider interactions for negotiating transmission service. This diagram defines allowable steps in the reservation request, negotiation, approval and confirmation.

Standard 4.2 RESERVED

Standard 4.3 RESERVED

Standard 4.4: The state diagram appearing in Exhibit 4-1 in Section 4.2.10.2 of the most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems constitutes a recommended business practice in OASIS Phase IA.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 4.5: The definitions in Section 4.2.10.2 of the most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems (status values) shall be applied to the process states in OASIS Phase IA.

Negotiations Without Competing Bids
The following practices are defined in order to enhance consistency of the reservation process across OASIS Phase IA nodes.

Standard 4.6: A Transmission Provider/Seller shall respond to a Customer's service request, consistent with filed tariffs, within the Provider Response Time Limit defined in **Table 4-2 Reservation Timing Requirements.** The time limit is measured from the time the request is QUEUED. A Transmission Provider may respond by setting the state of the reservation request to one of the following:

I. INVALID
II. DECLINED
III. REFUSED
IV. COUNTEROFFER
V. ACCEPTED
VI. STUDY (when the tariff allows), leading to REFUSED, COUNTEROFFER, or ACCEPTED.

Standard 4.7: Prior to setting a request to ACCEPTED, COUNTEROFFER, or REFUSED a Transmission Provider shall evaluate the appropriate resources and ascertain that the requested transfer capability is (or is not) available.

Standard 4.8: For any request that is REFUSED or INVALID, the Transmission Provider must indicate in the SELLER_COMMENTS field the reason the request was refused or invalid.

Standard 4.9: The Customer may change a request from QUEUED, RECEIVED, STUDY, COUNTEROFFER, REBID, or ACCEPTED to WITHDRAWN at any time prior to CONFIRMED.

Standard 4.10: From ACCEPTED or COUNTEROFFER, a Customer may change the status to CONFIRMED or WITHDRAWN. In addition, a Customer may change the status from COUNTEROFFER to REBID. The Customer has the amount of time designated as Customer Confirmation Time Limit in **Table 4-2 Reservation Timing Requirements** to change the state of the request to CONFIRMED. The Customer time limit is measured from the first time the request is moved to ACCEPTED or COUNTEROFFER, and is not reset with subsequent iterations of negotiation.

Standard 4.11: After expiration of the Customer Confirmation Time Limit, specified in **Table 4-2 Reservation Timing Requirements,** the Transmission Provider has a right to move the request to the RETRACTED state.

Standard 4.12: Should the Customer elect to respond to a Transmission Provider's COUNTEROFFER by moving a reservation request to REBID, the Transmission Provider shall respond by taking the request to a DECLINED, ACCEPTED, or COUNTEROFFER state within

the Provider Counter Time Limit, specified in **Table 4-2 Reservation Timing Requirements.** The Transmission Provider response time is measured from the most recent REBID time.

Standard 4.13: The following timing requirements shall apply to all reservation requests:

Table 4-2
Reservation Timing Requirements

Class	Service Increment	Time QUEUED Prior to Start	Provider Evaluation Time Limit[1]	Customer Confirmation Time Limit[2] after ACCEPTED or COUNTEROFFER[3]	Provider Counter Time Limit after REBID[4]
Non-Firm	Hourly	<1 hour	Best effort	5 minutes	5 minutes
Non-Firm	Hourly	>1 hour	30 minutes	5 minutes	5 minutes
Non-Firm	Hourly	Day ahead	30 minutes	30 minutes	10 minutes
Non-Firm	Daily	N/A	30 minutes	2 hours	10 minutes
Non-Firm	Weekly	N/A	4 hours	24 hours	4 hours
Non-Firm	Monthly	N/A	2 days [5]	24 hours	4 hours
Firm	Daily	< 24 hours	Best effort	2 hours	30 minutes
Firm	Daily	N/A	30 days[6]	24 hours	4 hours
Firm	Weekly	N/A	30 days[6]	48 hours	4 hours
Firm	Monthly	N/A	30 days[6]	4 days	4 hours
Firm	Yearly	60 days [7]	30 days	15 days	4 hours

Notes for Table 4-2:

[1]Consistent with regulations and filed tariffs, measurement starts at the time the request is QUEUED.

[2]Confirmation time limits are not to be interpreted to extend scheduling deadlines or to override pre-exemption deadlines.

[3]Measurement starts at the time the request is first moved to either ACCEPTED or COUNTEROFFER. The time limit does not reset on subsequent changes of state.

[4]Measurement starts at the time the Transmission Customer changes the state to REBID. The measurement resets each time the request is changed to REBID.

[5]Days are defined as calendar days.

[6]Subject to expedited time requirements of Section 17.1 of the pro forma tariff. Transmission Providers shall make best efforts to respond within 72 hours, or prior to the scheduling deadline, whichever is earlier, to a request for Daily Firm Service received during period 2-30 days ahead of the service start time.

[7]Subject to Section 17.1 of the pro forma tariff, whenever feasible and on a nondiscriminatory basis, transmission providers should accommodate requests made with less than 60 days notice.

Negotiations with Competing Bids for Constrained Resources
Competing bids exist when multiple requests cannot be accommodated due to a lack of available transmission capacity. One general rule is that OASIS requests should be evaluated and granted priority on a first-come-first-served basis established by OASIS QUEUED time. Thus, the first to request service should get it, all else being equal.

Exceptions to this first-come-first-served basis occur when there are competing requests for limited resources and the requests have different priorities established by FERC regulations and filed tariffs. Prior to the introduction of price negotiations, the attribute values that have served as a basis for determining priority include:

I. Type (Network, Point-to-point)
II. Class (Firm, Non-Firm)
III. Increment (Hourly, Daily, Weekly, Monthly, Yearly)
IV. Duration (the amount of time between the Start Date and the Stop Date)
V. Amount (the MW amount)

Under a negotiation model, price can also be used as an attribute for determining priority. The negotiation process increases the possibility that a Transmission Provider will be evaluating multiple requests that cannot all be accommodated due to limited resources. In this scenario, it is possible that an unconfirmed request with an earlier QUEUED time could be preempted (SUPERSEDED). For this to occur, the subsequent request would be of higher priority or of greater price.

Standard 4.14: Consistent with regulations and filed tariffs, the following are recommended relative priorities of Service Request Tiers[1]. Specific exceptions may exist in accordance with filed tariffs. The priorities refer only to negotiation of service and do not refer to curtailment priority.

4.14.1. Service Request Tier 1: Native load, Network, or Long-term Firm
4.14.2. Service Request Tier 2: Short-term Firm
4.14.3. Service Request Tier 3: Network Service from Non-designated Resources
4.14.4. Service Request Tier 4: Non-firm
4.14.5. Service Request Tier 5: Non-firm Point-to-point Service over secondary receipt and delivery points
4.14.6 Service Request Tier 6: Non-firm Next Hour Market Service

Standard 4.15: Consistent with regulations and filed tariffs, reservation requests shall be handled in a first-come-first-served order based on QUEUE_TIME.

[1]Note: The term Tier is introduced to avoid confusion with existing terms such as TS_CLASS.

Standard 4.16: Consistent with regulations and filed tariffs, Table 4-3 describes the relative priorities of competing service requests and rules for offering right-of-first-refusal. While the table indicates the relative priorities of two competing requests, it also is intended to be applied in the more general case of more than two competing requests.

Table 4-3
Priorities for Competing Reservation Requests

ROW	Request 1	Is Preempted by Request 2	Right of First Refusal
1	Tier 1: Long-term Firm, Native Load, and Network Firm	N/A - Not preempted by a subsequent request.	N/A
2	Tier 2: Short-term Firm	Tier 1: Long-term Firm, Native Load, and Network Firm, while Request 1 is conditional. Once Request 1 is unconditional, it may not be preempted.	No
3	Tier 2: Short-term Firm	Tier 2: Short-term Firm of longer term (duration), while Request 1 is conditional. Once Request 1 is unconditional, it may not be preempted. [1]	Yes, while Request 1 is conditional. Once Request 1 is unconditional, it may not be preempted and right of first refusal is not applicable.
4	Tier 3: Network Service From Non-Designated Resources	Tiers 1 and 2: All Firm (including Network).	No
5	Tier 4: All Non-Firm PTP	Tiers 1 and 2: All Firm (including Network).	No
6	Tier 4: All Non-Firm PTP	Tier 3: Network Service from Non-Designated Resources.	No
7	Tier 4: All Non-Firm PTP	Tier 4: Non-firm PTP of a longer term (duration) [1]. Except in the last hour prior to start (See Standard 4.23).	Yes [2]
8	Tier 4: All Non-Firm PTP	Tier 4: Non-firm PTP of equal term (duration) [1] and higher price, when Request 1 is still unconfirmed and Request 2 is received pre-confirmed. A confirmed non-firm PTP may not be preempted for another non-firm request of equal duration. (See Standards 4.22 and 4.25.)	Yes [3]

9	Tier 5: Non-firm PTP Service over secondary receipt and delivery points.	Tier 5 can be preempted by Tiers 1 through 4.	No
10	Tier 6: Non-firm Next Hour Market Service	Tier 6 can be preempted by Tiers 1 through 5.	No

[1] Longer duration, in addition to being higher SERVICE_INCREMENT (i.e., WEEKLY has priority over DAILY), also may mean more multiples of the same SERVICE_INCREMENT (i.e., 3 days may have priority over 2 days). Multiple service increments must be at the same level of capacity.

[2] Right of first refusal when a subsequent request is received of a longer duration applies only if the first request is confirmed.

[3] Right of first refusal when a subsequent request is received of an equal duration and higher price applies only when the first request is unconfirmed and the subsequent request is received pre-confirmed (see Standards 4.22 and 4.26).

Standard 4.17: For a request or reservation that is Superseded or Displaced, the Transmission Provider must indicate the Assignment Reference Number of the competing request and the reason for denial of service in the SELLER_COMMENTS field.

Standard 4.18: Given competing requests for a limited resource and a right-of-first-refusal is not required to be offered, the Transmission Provider may immediately move requests in the CONFIRMED state to DISPLACED, or from an ACCEPTED or COUNTEROFFER state to SUPERSEDED, if the competing request is of higher priority, based on the rules represented in Table 4-3. These state changes require dynamic notification to the Customer if the Customer has requested dynamic notification on OASIS.

Standard 4.19: In those cases where right-of-first-refusal is required to be offered, the Transmission Provider shall notify the Customer, through the use of a COUNTEROFFER, of the opportunity to match the subsequent offer.

Standard 4.20: A Customer who has been extended a right-of-first-refusal shall have a confirmation time limit equal to the lesser of (a) the Customer Confirmation Time Limit in Table 4-2 or (b) 24 hours.

Standard 4.21: A Transmission Provider shall apply all rights-of-first-refusal in a nondiscriminatory and open manner for all Customers.

Standard 4.22: Once a non-firm PTP request has been confirmed, it shall not be displaced by a subsequent non-firm PTP request of equal duration and higher price.

Standard 4.23: A confirmed, non-firm PTP reservation for the next hour shall not be displaced within one hour of the start of the reservation by a subsequent non-firm PTP reservation request of longer duration.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 4.24: A Transmission Provider shall accept any reservation request submitted for an unconstrained Path if the Customer's bid price is equal to or greater than the Transmission Provider's posted offer price at the time the request was queued, even if later requests are submitted at a higher price. This standard applies even when the first request is still unconfirmed, unless the Customer Confirmation Time Limit has expired for the first request.

Standard 4.25: Once an offer to provide non-firm PTP transmission service at a given price is extended to a Customer by the Transmission Provider, and while this first request is still unconfirmed but within the Customer Confirmation Time Limit, the Transmission Provider shall not preempt or otherwise alter the status of that first request on receipt of a subsequent request of the same Tier and equal duration at a higher price, unless the subsequent request is submitted as pre-confirmed.

Standard 4.26: If during a negotiation of service (i.e., prior to Customer confirmation) a subsequent pre-confirmed request for service over the same limited resource of equal duration but higher price is received, the Transmission Provider must COUNTEROFFER the price of service on the prior COUNTEROFFER or ACCEPTED price to match the competing offer, in order to give the first Customer an opportunity to match the offer. This practice must be implemented in a non-discriminatory manner.

Standard 4.27: Whenever a request or reservation is set to the state of Invalid, Refused, Declined, Superseded, Retracted, Annulled, or Displaced, the Transmission Provider or Seller shall enter the reason for the action in the SELLER_COMMENTS field.

Standard 5.0 Procurement of Ancillary and Other Services

Introduction
Phase IA OASIS data templates allow the coupling of ancillary service arrangements with the purchase of transmission service for the purpose of simplifying the overall process for Customers. Transmission Providers must indicate (consistent with filed tariffs), which services are MANDATORY (must be taken from the Primary Transmission Provider), REQUIRED (must be provided for but may be procured from alternative sources), or OPTIONAL (not required as a condition of transmission service).

The Transmission Customer should make known to the Transmission Provider at the time of the reservation request certain options related to arrangement of ancillary services. The Transmission Customer may indicate:

a. I will take all the MANDATORY and REQUIRED ancillary services from the Primary Transmission Provider
b. I will take REQUIRED ancillary services from Third Party Seller X
c. I would like to purchase OPTIONAL services
d. I will self provide ancillary services
e. I will arrange for ancillary services in the future (prior to scheduling)

While these interactions are available in the most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems, there is a need to

clarify the associated business practices. The standards in Section 5 apply to services defined in filed tariffs.

Transmission Provider Requirements

Standard 5.1: The Transmission Provider shall designate which ancillary services are MANDATORY, REQUIRED, or OPTIONAL for each offered transmission service or each transmission path to the extent these requirements can be determined in advance of the submittal of a reservation request on a specific Path by a Transmission Customer.

Standard 5.2: A Transmission Provider shall modify a Transmission Customer's service request to indicate the Transmission Provider as the SELLER of any ancillary service, which is MANDATORY, to be taken from the Transmission Provider.

Standard 5.3: For REQUIRED and OPTIONAL services, the Transmission Provider shall not select a SELLER of ancillary service without the Transmission Customer first selecting that SELLER.

Standard 5.4: A Transmission Provider may accept a Transmission Customer's request for an ancillary service, which is not MANDATORY or REQUIRED, but shall indicate to the Transmission Customer at the time of acceptance in SELLER_COMMENTS that the service is not MANDATORY or REQUIRED.

Transmission Customer Requirements

Standard 5.5: The Transmission Customer shall indicate with the submittal of a transmission reservation request, the preferred options for provision of ancillary services, such as the desire to use an alternative resource. The Transmission Provider shall post itself as the default ancillary service provider, if a Transmission Customer fails to indicate a third party SELLER of ancillary services. However, the Transmission Customer may change this designation at a later date, so long as this change is made prior to the Transmission Provider's scheduling deadline.

Standard 5.6: A Transmission Customer may, but is not required to, indicate a third party SELLER of ancillary services, if these services are arranged by the Transmission Customer off the OASIS and if such arrangements are permitted by the Transmission Provider's tariff. The Transmission Provider shall post itself as the default ancillary service provider, if a Transmission Customer fails to indicate a third party SELLER of ancillary services. However, the Transmission Customer may change this designation at a later date, so long as this change is made prior to the Transmission Provider's scheduling deadline.

Standard 6.0 Pathnaming Standards

Introduction
The Data Element Dictionary of the OASIS most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems, defines a path name in terms of a 50-character alphanumeric string:

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

RR/TPTP/PATHPATHPATH/OPTIONALFROM-OPTIONALTOTO/SPR

RegionCode/TransmissionProviderCode/PathName/OptionalFrom-To(POR-POD)/Spare

This definition leaves it to the Transmission Providers to name the paths from their own perspective. The following standards provide an unambiguous convention for naming paths and will produce more consistent path names.

Transmission Provider Requirements

Standard 6.1: A transmission provider shall use the path naming convention defined in the S&CP Data Dictionary for the naming of all reservable paths posted on OASIS.

Standard 6.2: A transmission provider shall use the third field in the path name to indicate the sending and receiving control areas. The control areas shall be designated using standard NERC codes for the control areas, separated by a hyphen. For example, the first three fields of the path name will be:

RR/TPTP/CAXX-CAYY/

Standard 6.3: A transmission provider shall use the fourth field of the path name to indicate POR and POD separated by a hyphen. For example, a path with a specific POR/POD would be shown as:

RR/TPTP/CAXX-CAYY/PORPORPORPOR-PODPODPODPOD/

If the POR and POD are designated as control areas, then the fourth field may be left blank (as per the example in 9.2).

Standard 6.4: A transmission provider may designate a sub-level for Points of Receipt and Delivery. For example, a customer reserves a path to POD AAAA. The ultimate load may be indeterminate at the time. Later, the customer schedules energy to flow to a particular load that may be designated by the transmission provider as a sub-level Point of Delivery. This option is necessary to ensure certain transmission providers are not precluded from using more specific service points by the inclusion of the POR/POD in the path name. All sub-level PORs and PODs must be registered as such on http://www.tsin.com.

Standard 7.0 Next Hour Market Service

Introduction
The standards in this section apply to the offering of Next Hour Market (NHM) Service only. The Commission has designated this service as voluntary for a transmission provider to offer. Therefore the standards apply to a transmission provider only if that provider offers NHM Service, in which case the standards become mandatory for that provider.

Transmission Provider Requirements

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 7.1: Use of NHM Service shall be limited to interchange transactions having a duration of one clock-hour and requested no earlier than 60 minutes prior to the start time of the transaction.

Standard 7.2: A transmission provider offering NHM Service shall allow an eligible transmission customer to request a NHM Service reservation electronically using protocols compliant with the most current version of the NERC ETAG Specifications.

Standard 7.3: A transmission provider offering NHM Service shall allow a transmission customer to request NHM Service for one or more path segments of a tag by designating: (a) 0-NX as the transmission product code under the OASIS block and (b) BUYATMARKET as the OASIS reservation identifier.

Standard 7.4: A transmission provider offering NHM Service shall consider the submittal of a tag designating that provider on one or more path segments using NHM Service to include a pre-confirmed request for the necessary transmission reservation and associated mandatory ancillary services for each designated path segment, for the hour indicated. No additional confirmation steps shall be required by the transmission customer for a NHM Service transmission reservation and associated ancillary services.

Standard 7.5: A transmission provider offering NHM Service shall consider setting the amount of the NHM Service reservation as:

a. The amount of the Transmission Provider Product, if specified.
b. In accordance with the Transmission Provider's tariff, the MW amount at the POR or POD for that Provider in the Loss Table, if Transmission Provider Product is not specified.
c. The MW amount in the Energy Profile, if neither Transmission Provider Product amount nor Provider Loss Table amounts are specified.

Standard 7.6: The OASIS queue time of a NHM Service request or reservation shall be the transmission provider ETAG approval service receipt time, unless a system failure requires the use of ETAG backup procedures, in which case the OASIS queue time shall be the time the tag is received by the transmission provider.

Standard 7.7: The 0-NX designation in the tag assigns as transmission customer, for all NHM Service path segments in the transaction, the PSE that is designated as the Purchasing-Selling Entity (PSE) responsible for the tag. A PSE submitting a tag may not designate a NHM Service reservation for another PSE and a transmission provider may not assign a reservation to any transmission customer other than the PSE submitting the NHM Service tag.

Standard 7.8: When evaluating competing requests for transmission reservations, a transmission provider offering NHM Service shall consider the NHM Service to have a priority lower than Tier 5 – point-to-point service over secondary receipt and delivery points.

Standard 7.9: Once a tag becomes implemented in ETAG, the transmission provider shall consider the associated NHM Service reservations to be confirmed. Since the NHM Service

confirmed reservation(s) are by definition less than one hour prior to start, these reservations shall not be displaced by a subsequent non-firm reservation of higher priority.

Standard 7.10: The transmission customer shall be obligated to pay for the transmission service under the terms of the tariff at the posted offer price for non-firm hourly service, once the interchange transaction tag becomes implemented in ETAG. In the event of a voluntary withdrawal or reduction in the amount or duration of the service by the transmission customer after the tag becomes implemented, the transmission customer shall remain obligated to pay for the full amount of the approved request. In the event of an involuntary curtailment or reduction of the service, initiated by the transmission provider or any other transmission provider, the transmission customer shall not be obligated to pay for any portions of the NHM Service that were involuntarily curtailed. In the case of involuntary curtailment or reduction, payment shall be based on a calculation of the MWhours actually used.

Standard 7.11: In the case that a transaction uses NHM Service for all required path segments in the tag, the default condition of the tag is NOT approved unless all required transmission providers and control areas indicate tag approval.

Standard 7.12: In the case that a transaction mixes one or more transaction path segments that use NHM Service with one or more path segments that use other types of transmission service, then 1) as long as the NHM Service path segment(s) are not fully approved, then the tag shall default to NOT approved; and 2) if all NHM Service path segments in the ETAG are fully approved, then the tag shall revert to the normal default status as specified in NERC and/or NAESB Standards.

Standard 7.13: The transmission customer shall be required to submit a NHM Service transaction request prior to the tag submittal time limit as specified in NERC and/or NAESB Standards, and no earlier than 60 minutes prior to the start of the transaction.

Standard 7.14: The approval mechanism for a NHM Service reservation shall be the tag approval. If the tag is approved and has become implemented, all required NHM Service transmission reservations associated with that tag shall be considered confirmed reservations. If one or more transmission providers do NOT approve their segment(s) of the transaction, then the transaction shall be considered NOT approved. Each transmission provider designated in a tag that does not approve that segment of the tag shall indicate that the associated reservation for that segment is REFUSED. If a designated transmission provider in a NHM Service path segment approves the tag but the tag is not approved through the action or inaction of another transmission provider, then that transmission provider shall indicate that reservation is ANNULLED.

Standard 7.15: The transmission provider shall assign the reservation request and final disposition status on behalf of the transmission customer within one hour of the requested start of the NHM Service transaction, regardless of the ultimate disposition of the tag.

Standard 7.16: NHM Service shall have the lowest curtailment priority in the event that a curtailment or reduction of transfers is initiated. Specifically, NHM Service (0-NX) shall have a NERC Curtailment Priority of 0.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

4. SUPPORTING DOCUMENTATION

a. Description of Request:

b. Description of Recommendation:

c. Business Purpose:

d. Commentary/Rationale of Subcommittee(s)/Task Force(s):

The intent of the original OASIS Baseline Standards recommendation was to adopt, ver betem, the most recent versions of the OASIS Business Practices contained in the federal “regs” as well as the Standards and communications protocols or OASIS. As a matter of maintaining those business practices, the Electronic Scheduling Subcommittee noticed several issues that needed attention. In addition to general formatting issues, it was noted that the original recommendation did not utilize the latest version of the regulatory text. It was also noted that many external references existed and that several of the items listed as “standards” were either no longer applicable or were really better classified as explanatory or introdcutory text as opposed to standards requirements.. As such, an effort was made – resulting in this recommendation – to clean up as much of these deficiencies as possible. Section 3 above summarizes those changes and they are provided as a redline to the original business practices in Attachment A below.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

ATTACHMENT A. REDLINE OF MODIFICATIONS TO ORIGINALLY RATIFIED OASIS BUSINESS PRACTICES

Standard 1: Provision of Open Access Transmission Service. All transmission providers shall provide open access transmission service in accordance with the following requirements.

Applicability

Standard 1 applies to any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce and to transactions performed under the pro forma tariff required under currently applicable regulations.

Purpose

(a) The purpose of Standard 1 is to ensure that potential customers of open access transmission service receive access to information that will enable them to obtain transmission service on a non-discriminatory basis from any Transmission Provider. These rules provide standards of conduct and require the Transmission Provider (or its agent) to create and operate an Open Access Same-time Information System (OASIS) that gives all users of the open access transmission system access to the same information.

(b) The OASIS will provide information by electronic means about available transmission capability for point-to-point service and will provide a process for requesting transmission service. OASIS will enable Transmission Providers and Transmission Customers to communicate promptly requests and responses to buy and sell available transmission capacity offered under the Transmission Provider's tariff.

Standard 1.1: RESERVED

Standard 1.2: RESERVED

Standard 1.3: Definitions.

(a) Transmission Provider means any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce.

(b) Transmission Customer means any eligible customer (or its designated agent) that can or does execute a transmission service agreement or can or does receive transmission service.

(c) Responsible party means the Transmission Provider or an agent to whom the Transmission Provider has delegated the responsibility of meeting any of the requirements of this part.

(d) Reseller means any Transmission Customer who offers to sell transmission capacity it has purchased.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

(e) Wholesale merchant function means the sale for resale of electric energy in interstate commerce.

(f) Affiliate means:

(1) For any exempt wholesale generator, as defined under section 32(a) of the Public Utility Holding Company Act of 1935, as amended, the same as provided in section 214 of the Federal Power Act; and

(2) For any other entity, the term affiliate has the same meaning as given in ~~Sec.~~ 18 CFR 161.2(a) ~~of this chapter~~.

(g) Commission shall mean the Federal Energy Regulatory Commission.

Standard 1.4: Standards of conduct.

A Transmission Provider must conduct its business to conform with the following standards:

(a) General rules.

(1) Except as provided in paragraph (a)(2) of this standard, the employees of the Transmission Provider engaged in transmission system operations must function independently of its employees, or the employees of any of its affiliates, who engage in Wholesale Merchant Functions.

(2) Notwithstanding any other provisions in this section, in emergency circumstances affecting system reliability, Transmission Providers may take whatever steps are necessary to keep the system in operation. Transmission Providers must report to the Commission and on the OASIS each emergency that resulted in any deviation from the standards of conduct, within 24 hours of such deviation.

(b) Rules governing employee conduct.

(1) Prohibitions. Any employee of the Transmission Provider, or any employee of an affiliate, engaged in wholesale merchant functions is prohibited from:

(i) Conducting transmission system operations or reliability functions; and

(ii) Having access to the system control center or similar facilities used for transmission operations or reliability functions that differs in any way from the access available to other open access Transmission Customers.

(2) Transfers. Employees engaged in either wholesale merchant functions or transmission system operations or reliability functions are not precluded from transferring between such functions as long as such transfer is not used as a

means to circumvent the standards of conduct of this section. Notices of any employee transfer to or from transmission system operations or reliability functions must be posted on the OASIS as provided in Standard 1.6(g)(3).
The information to be posted must include: the name of the transferring employee, the respective titles held while performing each function (i.e., on behalf of the Transmission Provider and wholesale merchant or affiliate), and the effective date of the transfer. The information posted under this section must remain on the OASIS for 90 days.

(3) Information access. Any employee of the Transmission Provider, or of any of its affiliates, engaged in wholesale merchant functions:

(i) Shall have access to only that information available to the Transmission Provider's open access transmission customers (i.e., the information posted on an OASIS), and must not have preferential access to any information about the Transmission Provider's transmission system that is not available to all users of an OASIS; and

(ii) Is prohibited from obtaining information about the Transmission Provider's transmission system (including information about available transmission capability, price, curtailments, ancillary services, and the like) through access to information not posted on the OASIS that is not otherwise also available to the general public without restriction, or through information through the OASIS that is not also publicly available to all OASIS users.

(4) Disclosure. A Transmission Provider is responsible for ensuring compliance with the following provisions:

(i) Any employee of the Transmission Provider, or any employee of an affiliate, engaged in transmission system operations or reliability functions may not disclose to employees of the Transmission Provider, or any of its affiliates, engaged in wholesale merchant functions any information concerning the transmission system of the Transmission Provider or the transmission system of another (including information received from non-affiliates or information about available transmission capability, price, curtailments, ancillary services, etc.) through non-public communications conducted off the OASIS, through access to information not posted on the OASIS that is not at the same time available to the general public without restriction, or through information on the OASIS that is not at the same time publicly available to all OASIS users (such as E-mail).

(ii) If an employee of the Transmission Provider engaged in transmission system operations or reliability functions discloses information not posted on the OASIS in a manner contrary to the requirements of the standards of conduct, the Transmission Provider must immediately post such information on the OASIS.

(iii) A Transmission Provider may not share any market information, acquired from nonaffiliated Transmission Customers or potential nonaffiliated Transmission Customers, or developed in the course of responding to requests for transmission or ancillary service on the OASIS, with its own employees (or those of an affiliate) engaged in merchant functions, except to the limited extent information is required to be posted on the OASIS in response to a request for transmission service or ancillary services.

(5) Implementing tariffs.

(i) Employees of the Transmission Provider engaged in transmission system operations or reliability functions must strictly enforce all tariff provisions relating to the sale or purchase of open access transmission service, if these provisions do not provide for the use of discretion.

(ii) Employees of the Transmission Provider engaged in transmission system operations must apply all tariff provisions relating to the sale or purchase of open access transmission service in a fair and impartial manner that treats all customers (including the public utility and any affiliate) in a non-discriminatory manner, if these provisions involve discretion.

(iii) The Transmission Provider must keep a log, available for Commission audit, detailing the circumstances and manner in which it exercised its discretion under any terms of the tariff. The information contained in this log is to be posted on the OASIS as provided in Standard 1.6(g)(4).

(iv) The Transmission Provider may not, through its tariffs or otherwise, give preference to sales for resale by the wholesale merchant function or by any affiliate, over the interests of any other wholesale customer in matters relating to the sale or purchase of transmission service (including issues of price, curtailments, scheduling, priority, ancillary services, etc.).

(6) Books and records. A Transmission Provider must maintain its books of account and records as prescribed under currently applicable regulations separately from those of its affiliates and these must be available for Commission inspection.

(c) Maintenance of written procedures. The Transmission Provider must maintain in a public place, and file with the Commission, current written procedures implementing the standards of conduct in such detail as will enable customers and the Commission to determine that the Transmission Provider is in compliance with the requirements of this section.

Standard 1.5: Obligations of Transmission Providers and Responsible Parties.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

(a) Each Transmission Provider is required to provide for the operation of an OASIS, either individually or jointly with other Transmission Providers, in accordance with the requirements of these Standards. The Transmission Provider may delegate this responsibility to a Responsible Party such as another Transmission Provider, an Independent System Operator, a Regional Transmission Group, or a Regional Reliability Council.

(b) A Responsible Party must:

(1) Provide access to an OASIS providing standardized information relevant to the availability of transmission capacity, prices, and other information (as described in these Standards) pertaining to the transmission system for which it is responsible;

(2) Operate the OASIS in compliance with the standardized procedures and protocols found in the NAESB Standards and Communication Protocols for Open Access Same Time Information Systems; and

(3) Operate the OASIS in compliance with the Business Practice Standards for Open Access Same-time Information System (OASIS) Transactions set forth herein.

(c) A Responsible Party may not deny or restrict access to an OASIS user merely because that user makes automated computer-to-computer file transfers or queries, or extensive requests for data.

(d) In the event that an OASIS user's grossly inefficient method of accessing an OASIS node or obtaining information from the node seriously degrades the performance of the node, a Responsible Party may limit a user's access to the OASIS node without prior Commission approval. The Responsible Party must immediately contact the OASIS user to resolve the problem. Notification of the restriction must be made to the Commission within two business days of the incident and include a description of the problem. A closure report describing how the problem was resolved must be filed with the Commission within one week of the incident.

(e) In the event that an OASIS user makes an error in a query, the Responsible Party can block the affected query and notify the user of the nature of the error. The OASIS user must correct the error before making any additional queries. If there is a dispute over whether an error has occurred, the procedures in paragraph (d) of this section apply.

(f) Transmission Providers must provide ``read only'' access to the OASIS to Commission staff and the staffs of State regulatory authorities, at no cost, after such staff members have complied with the requisite registration procedures.

Standard 1.6: Information to be posted on the OASIS.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

(a) The information posted on the OASIS must be in such detail and the OASIS must have such capabilities as to allow Transmission Customers to:

(1) Make requests for transmission services offered by Transmission Providers, Resellers and other providers of ancillary services;

(2) View and download in standard formats, using standard protocols, information regarding the transmission system necessary to enable prudent business decision making;

(3) Post, view, upload and download information regarding available products and desired services;

(4) Clearly identify the degree to which transmission service requests or schedules were denied or interrupted;

(5) Obtain access, in electronic format, to information to support available transmission capability calculations and historical transmission service requests and schedules for various audit purposes; and

(6) Make file transfers and automated computer-to-computer file transfers and queries as defined by the Standards and Communications Protocols Document.

(b) Posting transmission capability. The transmission capability that is expected to be available on the Transmission Provider's system (ATC) and the total transmission capability (TTC) of that system shall be calculated and posted for each Posted Path as set out in this section.

(1) Definitions. For purposes of this section the terms listed below have the following meanings:

(i) Posted path means any control area to control area interconnection; any path for which service is denied, curtailed or interrupted for more than 24 hours in the past 12 months; and any path for which a customer requests to have ATC or TTC posted. For this last category, the posting must continue for 180 days and thereafter until 180 days have elapsed from the most recent request for service over the requested path. For purposes of this definition, an hour includes any part of an hour during which service was denied, curtailed or interrupted.

(ii) Constrained posted path means any posted path having an ATC less than or equal to 25 percent of TTC at any time during the preceding 168 hours or for which ATC has been calculated to be less than or equal to 25 percent of TTC for any period during the current hour or the next 168 hours.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

(iii) Unconstrained posted path means any posted path not determined to be a constrained posted path.

(iv) The word interconnection, as used in the definition of ``posted path'', means all facilities connecting two adjacent systems or control areas.

(2) Calculation methods, availability of information, and requests.

(i) Information used to calculate any posting of ATC and TTC must be dated and time-stamped and all calculations shall be performed according to consistently applied methodologies referenced in the Transmission Provider's transmission tariff and shall be based on current industry practices, standards and criteria.

(ii) On request, the Responsible Party must make all data used to calculate ATC and TTC for any constrained posted paths publicly available (including the limiting element(s) and the cause of the limit (e.g., thermal, voltage, stability)) in electronic form within one week of the posting. The information is required to be provided only in the electronic format in which it was created, along with any necessary decoding instructions, at a cost limited to the cost of reproducing the material. This information is to be retained for six months after the applicable posting period.

(iii) System planning studies or specific network impact studies performed for customers to determine network impacts are to be made publicly available in electronic form on request and a list of such studies shall be posted on the OASIS. A study is required to be provided only in the electronic format in which it was created, along with any necessary decoding instructions, at a cost limited to the cost of reproducing the material. These studies are to be retained for two years.

(3) Posting. The ATC and TTC for all Posted Paths must be posted in megawatts by specific direction and in the manner prescribed in this subsection.

(i) Constrained posted paths—

(A) For Firm ATC and TTC.

(1) The posting shall show ATC and TTC for a 30-day period. For this period postings shall be: by the hour, for the current hour and the 168 hours next following; and thereafter, by the day. If the Transmission Provider charges separately for on-peak and off-peak periods in its tariff, ATC and TTC will be posted daily for each period.

(2) Postings shall also be made by the month, showing for the current month and the 12 months next following.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

(3) If planning and specific requested transmission studies have been done, seasonal capability shall be posted for the year following the current year and for each year following to the end of the planning horizon but not to exceed 10 years.

(B) For Non-Firm ATC and TTC. The posting shall show ATC and TTC for a 30-day period by the hour and days prescribed under paragraph (b)(3)(i)(A)(1) of this standard and, if so requested, by the month and year as prescribed under paragraph (b)(3)(i)(A) (2) and (3) of this standard.

(C) Updating Posted Information for Constrained Paths.

(1) The capability posted under paragraphs (b)(3)(i) (A) and (B) of this standard must be updated when transactions are reserved or service ends or whenever the TTC estimate for the Path changes by more than 10 percent.

(2) All updating of hourly information shall be made on the hour.

(ii) Unconstrained posted paths.

(A) Postings of firm and nonfirm ATC and TTC shall be posted separately by the day, showing for the current day and the next six days following and thereafter, by the month for the 12 months next following. If the Transmission Provider charges separately for on-peak and off-peak periods in its tariff, ATC and TTC will be posted separately for the current day and the next six days following for each period. These postings are to be updated whenever the ATC changes by more than 20 percent of the Path's TTC.

(B) If planning and specific requested transmission studies have been done, seasonal capability shall be posted for the year following the current year and for each year following until the end of the planning horizon but not to exceed 10 years.

(c) Posting Transmission Service Products and Prices.

(1) Transmission Providers must post prices and a summary of the terms and conditions associated with all transmission products offered to Transmission Customers.

(2) Transmission Providers must provide a downloadable file of their complete tariffs in the same electronic format as the tariff that is filed with the Commission.

(3) Any offer of a discount for any transmission service made by the Transmission Provider must be announced to all potential customers solely by posting on the OASIS.

(4) For any transaction for transmission service agreed to by the Transmission Provider and a customer, the Transmission Provider (at the time when ATC must be adjusted in response to the transaction), must post on the OASIS (and make available for download) information describing the transaction (including: price; quantity; points of receipt and delivery; length and type of service; identification of whether the transaction involves the Transmission Provider's wholesale merchant function or any affiliate; identification of what, if any, ancillary service transactions are associated with this transmission service transaction; and any other relevant terms and conditions) and shall keep such information posted on the OASIS for at least 30 days. A record of the transaction must be retained and kept available as part of the audit log required in Standard 1.7.

(5) Customers choosing to use the OASIS to offer for resale transmission capacity they have purchased must post relevant information to the same OASIS as used by the one from whom the Reseller purchased the transmission capacity. This information must be posted on the same display page, using the same tables, as similar capability being sold by the Transmission Provider, and the information must be contained in the same downloadable files as the Transmission Provider's own available capability. A customer reselling transmission capacity without the use of an OASIS must, nevertheless, inform the original Transmission Provider of the transaction within any time limits prescribed by the Transmission Provider's tariff or in a contract or service agreement between the Transmission Provider and a customer.

(d) Posting Ancillary Service Offerings and Prices.

(1) Any ancillary service required to be provided or offered under the pro forma tariff required under currently applicable regulations must be posted with the price of that service.

(2) Any offer of a discount for any ancillary service made by the Transmission Provider must be announced to all potential customers solely by posting on the OASIS.

(3) For any transaction for ancillary service agreed to by the Transmission Provider and a customer, the Transmission Provider (at the time when ATC must be adjusted in response to an associated transmission service transaction, if any), must post on the OASIS (and make available for download) information describing the transaction (including: date and time when the agreement was entered into; price; quantity; length and type of service; identification of whether

the transaction involves the Transmission Provider's wholesale merchant function or any affiliate; identification of what, if any, transmission service transactions are associated with this ancillary service transaction; and any other relevant terms and conditions) and shall keep such information posted on the OASIS for at least 30 days. A record of the transaction must be retained and kept available as part of the audit log required in Standard 1.7.

(4) Any other interconnected operations service offered by the Transmission Provider may be posted, with the price for that service.

(5) Any entity offering an ancillary service shall have the right to post the offering of that service on the OASIS if the service is one required to be offered by the Transmission Provider under their pro forma tariff. Any entity may also post any other interconnected operations service voluntarily offered by the Transmission Provider. Postings by customers and third parties must be on the same page, and in the same format, as postings of the Transmission Provider.

(e) Posting specific transmission and ancillary service requests and responses—

(1) General rules.

(i) All requests for transmission and ancillary service offered by Transmission Providers under the pro forma tariff, including requests for discounts, must be made on the OASIS, and posted prior to the Transmission Provider responding to the request, except as discussed in paragraphs (e)(1) (ii) and (iii). The Transmission Provider must post all requests for transmission service and for ancillary service comparably. Requests for transmission and ancillary service, and the responses to such requests, must be conducted in accordance with the Transmission Provider's tariff, and all currently applicable laws and regulations.

(ii) The requirement in paragraph (e)(1)(i) of this standard, to post requests for transmission and ancillary service offered by Transmission Providers under the pro forma tariff, including requests for discounts, prior to the Transmission Provider responding to the request, does not apply to requests for next-hour service made during Phase I.

(iii) In the event that a discount is being requested for ancillary services that are not in support of basic transmission service provided by the Transmission Provider, such request need not be posted on the OASIS.

(iv) In processing a request for transmission or ancillary service, the Responsible Party shall post the same information as required in Standard 1.6(c)(4), Standard 1.6(d)(3), and the following information: the date and time when the request is made, its place in any queue, the status of that request, and the result (accepted, denied, withdrawn).

(2) Posting when a request for transmission service is denied.

(i) When a request for service is denied, the Responsible Party must provide the reason for that denial as part of any response to the request.

(ii) Information to support the reason for the denial, including the operating status of relevant facilities, must be maintained for 60 days and provided, upon request, to the potential Transmission Customer.

(iii) Any offer to adjust operation of the Transmission Provider's System to accommodate the denied request must be posted and made available to all Transmission Customers at the same time.

(3) Posting when a transaction is curtailed or interrupted.

(i) When any transaction is curtailed or interrupted, the Transmission Provider must post notice of the curtailment or interruption on the OASIS, and the Transmission Provider must state on the OASIS the reason why the transaction could not be continued or completed.

(ii) Information to support any such curtailment or interruption, including the operating status of the facilities involved in the constraint or interruption, must be maintained and made available upon request, to the curtailed or interrupted customer, the Commission's Staff, and any other person who requests it, for three years.

(iii) Any offer to adjust the operation of the Transmission Provider's system to restore a curtailed or interrupted transaction must be posted and made available to all curtailed and interrupted Transmission Customers at the same time.

(f) Posting Transmission Service Schedules Information. Information on transmission service schedules must be recorded by the entity scheduling the transmission service and must be available on the OASIS for download. Transmission service schedules must be posted no later than seven calendar days from the start of the transmission service.

(g) Posting Other Transmission-Related Communications.

(1) The posting of other communications related to transmission services must be provided for by the Responsible Party. These communications may include ``want ads'' and ``other communications'' (such as using the OASIS as a Transmission-related conference space or to provide transmission-related messaging services between OASIS users). Such postings carry no obligation to respond on the part of any market participant.

(2) The Responsible Party is responsible for posting other transmission-related communications in conformance with the instructions provided by the third party on whose behalf the communication is posted. It is the responsibility of

the third party requesting such a posting to ensure the accuracy of the information to be posted.

(3) Notices of transfers of personnel shall be posted as described in Standard 1.4(b)(2). The posting requirements are the same as those provided in Standard 1.7 for audit data postings.

(4) Logs detailing the circumstances and manner in which a Transmission Provider or Responsible Party exercised its discretion under any terms of the tariff shall be posted as described in Standard 1.4(b)(5)(iii). The posting requirements are the same as those provided in Standard 1.7 for audit data postings.

Standard 1.7: Auditing Transmission Service Information.

(a) All OASIS database transactions, except other transmission-related communications provided for under Standard 1.6(g)(2), must be stored, dated, and time stamped.

(b) Audit data must remain available for download on the OASIS for 90 days, except ATC/TTC postings that must remain available for download on the OASIS or 20 days. The audit data are to be retained and made available upon request for download for three years from the date when they are first posted in the same electronic form as used when they originally were posted on the OASIS.

Standard 1.8: Obligations of OASIS users.

Each OASIS user must notify the Responsible Party one month in advance of initiating a significant amount of automated queries. The OASIS user must also notify the Responsible Party one month in advance of expected significant increases in the volume of automated queries.

~~Section~~ Standard 2.0 Standard Terminology for Transmission and Ancillary Services

~~Section 2.1~~ Attribute Values Defining the Period of Service

The data templates of the ~~Phase IA~~most current version of the NAESB Standards ~~& Communication Protocols (S&CP) Document~~and Communications Protocol for Open Access Same-Time Information Systems have been developed with the use of standard service attributes in mind. What the ~~Phase IA S&CP Document~~most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems does not offer are specific definitions for each attribute value. This section offers standards for these ~~service~~services attribute definitions to be used in conjunction with the Phase IA data templates.

Fixed services are associated with transmission services whose periods align with calendar periods such as a day, week, or month. Sliding services are fixed in duration, such as a week or month, but the start and stop time may slide. For example a Sliding week could start on Tuesday and end on the following Monday. Extended allows for services in which the start

time may slide and also the duration may be longer than a standard length. For example an Extended week of service could be nine consecutive days. Various transmission service offerings using these terms are defined in Standards 2.1.1 through 2.1.14 below. Next_Increment indicates the next available full Service_Increment, such as the next hour, next day, or next week. Next_Increment is added at this time to address Next Hour Market Service, but may be used in the future to denote other products.

Table ~~1~~2-1 identifies the standard terminology in OASIS Phase IA for the attributes SERVICE_INCREMENT (Hourly, Daily, Weekly, Monthly, and Yearly) and TS_WINDOW (Fixed, Sliding, Extended, and Next_Increment). Values shown in Table ~~1~~2-1 as N/A (Not Applicable) are not sufficiently common in the market to require standards.

Next Hour Market Service, a new pro forma service, is denoted as having a Service Increment of Hourly and a TS_WINDOW of Next_Increment.

Table ~~1~~2-1
Standard Service Period Attribute Values in Phase IA

	Fixed	**Sliding**	**Extended [1]**	**Next_Increment**
Hourly	X	N/A	N/A	X[2]
Daily	X	X	X	N/A
Weekly	X	X	X	N/A
Monthly	X	X	X	N/A
Yearly	X	X	X	N/A

~~[1]Included in the Phase IA S&CP Data Dictionary, Version 1.3, issued September 29, 1998.~~

[1]Included in the most current version of the Data Dictionary for the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems

[2]Next Hour Market Service is identified by Service Increment = Hourly and TS_WINDOW = Next_Increment

The existence of an attribute value in this table does not imply the services must be offered by a Transmission Provider. Requirements as to which services must be offered are defined by regulation and tariffs. Likewise, absence of a service period value in Table ~~1~~2-1 does not restrict a Transmission Provider from offering a service. The intent of the table is to establish common terminology associated with standard products.

Each service period value assumes a single time zone specified by the Transmission Provider. It is recognized that daylight time switches must be accommodated in practice, but they have been omitted here for the purpose of simplicity.

Standard 2.1: A Transmission Provider shall use the values and definitions below for the service period attributes, SERVICE_INCREMENT AND TS_WINDOW for all transmission services offered on OASIS, or shall post alternative service period values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use existing attribute values and definitions posted by other Transmission Providers. (See ~~Section~~Standard 3 for registration requirements.)

Standard 2.1.1: FIXED HOURLY - The service starts at the beginning of a clock hour and stops at the end of a clock hour.

Standard 2.1.2: FIXED DAILY - The service starts at 00:00 and stops at 24:00 of the same calendar date (same as 00:00 of the next consecutive calendar date).

Standard 2.1.3: FIXED WEEKLY - The service starts at 00:00 on Monday and stops at 24:00 of the following Sunday (same as 00:00 of the following Monday).

Standard 2.1.4: FIXED MONTHLY - The service starts at 00:00 on the first date of a calendar month and stops at 24:00 on the last date of the same calendar month (same as 00:00 of the first date of the next consecutive month).

Standard 2.1.5: FIXED YEARLY - The service starts at 00:00 on the first date of a calendar year and ends at 24:00 on the last date of the same calendar year (same as 00:00 of the first date of the next consecutive year).

Standard 2.1.6: SLIDING DAILY - The service starts at the beginning of any hour of the day and stops exactly 24 hours later at the same time on the next day.

Standard 2.1.7: SLIDING WEEKLY - The service starts at 00:00 of any date and stops exactly 168 hours later at 00:00 on the same day of the next week.

Standard 2.1.8: SLIDING MONTHLY - The service starts at 00:00 of any date and stops at 00:00 on the same date of the next month (28-31 days later). If there is no corresponding date in the following month, the service stops at 24:00 on the last day of the next month.

For example: SLIDING MONTHLY starting at 00:00 on January 30 would stop at 24:00 on February 28 (same as 00:00 March 1).

Standard 2.1.9: SLIDING YEARLY - The service starts at 00:00 of any date and stops at 00:00 on the same date of the following year. If there is no corresponding date in the following year, the service stops at 24:00 on the last day of the same month in the following year.

For example SLIDING YEARLY service starting on February 29 would stop on February 28 of the following year.

Standard 2.1.10: EXTENDED DAILY - The service starts at any hour of a day and stops more than 24 hours later and less than 168 hours later.

Standard 2.1.11: EXTENDED WEEKLY - The service starts at 00:00 of any date and stops at 00:00 more than one week later, but less than four weeks later.

Standard 2.1.12: EXTENDED MONTHLY - The service starts at 00:00 of any date and stops at 00:00 more than one month later, but less than twelve months later.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 2.1.13: EXTENDED YEARLY - The service starts at 00:00 of any date and stops at 00:00 more than one year later, but must be requested in increments of full years.

Standard 2.1.14: NEXT_INCREMENT HOURLY – The service starts at the beginning of the next clock hour and stops at the end of that clock hour.

~~Section 2.2~~ Attribute Values Defining Service Class

Standard 2.2: A Transmission Provider shall use the values and definitions below to describe the service class, TS_CLASS, for transmission services offered on OASIS, or shall post alternative TS_CLASS attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use the attribute values and definitions posted by other Transmission Providers. (See ~~Section~~Standard 3 for registration requirements.)

Standard 2.2.1: FIRM - Transmission service that always has priority over NONFIRM transmission service and includes Native Load Customers, Network Customers, and any transmission service not classified as non-firm in accordance with the definitions in the pro forma tariff.

Standard 2.2.2: NON-FIRM - Transmission service that is reserved and/or scheduled on an as-available basis and is subject to curtailment or interruption at a lesser priority compared to FIRM transmission service, including Native Load Customers and Network Customers, in accordance with the definitions in the pro forma tariff.

~~Section 2.3~~ Attribute Values Defining Service Types

Standard 2.3: A Transmission Provider shall use the values and definitions below to describe the service type, TS_TYPE, for transmission services offered on OASIS, or shall post alternative attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use the attribute values and definitions posted by other Transmission Providers. (See ~~Section~~Standard 3 for registration requirements.)

Standard 2.3.1: POINT-TO-POINT (PTP) - Transmission service that is reserved and/or scheduled between specified POINTS OF RECEIPT and DELIVERY pursuant to Part II of the pro forma tariff and in accordance with the definitions in the pro forma tariff.

Standard 2.3.2: NETWORK - Network Integration Transmission Service that is provided to serve a Network Customer load pursuant to Part III of the pro forma tariff and in accordance with the definitions in the pro forma tariff.

~~Section 2.4~~ Curtailment Priorities

~~**Standard 2.4**: A Transmission Provider that has adopted NERC TLR Procedures shall use the curtailment priority definitions contained in NERC TLR Procedures for NERC CURTAILMENT PRIORITY (1-7) for all transmission services offered on OASIS. A Transmission Provider that has adopted alternative curtailment procedures shall post its alternative attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use attribute~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~values and definitions posted by another Transmission Provider. (See Section 3 for registration requirements.)~~

~~**Section 2.5 Other Service Attribute Values**~~
Standard 2.4: A Transmission Provider that has adopted NERC TLR Procedures shall use the curtailment priority definitions contained in those proceures ~~NERC TLR Procedures for NERC CURTAILMENT PRIORITY (1-7)~~ for all transmission services offered on OASIS. A Transmission Provider that has adopted alternative curtailment procedures shall post its alternative attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use attribute values and definitions posted by another Transmission Provider. (See Standard 3 for registration requirements.)

Other Service Attribute Values
The Commission has defined six ancillary services in Order No. 888. Other services may be offered pursuant to filed tariffs.

Standard 2.5: A Transmission Provider shall use the definitions below to describe the AS_TYPEs offered on OASIS, or shall post alternative attribute values and associated definitions on the OASIS Home Page at http://www.tsin.com, or shall use attribute values and definitions posted by another Transmission Provider. (See ~~Section~~Standard 3 for registration requirements.)

FERC Ancillary Services Definitions

Standard 2.5.1: SCHEDULING, SYSTEM CONTROL AND DISPATCH SERVICE (SC) -
is necessary to the provision of basic transmission service within every control area. This service can be provided only by the operator of the control area in which the transmission facilities used are located. This is because the service is to schedule the movement of power through, out of, within, or into the control area. -This service also includes the dispatch of generating resources to maintain
generation/load balance and maintain security during the transaction and in accordance with ~~section~~ Standard 3.1 (and Schedule 1) of the pro forma tariff.

~~**Standard 2.5.2:** REACTIVE SUPPLY AND VOLTAGE CONTROL FROM GENERATION SOURCES SERVICE (RV) - is the provision of reactive power and voltage control by generating facilities under the control of the control area operator. This service is necessary to the provision of basic transmission service within every control area and in accordance with section 3.2 (and Schedule 2) of the pro forma tariff.~~

~~**Standard 2.5.3:** REGULATION AND FREQUENCY RESPONSE SERVICE (RF) - is provided for transmission within or into the transmission provider's control area to serve load in the area. Customers may be able to satisfy the regulation service obligation by providing generation with automatic generation control capabilities to the control area in which the load resides and in accordance with section 3.3 (and Schedule 3) of the pro forma tariff.~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~**Standard 2.5.4:** ENERGY IMBALANCE SERVICE (I) - is the service for transmission within and into the transmission provider's control area~~ **Standard 2.5.2:** REACTIVE SUPPLY AND VOLTAGE CONTROL FROM GENERATION SOURCES SERVICE (RV) - is the provision of reactive power and voltage control by generating facilities under the control of the control area operator. This service is necessary to ~~serve load in the area. Energy imbalance represents~~ the ~~deviation between the scheduled and actual delivery of energy to a load in the local control area over a single hour~~provision of basic transmission service within every control area and in accordance with ~~section~~Standard 3.~~4~~2 (and Schedule ~~4~~2) of the pro forma tariff.

Standard 2.5.~~5:~~ ~~OPERATING RESERVE - SPINNING RESERVE~~3: REGULATION AND FREQUENCY RESPONSE SERVICE (~~SP~~RF) - is provided for transmission within or into the transmission provider's control area to serve load in the area. Customers may be able to satisfy the regulation service obligation by ~~generating units that are on-line and loaded at less than maximum output. They are available to serve load immediately in an unexpected contingency, such as an unplanned outage of a generating unit~~providing generation with automatic generation control capabilities to the control area in which the load resides and in accordance with ~~section 3.5~~Standard 3.3 (and Schedule ~~5~~3) of the pro forma tariff.

~~**Standard 2.5.6:** OPERATING RESERVE - SUPPLEMENTAL RESERVE SERVICE (SU) - is generating capacity that can be used to respond~~**Standard 2.5.4:** ENERGY IMBALANCE SERVICE (I) - is the service for transmission within and into the transmission provider's control area to serve load in the area. Energy imbalance represents the deviation between the scheduled and actual delivery of energy to ~~contingency situations. Supplemental reserve, is not available instantaneously, but rather within~~ a ~~short period (usually ten minutes). It is provided by generating units that are on-line but unloaded, by quick-start generation, and by customer interrupted load~~ load in the local control area over a single hour and in accordance with ~~section~~Standard 3.~~6~~4 (and Schedule ~~6~~4) of the pro forma tariff.

~~**Other Service Definitions**~~**Standard 2.5.5:** OPERATING RESERVE - SPINNING RESERVE SERVICE (SP) - is provided by generating units that are on-line and loaded at less than maximum output. They are available to serve load immediately in an unexpected contingency, such as an unplanned outage of a generating unit and in accordance with Standard 3.5 (and Schedule 5) of the pro forma tariff.

Standard 2.5.6: OPERATING RESERVE - SUPPLEMENTAL RESERVE SERVICE (SU) - is generating capacity that can be used to respond to contingency situations. Supplemental reserve is not available instantaneously, but rather within a short period (usually ten minutes). It is provided by generating units that are on-line but unloaded, by quick-start generation, and by customer interrupted load and in accordance with Standard 3.6 (and Schedule 6) of the pro forma tariff.

Other Service Definitions

Other services may be offered to Transmission Customers through Commission-approved revisions to their individual open access tariffs. Examples of other services that may be offered include the Interconnected Operations Services described below in

Standards 2.5.7, 2.5.8, and 2.5.9. Ancillary service definitions may be offered pursuant to an individual transmission provider's specific tariff filings.

Standard 2.5.7: DYNAMIC TRANSFER (DT) - is the provision of the real-time monitoring, telemetering, computer software, hardware, communications, engineering, and administration required to electronically move all or a portion of the real energy services associated with a generator or load out of its Host Control Area into a different Electronic Control Area.

Standard 2.5.8: REAL POWER TRANSMISSION LOSSES (TL) - is the provision of capacity and energy to replace energy losses associated with transmission service on the Transmission Provider's system.

Standard 2.5.9: SYSTEM BLACK START CAPABILITY (BS) - is the provision of generating equipment that, following a system blackout, is able to start without an outside electrical supply. Furthermore, BLACK START CAPABILITY is capable of being synchronized to the transmission system such that it can provide a startup supply source for other system capacity that can then be likewise synchronized to the transmission system to supply load as part of a process of re-energizing the transmission system.

Standard 2.6: A Transmission Provider shall use the definitions below to describe the scheduling period leading up to the start time of a transaction:

Standard 2.6.1: SAME-DAY is after 2 p.m. of the preceding day and

Standard 2.6.2: NEXT-HOUR is one hour or less prior to the service start time.

~~Section~~Standard 3.0 OASIS Registration Procedures

~~Section 3.1 Entity Registration~~

Entity Registration

Operation of OASIS requires unambiguous identification of parties.

Standard 3.1: All entities or persons using OASIS shall register the identity of their organization (including DUNS number) or person at the OASIS Home Page at http://www.tsin.com. Registration identification shall include the parent entity (if any) of the registrant. Registration shall be a prerequisite to OASIS usage and renewed annually and whenever changes in identification occur and thereafter. An entity or person not complying with this requirement may be denied access by a transmission provider to that transmission provider's OASIS node.

The registration requirement applies to any entity logging onto OASIS for the purpose of using or updating information, including Transmission Providers, Transmission Customers, Observers, Control Areas, Security Coordinators, and Independent System Operators.

~~Section 3.2~~ Process to Register Non-Standard Service Attribute Values

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~Section~~Standard 2 of the NAESB OASIS ~~business practice standards~~Business Practice Standards addresses the use of standard terminology in defining services on OASIS. These standard definitions for service attribute values will be posted publicly on the OASIS Home Page at http://www.tsin.com and may be used by all Transmission Providers to offer transmission and ancillary services on OASIS. If the Transmission Provider determines that the standard definitions are not applicable, the Transmission Provider may register new attribute values and definitions on the OASIS Home Page. Any Transmission Provider may use the attribute values and definitions posted by another Transmission Provider.

Standard 3.2: Providers of transmission and ancillary services shall use only attribute values and definitions that have been registered on the OASIS Home Page at http://www.tsin.com for all transmission and ancillary services offered on their OASIS.

Standard 3.3: Providers of transmission and ancillary services shall endeavor to use on their OASIS nodes attribute values and definitions that have been posted by other Transmission Providers on the OASIS Home Page at http://www.tsin.com whenever possible.

~~Section 3.3~~ Registration of Points of Receipt and Delivery

In order to improve coordination of path naming and to enhance the identification of commercially available connection points between Transmission Providers and regions, the business practice for Phase IA OASIS requires that:

I. Transmission Providers register at the OASIS Home Page at http://www.tsin.com, all service points (Points of Receipt and Delivery) for which transmission service is available over the OASIS.

II. Each Transmission Provider would then indicate on its OASIS node, for each Path posted on its OASIS node, the Points of Receipt and Delivery to which each Path is connected.

A Transmission Provider is not required to register specific generating stations as Points of Receipt, unless they were available as service points for the purposes of reserving transmission service on OASIS. The requirement also does not include registration of regional flowgates, unless they are service points for the purposes of reserving transmission on OASIS.

Standard 3.4: A Transmission Provider shall register and thereafter maintain on the OASIS Home Page at http://www.tsin.com all Points of Receipt and Delivery to and from which a Transmission Customer may reserve and schedule transmission service.

Standard 3.5: For each reservable Path posted on their OASIS nodes, Transmission Providers shall indicate the available Point(s) of Receipt and Delivery for that Path. These Points of Receipt and Delivery shall be from the list registered on the OASIS Home Page at http://www.tsin.com.

Standard 3.6: When two or more Transmission Providers share common Points of Receipt or Delivery, or when a Path connects Points of Receipt and Delivery in neighboring systems, the

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Transmission Providers owning and/or operating those facilities shall apply consistent names for those connecting paths or common paths on the OASIS.

~~**Section**~~
Standard 4.0 On-line Negotiation and Confirmation Process

~~**Section 4.1 On-line Price Negotiation in Short-term Markets**~~

Standard 4.1: Consistent with FERC policy and regulations, all reservations and price negotiations shall be conducted on OASIS.

Phase IA Negotiation Process State Transition Diagram
The most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems provides a process state diagram to define the Customer and Transmission Provider interactions for negotiating transmission service. This diagram defines allowable steps in the reservation request, negotiation, approval and confirmation.

Standard 4.2~~: Reserved~~ RESERVED

Standard 4.3 RESERVED

Standard 4.3~~: Reserved~~4: The state diagram appearing in Exhibit 4-1 in Section 4.2.10.2 of the most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems constitutes a recommended business practice in OASIS Phase IA.

~~**Section 4.2 Phase IA Negotiation Process State Transition Diagram**~~
Standard 4.5: The definitions in Section 4.2.10.2 of the most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems (status values) shall be applied to the process states in OASIS Phase IA.

~~The Phase IA S&CP Document provides a process state diagram to define the Customer and Transmission Provider interactions for negotiating transmission service. This diagram defines allowable steps in the reservation request, negotiation, approval and confirmation.~~

~~**Standard 4.4:** The state diagram appearing in Exhibit 4-1 in Section 4.2.10.2 of the Version 1.3 of the S&CP Document constitutes a recommended business practice in OASIS Phase IA.~~

~~**Standard 4.5:** The definitions in Section 4.2.10.2 of the Version 1.3 of the S&CP Document (status values) shall be applied to the process states in OASIS Phase IA.~~

~~Table 4-1 – Reserved~~

~~**Section 4.3** **Negotiations Without Competing Bids~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

The following practices are defined in order to enhance consistency of the reservation process across OASIS Phase IA nodes.

Standard 4.6: A Transmission Provider/Seller shall respond to a Customer's service request, consistent with filed tariffs, within the Provider Response Time Limit defined in **Table 4-22 Reservation Timing Requirements.** The time limit is measured from the time the request is QUEUED. A Transmission Provider may respond by setting the state of the reservation request to one of the following:

I. INVALID
II. DECLINED
III. REFUSED
IV. COUNTEROFFER
V. ACCEPTED
VI. STUDY (when the tariff allows), leading to REFUSED, COUNTEROFFER, or ACCEPTED.

Standard 4.7: Prior to setting a request to ACCEPTED, COUNTEROFFER, or REFUSED a Transmission Provider shall evaluate the appropriate resources and ascertain that the requested transfer capability is (or is not) available.

Standard 4.8: For any request that is REFUSED or INVALID, the Transmission Provider must indicate in the SELLER_COMMENTS field the reason the request was refused or invalid.

Standard 4.9: The Customer may change a request from QUEUED, RECEIVED, STUDY, COUNTEROFFER, REBID, or ACCEPTED to WITHDRAWN at any time prior to CONFIRMED.

Standard 4.10: From ACCEPTED or COUNTEROFFER, a Customer may change the status to CONFIRMED or WITHDRAWN. In addition, a Customer may change the status from COUNTEROFFER to REBID. The Customer has the amount of time designated as Customer Confirmation Time Limit in **Table 4-212 Reservation Timing Requirements** to change the state of the request to CONFIRMED. The Customer time limit is measured from the first time the request is moved to ACCEPTED or COUNTEROFFER, and is not reset with subsequent iterations of negotiation.

Standard 4.11: After expiration of the Customer Confirmation Time Limit, specified in **Table 4-212 Reservation Timing Requirements,** the Transmission Provider has a right to move the request to the RETRACTED state.

Standard 4.12: Should the Customer elect to respond to a Transmission Provider's COUNTEROFFER by moving a reservation request to REBID, the Transmission Provider shall respond by taking the request to a DECLINED, ACCEPTED, or COUNTEROFFER state within the Provider Counter Time Limit, specified in **Table 42-12 Reservation Timing Requirements.** The Transmission Provider response time is measured from the most recent REBID time.

Standard 4.13: The following timing requirements shall apply to all reservation requests:

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Table 4-~~2~~12
Reservation Timing Requirements

Class	Service Increment	Time QUEUED Prior to Start	Provider Evaluation Time Limit[1]	Customer Confirmation Time Limit[2] after ACCEPTED or COUNTEROFFER[3]	Provider Counter Time Limit after REBID[4]
Non-Firm	Hourly	<1 hour	Best effort	5 minutes	5 minutes
Non-Firm	Hourly	>1 hour	30 minutes	5 minutes	5 minutes
Non-Firm	Hourly	Day ahead	30 minutes	30 minutes	10 minutes
Non-Firm	Daily	N/A	30 minutes	2 hours	10 minutes
Non-Firm	Weekly	N/A	4 hours	24 hours	4 hours
Non-Firm	Monthly	N/A	2 days [5]	24 hours	4 hours
Firm	Daily	< 24 hours	Best effort	2 hours	30 minutes
Firm	Daily	N/A	30 days[6]	24 hours	4 hours
Firm	Weekly	N/A	30 days[6]	48 hours	4 hours
Firm	Monthly	N/A	30 days[6]	4 days	4 hours
Firm	Yearly	60 days [7]	30 days	15 days	4 hours

Notes for Table 4-~~2~~12:

[1]Consistent with regulations and filed tariffs, measurement starts at the time the request is QUEUED.

[2]Confirmation time limits are not to be interpreted to extend scheduling deadlines or to override pre-exemption deadlines.

[3]Measurement starts at the time the request is first moved to either ACCEPTED or COUNTEROFFER. The time limit does not reset on subsequent changes of state.

[4]Measurement starts at the time the Transmission Customer changes the state to REBID. The measurement resets each time the request is changed to REBID.

[5]Days are defined as calendar days.

[6]Subject to expedited time requirements of Section 17.1 of the pro forma tariff. Transmission Providers shall make best efforts to respond within 72 hours, or prior to the scheduling deadline, whichever is earlier, to a request for Daily Firm Service received during period 2-30 days ahead of the service start time.

[7]Subject to Section 17.1 of the pro forma tariff, whenever feasible and on a nondiscriminatory basis, transmission providers should accommodate requests made with less than 60 days notice.

~~Section 4.4~~ Negotiations ~~With~~with Competing Bids for Constrained Resources

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Competing bids exist when multiple requests cannot be accommodated due to a lack of available transmission capacity. One general rule is that OASIS requests should be evaluated and granted priority on a first-come-first-served basis established by OASIS QUEUED time. Thus, the first to request service should get it, all else being equal.

Exceptions to this first-come-first-served basis occur when there are competing requests for limited resources and the requests have different priorities established by FERC regulations and filed tariffs. Prior to the introduction of price negotiations, the attribute values that have served as a basis for determining priority include:

I. Type (Network, Point-to-point)
II. Class (Firm, Non-Firm)
III. Increment (Hourly, Daily, Weekly, Monthly, Yearly)
IV. Duration (the amount of time between the Start Date and the Stop Date)
V. Amount (the MW amount)

Under a negotiation model, price can also be used as an attribute for determining priority. The negotiation process increases the possibility that a Transmission Provider will be evaluating multiple requests that cannot all be accommodated due to limited resources. In this scenario, it is possible that an unconfirmed request with an earlier QUEUED time could be preempted (SUPERSEDED). For this to occur, the subsequent request would be of higher priority or of greater price.

Standard 4.14: Consistent with regulations and filed tariffs, the following are recommended relative priorities of Service Request Tiers[2]. Specific exceptions may exist in accordance with filed tariffs. The priorities refer only to negotiation of service and do not refer to curtailment priority.

4.14.1. Service Request Tier 1: Native load, Network, or Long-term Firm
4.14.2. Service Request Tier 2: Short-term Firm
4.14.3. Service Request Tier 3: Network Service ~~From~~from Non-designated Resources
4.14.4. Service Request Tier 4: Non-firm
4.14.5. Service Request Tier 5: Non-firm Point-to-point Service over secondary receipt and delivery points
4.14.6 Service Request Tier 6: Non-firm Next Hour Market Service

Standard 4.15: Consistent with regulations and filed tariffs, reservation requests shall be handled in a first-come-first-served order based on QUEUE_TIME.

Standard 4.16: Consistent with regulations and filed tariffs, Table ~~4-37-24~~-3 describes the relative priorities of competing service requests and rules for offering right-of-first-refusal. While the table indicates the relative priorities of two competing requests, it also is intended to be applied in the more general case of more than two competing requests.

[1]Note: The term Tier is introduced to avoid confusion with existing terms such as TS_CLASS.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Table 4-~~3~~ ~~23~~
Priorities for Competing Reservation Requests

ROW	Request 1	Is Preempted by Request 2	Right of First Refusal
1	Tier 1: Long-term Firm, Native Load, and Network Firm	N/A - Not preempted by a subsequent request.	N/A
2	Tier 2: Short-term Firm	Tier 1: Long-term Firm, Native Load, and Network Firm, while Request 1 is conditional. Once Request 1 is unconditional, it may not be preempted.	No
3	Tier 2: Short-term Firm	Tier 2: Short-term Firm of longer term (duration), while Request 1 is conditional. Once Request 1 is unconditional, it may not be preempted. [1]	Yes, while Request 1 is conditional. Once Request 1 is unconditional, it may not be preempted and right of first refusal is not applicable.
4	Tier 3: Network Service From Non-Designated Resources	Tiers 1 and 2: All Firm (including Network).	No
5	Tier 4: All Non-Firm PTP	Tiers 1 and 2: All Firm (including Network).	No
6	Tier 4: All Non-Firm PTP	Tier 3: Network Service from Non-Designated Resources.	No
7	Tier 4: All Non-Firm PTP	Tier 4: Non-firm PTP of a longer term (duration) [1]. Except in the last hour prior to start (See Standard 4.23).	Yes [2]
8	Tier 4: All Non-Firm PTP	Tier 4: Non-firm PTP of equal term (duration) [1] and higher price, when Request 1 is still unconfirmed and Request 2 is received pre-confirmed. A confirmed non-firm PTP may not be preempted for another non-firm request of equal duration. (See Standards 4.22 and 4.25.)	Yes [3]
9	Tier 5: Non-firm PTP Service over secondary	Tier 5 can be preempted by Tiers 1 through 4.	No

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

	receipt and delivery points.		
10	Tier 6: Non-firm Next Hour Market Service	Tier 6 can be preempted by Tiers 1 through 5.	No

[1] Longer duration, in addition to being higher SERVICE_INCREMENT (i.e., WEEKLY has priority over DAILY), also may mean more multiples of the same SERVICE_INCREMENT (i.e., 3 days may have priority over 2 days). Multiple service increments must be at the same level of capacity.

[2] Right of first refusal when a subsequent request is received of a longer duration applies only if the first request is confirmed.

[3] Right of first refusal when a subsequent request is received of an equal duration and higher price applies only when the first request is unconfirmed and the subsequent request is received pre-confirmed (see Standards 4.22 and 4.26).

Standard 4.17: For a request or reservation that is —Superseded or Displaced, the Transmission Provider must indicate the Assignment Reference Number of the competing request and the reason for denial of service in the SELLER_COMMENTS field.

Standard 4.18: Given competing requests for a limited resource and a right-of-first-refusal is not required to be offered, the Transmission Provider may immediately move requests in the CONFIRMED state to DISPLACED, or from an ACCEPTED or COUNTEROFFER state to SUPERSEDED, if the competing request is of higher priority, based on the rules represented in Table 4-~~3.~~32. These state changes require dynamic notification to the Customer if the Customer has requested dynamic notification on OASIS.

Standard 4.19: In those cases where right-of-first-refusal is required to be offered, the Transmission Provider shall notify the Customer, through the use of a COUNTEROFFER, of the opportunity to match the subsequent offer.

Standard 4.20: A Customer who has been extended a right-of-first-refusal shall have a confirmation time limit equal to the lesser of (a) the Customer Confirmation Time Limit in Table 4~~47~~-2 or (b) 24 hours.

Standard 4.21: A Transmission Provider shall apply all rights-of-first-refusal in a nondiscriminatory and open manner for all Customers.

Standard 4.22: Once a non-firm PTP request has been confirmed, it shall not be displaced by a subsequent non-firm PTP request of equal duration and higher price.

Standard 4.23: A confirmed, non-firm PTP reservation for the next hour shall not be displaced within one hour of the start of the reservation by a subsequent non-firm PTP reservation request of longer duration.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 4.24: A Transmission Provider shall accept any reservation request submitted for an unconstrained Path if the Customer's bid price is equal to or greater than the Transmission Provider's posted offer price at the time the request was queued, even if later requests are submitted at a higher price. This standard applies even when the first request is still unconfirmed, unless the Customer Confirmation Time Limit has expired for the first request.

Standard 4.25: Once an offer to provide non-firm PTP transmission service at a given price is extended to a Customer by the Transmission Provider, and while this first request is still unconfirmed but within the Customer Confirmation Time Limit, the Transmission Provider shall not preempt or otherwise alter the status of that first request on receipt of a subsequent request of the same Tier and equal duration at a higher price, unless the subsequent request is submitted as pre-confirmed.

Standard 4.26: If during a negotiation of service (i.e., prior to Customer confirmation) a subsequent pre-confirmed request for service over the same limited resource of equal duration but higher price is received, the Transmission Provider must COUNTEROFFER the price of service on the prior COUNTEROFFER or ACCEPTED price to match the competing offer, in order to give the first Customer an opportunity to match the offer. This practice must be implemented in a non-discriminatory manner.

Standard 4.27: Whenever a request or reservation is set to the state of Invalid, Refused, Declined, Superseded, Retracted, Annulled, or Displaced, the Transmission Provider or Seller shall enter the reason for the action in the SELLER_COMMENTS field.

~~Section~~Standard 5.0 Procurement of Ancillary and Other Services

~~Section 5.1~~ Introduction

Phase IA OASIS data templates allow the coupling of ancillary service arrangements with the purchase of transmission service for the purpose of simplifying the overall process for Customers. Transmission Providers must indicate (consistent with filed tariffs), which services are MANDATORY (must be taken from the Primary Transmission Provider), REQUIRED (must be provided for but may be procured from alternative sources), or OPTIONAL (not required as a condition of transmission service).

The Transmission Customer should make known to the Transmission Provider at the time of the reservation request certain options related to arrangement of ancillary services. The Transmission Customer may indicate:

a. I will take all the MANDATORY and REQUIRED ancillary services from the Primary Transmission Provider
b. I will take REQUIRED ancillary services from Third Party Seller X
c. I would like to purchase OPTIONAL services
d. I will self provide ancillary services
e. I will arrange for ancillary services in the future (prior to scheduling)

While these interactions are available in the ~~Phase IA S&CP Document~~most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information

Systems, there is a need to clarify the associated business practices. The standards in Section 5 apply to services defined in filed tariffs.

~~Section 5.2~~ Transmission Provider Requirements

Standard 5.1: The Transmission Provider shall designate which ancillary services are MANDATORY, REQUIRED, or OPTIONAL for each offered transmission service or each transmission path to the extent these requirements can be determined in advance of the submittal of a reservation request on a specific Path by a Transmission Customer.

Standard 5.2: A Transmission Provider shall modify a Transmission Customer's service request to indicate the Transmission Provider as the SELLER of any ancillary service, which is MANDATORY, to be taken from the Transmission Provider.

Standard 5.3: For REQUIRED and OPTIONAL services, the Transmission Provider shall not select a SELLER of ancillary service without the Transmission Customer first selecting that SELLER.

Standard 5.4: A Transmission Provider may accept a Transmission Customer's request for an ancillary service, which is not MANDATORY or REQUIRED, but shall indicate to the Transmission Customer at the time of acceptance in SELLER_COMMENTS that the service is not MANDATORY or REQUIRED.

~~Section 5.3~~ Transmission Customer Requirements

Standard 5.5: The Transmission Customer shall indicate with the submittal of a transmission reservation request, the preferred options for provision of ancillary services, such as the desire to use an alternative resource. The Transmission Provider shall post itself as the default ancillary service provider, if a Transmission Customer fails to indicate a third party SELLER of ancillary services. However, the Transmission Customer may change this designation at a later date, so long as this change is made prior to the Transmission Provider's scheduling deadline.

Standard 5.6: A Transmission Customer may, but is not required to, indicate a third party SELLER of ancillary services, if these services are arranged by the Transmission Customer off the OASIS and if such arrangements are permitted by the Transmission Provider's tariff. The Transmission Provider shall post itself as the default ancillary service provider, if a Transmission Customer fails to indicate a third party SELLER of ancillary services. However, the Transmission Customer may change this designation at a later date, so long as this change is made prior to the Transmission Provider's scheduling deadline.

~~Section~~Standard 6~~.~~.0 Pathnaming Standards

~~Section 6.1~~ Introduction

The Data Element Dictionary of the OASIS ~~S&CP Document, Version 1.3~~most current version of the NAESB Standards and Communications Protocol for Open Access Same-Time Information Systems, defines a path name in terms of a 50-character alphanumeric string:

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

RR/TPTP/PATHPATHPATH/OPTIONALFROM-OPTIONALTOTO/SPR

RegionCode/TransmissionProviderCode/PathName/OptionalFrom-To(POR-POD)/Spare

This definition leaves it to the Transmission Providers to name the paths from their own perspective. The following standards provide an unambiguous convention for naming paths and will produce more consistent path names.

~~Section 6.2~~ Transmission Provider Requirements

Standard 6.1: A transmission provider shall use the path naming convention defined in the S&CP Data Dictionary for the naming of all reservable paths posted on OASIS.

Standard 6.2: A transmission provider shall use the third field in the path name to indicate the sending and receiving control areas. The control areas shall be designated using standard NERC codes for the control areas, separated by a hyphen. For example, the first three fields of the path name will be:

RR/TPTP/CAXX-CAYY/

Standard 6.3: A transmission provider shall use the fourth field of the path name to indicate POR and POD separated by a hyphen. For example, a path with a specific POR/POD would be shown as:

RR/TPTP/CAXX-CAYY/PORPORPORPOR-PODPODPODPOD/

If the POR and POD are designated as control areas, then the fourth field may be left blank (as per the example in ~~6~~9.2).

Standard 6.4: A transmission provider may designate a sub-level for Points of Receipt and Delivery. For example, a customer reserves a path to POD AAAA. The ultimate load may be indeterminate at the time. Later, the customer schedules energy to flow to a particular load that may be designated by the transmission provider as a sub-level Point of Delivery. This option is necessary to ensure certain transmission providers are not precluded from using more specific service points by the inclusion of the POR/POD in the path name. All sub-level PORs and PODs must be registered as such on http://www.tsin.com.

~~Section~~Standard 7 ~~–~~.0 Next Hour Market Service

~~Section 7.1~~ Introduction

The standards in this section apply to the offering of Next Hour Market (NHM) Service only. The Commission has designated this service as voluntary for a transmission provider to offer. Therefore the standards apply to a transmission provider only if that provider offers NHM Service, in which case the standards become mandatory for that provider.

~~Section 7.2~~ Transmission Provider Requirements

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 7.1: Use of NHM Service shall be limited to interchange transactions having a duration of one clock-hour and requested no earlier than 60 minutes prior to the start time of the transaction.

Standard 7.2: A transmission provider offering NHM Service shall allow an eligible transmission customer to request a NHM Service reservation electronically using protocols compliant with the most current version of the NERC ETAG Specifications ~~1.6~~.

Standard 7.3: A transmission provider offering NHM Service shall allow a transmission customer to request NHM Service for one or more path segments of a tag by designating: (a) 0-NX as the transmission product code under the OASIS block and (b) BUYATMARKET as the OASIS reservation identifier.

Standard 7.4: A transmission provider offering NHM Service shall consider the submittal of a tag designating that provider on one or more path segments using NHM Service to include a pre-confirmed request for the necessary transmission reservation and associated mandatory ancillary services for each designated path segment, for the hour indicated. No additional confirmation steps shall be required by the transmission customer for a NHM Service transmission reservation and associated ancillary services.

Standard 7.5: A transmission provider offering NHM Service shall consider set the amount of the NHM Service reservation as:

a. The amount of the Transmission Provider Product, if specified.
b. In accordance with the Transmission Provider's tariff, the MW amount at the POR or POD for that Provider in the Loss Table, if Transmission Provider Product is not specified.
c. The MW amount in the Energy Profile, if neither Transmission Provider Product amount nor Provider Loss Table amounts are specified.

Standard 7.6: The OASIS queue time of a NHM Service request or reservation shall be the transmission provider ETAG approval service receipt time, unless a system failure requires the use of ETAG backup procedures, in which case the OASIS queue time shall be the time the tag is received by the transmission provider.

Standard 7.7: The 0-NX designation in the tag assigns as transmission customer, for all NHM Service path segments in the transaction, the PSE that is designated as the Purchasing-Selling Entity (PSE) responsible for the tag. A PSE submitting a tag may not designate a NHM Service reservation for another PSE and a transmission provider may not assign a reservation to any transmission customer other than the PSE submitting the NHM Service tag.

Standard 7.8: When evaluating competing requests for transmission reservations, a transmission provider offering NHM Service shall consider the NHM Service to have a priority lower than Tier 5 – point-to-point service over secondary receipt and delivery points.

Standard 7.9: Once a tag becomes implemented ~~goes to IMPLEMENT or CONDITIONAL status~~ in ETAG, the transmission provider shall consider the associated NHM Service reservations to

be confirmed. Since the NHM Service confirmed reservation(s) are by definition less than one hour prior to start, these reservations shall not be displaced by a subsequent non-firm reservation of higher priority.

Standard 7.10: The transmission customer shall be obligated to pay for the transmission service under the terms of the tariff at the posted offer price for non-firm hourly service, once the interchange transaction tag becomes implemetned ~~is changed to the IMPLEMENT or CONDITIONAL status~~ in ETAG. In the event of a voluntary withdrawal or reduction in the amount or duration of the service by the transmission customer after the tag becomes implemented~~has changed to IMPLEMENT or CONDITIONAL~~, the transmission customer shall remain obligated to pay for the full amount of the approved request. In the event of an involuntary curtailment or reduction of the service, initiated by the transmission provider or any other transmission provider, the transmission customer shall not be obligated to pay for any portions of the NHM Service that were involuntarily curtailed. In the case of involuntary curtailment or reduction, payment shall be based on a calculation of the MWhours actually used.

Standard 7.11: In the case that a transaction uses NHM Service for all required path segments in the tag, the default condition of the tag is NOT approved unless all required transmission providers and control areas indicate tag approval.

Standard 7.12: In the case that a transaction mixes one or more transaction path segments that use NHM Service with one or more path segments that use other types of transmission service, then 1) as long as the NHM Service path segment(s) are not fully approved, then the tag shall default to NOT approved; and 2) if all NHM Service path segments in the ETAG are fully approved, then the tag shall revert to the normal default status as specified in NERC and/or NAESB Standards~~Operating Policy 3 and associated Appendices~~.

Standard 7.13: The transmission customer shall be required to submit a NHM Service transaction request prior to the tag submittal time limit as specified in NERC and/or NAESB Standards~~Operating Policy 3 and associated Appendices~~, and no earlier than 60 minutes prior to the start of the transaction.

Standard 7.14: The approval mechanism for a NHM Service reservation shall be the tag approval. If the tag is approved and has become implemented~~moved to the IMPLEMENT or CONDITIONAL state~~, all required NHM Service transmission reservations associated with that tag shall be
considered confirmed reservations. If one or more transmission providers do NOT approve their segment(s) of the transaction, then the transaction shall be considered NOT approved. Each transmission provider designated in a tag that does not approve that segment of the tag shall indicate that the associated reservation for that segment is REFUSED. If a designated transmission provider in a NHM Service path segment approves the tag but the tag is not approved through the action or inaction of another transmission provider, then that transmission provider shall indicate that reservation is ANNULLED.

Standard 7.15: The transmission provider shall assign the reservation request and final disposition status on behalf of the transmission customer within one hour of the requested start of the NHM Service transaction, regardless of the ultimate disposition of the tag.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

Standard 7.16: NHM Service shall have the lowest curtailment priority in the event that a curtailment or reduction of transfers is initiated. Specifically, NHM Service (0-NX) shall have a NERC Curtailment Priority of 0.

~~**Standard 8.** A Responsible Party may not deny or restrict access to an OASIS user merely because that user makes automated computer-to-computer file transfers or queries, or extensive requests for data.~~

~~**Standard 9.** In the event that an OASIS user's grossly inefficient method of accessing an OASIS node or obtaining information from the node seriously degrades the performance of the node, a Responsible Party may limit a user's access to the OASIS node without prior Commission approval. The Responsible Party must immediately contact the OASIS user to resolve the problem. Notification of the restriction must be made to the Commission within two business days of the incident and include a description of the problem. A closure report describing how the problem was resolved must be filed with the Commission within one week of the incident.~~

~~**Standard 10.** In the event that an OASIS user makes an error in a query, the Responsible Party can block the affected query and notify the user of the nature of the error. The OASIS user must correct the error before making any additional queries. If there is a dispute over whether an error has occurred, the procedures in the preceding paragraph apply.~~

~~**Standard 11.** Transmission Providers must provide "read only" access to the OASIS to Commission staff and to the staff of State regulatory authorities, at no cost, after such staff members have complied with the requisite registration procedures.~~

~~**Standard 12.** The information posted on the OASIS must be in such detail and the OASIS must have such capabilities as to allow Transmission Customers to:~~

~~(a) Clearly identify the degree to which transmission service requests or schedules were denied or interrupted;~~

~~(b) Obtain access, in electronic format, to information to support available transmission capability calculations and historical transmission service requests and schedules for various audit purposes; and~~

~~(c) Make file transfers and automated computer-to-computer file transfers and queries as defined by the Standards and Communications Protocols Document.~~

~~**Standard 13.** Information to support any such curtailment or interruption, including the operating status of the facilities involved in the constraint or interruption, must be maintained and made available upon request, to the curtailed or interrupted customer, the Commission's Staff, and any other person who requests it, for three years.~~

~~**Standard 14.** Each OASIS user must notify the Responsible Party one month in advance of initiating a significant amount of automated queries. The OASIS user must also notify the Responsible Party one month in advance of expected significant increases in the volume of automated queries.~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~**Standard 15**. § 37.1 Applicability.~~

~~This part applies to any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce and to transactions performed under the pro forma tariff required in Part 35 of this Chapter.~~

~~**Standard 16**. § 37.2 Purpose.~~

~~(a) The purpose of this part is to ensure that potential customers of open access transmission service receive access to information that will enable them to obtain transmission service on a non-discriminatory basis from any Transmission Provider. These rules provide standards of conduct and require the Transmission Provider (or its agent) to create and operate an Open Access Same-time Information System (OASIS) that gives all users of the open access transmission system access to the same information.~~

~~(b) The OASIS will provide information by electronic means about available transmission capability for point-to-point service and will provide a process for requesting transmission service. OASIS will enable Transmission Providers and Transmission Customers to communicate promptly requests and responses to buy and sell available transmission capacity offered under the Transmission Provider's tariff.~~

~~**Standard 17**. § 37.3 Definitions.~~

~~(a) Transmission Provider means any public utility that owns, operates, or controls facilities used for the transmission of electric energy in interstate commerce.~~

~~(b) Transmission Customer means any eligible customer (or its designated agent) that can or does execute a transmission service agreement or can or does receive transmission service.~~

~~(c) Responsible Party means the Transmission Provider or an agent to whom the Transmission Provider has delegated the responsibility of meeting any of the requirements of this Part.~~

~~(d) Reseller means any Transmission Customer who offers to sell transmission capacity it has purchased.~~

~~(e) Wholesale Merchant Function means the sale for resale, or purchase for resale, of electric energy in interstate commerce.~~

~~(f) Affiliate means:~~

~~(1) for any exempt wholesale generator, as defined under section 32(a) of the Public Utility Holding Company Act of 1935, as amended, the same as provided in section 214 of the Federal Power Act; and~~

~~(2) for any other entity, the term affiliate has the same meaning as given in § 161.2(a) of this Chapter.~~

~~**Standard 18.** § 37.4 Standards of conduct.~~

~~A Transmission Provider must conduct its business to conform with the following standards:~~

~~(a) General Rules~~

~~(1) Except as provided in paragraph (a)(2) of this section, the employees of the Transmission Provider engaged in transmission system operations must function independently of its employees, or the employees of any of its affiliates, who engage in Wholesale Merchant Functions.~~

~~(2) Notwithstanding any other provisions in this section, in emergency circumstances affecting system reliability, Transmission Providers may take whatever steps are~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~necessary to keep the system in operation. Transmission Providers must report to the Commission and on the OASIS each emergency that resulted in any deviation from the standards of conduct, within 24 hours of such deviation.~~

~~(b) Rules governing employee conduct~~

~~(1) Prohibitions. Any employee of the Transmission Provider, or any employee of an affiliate, engaged in wholesale merchant functions is prohibited from:~~

~~(i) conducting transmission system operations or reliability functions; and~~

~~(ii) having access to the system control center or similar facilities used for transmission operations or reliability functions that differs in any way from the access available to other open access Transmission Customers.~~

~~(2) Transfers. Employees engaged in either (i) wholesale merchant functions or (ii) transmission system operations or reliability functions are not precluded from transferring between such functions as long as such transfer is not used as a means to circumvent the standards of conduct of this section. Notices of any employee transfer to or from transmission system operations or reliability functions must be posted on the OASIS as provided in § 37.6 (g)(3). The information to be posted must include: the name of the transferring employee, the respective titles held while performing each function (i.e., on behalf of the Transmission Provider and wholesale merchant or affiliate), and the effective date of the transfer. The information posted under this section must remain on the OASIS for 90 days.~~

~~(3) Information Access. Any employee of the Transmission Provider, or of any of its affiliates, engaged in wholesale merchant functions:~~

~~(i) shall have access to only that information available to the Transmission Provider's open access transmission customers (i.e., the information posted on an OASIS), and must not have preferential access to any information about the Transmission Provider's transmission system that is not available to all users of an OASIS; and~~

~~(ii) is prohibited from obtaining information about the Transmission Provider's transmission system (including information about available transmission capability, price, curtailments, ancillary services, and the like) through access to information not posted on the OASIS that is not otherwise also available to the general public without restriction, or through information through the OASIS that is not also publicly available to all OASIS users.~~

~~(4) Disclosure. A Transmission Provider is responsible for ensuring compliance with the following provisions:~~

~~(i) Any employee of the Transmission Provider, or any employee of an affiliate, engaged in transmission system operations or reliability functions may not disclose to employees of the Transmission Provider, or any of its affiliates, engaged in wholesale merchant functions any information concerning the transmission system of the Transmission Provider or the transmission system of another (including information received from non-affiliates or information about available transmission capability, price, curtailments, ancillary services, etc.) through non-public communications conducted off the OASIS, through access to information not posted on the OASIS that is not at the same time available to the general public without restriction, or through information on the OASIS that is not at the same time publicly available to all OASIS users (such as E-mail).~~

~~(ii) If an employee of the Transmission Provider engaged in transmission system operations or reliability functions discloses information not posted on the OASIS in a manner contrary to the requirements of the standards of conduct, the Transmission Provider must immediately post such information on the OASIS.~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~(iii) A Transmission Provider may not share any market information, acquired from nonaffiliated Transmission Customers or potential nonaffiliated Transmission Customers, or developed in the course of responding to requests for transmission or ancillary service on the OASIS, with its own employees (or those of an affiliate) engaged in merchant functions, except to the limited extent information is required to be posted on the OASIS in response to a request for transmission service or ancillary services.~~

~~(5) Implementing Tariffs.~~

~~(i) Employees of the Transmission Provider engaged in transmission system operations or reliability functions must strictly enforce all tariff provisions relating to the sale or purchase of open access transmission service, if these provisions do not provide for the use of discretion.~~

~~(ii) Employees of the Transmission Provider engaged in transmission system operations must apply all tariff provisions relating to the sale or purchase of open access transmission service in a fair and impartial manner that treats all customers (including the public utility and any affiliate) in a non-discriminatory manner, if these provisions involve discretion.~~

~~(iii) The Transmission Provider must keep a log, available for Commission audit, detailing the circumstances and manner in which it exercised its discretion under any terms of the tariff.~~

~~(iv) The Transmission Provider may not, through its tariffs or otherwise, give preference to wholesale purchases or sales made on behalf of its own power customers, or those of an affiliate, over the interests of any other wholesale customer in matters relating to the sale or purchase of transmission service (including issues of price, curtailments, scheduling, priority, ancillary services, etc.).~~

~~(v) If the Transmission Provider offers a discount on purchases of transmission service made on behalf of its own power customers or those of any affiliate, then, at the same time, it must post on the OASIS an offer to provide the same discount to all Transmission Customers on the same path and on all unconstrained transmission paths.~~

~~(vi) If the Transmission Provider offers a rate discount on ancillary services to an affiliate, or attributes a discounted ancillary service rate to its own transactions, the Transmission Provider must, at the same time, post on the OASIS an offer to provide the same discount to all eligible customers.~~

~~(6) Books and Records. A Transmission Provider must maintain its books of account and records (as prescribed under Parts 101 and 125 of this Chapter) separately from those of its affiliates and these must be available for Commission inspection.~~

~~(c) Maintenance of written procedures. The Transmission Provider must maintain in a public place, and file with the Commission, current written procedures implementing the standards of conduct in such detail as will enable customers and the Commission to determine that the Transmission Provider is in compliance with the requirements of this section.~~

~~**Standard 19**. § 37.5 Obligations of Transmission Providers and Responsible Parties.~~

~~(a) Each Transmission Provider is required to provide for the operation of an OASIS, either individually or jointly with other Transmission Providers, in accordance with the requirements of this Part. The Transmission Provider may delegate this responsibility to a Responsible Party such as another Transmission Provider, an Independent System Operator, a Regional Transmission Group, or a Regional Reliability Council.~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~(b) A Responsible Party must: (1) provide access to an OASIS providing standardized information relevant to the availability of transmission capacity, prices, and other information (as described in this Part) pertaining to the transmission system for which it is responsible; and~~

~~(2) shall operate the OASIS in compliance with the standardized procedures and protocols found in OASIS Standards and Communication Protocols, which can be obtained from the Public Reference and Files Maintenance Branch, Room 2A, Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426.~~

~~(c) Transmission Providers must provide "read only" access to the OASIS to Commission staff and the staffs of State regulatory authorities, at no cost, after such staff members have complied with the requisite registration procedures.~~

~~**Standard 20.** § 37.6 Information to be posted on an OASIS.~~

~~(a) The information posted on the OASIS must be in such detail as to allow Transmission Customers to:~~

~~(1) make requests for transmission services offered by Transmission Providers, Resellers and other providers of ancillary services;~~

~~(2) view and download in standard formats, using standard protocols, information regarding the transmission system necessary to enable prudent business decision making;~~

~~(3) post, view, upload and download information regarding available products and desired services;~~

~~(4) clearly identify the degree to which their transmission service requests or schedules were denied or interrupted; and~~

~~(5) obtain access, in electronic format, to information to support available transmission capability calculations and historical transmission service requests and schedules for various audit purposes.~~

~~(b) Posting transmission capability. The transmission capability that is expected to be available on the Transmission Provider's system (ATC) and the total transmission capability (TTC) of that system shall be calculated and posted for each Posted Path as set out in this section.~~

~~(1) Definitions. For purposes of this section,~~

~~(i) Posted Path means any control area to control area interconnection; any path for which service is denied, curtailed or interrupted for more than 24 hours in the past 12 months; and any path for which a customer requests to have ATC or TTC posted. For this last category, the posting must continue for 180 days and thereafter until 180 days have elapsed from the most recent request for service over the requested path. For purposes of this definition, an hour includes any part of an hour during which service was denied, curtailed or interrupted.~~

~~(ii) Constrained Posted Path means any posted path having an ATC less than or equal to 25 percent of TTC at any time during the preceding 168 hours or for which ATC has been calculated to be less than or equal to 25 percent of TTC for any period during the current hour or the next 168 hours.~~

~~(iii) Unconstrained Posted Path means any posted path not determined to be a constrained posted path.~~

~~(2) Calculation methods, availability of information, and requests.~~

~~(i) Information used to calculate any posting of ATC and TTC must be dated and time stamped and all calculations shall be performed according to consistently~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~applied methodologies referenced in the Transmission Provider's transmission tariff and shall be based on current industry practices, standards and criteria.~~

~~(ii) On request, the Responsible Party must make all data used to calculate ATC and TTC for any constrained posted paths publicly available (including the limiting element(s) and the cause of the limit (e.g., thermal, voltage, stability)) in electronic form within one week of the posting. The information is required to be provided only in the electronic format in which it was created, along with any necessary decoding instructions, at a cost limited to the cost of reproducing the material. This information is to be retained for six months after the applicable posting period.~~

~~(iii) System planning studies or specific network impact studies performed for customers to determine network impacts are to be made publicly available in electronic form on request and a list of such studies shall be posted on the OASIS. A study is required to be provided only in the electronic format in which it was created, along with any necessary decoding instructions, at a cost limited to the cost of reproducing the material. These studies are to be retained for two years.~~

~~(3) Posting. The ATC and TTC for all Posted Paths must be posted in megawatts by specific direction and in the manner prescribed in this subsection.~~

~~(i) Constrained Posted Paths.~~

~~(A) For Firm ATC and TTC:~~

~~(1) The posting shall show ATC and TTC for a 30-day period. For this period postings shall be: by the hour, for the current hour and the 168 hours next following; and thereafter, by the day. If the Transmission Provider charges separately for on-peak and off-peak periods in its tariff, ATC and TTC will be posted daily for each period.~~

~~(2) Postings shall also be made by the month, showing for the current month and the 12 months next following.~~

~~(3) If planning and specific requested transmission studies have been done, seasonal capability shall be posted for the year following the current year and for each year following to the end of the planning horizon but not to exceed 10 years.~~

~~(B) For Non-Firm ATC and TTC. The posting shall show ATC and TTC for a 30-day period by the hour and days prescribed under paragraph (b)(3)(i)(A)(1) of this section and, if so requested, by the month and year as prescribed under paragraph (b)(3)(i)(A)(2) and (3) of this section.~~

~~(C) Updating Posted Information for Constrained Paths.~~

~~(1) The capability posted under paragraphs (b)(3)(i)(A) and (B) of this section must be updated when transactions are reserved or service ends or whenever the TTC estimate for the Path changes by more than 10 percent.~~

~~(2) All updating of hourly information shall be made on the hour.~~

~~(ii) Unconstrained Posted Paths.~~

~~(A) Postings of ATC and TTC shall be by the day, showing for the current day and the next six days following and thereafter, by the month for the 12 months next following. If the Transmission Provider charges separately for on-peak and off-peak periods in its tariff, ATC and TTC will be posted for the current day and the next six days following for each period. These postings are to be updated whenever the ATC changes by more than 20 percent of the Path's TTC.~~

~~(B) If planning and specific requested transmission studies have been done, seasonal capability shall be posted for the year following the current year and for each year following until the end of the planning horizon but not to exceed 10 years.~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~(c) Posting Transmission Service Products and Prices.~~

~~(1) Transmission Providers must post prices and a summary of the terms and conditions associated with all transmission products offered to Transmission Customers.~~

~~(2) Transmission Providers must provide a downloadable file of their complete tariffs in the same electronic format as the tariff is filed with the Commission.~~

~~(3) A Transmission Provider, within 24 hours of agreeing to sell transmission service to a non-affiliate at a discount (as measured from when ATC must be adjusted in response to the transaction), must post on the OASIS (and make available for download) information describing the transaction (including price, quantity, and any other relevant terms and conditions) and shall keep such information posted on the OASIS for at least 30 days. A record of the transaction must be retained and kept available as part of the audit log required in section 37.7. With respect to any discount offered to its own power customers or its affiliates, the Transmission Provider must, at the same time, post on the OASIS an offer to provide the same discount to all Transmission Customers on the same path and on all unconstrained transmission paths.~~

~~(4) Customers choosing to use the OASIS to offer for resale transmission capacity they have purchased must post relevant information to the same OASIS as used by the one from whom the Reseller purchased the transmission capacity. This information must be posted on the same display page, using the same tables, as similar capability being sold by the Transmission Provider, and the information must be contained in the same downloadable files as the Transmission Provider's own available capability. A customer reselling transmission capacity without the use of an OASIS must, nevertheless, inform the original Transmission Provider of the transaction within the time limits prescribed by the "Sale or Assignment of Transmission Service" section of the pro forma tariff.~~

~~(d) Posting Ancillary Service Offerings and Prices.~~

~~(1) Any ancillary service required to be provided or offered under the pro forma tariff prescribed by Part 35 of this Chapter must be posted with the price of that service.~~

~~(2) A Transmission Provider, within 24 hours of agreeing to sell an ancillary service to a non-affiliate at a discount, must post on the OASIS (and make available for download) information describing the transaction (including price, quantity, and any other relevant terms and conditions) and shall keep such information posted on the OASIS for at least 30 days. A record of the transaction must be retained and kept available as part of the audit log required in § 37.7. As to discounts for ancillary services, if a Transmission Provider offers a rate discount to an affiliate, or attributes a discounted ancillary service rate to its own transactions, the Transmission Provider must, at the same time, post on the OASIS an offer to provide the same discount to all eligible customers.~~

~~(3) Any other interconnected operations service offered by the Transmission Provider may be posted, with the price for that service.~~

~~(4) Any entity offering an ancillary service shall have the right to post the offering of that service on the OASIS if the service is one required to be offered by the Transmission Provider under the pro forma tariff prescribed by Part 35 of this Chapter. Any entity may also post any other interconnected operations service voluntarily offered by the Transmission Provider. Postings by customers and third parties must be on the same page, and in the same format, as postings of the Transmission Provider.~~

~~(e) Posting Specific Transmission Service Requests and Responses.~~

~~(1) General Rules.~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~(i) All requests for transmission service offered by Transmission Providers under the pro forma tariff must be made on the OASIS. Requests for transmission service, and the responses to such requests, must be conducted in accordance with the Transmission Provider's tariff, the Federal Power Act, and Commission regulations.~~

~~(ii) In processing a request for transmission or ancillary service, the Responsible Party shall post the following information: the date and time when the request is made, its place in any queue, the status of that request, and the result (accepted, denied, withdrawn).~~

~~(iii) The identity of the parties will be masked -- if requested -- during the negotiating period and for 30 days from the date when the request was accepted, denied or withdrawn.~~

~~(2) Posting when a request for transmission service is denied.~~

~~(i) When a request for service is denied, the Responsible Party must provide the reason for that denial as part of any response to the request.~~

~~(ii) Information to support the reason for the denial, including the operating status of relevant facilities, must be maintained for 60 days and provided, upon request, to the potential Transmission Customer.~~

~~(iii) Any offer to adjust operation of the Transmission Provider's System to accommodate the denied request must be posted and made available to all Transmission Customers at the same time.~~

~~(3) Posting when a transaction is curtailed or interrupted.~~

~~(i) When any transaction is curtailed or interrupted, the curtailment or interruption must be posted (with the identities of the parties masked as required in § 37.6(e)(1)(iii)) and must state the reason why the transaction could not be continued or completed.~~

~~(ii) Information to support any such curtailment or interruption, including the operating status of the facilities involved in the constraint or interruption, must be maintained for 60 days and provided, upon request, to the curtailed or interrupted customer.~~

~~(iii) Any offer to adjust the operation of the Transmission Provider's system to restore a curtailed or interrupted transaction must be posted and made available to all curtailed and interrupted Transmission Customers at the same time.~~

~~(f) Posting Transmission Service Schedules Information. Information on transmission service schedules must be recorded by the entity scheduling the transmission service and must be available on the OASIS for download. Transmission service schedules must be posted no later than seven calendar days from the start of the transmission service.~~

~~(g) Posting Other Transmission-Related Communications.~~

~~(1) The posting of other communications related to transmission services must be provided for by the Responsible Party. These communications may include "want ads" and "other communications" (such as using the OASIS as a Transmission-related conference space or to provide transmission-related messaging services between OASIS users). Such postings carry no obligation to respond on the part of any market participant.~~

~~(2) The Responsible Party is responsible for posting other transmission-related communications in conformance with the instructions provided by the third party on whose behalf the communication is posted. It is the responsibility of the third party requesting such a posting to ensure the accuracy of the information to be posted.~~

~~(3) Posting Transfers. Notices of transfers of personnel as described in § 37.4(b)(2) shall be posted.~~

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: NAESB Electronic Scheduling Subcommittee
Request No.: R04006
Request Title: Modifications to OASIS Business Practices

~~**Standard 21.** § 37.7 Auditing Transmission Service Information.~~

~~(a) All OASIS database transactions, except other transmission-related communications provided for under § 37.6(g)(2), must be stored, dated, and time stamped.~~

~~(b) Audit data must remain available for download on the OASIS for 90 days. The audit data are to be retained and made available upon request for three years from the date when they are first posted.~~

~~**Standard 22.** § 37.8 Implementation schedule for OASIS requirements; phases.~~

~~Each Transmission Provider must develop or participate in an OASIS that meets the requirements of this Part and that is in operation by November 1, 1996. Each Transmission Provider must be in compliance with the standards of conduct prescribed in § 37.4 by November 1, 1996.~~

Recommended Changes to CIBP Standard
(Excludes Definitions & Appendices)

1.0 All requests to implement bilateral Interchange Transactions, and certain Interchange Schedules, shall be accomplished by the submission of a completed Interchange Transaction Tag to the Sink Balancing Authority (BA).

1.3 Approval Entities shall only be allowed to take actions against tags as specified in the most current version of the NASEB Appendix D "Transaction Tag Actions".

2.0 All energy purchase, energy sale, and Transmission service arrangements necessary to create the Transaction Tag and implement the bilateral Interchange Transaction shall be performed and verified by the Requesting PSE prior to the Transaction Tag being submitted to the Sink BA.

2.1 The Requesting PSE shall have the right to defer this responsibility to the Market Operator Function. **Note: Requirement 3 was deleted except for this sentence and combined into 2.0.

4.0 This requirement will be deleted due to NERC covering it in Std 10, Req. 4

5.0 The completed Transaction Tag, including all updates and market modifications, shall be forwarded by the Sink BA to the appropriate Approval Entity(s) for a Market Period assessment.

6.1 Unless denied by an Approval Entity, the Transaction Tag is considered approved when all involved parties receive the results of the Market Period assessment.

6.2 All denials of a Transaction tag by any Approval Entity shall be accompanied by the reason for such denial.

8.0 The preferred method of submitting the Transaction Tag to the Sink BA shall be electronic and in accordance with the Version 1.7.095 NERC Transaction Information System Working Group (TISWG) *Electronic Tagging Functional Specifications*.
**Note: Is this the most recent language

9.0 Removed capitalized C in corrections.

10.0 The Requesting PSE shall have the right to modify an Interchange Transaction that is in progress or scheduled to be started.

10.1 These modifications shall be made due to changes in contracts, economic decisions, or other market-based influences.

10.2 The Requesting PSE shall have the right to increase or decrease the Interchange Transaction tag's energy and committed transmission(s) profile to reflect a desire to flow more or less energy or commit more transmission than originally requested. In the case of an increase, the necessary transmission must be available from either the earlier Transaction or is provided with the increase.

10.3 The Requesting PSE shall have the right to extend the Interchange Transaction tag's energy profile to reflect a desire to flow energy during hours not previously specified. Necessary transmission capacity must be provided with the extension.

10.4 Interchange Transaction modifications made to the "Implemented" Transaction tag or its committed transmission reservation for market-related issues by the Requesting PSE, or its designee, must be submitted to the Sink BA and all affected parties within the time requirements of NERC Standard Version 0 Attachment 1.

11.0 All parties involved in the bilateral Interchange Transaction shall have, or arrange to have, personnel and facilities on site and immediately available from the beginning of the Market Period until the Transaction has been completed for notification of changes to the Transaction Tag. **Note: 11.1 was removed and combined with 11.0 .

12.0 Unless provided for under a FERC approved market mechanism, energy accounting for all Interchange Transactions shall be accomplished via Interchange Block Accounting.

13.0 Settlement of losses shall be either handled as financial or as payment in-kind according to the OATT of each Transmission Service Provider on the Transaction tag.

14.0, 14.1, 14.2 will be removed from the Standard since NERC's V-0 team will continue to include these requirements in their V-0 standard.

15.0 All RAs, BAs, TSPs, PSEs, and other entities involved in an Interchange Transaction shall not disclose the Interchange Transaction information to any PSE not involved in the Interchange Transaction. **Note: This was added based on comment from Ed Davis. Is it appropriate?

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Multiple Submissions of Identical Transmission Requests / Queuing Issues

1. RECOMMENDED ACTION:

_X_ Accept as requested
___ Accept as modified below
___ Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X_ Change to Existing Practice
___ Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:	**Per Recommendation:**
_X_ Initiation	_X_ Initiation
___ Modification	___ Modification
___ Interpretation	___ Interpretation
___ Withdrawal	___ Withdrawal
___ Principle	___ Principle
___ Definition	___ Definition
_X_ Business Practice Standard	_X_ Business Practice Standard
___ Document	___ Document
___ Data Element	___ Data Element
___ Code Value	___ Code Value
___ X12 Implementation Guide	___ X12 Implementation Guide
___ Business Process Documentation	___ Business Process Documentation

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Multiple Submissions of Identical Transmission Requests / Queuing Issues

3. RECOMMENDATION

SUMMARY:

This standard addresses the conditions that transmision providers shall institute measures to mitigate problems associated with the submission of excessive or sham requests for transmission service on OASIS. The particular cases addressed by this standard are,

- Denial of Service,
- Queue Flooding, and
- Queue Hoarding.

RECOMMENDED STANDARDS:

Standard W Definitions – For the purposes of this standard the following definitions shall be applied:

Standard W.1 Identical Service Requests – "Identical service requests" shall be defined by those OASIS transmission service requests that have exactly the same values in the following OASIS template Data Elements:

- CUSTOMER_CODE
- CUSTOMER_DUNS
- SERVICE_INCREMENT
- TS_CLASS
- START_TIME
- STOP_TIME
- POR*
- POD*
- PATH*

* Service requests where any combination of PATH, POR and/or POD represent exactly the same commercial transmission elements shall be considered as "having the exact same value."

Standard W.2 Denial of Service – this is the intentional or unintentional degradation of OASIS performance that impacts all customer interactions with OASIS either through the flooding of the OASIS network connection with messages (OASIS specific or not), or excessive or grossly inefficient queries for, or submission of, data to OASIS.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Multiple Submissions of Identical Transmission Requests / Queuing Issues

Standard W.3 Queue Flooding – this is the excessive submission of specific transmission service requests, intentionally or unintentionally, in an attempt to hit a window in service availability and gain priority based on OASIS queued time.

Standard W.4 Queue Hoarding – this is the act, intentionally or unintentionally, of delaying a decision to confirm or withdraw an accepted service request such that it impacts the ability of other willing buyers to secure service in a timely fashion.

Standard X Denial of Service - OASIS system administrators shall have the right to institute programs for the detection and mitigation of Denial of Service (DoS) attacks based on the use of recognized standard industry practices.

Standard X.1 OASIS system administrators or Transmission Providers shall have the right to block a user's large volume or high frequency submission of transmission service requests that are syntactically invalid and/or do not constitute a valid, legitimate request for service under the terms of the Transmission Provider's tariff (i.e., cannot be queued by OASIS for evaluation by the Transmission Provider) pursuent to the provisions in NAESB OASIS Business Practice Standard 1.5(d).

Standard Y Queue Flooding - OASIS system administrators or Transmission Providers shall have the right to reject the submission of additional **identical service requests** by a given Transmission Customer when the sum of the capacity requested in all preceeding, pending, valid **identical service requests** for that Transmission Customer equals or exceeds the impacted transmission facilities' Total Transfer Capability at any point in time over the duration of such requests.

Standard Z Queue Hoarding - OASIS system administrators or Transmission Providers shall have the right to institute processes and procedures to limit the ability of a given Transmission Customer to delay the timely processing of transmission requests submitted by other Transmission Customers.

Standard Z.1 In the event of multiple transmission service requests queued for a limited transmission facility(ies) such that the Transmission Provider must wait for a given Transmission Customer to act on an accepted request for service prior to accepting or denying subsequent requests for service, the Transmission Provider shall have the right to deny and remove from consideration all subsequent **identical service requests** submitted by the same Transmission Customer should that Transmission Customer explicitly (i.e., withdraws their request) or implicitly (i.e., fails to confirm the request within the confirmation time limit) elect not to take service over the limited facility(ies).

Standard Z.2 Unless the Transmission Provider's business practices allows a later or less restrictive confirmation time period, the Transmission Customers confirmation timelimit shall be the lesser of the confirmation timeline in Table 4-2 or 30 minutes before the pro forma scheduling deadline.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Multiple Submissions of Identical Transmission Requests / Queuing Issues

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Multiple Submissions of Identical Transmission Requests / Queuing Issues

4. SUPPORTING DOCUMENTATION

a. Description of Request:

Multiple Submissions of Identical Transmission Requests / Queuing Issues

OASIS business rules are very similar across most providers. In general, customers submitting transmission request have time periods when they can "queue" their requests. This queue process and the way it relates to the Internet can create issues when customers are "battling" for ATC on constrained interfaces. Many customers have automated the submission of transmission requests. In order to ensure their place in the queue, these customers schedule these requests to be submitted as a scheduled event. To account for delays caused by the Internet and the nature of web server systems, customers usually submit multiple copies of the same request beginning a few minutes before the top of the hour and lasting until well after the top of the hour. The issues created by duplicate request submittal are fairly straightforward. Backend systems and the operators working those systems are impacted dramatically. Each request that arrives after the top of the hour is a valid request. Therefore, the provider can have hundreds of requests in the queue that will never be confirmed. Other issues that are created are related to OASIS performance. Anyone using transstatus to retrieve a list of OASIS requests submitted during a time period similar to the one described above can receive hundreds of bogus requests and only a hand full of legitimate requests. Also, while the systems are busy working on the bogus requests, valid requests can be delayed due to bottlenecks created by this issue.

b. Description of Recommendation:

The standards recommended are intended to address three basic issues that have been noted in the operation of OASIS:

- Denial of Service – this is the intentional or unintentional degradation of OASIS performance that impacts all customer interactions with OASIS either through the flooding of the OASIS network connection with messages (OASIS specific or not), or excessive or grossly inefficient queries for, or submission of, data to OASIS.
- Queue Flooding – this is the excessive submission of specific transmission service requests, intentionally or unintentionally, in an attempt to hit a window in service availability and gain priority based on OASIS queued time.
- Queue Hoarding – this is the act, intentionally or unintentionally, of delaying a decision to confirm or withdraw an accepted service request such that it impacts the ability of other willing buyers to secure service in a timely fashion.

The Denial of Service standard recommendation establishes how an OASIS system administrator should deal with perceived DoS attacks. Specifically, it allows the administrator to use industry recognized processes and procedures to detect a pattern consistent with a DoS attack and take mitigating action. True DoS attacks are not necessarily targetted at simply compromising an OASIS system, and are typically implemented in network communications devices (e.g., routers,

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Multiple Submissions of Identical Transmission Requests / Queuing Issues

firewalls, etc.). Procedures relative to perceived DoS type of performance impacts specifically related to OASIS messaging are to be implemented in compliance with FERC Order 605.

The Queue Flooding standard attempts to establish a minimum standard by which an OASIS system would screen multiple requests to limit the total number of transmission service reservations queued by any one given Transmission Customer. The criteria to which the OASIS may limit such requests (TTC) is intentionally conservative until operational experience dictates that there is a sufficient, documented operational problem that warrants being more restrictive.

The Queue Hoarding standard attempts to provide some mitigation of operational concerns that were originally addressed by the MIC in Docket No. RM95-9-013. The standard does not convey any preference to pre-confirmed service requests, nor limit any Transmission Customer from exercising their full rights to the confirmation time limits imposed by FERC Order 638. Instead, it specifies that once a Customer explicitly (by setting request status to WITHDRAWN) or implicitly (by allowing request status to be set to RETRACTED) declines to purchase service offered by the Transmission Provider, they forfeit all rights to purchase identical service requested in subsequently queued reservations. The Customer, in these cases, has opted to not purchase the service offered, which raises the question whether they truly intend to purchase service at all. These Customers may be intentionally "hoarding" transmission capacity by exercising their priority in the queue and customer confirmation time limit rights to block other willing buyers from purchasing transmission service.

Finally, recommendations to supplement FERC Order 638 Business Practice Standard 4.13 are proposed to eliminate the possibility for a single transmission service request to block all subsequent service requests until after the Firm and Non-Firm scheduling deadlines as specified in the Pro Forma Tariff (e.g., 10:00am and 2:00pm of day prior to service respectively. Note that there was not consensus within the OASIS 1A Task Force as to whether to propose modifications to the existing Order 638 Timing Standards. The recommendation therefore presents several alternatives for consideration as Standard Z.2:

- Silence - existing Order 638 standards are sufficient to address the concerns,
- Reinforcement of TP right to institute timing requirements such that confirmation time limits do not extend scheduling deadlines,
- Recommended confirmation time limit changes in fixed steps based on time prior to start of service to eliminate the possibility for a single transmission service request to block all subsequent service requests, or
- Recommended confirmation time limit changes on a sliding time frame based on time prior to start of service to eliminate the possibility for a single transmission service request to block all subsequent service requests.

In support of the Recommendation Multiple Submissions of Identical Transmissions Requests / Queuing Issues to the NAESB Executive Committee for a proposed business practice standard, please see the following sets of minutes:

WEQ OASIS 1A Task Force	February 13, 2004	http://www.naesb.org/pdf/weq_oasis1a_021304dm.pdf
WEQ ESS/ ITS	April 6, 2004	http://www.naesb.org/pdf/weq_ess_its040604fm.doc

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Multiple Submissions of Identical Transmission Requests / Queuing Issues

WEQ ESS/ ITS	May 26-27, 2004	http://www.naesb.org/pdf/weq_ess_its052604dm.doc
WEQ ESS	February 17-18, 2004	http://www.naesb.org/pdf/weq_ess021704fm.doc
WEQ OASIS 1A Task Force	July 14, 2004	

c. Business Purpose:

The recommended standards are intended to establish clear processes and procedures to be taken in OASIS to address operational concerns of the Industry.

d. Commentary/Rationale of Subcommittee(s)/Task Force(s):

The recommended standards are intended to address OASIS operational concerns that have been, at least in part, attempted to be addressed in prior FERC filings and orders. FERC issued Order 605 (Docket No. RM98-3-000) in May 1999 to specifically deal with the issue of automated access to OASIS and the performance impacts of excessive or grossly inefficient queries for information. The NERC Market Interface Committee, in response to numerous concerns over the queuing of multiple transmission service requests and the impact on OASIS operations, filed a proposed standard to address this issue in Docket No. RM95-9-013. This filing was subsequently denied by the Commission, principally due to:

- No Industry filing of comments in support of the standard
- Language in the standard that allowed application of the standard to be discretionary and therefore difficult to monitor/police (i.e., "…the transmission provider has the right to move to a retracted status…").
- Failure of the standard to address whether change to Transmission Provider response times are necessary, thereby circumventing the need for the standard.

The Subcommittee believes the language in FERC Order 605, and companion business practices standards related to Transmission Provider response and Transmission Customer confirmation time limits in FERC Order 638 (Docket No. RM95-9-003) establish clear guidance with respect to the specific issues they address. The recommended standards are intended to clarify and establish additional business practices with respect to three operational issues: Denial of Service, Queue Flooding, and Queue Hoarding.

The Denial of Service recommendation would allow the OASIS system administrators to use industry standard practices for the detection and mitigation of Denial of Service attacks whether they be due to flooding of a network connection with OASIS specific connection requests or not. The Subcommittee believes the existing provisions in Order 605 establish sufficient guidelines and protections for OASIS administrators to take action against excessive or grossly inefficient means of accessing OASIS data.

The Queue Flooding recommendation establishes a standard for OASIS to automatically limit the submission of excessive transmission service requests by a given Transmission Customer, or remove such requests from the queue of pending requests. The standard establishes the limit

based on the Total Transfer Capability of the transmission system requested (based on path, POR and/or POD). TTC rather than Available Transfer Capability (ATC) was used as the criteria because of the possibility that preceding requests, or changes in system conditions between the time the request is queued and finally evaluated may actually increase the ATC to a level sufficient to support the service requested.

The Queue Hoarding recommendation establishes a standard by which the OASIS would purge the queue of pending, like requests from a given Transmission Customer, if that Customer explicitly or implicitly fails to purchase service offered by the the Transmission Provider, and is therefore preventing other willing buyers from acquiring service in a timely manner. This standard would prevent the submission of mulitple frivolous service requests that the Customer has no intention of acting upon.

As a companion to the Queue Hoarding recommendation, the subcommittee is recommending a supplement to the Order 638 Business Practice Standard 4.13 to ensure that the time from a reservation being queued, provider evaluation, and customer confirmation time limit would not encroach on the day-ahead Firm and Non-firm scheduling deadlines in the Pro Forma tariff. Without the suggested changes, there is still the possibility for a single customer's transmission service request to block other customer requests until after the scheduling deadline. This is another example of "queue hoarding" that needed to be addressed by the industry.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Redirect of Transmission Service

1. RECOMMENDED ACTION:

_X_ Accept as requested
___ Accept as modified below
___ Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X_ Change to Existing Practice
___ Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:	**Per Recommendation:**
_X_ Initiation	_X_ Initiation
___ Modification	___ Modification
___ Interpretation	___ Interpretation
___ Withdrawal	___ Withdrawal
___ Principle	___ Principle
___ Definition	___ Definition
_X_ Business Practice Standard	_X_ Business Practice Standard
___ Document	___ Document
___ Data Element	___ Data Element
___ Code Value	___ Code Value
___ X12 Implementation Guide	___ X12 Implementation Guide
___ Business Process Documentation	___ Business Process Documentation

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Redirect of Transmission Service

3. RECOMMENDATION

SUMMARY:

This standard establishes standard business practices related to the "redirection" of transmission service. These standards address the provisions of Section 22 in the FERC Pro Forma Open Access Transmission Tariff related to the modification of Points of Receipt and/or Delivery for Firm Point-to-Point Transmission Service.

RECOMMENDED STANDARDS:

Firm Redirect of Firm Point-to-Point Reservations

Standard X

Transmission Customers shall have the right to request modifications to Points of Receipt and/or Points of Delivery (including source or sink, where required) on a firm basis for any Confirmed Point-to-Point Firm Transmission Service reservation (i.e., parent reservation). This will be referred to as a Redirect on a Firm basis. All requests to Redirect on a Firm basis shall be submitted to the primary Transmission Provider.

Standard X.1

A request to Redirect on a Firm basis shall be queued and evaluated by the Transmission Provider in the same manner as any other firm point to point request.

Standard X.1.1

No additional deposit shall be required for a request to Redirect on a Firm basis.

Standard X.2

The Transmission Customer (TC) shall be allowed to submit a request to Redirect on a Firm basis for a portion or all of the capacity of the parent reservation (less any capacity confirmed in other Redirects on a Firm basis, Resales, etc.), even if the transmission scheduling rights on the parent reservation have been limited due to outages or other security-related events.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Redirect of Transmission Service

Standard X.3

The TC shall be allowed to request a Redirect for a portion or all of the time period of the parent request (i.e., bound by the stop/start times of the parent request).

Standard X.3.1

All requests for Redirect on a Firm basis must represent an established service increment offered by the Transmission Provider.

Standard X.4

The TC's rights on the original path shall remain unaffected during the Transmission Provider evaluation of the Redirect request.

Standard X.4.1

If the Redirect request is denied for any reason, all rights shall remain per the original reservation.

Standard X.4.2

Upon confirmation of the Redirect request, the capacity of the parent reservation (i.e., the reservation being redirected) shall be reduced by the amount of the redirected capacity for the time period of that Redirect.

Standard X.4.3

The TC shall be allowed to submit and have pending multiple Redirect requests against the same reserved capacity. The TP shall evaluate each such request independently. However, the TC shall be blocked from confirming any Redirect request(s) that would exceed the parent reservation's capacity at any point in time.

Standard X.4.4

The TP shall take any and all actions consistent with their practices for handling the overscheduling of reserved capacity in the event the TC schedules capacity reserved on the parent reservation and then confirms

a Redirect request in an amount that exceeds the unscheduled capacity on the parent reservation.

Standard X.5

For the purposes of curtailment and other capacity reductions, confirmed Redirects on a Firm basis shall be treated comparably to all other types of firm service.

Standard X.5.1

Curtailments or other capacity reductions to the remaining portion of the reserved capacity on the parent reservation shall not affect the Redirect reservation.

Standard X.5.2

Curtailments or other capacity reductions affecting the reserved capacity on the Redirect reservation shall not affect the parent reservation nor result in a reinstatement of capacity on the parent reservation.

Standard X.6

Unless otherwise mutually agreed to by the primary provider and original customer, Redirect requests on a Firm basis do not impact the TCs long term firm renewal rights (e.g., rollover or evergreen rights) on the original path, nor do they confer any renewal rights on the redirected path.

Standard X.7

Any differences in charges associated with the Redirect transaction will be settled in accordance with the Transmission Provider's tariff.

Standard X.7.1

Unless otherwise addressed in the Transmission Provider's tariff, the credit on the parent reservation would be computed as the total reservation charge divided by the total megawatt hours reserved times the megawatt hours redirected. The redirected reservation would be charged like any other service.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Redirect of Transmission Service

Non-Firm Redirect of Firm Point-to-Point Reservations

Standard Y

Transmission Customers shall have the right to request an alternate, or secondary, Point of Receipt and/or Point of Delivery (including source and sink, if required) on a non-firm basis for any Confirmed Point-to-Point Firm Transmission Service reservation (i.e., parent reservation). This will be referred to as a Redirect on a Non-Firm basis. All redirect requests shall be submitted to the primary Transmission Provider.

Standard Y.1

A request to Redirect on a Non-Firm basis shall be queued and evaluated in accordance with the Transmission Provider's Open Access Tariff.

Standard Y.1.1

Redirects on a Non-Firm basis shall have a service priority that is lower than non-firm hourly point-to-point service.

Standard Y.1.2

Requests for Redirects on a Non-Firm basis shall specify the following transmission service attributes in their request:

SERVICE_INCREMENT=HOURLY

TS_CLASS=SECONDARY

TS_TYPE=POINT_TO_POINT

TS_PERIOD=FULL_PERIOD

TS_WINDOW=FIXED

Standard Y.2

The Transmission Customer (TC) shall be allowed to request a Redirect on a Non-Firm basis for a portion or all of the capacity of the parent request.

Standard Y.2.1

The TC shall be allowed to request a Redirect on a Non-Firm basis up to the original capacity reserved (less any capacity confirmed in other Redirects on a Firm basis or Resales) even if the transmission scheduling

rights on the parent reservation have been limited due to outages or other security-related events.

Standard Y.3

The TC shall be allowed to request a Redirect on a Non-Firm basis for a portion or all of the time period of the parent request (i.e., bound by the stop/start times of the parent request).

Standard Y.3.1

Requests for Redirect on a Non-firm basis must be submitted no earlier than 1200 of the day prior to start of service and for a duration not to exceed 24 hours.

Standard Y.4

Prior to and upon confirmation of a Redirect on a Non-Firm basis, the TC's firm scheduling and redirect rights associated with the original reservation shall remain unchanged.

Standard Y.4.1

In no event shall the total of the schedules at any point in time under the parent reservation and all Redirects on a Non-Firm basis exceed the amount of the original reservation’s reserved capacity.

Standard Y.4.2

If the original reservation capacity is redirected on a firm basis, then any existing redirects on a non-firm basis will be limited to the remaining capacity available on the parent reservation, which may be zero.

Standard Y.5

There shall be no charge to Redirect on a Non-Firm basis.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Redirect of Transmission Service

4. SUPPORTING DOCUMENTATION

a. Description of Request:

Using OASIS to process and record redirects of transmission service is a difficult task. There are many issues related to the redirect and resale functionality, but most are caused by provider business rules or vendor design choices. The primary issue concerns redirects of transmission service. The current OASIS standard does not facilitate primary provider approval of redirected transmission when that redirect is using resold (reassigned) transmission service. When transmission rights are resold to another customer, the customer on the original request is the seller on the resale request. In this case, the primary provider responsible for administering ATC no longer has approval rights for any future transactions, such as REDIRECTS, that use this resold or reassigned transmission service. This is only an issue when the 2nd customer wants to redirect transmission usage to a constrained path. Currently, unless the provider intervenes on the backend, that provider only has the option to deny this type of transaction when it is tagged.

b. Description of Recommendation:

The standard recommendation addresses the “primary issue” stated in the Standard Request: the business practices related to requests for a Redirect of transmission service on either a Firm or Non-Firm basis. The issue of the treatment of secondary market resale requests for redirected service are addressed in a separate Standard Recommendation specific to Resales.

The OASIS S&CP discusses redirection of service to alternate points of receipt and delivery in Section 4.2.13.9. This section did not explictly state to whom such requests must be submitted. Redirected service requires an assessment of the transfer capability on the designated alternate points of receipt and/or delivery. Only the primary transmission provider is in a position to make such an assessment an authorize the redirected service under the OATT. Therefore, the OASIS S&CP is clarified in the recommended standard to explicitly require that all requests for redirected service must be submitted to the primary transmission provider for evaluation and approval.The recommended standard also addresses the settlement issue in the event that redirected service would increase or decrease the charges due to the transmission provider.

In support of the Recommendation Redirect of Transmission Service for a proposed business practice standard to the NAESB Executive Committee, please see the following sets of minutes:

WEQ OASIS 1A Task Force	February 13, 2004	http://www.naesb.org/pdf/weq_oasis1a_021304dm.pdf
WEQ ESS/ ITS	April 6, 2004	http://www.naesb.org/pdf/weq_ess_its040604fm.doc
WEQ ESS/ ITS	May 26-27, 2004	http://www.naesb.org/pdf/weq_ess_its052604dm.doc
WEQ ESS	February 17-18, 2004	http://www.naesb.org/pdf/weq_ess021704fm.doc
WEQ OASIS 1A Task Force	July 14, 2004	

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Redirect of Transmission Service

c. Business Purpose:

The Business Practices will provide market participants with procedures for providing any necessary data for the Redirect of Transmission Service. The current WEQ OASIS standard does not facilitate primary provider approval of redirected transmission when that redirect is using resold transmission service. When transmission rights are resold to another customer, the customer on the original request is the seller on the resale request. In this case, the primary provider responsible for administering ATC no longer has approval rights for any future transactions, such as redirects, that use this resold or reassigned transmission usage to a constrained path.

d. Commentary/Rationale of Subcommittee(s)/Task Force(s):

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

1. RECOMMENDED ACTION:

__X Accept as requested
___Accept as modified below
___Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X__Change to Existing Practice
___Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:

_X_Initiation
___Modification
___Interpretation
___Withdrawal

___Principle
___Definition
_X_Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

Per Recommendation:

_X_Initiation
___Modification
___Interpretation
___Withdrawal

___Principle
___Definition
_X_Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

3. RECOMMENDATION

SUMMARY:

This recommendation establishes standard business practices related to secondary market sales of transmission service. These standards address certain provisions of Section 23 in the FERC Pro Forma Open Access Transmission Tariff related to the "Sale or Assignment of Transmission Service."

The recommendation is presented in two major sections:

- Business Practice Standards for Sale or Assignment of Transmission Service, and
- Technical Standards for Sale or Assignment of Transmission Service

The Business Practices are subdivided into three sections:

- Definitions
- Resales
- Transfers

The Technical Standards consist of red-lined changes to sections of the current OASIS Standards and Communications Protocols necessary to support the recommended Business Practices.

RECOMMENDED STANDARDS:

Business Practice Standards for Sale or Assignment of Transmission Service

Standard X Definitions– For the purposes of this standard the following definitions shall be applied:

Standard X.1 Assignee – Any Eligible Customer that purchases transmission service rights from another Eligible Customer.

Standard X.2 Eligible Customer – as defined in the FERC Pro Forma Open Access Transmission Tariff.

Standard X.3 Resale – The conveyance of scheduling rights associated with a reservation for transmission service from a Transmission Customer or other Eligible Customer to another Eligible Customer.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

Standard X.4 Reseller – Any Eligible Customer that holds transmission service rights on a Transmission Provider's transmission system and offers those rights for sale on the secondary transmission market.

Standard X.5 Transfer – The conveyance of all rights and obligations associated with a reservation for transmission service from one Transmission Customer to another Transmission Customer.

Standard X.6 Transmission Customer (TC) – as defined in the FERC Pro Forma Open Access Transmission Tariff.

Standard X.7 Transmission Provider (TP) – as defined in the FERC Pro Forma Open Access Transmission Tariff.

Standard Y Resales - Transmission Customers shall have the right to offer for sale on the secondary market the scheduling rights (capacity) associated with existing, confirmed transmission service reservations. Any Eligible Customer may purchase those scheduling rights from the current rights holder on the secondary market.

Standard Y.1 The Resale of transmission rights shall convey the rights to schedule transmission service held by the seller (Reseller) to the purchaser (Assignee). The Assignee shall contact the Transmission Provider directly to schedule energy transfers using those rights purchased from the Reseller.

Standard Y.1.2 Secondary market transactions between Eligible Customers whereby the Reseller retains the responsibility to schedule energy transfers with the TP are not subject to these standards.

Standard Y.2 Resales shall not affect the financial or any other tariff obligations of the original Transmission Customer to the Transmission Provider.

Standard Y.3 Scheduling rights resold on the secondary market shall be limited to the same or lower service priority of the transmission service rights purchased by the Reseller and must be identified using a valid TP defined product using standardized transmission service attributes. If the Reseller aggregates rights from multiple transmission reservations in a single Resale to the Assignee, the priority of those rights granted the Assignee shall be limited to the lowest priority of those rights sold.

Standard Y.4 There shall be no limitations with respect to the duration (start/stop) of the rights resold (i.e., monthly rights may be sold for a given hour, day, etc.) other than they must be in integral hours and within the start and stop times of the original transmission service reserved from the TP.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

Standard Y.5 All Resales shall be posted on OASIS.

Standard Y.5.1 Offers to resell capacity and requests to purchase those rights may be conducted on the TP's OASIS in accordance with the OASIS Standards for Secondary Sales – On OASIS.

Standard Y.5.2 If the Resale is conducted off OASIS between the Reseller and the Assignee, the Reseller must notify the TP of the Resale, and the TP must insure that the information on the Resale is posted to OASIS in accordance with the OASIS Standards for Secondary Sales – Off OASIS. This posting should be made as soon as practicable but in any case no later than the start of the scheduling period for the transmission service scheduling rights resold. The TP may require that the Reseller perform this activity.

Standard Y.5.3
The Reseller shall identify to the TP those existing rights that are to be conveyed to the Assignee subject to the review and approval by the TP that the Reseller is the legitimate rights holder.

Standard Y.5.4
The Reseller shall lose all scheduling rights over the time frame and in the amount of the capacity resold.

Standard Y.6 The Assignee shall have the right to redirect firm transmission service rights acquired through a Resale. Such requests must be submitted directly to the TP and are subject to all business practice standards associated with Redirects.

Standard Y.6.1 The Assignee shall be obligated directly to the TP for any additional charges or credits resulting from the redirect of transmission service.

Standard Y.6.2 The TP shall have the right to require that the Assignee execute a Transmission Service Agreement prior to accepting a Redirect request from the Assignee.

Standard Y.7
The Assignee shall have the right to resell scheduling rights acquired through a Resale in accordance with these standards.

Standard Y.8

The Reseller may retain the right to recall capacity from the Assignee under certain circumstances. The Reseller must clearly identify any such provisions to the Assignee.

Standard Z Transfers - Transmission Customers (Original TC) shall have the right to transfer their existing, confirmed transmission service rights purchased from the TP to another Transmission Customer (Assignee) with consent of the TP.

Standard Z.1 The Transfer of transmission rights shall convey ALL rights and obligations under the Transmission Provider's tariff, including the financial obligation to the TP, from the TP's Original Transmission Customer to the Assignee.

Standard Z.1.1 Prior to any transfer of transmission rights, the prospective Assignee shall have executed the necessary Service Agreements with the TP as required under the TP's tariff.

Standard Z.1.2 The Transfer of rights must be agreed to by the TP's Original TC, the Assignee, and the TP.

Standard Z.1.2.1 To acquire rights through a Transfer of service, the Assignee must determine the TP's Original TC for the rights to be transferred and submit a request for Transfer of those rights to that Original TC and the TP.

Standard Z.2
The transmission rights transferred shall retain the service priority and be identified by the same transmission service attributes as the original transmission service rights purchased from the TP.

Standard Z.3
There shall be no limitations with respect to the start date/time of the transfer, but the stop date/time must coincide with the end of the original TC's reservation or coincide with the end of the TPs defined period for the service being transferred (e.g., monthly service could be transferred mid-month, but the transfer must terminate on the last day of a month).

Standard Z.3.1
If the transfer is for long-term firm point-to-point service and the end of the transfer period does not coincide with the end of the original TC's long-term reservation, all renewal rights remain with the original TC on the path and in the amount originally reserved.

Standard Z.3.2
If the transfer is for long-term firm point-to-point service and the end of the transfer period coincides with the end of the original TC's long-term reservation, renewal rights shall be granted to the Assignee on the path and in the amount transferred.

Standard Z.5 All Transfers shall be posted on OASIS.

Standard Z.5.1 The Assignee may request the Transfer of transmission rights from the Original TC on OASIS. Such requests shall be submitted to the Original TC (as seller) and the TP for approval.

Standard Z.5.2 The Original TC shall approve the Transfer request through the standard OASIS Transaction Process.

Standard Z.5.3 If the Transfer is agreed to off OASIS between the Assignee and Original TC, the Assignee must notify the TP of the Transfer, and, if agreed to by the TP, the TP must insure that the information on the Transfer is posted to OASIS. This posting should be made as soon as practicable but in any case no later than the start of the scheduling period for the transmission service transferred. The TP may require that the Assignee perform the Transfer on OASIS.

Standard Z.5.4
The Original TC shall identify to the TP those existing transmission service rights that are to be conveyed to the Assignee subject to the review and approval by the TP that the Original TC is the legitimate rights holder.

Standard Z.5.5 Upon final agreement of a Transfer by both Original TC and the TP, the TP shall release the Original TC from their tariff obligations over the time frame and in the amount of the capacity specified in the Transfer request, and convey those obligations to the Assignee.

Standard Z.6 On completion of the Transfer, the Assignee shall have all rights to resell, transfer, redirect, etc., their acquired transmission service rights as the Original TC.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

Technical Standards for Sale or Assignment of Transmission Service

The following excerpts contain the recommended changes to specific subsections in the OASIS Standards and Communications Protocols document required to support the above Business Practice standards. Each section or subsection is contained in its entirety with the recommended changes redlined.

4.2.13 Modifications to Transactions

Transactions processed by OASIS as outlined in Section 4.2.10 may be subject to modification by subsequent transactions or events as permitted under the Transmission Provider's Tariff. The following subsections describe the actions to be taken on OASIS to implement specific provisions of the Open Access Pro Forma Tariff related to transmission service. Depending on the exact form of the Provider's Tariff, some of these provisions may not be applicable, and implementation of other provisions may be Provider specific. In general, modification to any OASIS transaction initiated by the Customer shall involve the submission of a new transaction. The new transaction shall identify the specific type of modification being requested using the REQUEST_TYPE Data Element, and reference the transaction to be modified using the RELATED_REF Data Element. In the specific case of secondary market transactions, related transactions are identified with the use of the REASSIGNED_REF Data Element. The following are the specific restricted values for the REQUEST_TYPE Data Element and a brief description of their use:

- ORIGINAL – typical reservation requests submitted to the Primary Provider
- RESALE – secondary market requests submitted to a Transmission Customer as Secondary Transmission Provider
- RENEWAL – request to renew an expiring transmission reservation
- MATCHING – request to meet or exceed a competing request to retain transmission service (right of first refusal)
- DEFERRAL – request to defer or apply for extension on start of transmission service
- REDIRECT – request to redirect all or portion of a transmission reservation to an alternate POR/POD and/or make other changes to the terms of service as permitted
- TRANSFER – request to transfer all rights and obligations, including financial liability to the TP, from one Transmission Customer to another.
- {registered} – Primary Transmission Provider's may register values for REQUEST_TYPE to implement specific provisions of their Tariffs.

The Primary Transmission Provider may also modify a Customer's transmission reservation to the extent that the original reservation's MW capacity available for scheduling may be reduced over all or a portion of the term of the original reservation subject to the terms of the Provider's Tariff. Any time a subsequent transaction initiated by the Customer modifies all or a portion of a prior transaction, or a reduction in reserved MWs is initiated by the Primary Provider, the IMPACTED counter will be incremented in the prior transaction shall be set. OASIS User's may view the list of all

subsequent transactions or events impacting a given transaction using the ***reduction*** Template. The following subsections describe the application of REQUEST_TYPE to actions taken on OASIS, and how various modifications to existing reservations are to be affected.

…

4.2.13.11 Transfers (new)

Transmission Customers (Original TC) may transfer their rights and obligations, including financial liability, under the TP's Tariff to another Transmission Customer (Assignee). These requests must be initiated by the Assignee through submission of a transmission request with REQUEST_TYPE of TRANSFER and designation of the Original TC as SELLER. The transmission service attributes in the TRANSFER request must exactly match those in the transmission reservation(s) held by the Original TC. TRANSFER requests are handled by the Original TC (SELLER) and the Assignee (CUSTOMER) using the standard Transaction Process. OASIS may block submission of a TRANSFER request if the Assignee does not have an executed service agreement with the TP.

When approved by the Original TC, the Original TC must supply information as to the transmission service rights to be conveyed to the Assignee via the REASSIGNED_REF, REASSIGNED_CAPACITY, REASSIGNED_START_TIME and REASSIGNED_STOP_TIME Data Elements. The transmission service rights being transferred must have been purchased from the TP (REQUEST_TYPE of ORIGINAL with TP as SELLER) or transferred from another TC (REQUEST_TYPE of TRANSFER with that TC as SELLER). The aggregation of all REASSIGNED_xxx Data Elements must match the capacity and time frame of the TRANSFER request as specified in the CAPACITY_GRANTED (and/or CAPACITY_REQUESTED), START_TIME and STOP_TIME Data Elements of that transaction. If for any reason the TP disapproves of the TRANSFER, the TP must set the request's status to ANNULLED, and all rights will revert back to the Original TC.

The Transmission Provider may post a TRANSFER request directly on OASIS on behalf of the Original TC and Assignee after confirming the transaction with both parties. The information required to be posted shall be identical to that posted for TRANSFERs conducted on OASIS. The IMPACTED attributed will be incremented for each of the Original TC's reservations referenced by the REASSIGNED_REF Data Elements and be viewable with the ***reduction*** template.

…

4.3.6.1 Customer Capacity Purchase Request (transrequest)

The **Customer Capacity Purchase Request** (Input) (***transrequest***) is used by the Customer to request the purchase of transmission services or request changes to previously submitted reservations for transmission services. The response simply acknowledges that the Customer's request was received by the OASIS Node. It does not imply that the Seller has received the request. Inputting values into the reference Data Elements is optional.

CUSTOMER_CODE and CUSTOMER_DUNS shall be determined from the registered connection used to input the request.
Supporting "profiles" of service, which request different capacities (and optionally price) for different time periods within a single request, is at the discretion of the Primary Provider. Continuation records may be used to indicate requests for these service profiles; use of continuation records is only supported when using the CSV Format upload of Template data. Each segment of a profile is represented by the Data Elements CAPACITY_REQUESTED, START_TIME, and STOP_TIME, which define the intervals in time overwhich a non-zero MW demand is being requested. The initial segment of a profile is defined by the CAPACITY_REQUESTED, START_TIME and STOP_TIME Data Elements specified in the first/only record submitted; subsequent segments are specified in continuation records each containing the appropriate CAPACITY_REQUESTED, START_TIME and STOP_TIME values defining the segment. Provider's may optionally support price negotiation on segments of a profiled reservation request. In this case, the BID_PRICE Data Element is also included in each continuation record. If the BID_PRICE Data Element is not specified in the continuation records, the BID_PRICE specified in the first/only record submitted will be applied to the entire reservation request.
For requesting transmission services which include multiple paths, the following fields may be specified using continuation records: PATH_NAME, POINT_OF_RECEIPT, and POINT_OF_DELIVERY. Supporting multiple paths or multiple POINT_OF_RECEIPT and POINT_OF DELIVERY is at the discretion of the Provider.
The START_TIME and STOP_TIME indicate the requested period of service.
When the request is received at the OASIS Node, the TSIP assigns a unique ASSIGNMENT_REF value and queues the request with a time stamp. The STATUS for the request is QUEUED. The IMPACTED counter is initially set to 0. If the new request is not modifying an existing reservation (as indicated by a null value for the RELATED_REF Data Element) and the SELLER is the Primary Provider, REQUEST_TYPE must either be specified as "ORIGINAL" or be left null and OASIS will substitute the default value of "ORIGINAL". If the new request is not modifying an existing reservation and the SELLER is not the Primary Provider, REQUEST_TYPE must either be specified as "RESALE" or "TRANSFER". ~~or be~~ If left null, ~~and~~ OASIS will substitute the default value of "RESALE".
If the new request is modifying an existing transmission reservation, the Data Elements REQUEST_TYPE and RELATED_REF must be entered. RELATED_REF contains the ASSIGNMENT_REF for the transmission reservation being modified, and REQUEST_TYPE must be one of MATCHING, REDIRECT, DEFERRAL, RENEWAL, TRANSFER, or a Primary Provider registered value.
Specification of a value YES in the PRECONFIRMED field authorizes the TSIP to automatically change the STATUS field in the ***transstatus*** Template to CONFIRMED when that request is ACCEPTED by the Seller.
…

4.3.6.2 Status of Customer Purchase Request (transstatus)

The **Status of Customer Purchase Request** (***transstatus***) is provided upon the request of any Customer or Provider to indicate the current status of one or more

reservation records. Users may also view any transaction's status. However, the SOURCE and SINK may be masked for User requests until Transmission Providers must make source and sink information available at the time the request status posting is updated to show that a transmission request is confirmed.
Continuation records may be returned in association with a transmission reservation to convey information regarding: 1) sale or assignment of transmission rights on the secondary market (reassignments), 2) profiled requests, or 3) service over multiple paths Each continuation record associated with a transmission reservation shall be identified by the CONTINUATION_FLAG Data Element set to 'Y' and include the ASSIGNMENT_REF Data Element.
When a transmission reservation request acquires its rights to transmission service as the result of a sale or assignment of transmission rights on the secondary market, the identity of the original reservation, capacity, and time interval over which rights are assigned to the new reservation are defined by the Data Elements REASSIGNED_REF, REASSIGNED_CAPACITY, REASSIGNED_START_TIME, and REASSIGNED_STOP_TIME. These Data Elements will be returned in continuation records when more than one set of reassignment information is associated with a reservation.
If the transmission reservation has an associated profile, either as a result of the submission of CAPACITY_REQUESTED varying over time (support for Customer reservation profiles is at the discretion of the Provider) or due to the Provider offering partial service specifying a CAPACITY_GRANTED varying over time, then CAPACITY_GRANTED, CAPACITY_REQUESTED, START_TIME and STOP_TIME for the segments of the profile will be returned in continuation records. If the Provider supports negotiation of price on each segment of a Customer profiled request, BID_PRICE and OFFER_PRICE will also be returned with CAPACITY_REQUESTED, CAPACITY_GRANTED, START_TIME and STOP_TIME.
If the Provider supports reservations submitted on multiple paths, continuation records specifying PATH_NAME, POINT_OF_RECEIPT, and POINT_OF_DELIVERY associated with the reservation would be returned in continuation records.
The AFFILIATE_FLAG will be set by the TSIP to indicate whether or not the Customer is an affiliate of the Primary Provider. The NEGOTIATED_PRICE_FLAG will be set by the TSIP to indicate whether the OFFER_PRICE is higher, lower, or the same as the BID_PRICE. Any time that a confirmed transmission reservation's rights to schedule up to the amount of CAPACITY_GRANTED is reduced, either due to secondary market sales, partial displacements, Provider initiated "recalls" of capacity, etc., the IMPACTED Data Element shall be incremented. Specific information regarding the MW level and reason for reduction in reserved capacity is viewable using the *reduction* Template.

Template: **transstatus**

1. **Query**

   SELLER_CODE*
   SELLER_DUNS*
   CUSTOMER_CODE*
   CUSTOMER_DUNS*
   PATH_NAME*

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

POINT_OF_RECEIPT*
POINT_OF_DELIVERY*
SERVICE_INCREMENT*
TS_CLASS*
TS_TYPE*
TS_PERIOD*
TS_WINDOW*
TS_SUBCLASS*
STATUS*
START_TIME (Beginning time of service)
STOP_TIME
START_TIME_QUEUED (Beginning time queue)
STOP_TIME_QUEUED
NEGOTIATED_PRICE_FLAG
ASSIGNMENT_REF
REASSIGNED_REF
RELATED_REF
SALE_REF
REQUEST_REF
DEAL_REF
COMPETING_REQUEST_FLAG
TIME_OF_LAST_UPDATE

2. **Response**

CONTINUATION_FLAG
ASSIGNMENT_REF
SELLER_CODE
SELLER_DUNS
CUSTOMER_CODE
CUSTOMER_DUNS
AFFILIATE_FLAG (Set by TSIP)
PATH_NAME
POINT_OF_RECEIPT
POINT_OF_DELIVERY
SOURCE
SINK
CAPACITY_REQUESTED
CAPACITY_GRANTED
SERVICE_INCREMENT
TS_CLASS
TS_TYPE
TS_PERIOD
TS_WINDOW
TS_SUBCLASS
NERC_CURTAILMENT_PRIORITY
OTHER_CURTAILMENT_PRIORITY

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

START_TIME
STOP_TIME
CEILING_PRICE
OFFER_PRICE
BID_PRICE
PRICE_UNITS
PRECONFIRMED
ANC_SVC_LINK
ANC_SVC_REQ
POSTING_REF
SALE_REF
REQUEST_REF
DEAL_REF
IMPACTED (Greater than 0, if another reservation impacts this reservation)
COMPETING_REQUEST_FLAG
REQUEST_TYPE
~~**ORIGINAL, RESALE, REDIRECT, MATCHING,DEFERRAL, RENEWAL, {registered}**~~
RELATED_REF
NEGOTIATED_PRICE_FLAG ("L" if Seller accepted Price is lower than OFFER_PRICE in *transoffering* Template; "H" if higher; otherwise blank)
STATUS =
RECEIVED, QUEUED, INVALID, STUDY, REBID, COUNTEROFFER, ACCEPTED, DECLINED, SUPERSEDED, REFUSED, CONFIRMED, WITHDRAWN, DISPLACED, ANNULLED, RETRACTED
STATUS_NOTIFICATION
STATUS_COMMENTS
TIME_QUEUED
RESPONSE_TIME_LIMIT
TIME_OF_LAST_UPDATE
PRIMARY_PROVIDER_COMMENTS
SELLER_REF
SELLER_COMMENTS
CUSTOMER_COMMENTS
SELLER_NAME
SELLER_PHONE
SELLER_FAX
SELLER_EMAIL
CUSTOMER_NAME
CUSTOMER_PHONE
CUSTOMER_FAX
CUSTOMER_EMAIL
REASSIGNED_REF
REASSIGNED_CAPACITY (Capacity from each previous transaction)
REASSIGNED_START_TIME
REASSIGNED_STOP_TIME

…

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

Appendix A – Data Dictionary:
[ed. Definition of REQUEST_TYPE must be updated to include TRANSFER.]

4. SUPPORTING DOCUMENTATION

a. Description of Request:

Using OASIS to process and record redirects of transmission service is a difficult task. There are many issues related to the redirect and resale functionality, but most are caused by provider business rules or vendor design choices. The primary issue concerns redirects of transmission service. The current OASIS standard does not facilitate primary provider approval of redirected transmission when that redirect is using resold (reassigned) transmission service. When transmission rights are resold to another customer, the customer on the original request is the seller on the resale request. In this case, the primary provider responsible for administering ATC no longer has approval rights for any future transactions, such as REDIRECTS, that use this resold or reassigned transmission service. This is only an issue when the 2nd customer wants to redirect transmission usage to a constrained path. Currently, unless the provider intervenes on the backend, that provider only has the option to deny this type of transaction when it is tagged.

b. Description of Recommendation:

In considering the request to clarify/standardize treatment of REDIRECT requests for transmission service acquired on the secondary market, the OASIS 1A Task Force determined that a more fundamental set of business practices should be specified dealing with the secondary transmission market. This issue has been discussed in the past in both the NERC Market Interface Committee (MIC) and the Electronic Scheduling Collaborative. The recommended standards presented here are in line with the discussions in those groups in that there are basically two major classes of secondary market transactions that must be recognized: 1) transfer of scheduling rights with no change in financial responsibility, and 2) transfer of all rights, including financial responsibility. Implementation of the second class of secondary market transaction (i.e., TRANSFER in the recommended standard), will require modifications to the OASIS S&CP and corresponding changes in OASIS software.

Standards Y.6 and Z.6 specifically address the issue of Redirects for secondary market transactions.

Standards Y.5.2 and Z.5.3 identify who is ultimately responsible for notification of the TP of the Resale or Transfer respectively. Note that in the case of Resales, the (re)seller documents off-OASIS sales since there is no incentive for that TC to give away rights to another TC without compensation and don't want to give the Assignee rights to "steal" rights from a TC by fraudulent use of the OASIS transassign template. In the case of Transfers, the Original TC could attempt to "dump" financial obligation on another entity without their approval if they could use the OASIS transassign template. Therefore, a TRANSFER request should be initiated by the Assignee

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: Wholesale Electric Quadrant

Requesters: Southern Company Services
Request No.: R04006
Request Title: OASIS 1A Enhancements - Sale or Assignment of Transmission Service

taking on the financial burden and won't be allowed to use transassign template, unless we make explicit restrictions in transassign that the Original TC's submission with request type of TRANSFER is to have an implied status of ACCEPTED (as opposed to CONFIRMED for resales).

In support of the Recommendation Sale or Assignment of Transmission Service to the NAESB Executive Committee for a proposed business pracitce standard, please see the following sets of NAESB subcommittee minutes:

WEQ OASIS 1A Task Force	February 13, 2004	http://www.naesb.org/pdf/weq_oasis1a_021304dm.pdf
WEQ ESS/ ITS	April 6, 2004	http://www.naesb.org/pdf/weq_ess_its040604fm.doc
WEQ ESS/ ITS	May 26-27, 2004	http://www.naesb.org/pdf/weq_ess_its052604dm.doc
WEQ ESS	February 17-18, 2004	http://www.naesb.org/pdf/weq_ess021704fm.doc
WEQ OASIS 1A Task Force	July 14, 2004	

c. Business Purpose:

The Business Practices will provide market participants with procedures for providing any necessary data for the secondary market sales of transmission service. These standards address certain provisions of Section 23 in the FERC Pro Forma Open Access Transmission Tariff related to the "Sale or Assignment of Transmission Service."

d. Commentary/Rationale of Subcommittee(s)/Task Force(s):

Standards of Conduct for Electric Transmission Providers (Chapter I, Title18 CFR Part 358)

1.0 Applicability

This standard applies to any public utility that owns, operates, or controls facilities used for the transmission of electric energy interstate commerce.

2.0 General principles

(a) A Transmission Provider's employees engaged in transmission system operations must function independently from the Transmission Provider's marketing and sales employees, and from any employees of its Energy Affiliates.

(b) A Transmission Provider must treat all transmission customers, affiliated and non-affiliated, on a non-discriminatory basis, and must not operate its transmission system to preferentially benefit an Energy Affiliate.

3.0 Definitions.

(a) Transmission Provider means:

(1) Any public utility that owns, operates or controls facilities used for the transmission of electric energy in interstate commerce

(2) Reserved

(3) Reserved

(b) Affiliate means:

(1) Another person which controls, is controlled by or is under common control with, such person. An Affiliate includes a division that operates as a functional unit, and

(2) For any exempt wholesale generator, as defined under 32(a) of the Public Utility Holding Company Act of 1935, as amended, the same as provided in Section 214 of the Federal Power Act.

(c) Control (including the terms "controlling," "controlled by," and "under common control with") as used in this standard, includes, but is not limited to, the possession, directly or indirectly and whether acting alone or in conjunction with others, of the authority to direct or cause the direction of the management or policies of a company. A voting interest of 10 percent or more creates a rebuttable presumption of control.

(d) Energy Affiliate means an affiliate of a Transmission Provider that:

(1) Engages in or is involved in transmission transactions in U.S. energy or transmission markets; or

(2) Manages or controls transmission capacity of a Transmission Provider in U.S. energy or transmission markets; or

(3) Buys, sells, trades or administers electric energy in U.S. energy or transmission markets; or

(4) Engages in financial transactions relating to the sale or transmission of electric energy in U.S. energy or transmission markets.

(5) An LDC division of an electric public utility Transmission Provider shall be considered the functional equivalent of an Energy Affiliate.

(e) Marketing, sales or brokering means a sale for resale of electric energy in interstate commerce. Sales and marketing employee or unit includes:

(1) Reserved

(2) A public utility Transmission Provider's energy sales unit, unless such unit engages solely in bundled retail sales.

(3) Reserved

(f) Transmission means electric transmission, network or point-to-point service, reliability service, ancillary services or other methods of transportation or the interconnection with jurisdictional transmission facilities.

(g) Transmission Customer means any eligible customer, shipper or designated agent that can or does execute a transmission service agreement or can or does receive transmission service, including all persons who have pending requests for transmission service or for information regarding transmission.

(h) Open Access Same-time Information System or OASIS refers to the Internet location where a public utility posts the information, by electronic means.

(i) Reserved

(j) Transmission Function employee means an employee, contractor, consultant or agent of a Transmission Provider who conducts transmission system operations or reliability functions, including, but not limited to, those who are engaged in day-to-day duties and responsibilities for planning, directing, organizing or carrying out transmission-related operations.

4.0 Independent functioning.

(a) Separation of functions.

(1) Except in emergency circumstances affecting system reliability, the transmission function employees of the Transmission Provider must function independently of the Transmission Provider's Marketing or Energy Affiliates' employees.

(2) Notwithstanding any other provisions in this section, in emergency circumstances affecting system reliability, a Transmission Provider may take whatever steps are necessary to keep the system in operation. Transmission Providers must report to the Commission and post on the OASIS each emergency that resulted in any deviation from the standards of conduct, within 24 hours of such deviation.

(3) The Transmission Provider is prohibited from permitting the employees of its Marketing or Energy Affiliates from:

(i) Conducting transmission system operations or reliability functions; and

(ii) Having access to the system control center or similar facilities used for transmission operations or reliability functions that differs in any way from the access available to other transmission customers.

(4) Transmission Providers are permitted to share support employees and field and maintenance employees with their Marketing and Energy Affiliates.

(5) Transmission Providers are permitted to share with their Marketing or Energy Affiliates senior officers and directors who are not "Transmission Function Employees" as that term is defined in Requirement 3.0(j). A Transmission Provider may share transmission information covered by Requirement 5.0(a) and (b) with its senior officers and directors provided that they do not participate in directing, organizing or executing transmission system operations or marketing functions; or act as a conduit to share such information with a Marketing or Energy Affiliate.

(6) Transmission Providers are permitted to share risk management employees that are not engaged in Transmission Functions or sales or commodity Functions with their Marketing and Energy Affiliates.

(b) Identifying affiliates on the public Internet.

(1) A Transmission Provider must post the names and addresses of its Marketing and Energy Affiliates on its OASIS.

(2) A Transmission Provider must post on its OASIS a complete list of the facilities shared by the Transmission Provider and its Marketing or Energy Affiliates, including the types of facilities shared and their addresses.

(3) A Transmission Provider must post comprehensive organizational charts showing:

(i) The organizational structure of the parent corporation with the relative position in the corporate structure of the Transmission Provider, Marketing and Energy Affiliates;

(ii) For the Transmission Provider, the business units, job titles and descriptions, and chain of command for all positions, including officers and directors, with the exception of clerical, maintenance, and field positions. The job titles and descriptions must include the employee's title, the employee's duties, whether the employee is involved in transmission or sales, and the name of the supervisory employees who manage non-clerical employees involved in transmission or sales.

(iii) For all employees who are engaged in transmission functions for the Transmission Provider and marketing or sales functions or who are engaged in transmission functions for the Transmission Provider and are employed by any of the Energy Affiliates, the Transmission Provider must post the name of the business unit within the marketing or sales unit or the Energy Affiliate, the organizational structure in which the employee is located, the employee's name, job title and job description in the marketing or sales unit or Energy Affiliate, and the employee's position within the chain of command of the Marketing or Energy Affiliate.

(iv) The Transmission Provider must update the information on its OASIS, required by Requirement 4.0 (1), (2) and (3) within seven business days of any change, and post the date on which the information was updated.

(v) The Transmission Provider must post information concerning potential merger partners as affiliates within seven days after the merger is announced.

(vi) All OASIS postings required by this standard must comply, as applicable, with Requirement 1.3 of the NAESB Business Practices for Open Access Same-Time Information Systems.

(c) Transfers. Employees of the Transmission Provider, Marketing or Energy Affiliates are not precluded from transferring among such functions as long as such transfer is not used as a means to circumvent the Standards of Conduct. Notices of any employee transfers between the Transmission Provider, on the one hand, and the Marketing or Energy Affiliate, on the other, must be posted on the OASIS. The information to be posted must include: the name of the transferring employee, the respective titles held while performing each function (i.e., on behalf of the Transmission Provider, Marketing or Energy Affiliate), and the effective date of the transfer. The information posted under this section must remain on the OASIS for 90 days.

(d) Books and records. A Transmission Provider must maintain its books of account and records (as prescribed in 18 CFR) separately from those of its Energy Affiliates and these must be available for Commission inspections.

(e) Written procedures.

(1) Each Transmission Provider is required to file with the Commission and post on the OASIS a plan and schedule for implementing the standards of conduct.

(2) Each Transmission Provider must be in full compliance with the Standards of Conduct by September 22, 2004.

(3) The Transmission Provider must post on the OASIS current written procedures implementing the standards of conduct in such detail as will enable customers and the Commission to determine that the Transmission Provider is in compliance with the requirements of this section by September 22, 2004 or within 30 days of becoming subject to the requirements of this standard.

(4) Transmission Providers will distribute the written procedures to all Transmission Provider employees and employees of the Marketing and Energy Affiliates.

(5) Transmission Providers shall train officers and directors as well as employees with access to transmission information or information concerning electric purchases, sales or marketing functions. The Transmission Provider shall require each employee to sign a document or certify electronically signifying that s/he has participated in the training.

(6) Transmission Providers are required to designate a Chief Compliance Officer who will be responsible for standards of conduct compliance.

5.0 Non-discrimination requirements.

(a) Information access.

(1) The Transmission Provider must ensure that any employee of the its Marketing or Energy Affiliate may only have access to that information available to the Transmission Provider's transmission customers (i.e., the information posted on the OASIS) and must not have access to any information about the Transmission Provider's transmission system that is not available to all users of an OASIS.

(2) The Transmission Provider must ensure that any employee of its Marketing or Energy Affiliate is prohibited from obtaining information about the Transmission Provider's transmission system (including, but not limited to, information about available transmission capability, price, curtailments, storage, ancillary services, balancing, maintenance activity, capacity expansion plans or similar information) through access to information not posted on the OASIS or that is not otherwise also available to the general public without restriction.

(b) Prohibited disclosure.

(1) An employee of the Transmission Provider may not disclose to its Marketing or Energy Affiliates any information concerning the transmission system of the Transmission Provider or the transmission system of another (including, but not limited to, information received from non-affiliates or information about available transmission capability, price, curtailments, storage, ancillary services, balancing, maintenance activity, capacity expansion plans, or similar information) through non-public communications conducted off the OASIS, through access to information not posted on the OASIS that is not contemporaneously available to the public, or through information on the OASIS that is not at the same time publicly available.

(2) A Transmission Provider may not share any information, acquired from nonaffiliated transmission customers or potential nonaffiliated transmission customers, or developed in the course of responding to requests for transmission or ancillary service on the OASIS with employees of its Marketing or Energy Affiliates, except to the limited extent information is required to be posted on the OASIS in response to a request for transmission service or ancillary services.

(3) If an employee of the Transmission Provider discloses information in a manner contrary to the requirements of Requirement 5.0 (b)(1) and (2), the Transmission Provider must immediately post such information on the OASIS.

(4) A non-affiliated transmission customer may voluntarily consent, in writing, to allow the Transmission Provider to share the non-affiliated customer's information with a Marketing or Energy Affiliate. If a non-affiliated customer authorizes the transmission Provider to share its information with a Marketing or Energy Affiliate, the Transmission Provider must post notice on the OASIS of that consent along with a statement that it did not provide any preferences, either operational or rate-related, in exchange for that voluntary consent.

(5) A Transmission Provider is not required to contemporaneously disclose to all transmission customers or potential transmission customers information covered by Requirement 5.0 (b)(1) if it relates solely to a Marketing or Energy Affiliate’s specific request for transmission service.

(6) A Transmission Provider may share generation information necessary to perform generation dispatch with its Marketing and Energy Affiliate that does not include specific information about individual third party transmission transactions or potential transmission arrangements.

(7) Neither a Transmission Provider nor an employee of a Transmission Provider is permitted to use anyone as a conduit for sharing information covered by the prohibitions of Requirement 5.0 (b)(1) and (2) with a marketing or Energy Affiliate. A Transmission Provider may share information covered by Requirement 5.0 (b)(1) and (2) with employees permitted to be shared under Requiement 4.0 (a)(4), (5) and (6) provided that such employees do no act as a conduit to share such information with any Marketing or Energy Affiliates.

(8) A Transmission Provider is permitted to share information necessary to maintain the operations of the transmission system with its Energy Affiliates.

(c) Implementing tariffs.

(1) A Transmission Provider must strictly enforce all tariff provisions relating to the sale or purchase of open access transmission service, if these tariff provisions do not permit the use of discretion

(2) A Transmission Provider must apply all tariff provisions relating to the sale or purchase of open access transmission service in a fair and impartial manner that treats all transmission customers in a non-discriminatory manner, if these tariff provisions permit the use of discretion.

(3) A Transmission Provider must process all similar requests for transmission in the same manner and within the same period of time.

(4) The Transmission Provider must maintain a written log, available for Commission audit, detailing the circumstances and manner in which it exercised its discretion under any terms of the tariff. The information contained in this log is to be posted on the within 24 hours of when a Transmission Provider exercises its discretion under any terms of the tariff.

(5) The Transmission Provider may not, through its tariffs or otherwise, give preference to its own Marketing or Energy Affiliate, over any other wholesale customer in matters relating to the sale or purchase of transmission service (including, but not limited to, issues of price, curtailments, scheduling, priority, ancillary services, or balancing).

(d) Discounts.
Any offer of a discount for any transmission service made by the Transmission Provider must be posted on the OASIS contemporaneous with the time that the offer is contractually binding. The posting must include: the name of the customer involved in the discount and whether it is an affiliate or whether an affiliate is involved in the transaction, the rate offered; the maximum rate; the time period for which the discount would apply; the quantity of power scheduled to be moved; the delivery points under the transaction; and any conditions or requirements applicable to the discount. The posting must remain on the OASIS for 60 days from the date of posting.

NORTH AMERICAN ENERGY STANDARDS BOARD

Executive Committee Meeting – WEQ, REQ, RGQ, WGQ Meeting Materials
August 24-26, 2004

SRS Documents

Scope Document
For
NERC Operate Within Interconnection Reliability Operating Limits (IROLs)

NAESB Standard Request # R30317 in Coordination With Input from the NERC Market Committee

The North American Electric Reliability Council has sought to establish an industry reliability standard for establishing requirements for the operation of the interconnected bulk power system within specified operating limits to avoid uncontrolled cascading outages over a wider area that could threaten the reliability of the bulk transmission network. NAESB's Standards Review Subcommittee seeks to establish companion standard business practices to complement the reliability requirements to be set forth by NERC.

NERC Proposed Standard(s) and date:
200 – Operate Within Interconnection Reliability Operating Limits, July 1, 2003
201 - Interconnection Reliability Operating Limit Identification, July 1, 2003
202 – Monitoring, July 1, 2003
203 – Analyses and Assessments, July 1, 2003
204 –Actions, July 1, 2003
205 – Data Specification & Collection, July 1, 2003
206 – Data Provision, July 1, 2003
207 – Action Plan, July 1, 2003
208 – Reliability Authority Directives, July 1, 2003

Description and Background

The proposed NERC Reliability standard seeks to prevent instability, uncontrolled Separation, or cascading outages that adversely impact the reliability of the bulk transmission
system.

This NERC standard will address the following areas:
- Identification of interconnection reliability limits.
- Monitoring of the system for interconnection reliability limits.
- Analyze and assess system conditions based on monitored interconnection reliability limits.
- Specify data and collection needed for monitoring interconnection reliability limits.
- Action plan utilized by Reliability Authorities to maintain operations within interconnection reliability limits.
- Requirements apply to entities performing various electric system functions, as defined in the NERC Functional Model.

The NERC proposed standard raises the following possible business practice concerns and questions to the NAESB Executive Committee:

> NERC requires that the RCs of the bulk transmission system have in place procedures to effectively manage transactions in the event of overload on the system. These procedures may impact tariff service priorities and affect commercial market transactions that transpire both within and between markets.
>
> Developing business practices for curtailment processes may entail that all transactions are tagged or follows the processes developed by NAESB's Electronic Scheduling Subcommittee.
>
> There are questions on whether the development will be focused on national standard, a standard encompassing regional differences, or if the standard will be primarily a communication standard to be applicable on a national basis.
>
> Regarding the list of facilities subject to the interconnection reliability operational limits, will this list be the only set of facilities employed by both NERC for reliability requirements as well as a NAESB Business Practice Standard?

The NAESB SRS and NERC MC realize the need for additional companion business practice standards beyond those currently in place surrounding control of operating limits. However, the level to which the standard should be applied remains unclear.

Reliability standards are currently in place to ensure control area operators observe reliability limits, and for the most part these limits are observed. The problem is that in order to stay within prescribed limits, control areas may be obligated to relieve congestion in their own area utilizing a set of procedures that may cause overloads in neighboring areas. Other problems arise when a control area operator has a transmission constraint on an element at the control area's border. In these instances, that control area's congestion relief procedure may employ a business or market process that meets the obligations of the reliability standards for its own control area, but may negatively impact the business or market process of the neighboring control area. These types of overloads are very difficult to control with only generation inside the control area and are best managed either by standardization of a congestion relief process or coordination of congestion relief processes of the affected control areas. Thus, the working group concludes that additional business standards are needed to avoid shifting problems from one control area to another, and to ensure effective control of constraints at the borders between control areas.

Today, in the Eastern Interconnection, the primary method for interconnected congestion management is the NERC Transmission Loading Relief (TLR) process. When a control area operator needs relief on a transmission element, a TLR request is issued and transactions currently flowing in the direction of the constraint are curtailed. In some areas, most notably in areas utilizing a market driven congestion relief mechanism, TLRs are used only after all internal redispatch options have been exhausted. Others use TLRs as the first step in controlling overloaded elements. There are also plans between RTOs utilizing market relief mechanisms to redispatch resources down to appropriate levels to ensure one RTO is not over utilizing the transmission system in a neighboring control area and thus causing the congestion. In the Western Interconnection, the primary means of operating within interconnected reliability limits involves using previously identified "qualified paths".

Because of the already existing differences between the interconnections, as described above, a single nationwide business standard for congestion management may not be possible. On the other hand, a multitude of business practices to provide congestion relief, for transmission systems that operate in an interconnected fashion, may not lend well to facilitating transactions between markets (i.e.-Seams Issues). Further discussion and investigation are needed to determine if multiple operating philosophies are acceptable for purposes of accommodating market transactions, particularly for those transactions that cross market and Reliability Authority borders.

Regardless of the breadth of geographical coverage, the complementary NAESB standard should address the following areas:

- Identification of interconnection reliability operating limits. Control areas / RTOs should post and maintain a list of interconnected reliability limits they operate to, so that other control areas / RTOs can maintain a copy of the list in their own systems and ensure they are prepared to adjust unit output for the limit.
- Monitoring of the system for interconnection reliability operating limits. All control areas / RTOs should be responsible for monitoring the list of interconnected reliability limits mentioned above.
- Analyze and assess system conditions based on monitored interconnection reliability limits, to determine when action needs to be taken to alter flow patterns and increase the margin on elements that are approaching their limit.
- Data collection specification. As a guide for an appropriate level of monitoring, the standard should specify data collection needed for monitoring interconnection reliability limits.
- Action plan utilized by operators to maintain operations within interconnection reliability limits. The standard should contain a checklist and procedure for operators to follow in order to implement control on interconnected reliability limits.

The standard should build off of the existing processes and procedures used in each interconnection to the extent practical. The standard should realize differences in current methods of transaction management due to market based versus non-market based areas, and cover interactions of each of these types of areas.

- Practices for management of transaction curtailment including:
    - Timing
    - Priority
    - Magnitude
    - Duration
    - Types of methodologies used
    - Informing parties of the reloads and the methodologies used
    - Affected Parties communicating their agreement on the reloads.

- Possible Approaches for a NAESB Business Practice for Congestion Management

    - One option is to develop the proposed companion standard the methods included in the Joint Operating Agreement between PJM and MISO, ,as a starting point. The sample is attached as Appendix A.

- For areas that do not employ market mechanisms for congestion relief (FERC Pro Forma 888 Point-to-point service), a congestion market mechanism could be developed to relieve congestion. Some possible requirements include:
  - Communication between RAs and market of pending constraints
  - Electronic bulletin board posting of prices to "buy-through" congestion (by operator and/or customers)
  - Operator driven market price to keep bi-lateral schedules based on real-time system conditions
  - Bids and offers to displace higher priority bi-lateral transactions (assumes same path and same PTDFs) (Congestion price would be based on bi-lateral schedule's PTDF)Redispatch (with prices)

SRS Recommended Action

Based on subcommittee discussions and industry comments received June 18, 2004, the SRS recommends a standards drafting team be formed under the direction of the WEQ Business Practices Subcommittee to draft a NAESB Business Practice. The IROL Business Practice Task Force should take into consideration, the following recommended guidelines when drafting the business practice.

A wide-area based standard procedure, at the Regional, Reliability Authority, or RTO/ISO level.

- Neighboring areas/markets, should communicate with each other before taking non-market based actions to manage IROL violations.
- To the extent a flowgate requires "shared" responsibility between two or more areas, those areas should agree on pre-determined loading limits each will be required to operate towards.
- Each area should provide customers with redispatch options with transparent costs.

A "local" redispatch procedure should have appropriate causal cost assignments that are :

- Least cost options for redispatch.
- Recognizes lost opportunity costs.

Procedures recommended above should be utilized as primary tool for managing IROL violations – before TLR or emergency procedures are implemented.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

June 25, 2004

TO: NAESB WEQ Standards Review Subcommittee (SRS) Participants and Interested Parties

FROM: DeDe Kirby, NAESB Meeting/Project Manager

RE: Standards Review Subcommittee Meeting Draft Minutes– June 24, 2004

NORTH AMERICAN ENERGY STANDARDS BOARD
STANDARDS REVIEW SUBCOMMITEE MEETING
June 24, 2004 in Houston, TX hosted by NAESB
Draft Minutes

1. Welcome

Mr. Yeung called the meeting to order and welcomed the participants. The participants in the room introduced themselves, followed by those participating via conference call. Ms. Kirby gave the antitrust advice. The agenda was adopted by consent. The draft minutes from the WEQ SRS meeting on 5/12/04 in Houston, TX were adopted by consent.

2. Report on Operate Within Limits Business Practices Task Force

Mr. Yeung began the discussion by reviewing the comments received from Duke Power and Entergy concerning the OWL Scoping document entitled "Scope Document for NERC Operating Within Interconnection Reliability Operating Limits." This document is located on the NAESB website at www.naesb.org/pdf/weq_srs051804req/com1.doc. The Duke Power comments are located at www.naesb.org/pdf/weq_srs051804dukepower.doc. The Entergy comments are located at www.naesb.org/pdf/weq_srs051804entergy.doc.

After reviewing the Duke Power comments the group discussed the appropriateness of NAESB developing regional, interregional, or sub-regional procedures that deal with congestion management including transmission loading relief (TLR). Mr. Yeung commented that due to the nature of the problem, a standardized transmission loading relief procedure would probably not be appropriate for the entire continent. Mr. Paulson gave an example of how regional procedures work in the western area and suggested that a communication process should be utilized within regions that would prompt other methods of relief within those regions before a TLR is implemented. Ms. Kedrowski explained that a process is utilized in her area which is built around neighboring utilities increasing or decreasing their generation to manage/relieve congestion. The neighboring utilities use this process in order to avoid implementing TLR. However, Ms. Kedrowski explained that utilizing this procedure has raised the problem of redispatch costs and how it should be shared between the neighboring utilities.

The group then reviewed the PJM/MISO JOA (Joint Operating Agreement Between the Midwest Independent Transmission System Operator, Inc. and PJM Interconnection, L.L.C.) posted on the NAESB website at www.naesb.org/pdf/weq_srs062404w10.pdf. Mr. Paulson suggested that a provision should be placed into the joint operating procedure that would deal with

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

situations in which either or both operating entities were not able to meet the limits set in the agreement.

Mr. Yeung suggested to the group that it would be appropriate for NAESB to become involved with the commercial (payment) issues that surround these types of redispatch operations. Mr. Yeung then asked the group to consider if it would be appropriate for NAESB to require coordination, like that of the PJM/MISO JOA, within a standard. Mr. Rana told the group that a new subcommittee formed by NERC called LTATF is dealing with the same type of issues and that it might benefit NAESB to review the decisions of the LTATF when deciding how best to handle these issues of redispatch and maintaining reliable levels.

Mr. Yeung then informed the group that NERC had asked for NAESB to be a part of this process and that Mr. Rana was currently the joint member of both groups. Mr. Yeung also suggested that in trying to develop a NAESB standard on operating within limits, a solution might be to extend elements of the the PJM/MISO Joint Operating Agreement, to other regions of the country. However, Mr. Yeung suggested that though it may be appropriate for the NAESB standard to apply on a regional level, it may not be appropriate or possible to extend it further to the local or sub-regional levels. Mr. Paulson agreed with this suggestion, and added that such agreements should be written to suit whatever area or region in which they would be functioning.

The group then considered the cost issue involved in redispatch under a JOA. Mr. Paulson explained that under the PJM/MISO JOA, the entity that dispatches relief does not generally bill the receiver of that relief, because the dispatcher will require the same services from the receiver in the near future. Also, the dispatcher looks upon the cost of the redispatch as a savings, compared to the cost of implementing a TLR. Mr. Paulson also suggested that development of redispatch procedures might be an area where NAESB implements a general standard concerning reimbursement and cost, but still allow for the local cooperating area to decide how compensation should take place. Mr. Yeung followed up by saying a NAESB standard for redispatch might be framed in the following manner: “A reliability authority area should have a local redispatch procedure in place with appropriate redispatch cost assignment.” Mr. Erik agreed with the suggested language and commented that the NAESB standard should operate at such a level so as not to infringe upon what local areas may already have in place for redispatch. The group also agreed that the NAESB standard should not be called “TLR.”

Mr. Yeung explained that if the standard was written in such a manner, it would be necessary for NAESB to require hainge information available on which flow gates would be involved, where those flow gates are located, and what reliability based operational imits should be monitored on those flow gates. Mr. Yeung asked the group whether this would be an appropriate step for NAESB to take. Mr. Yeung explained that if NAESB words the standard in a general manner and makes no specific requirements within in its text, then those specifics would be left up to persons and processes unknown. Mr. Yeung continued by asking the group whether it was appropriate for NAESB to write a standard requiring the use of regional redispatch, and not be involved in the details of the procedures. He also asked the group to consider if a NAESB standard written on regional redispatch would take away from NERC Operating Policy 9 “Reliability Coordinator Procedures” Section 3 that gives regions the discretion to choose between a local or regional procedure and NERC’s TLR Policy. Mr. Rana

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

asked if NERC's Operating Policy 9 meant for TLR to be a "fall back" option and whether the local procedures should be implemented before TLR under NERC's provisions. Mr. Yeung commented that if the suggested NAESB standard were adopted, it would mean the local procedures would be implemented first.

Mr. Yeung suggested that the NAESB requirement should be written so that regions and sub-regions are not able to forego any feasible redispatch solutionsthat allows market participants to avoid TLR. The group then discussed how to proceed with the standard drafting so that it would be effective, but not be overly comprehensive. A suggestion was made to include within the requirement a "least-cost redispatch option." The group decided to ask the drafting team for this standard (yet to be assigned) to include within its research the topic "Optimize Redispatch Cost v. TLR."

The WEQ SRS then reviewed comments submitted by Entergy concerning the OWL Scoping Document. Entergy suggested that while developing a redispatch standard would be appropriate on a regional level, it would not be appropriate for a sub regional area. The Entergy comments continued with NAESB developing broad guidance for the regions when developing these redispatch procedures. Entergy comment's also suggested that NAESB should not adopt conflicting local procedure standards. There was some discussion over the seams effort and the effect on local redispatch procedures. Entergy's comments were also covered as part of the earlier discussion on Duke's comments. The participants in the meeting decided to reflect these comments in the scope document.

Mr. Yeung told the group that the WEQ SRS should have the draft document ready for Mr. Oberski to present at the next meeting of the WEQ Executive Committee in August. Mr. Yeung suggested the formation of a drafting team to take on this task and there was some discussion on where such a drafting team would exist within the WEQ's framework. Mr. Yeung also suggested the group consult with Mr. Oberski on how to go about forming the drafting team. After some discussion, there was a general agreement that the drafting team should reside in the WEQ Business Practices Subcommittee.

3. Report on NERC Market Committee

Mr. Yeung reviewed an email from Mr. Lohrman regarding the NERC MSSCWG (Market Committee SRS/Seams Coordinating Working Group) Report for Summer Standing Committee Meeting. Under Recommendation 2 of the first section "Standard", the MSSCWG recommends that the Standard Authorization Committee and Operating Committee assign a liaison to the WEQ SRS drafting team that will be working on the "Operate Within Interconnected Reliability Limits" business practice. Mr. Yeung suggested that this recommendation by MSSCWG be included in the WEQ SRS's report to Mr. Obersky.

Mr. Yeung told the group that Mr. Rana is the joint NAESB participant in the Standard 600 effort. The email sent by the MSSCWG also updated the SRS on the formation of a new task force called the LTATF which will be taking over the task of updating and standardizing reliability and business practice standards around ATC/AFC issues. The draft scope of the LTATF can be found on the NERC website at www.nerc.com/~mc/ltatf.html and a link to the website can also be found on the NAESB website under the WEQ SRS.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

WEQ SRS was asked to provide feedback on the scope of the LTATF and to determine if the ATC/AFC issues are mainly reliability or commercial. Mr.Yeung explained that it is appropriate for NAESB to begin scoping out the business issues that the LTATF was created to address. Mr. Yeung then explained that Mr. Rana was the joint NAESB member for this task force. Mr. Yeung also suggested that the WEQ SRS should include a recommendation to assign additional NAESB representatives to the LTATF in its report to Mr. Oberski.

4. Review Assess Transmission Future Needs and Develop Transmission Plans SAR, v.2

Mr. Yeung informed the group that the Joint Interface Committee will be recommending the Assess Transmission Future Needs and Develop Transmission Plans SAR at their next meeting. Mr. Yeung continued by saying the WEQ SRS would draft an initial review document concerning the SAR for the JIC to review.

At this point the group reviewed the document "Discussion points for Initial Review of NERC SAR – Assess Transmission Future Needs and Develop Transmission Plans" posted on the NAESB website at http://www.naesb.org/pdf/weq_srs062404w11.doc. After discussion over the first question ("What, if any, are the requirements to be included in the NERC standard to investigate no-build alternatives?") and no-build alternatives, the group decided it would be worthwhile to note the no-build alternatives but that the NERC SAR seems appropriate as far as addressing this issue. Mr. Yeung suggested that comments on this issue should go through the NERC comments process, but at this time no NAESB business practices have been identified concerning this issue.

After discussion over the second bulleted question, ("Are there any restrictions against third party financing of transmission build solutions?"), the group decided to include in the initial review document the following question: "Are there any requirements for third party funding that should be developed as NAESB business practice?"

Next, the group reviewed the third bulleted question ("How are market driven needs for transmission capacity addressed by this standard? Will the planning requirements take into account contracts for delivery of power short of the time frame for the required studies?"), concerning transmission capacity and the attached comments. The group discussed a potential business practice under this issue concerning RTO's providing the market with information on the cost involved in improving congestion in an area, so that the market would be better informed.

The group discussed the final bulleted question ("Additionally, are short-term firm agreements that recur [< 1 year] that recur and that consistently cause congestion on the same interfaces, considered in longer term reliability assessments?"), in the document. The group then decided to recommend that the RTOs also provide information on the direction they see the market headed based upon historical use of the system. The intent would be to inform the market where the transmission construction or upgrades were needed to meet market demands for transmission.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

Mr. Rana volunteered to draft the WEQ SRS's initial review document over the "Review Assess Transmission Future Needs and Develop Transmission Plans SAR, v. 2." Mr. Johnson informed the group that he would find out when the JIC will be reviewing the SAR.

5. Cybersecurity Permanent SAR

Mr. Johnson told the group that NERC has not yet completed the drafting document concerning the permanent version of this SAR. Mr. Yeung commented that the first version of this SAR had very little commercial impact and that in the new SAR cyber controls (including ETAG) were meant to be extended to independent entities. Mr. Johnson answered that the new version of this SAR appears to cover all entities. Mr. Johnson also informed the group that there was some dissention within NERC concerning the extended cyber security controls by the ISO and RTO community because it set controls that were more bureaucratic than needed to accomplish the intended goals. After further discussion, the WEQ SRS decided to wait for NERC to inform them of the status of this SAR before the group moved on further action concerning the Cybersecurity Permanent SAR.

6. Certification Standards (assigned by JIC to NERC for further development on 09-18-03)

The group decided to cover this topic at their next meeting.

7. Continued Monitoring of previously reviewed NERC SARs and/or standards under development

The group decided to cover this topic at their next meeting.

8. New Business

No new business was discussed at this time.

9. Adjourn

Mr. Johnson moved to adjourn, and Mr. Rana seconded the motion. The meeting was adjourned at 1:12 p.m. by consent.

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

9. Attendance

Name:	Organization:	Notes:
Michael Desselle	AEP	In Person
Ollie Frazier	Duke Power	Phone
Alan Johnson	Mirant	Phone
Barbara Kedrowski	We Energies	Phone
DeDe Kirby	NAESB	In Person
Rae McQuade	NAESB	In Person
Erik Paulson	PJM Interconnection	Phone
Raj Rana	AEP	In Person
Hamish Wong	Wisconsin Public Service Resources	Phone
Charles Yeung	Independent	In Person

NORTH AMERICAN ENERGY STANDARDS BOARD

Executive Committee Meeting – WEQ, REQ, RGQ, WGQ Meeting Materials
August 24-26, 2004

Glossary Documents

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

via email and posting

TO:	NAESB WEQ Members and Interested Industry Participants
FROM:	Rae McQuade, Executive Director
cc:	Sherri Monteith and Tony Reed, Co-chairs of the Glossary Team
RE:	Draft Glossary Working document for Comment
DATE:	July 28, 2004

Dear WEQ Members and Interested Parties,

We now have a draft of a working glossary for your review and comment. The glossary can be found on the NAESB web site at the following address/link:

http://www.naesb.org/weq/weq_glossary.asp

Please review the document and provide comments by August 30, 2004 to the NAESB office (naesb@naesb.org). Your comments should address the terms presented, and should highlight incorrect or incomplete statements and grammatical errors. Your comments will be posted on the NAESB web site, attributed, and considered for inclusion at a glossary team meeting scheduled for September 9. Comments will be fully considered at the September 9 meeting, and suggestions supported by the team will be incorporated into the glossary. The resulting work product will be presented to the Executive Committee for adoption.

The glossary is a living document. It contains terms and definitions that are applicable to broad segments of the industry and it is not intended to contain terms applicable to individual companies. The glossary will be used as a work paper for our subcommittees as they draft standards. The glossary itself will not be a NAESB standard, nor will it be filed with any regulatory agency. As NAESB adopts WEQ standards that include definitions, those definitions will be added to the glossary with a reference to the WEQ standard. Similarly, as industry participants determine that additional terms are needed in the glossary, the glossary team will review those requests and make recommendations to the Executive Committee. The procedure for adding terms will be discussed at the meeting on September 9.

Any interested party is welcome to join the glossary effort, and can join the distribution list for the glossary team by signing up on the NAESB web site at the following address/link:

http://www.naesb.org/listserv/mail/mail_register.cfm

We look forward to your comments and hope to see you at the meeting on September 9. More information on the September 9 meeting should be available shortly.

Best Regards,

Rae McQuade
Executive Director, NAESB

NORTH AMERICAN ENERGY STANDARDS BOARD

Executive Committee Meeting – WEQ, REQ, RGQ, WGQ Meeting Materials
August 24-26, 2004

Seams Documents

WEQ Seams Subcommittee Meeting

Houston, Texas
August 12, 2004

Agenda & Minutes

- Welcome & Introductions
- Antitrust guidance
- Adoption of Draft Agenda
- Adoption of minutes from April 19, 2004 conference call

Task Review - History

- Collected 134 Issues
- Categorized & Subcategorized
  - National or Regional
- JIC Adopted “Agreed to Assignments”
  - 97 Issues
  - 37 Undefined
- Seams Sub Identified a total of 42 Issues
- Prioritized Them
- Placed in 15 Groups
- 3 Groups Labeled High Priority

Group 1
Transmission Service

- Transmission Market Standard Product Definitions and Priorities
- Consists of Original #4, 103 and 141
- Team Leads: Valerie Crockett/Kathy York

Issue 4

- Definition & treatment of firm/nonfirm Transmission
- Annual Plan Item 4cii moved from MOS
  - Develop business practices standards to Improve the Current Operation of the Wholesale Electric Market
    - Establish standard business practices relating to:
      - Definition and treatment of firm/nonfirm transmission;

Issue 103

- Transmission Service - Market participants require consistent treatment of transmission products across multiple control areas to reduce perceived market risk, scheduling confusion and uncertainty.

Issue 141

- Replacement of contract path with flow-based transmission service

Group 2
Transaction Scheduling

- Interchange Scheduling Standardized Protocols
- Consists of Original #8, 12, 41, 78, 19, 104 and 106
- Team Leads: Jerry Smith

Issue 8

- Scheduling
- Inconsistent procedures among entities. Solution: Western Interconnection Standardized Interchange Scheduling Protocols.

Issue 12

- Interchange/Intrachange Scheduling Data Exchange
- Current E-Tagging process is inadequate for exchanging reliability and market data within the Western Interconnection. Solution: Electronic Scheduling

Issue 41

- Scheduling Coordination (including Ramp Rates)
- RTOs have different ramp rates and scheduling requirements that require Market Participants to complete multiple submissions for the same transaction.

Issue 78

- Market Design - Day Ahead. Schedule Components
- Can tools be developed for scheduling submission that assist the user in meeting any differences in protocols between RTOs? (Issue I.b.11)

Issue 79

- Market Design - Day Ahead. Other Scheduling Requirements
- Should the time intervals and submission times be synchronized to mitigate obstacles to inter-RTO trade? (Issue I.b.12)

Issue 104

- Transmission Checkout Failure - Operators curtail transactions due to mismatched tag data, different MW volumes, etc. The curtailment of transactions due to data incompatibility is disruptive to both the marketplace and the reliable operation of the grid.

Issue 106

- Transaction Scheduling - Inconsistent information and market timing rules lead to uncertainty and risk that discourage the scheduling of some inter-regional transactions.

Group 3
Market Standards

- Energy Market Standards Product Definitions
- Consists of Original #3, 10, 25, 34 and 139
- Team Leads: Brenda Anderson & Joe Rosignoli

Issue 3

- Definition & treatment of Firm/Nonfirm Power
- Annual Plan Item 4ci moved from MOS
  - Develop business practices standards to Improve the Current Operation of the Wholesale Electric Market
    - Establish standard business practices relating to:
      - Definition and treatment of firm/nonfirm power;

Issue 10

- Energy Products
- Entities have disagreements concerning the definitions of various energy products. Solution: Standardized Energy Products.

Issue 25

- Need for common physical market and products - regional variations permitted

Issue 34

- Clarification of Product Definitions
- Complete/Standard definitions for Liquidated Damages (LD), "Into", etc.

Issue 139

- Standard definition of energy products
- Energy products and services have common attributes in all markets. Standards definitions will improve efficiencies in communicating and operating between areas with various market designs

Request 04020 - TVA

- Covers Group 2 Issues
- Submitted to Triage Subcommittee
- Assigned to WEQ - ESS

Draft Request - BPA

- Covers Group 3 Issues
- Energy Products
  - Firm
  - Non-Firm
  - Interruptible
  - Unit Contingent

North American Energy Standards Board

Request for Initiation of a NAESB Business Practice Standard for Transmission Market Definitions and Priorities

1. Submitting Entity & Address:

2. Contact Person, Phone #, Fax#, Electronic Mailing Address:

Name: Jerry Smith
Title: Alliance/Partnership Manager
Phone: 602-250-1135
Cell: 602-571-1672
Fax: 602-250-1155
E-mail: jerry.smith@aps.com

3. Description of Proposed Standard or Enhancement:

   Establish business standards relating to transmission services market product definitions and priorities which will address the following:

   A. Definition & treatment of Firm/nonfirm transmission (Seams issue #4).

   B. Transmission Service - Market participants require consistent treatment of transmission products across multiple control areas to reduce perceived market risk, scheduling confusion and uncertainty (Seams issues #103).

   C. Replacement of contract path with flow-based transmission service (Seams issue #141).

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard and required communication protocols.

The proposed standards would establish consistency in the definition and the treatment of transmission products and result in the replacement of contract path with flow-based transmission services by all transmission providers. All market participants would know with certainty what and the amount of transmission services available when seeking transmission.

Standards should be developed to reduce the confusion associated with the seams created due to the inconsistencies in definition and treatment of the transmissions services between the transmission providers. These standards should remove the inefficiencies associated with market participants' perceptions and present a better picture of the available transmission to all market participants.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

   The propose standards should result in better communication and consistency in treatment between the market participant and the transmission providers, resulting in reduced confusion. The replacement of contract path with flow-base path transmission service better defines the transmission that will be used in a transaction. Reduced confusion and the knowledge of available transmission will give the market participants greater confidence in assessing risk associated with transactions across multiple transmission providers. Greater confidence in the risk associated with transactions across multiple transmission providers' systems help the market participant make better decisions about transactions thus increasing the efficiency of the market.

   Replacement of contract path with flow-based path transmission services provides a clear picture of the transmission being use for each transaction. This could result in freeing up desired transmission that is unavailable, with contract path, to market participants. Increased availability of desired paths provides should increase market activity, thus increasing the efficiency in the use of the transmission system.

   This request supports the efforts of NAESB to create standards that result in greater certainty for the market participant and encourages more efficient markets and use of the transmission system.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

7. Description of Any Specific Legal or Other Considerations:

Unknown at this time

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Parties Willing to Test Standard or Enhancement:

   Unknown at this time

9. If This Proposed Standard or Enhancement Is In Use, Who are the Parties:

   Not in use at this time

10. Attachments:

    None at this time

North American Energy Standards Board

Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction
or
Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Instructions:

1. **Please fill out as much of the requested information as possible. It is mandatory to provide a contact name, phone number and fax number to which questions can be directed. If you have an electronic mailing address, please make that available as well.**

2. **Attach any information you believe is related to the request. The more complete your request is, the less time is required to review it.**

3. **Once completed, send your request to:**

   Rae McQuade
   NAESB, Executive Director
   1301 Fannin, Suite 2350
   Houston, TX 77002

   Phone: 713-356-0060
   Fax: 713-356-0067

   by either mail, fax, or to NAESB's email address, naesb@aol.com.

Once received, the request will be routed to the appropriate subcommittees for review.

Please note that submitters should provide the requests to the NAESB office in sufficient time so that the NAESB Triage Subcommittee may fully consider the request prior to taking action on it. It is preferable that the request be submitted a minimum of 3 business days prior to the Triage Subcommittee meetings. Those meeting schedules are posted on the NAESB web site at http://www.naesb.org/monthly_calendar.asp.

North American Energy Standards Board

Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction
or
Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Date of Request: 8/6/2004

1. Submitting Entity & Address:

Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97232

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name : Brenda Anderson
Title : Account Executive
Phone : (503) 230-5610
Fax : (503) 230-7463
E-mail : bsanderson@bpa.gov

3. Description of Proposed Standard or Enhancement:

Define energy products commonly used in the market and to be used in NERC tagging.

Firm Energy - Electrical energy backed by capacity, interruptible only on conditions as agreed upon by contract. Interruption within the operating hour will only be for system reliability constraints or emergency conditions. The supporting reserve is supplied by the seller.

Nonfirm Energy - Electrical energy that may be interrupted prior to the operating hour by either the provider or the receiver of the energy by giving advance notice to the other party to the transaction. This advance notice period is equal to or greater than the minimum period agreed to in the contract. Interruption within the operating hour will only be for system reliability constraints or emergency conditions. The supporting reserve is supplied by the seller.

Economy Energy - Electrical energy that is interruptible at any time, including within the operating hour, as agreed upon by contract. The supporting reserve is supplied by the buyer.

Unit Contingent Energy - Electrical energy from a specific unit, interruptible only for disruptions of the specific unit and on conditions as agreed upon by contract. Interruption within the operating hour will be only for failure of that specific unit, system reliability constraints, or emergency conditions. The supporting reserve is supplied by the buyer.

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard, and required communication protocols):

   These proposed standard definitions will be used in NERC tagging so that all parties to the transaction will know who has the reserve requirement.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

   A common understanding of the product and reserve requirement will help operators with system reliability.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement.

   None at this time.

7. Description of Any Specific Legal or Other Considerations:

   None at this time.

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :

These are products that are currently used in the west in the bilateral markets.

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

TAB 10
Version 0 Update

- Presentation
- Changes Resulting from Comments
- Timeline of Activities

NORTH AMERICAN ENERGY STANDARDS BOARD

Executive Committee Meeting – WEQ, REQ, RGQ, WGQ Meeting Materials
August 24-26, 2004

Presentation

Joint Interface Committee

Joint Recommendation for Version 0 Business Practices

August 16th 2004

Summary of July 16th JIC

- NERC presented a "generic" SAR to develop Version 0 reliability standards
  - Included a status report of the work to date
- NAESB presented a "generic" standard request to develop business practices associated with NERC's Version 0 efforts
  - Included a status report of the work to date
- Concerns were presented…
  - NERC/NAESB drafting teams had not been able to completely resolve issues associated with business practices contained within existing policy
  - Potential for "duplication" existed
  - Other, related concerns were expressed

1

Outcome of July 16th JIC

- Standards were divided into 3 "buckets"
  - Bucket 1: requirements that both NERC V0DT and NAESB BPS agreed were reliability requirements
  - Bucket 2: requirements that both NERC V0DT and NAESB BPS agreed were business practices
  - Bucket 3: requirements that that both NERC V0DT and NAESB BPS agreed had commercial implications, but which NERC needed to maintain; therefore NAESB BPS proposed to develop as "shadow" practices

2

Motion to resolve differences

Michael Desselle moved that the JIC divide the standards requests into the three groups listed above…

The JIC requests that NERC and NAESB bring more specific recommendations for the assignment of proposed standards in Groups 2 and 3 for consideration by the JIC…

The JIC requests that NERC and NAESB designate a joint team to collaboratively resolve potential Group 2 and 3 conflicts no later than August 16.

The motion was passed without objection.

3

Joint Task Force Members

NERC Representatives

- Mark Fidrych, WAPA (OC)
- Michel Armstrong, TransEnergie (OC)
- Terri Grabiak, Allegheny (MC)
- Wayne Lewis, Progress (MC)
- Scott Henry, Duke Power (SAC)
- Gerry Cauley, NERC (V0DT)
- Bill Lohrman, NERC (MC)

NAESB Representatives

- Michael Desselle, AEP (BOD)
- Lou Oberski, Dominion (EC)
- Scott Brown, Exelon (BOD)
- Phil Cox, AEP (BPS)
- Joel Dison, SOCO (EC, BPS)
- Andy Rodriquez, PJM
- Rae McQuade, NAESB
- DeDe Kirby, NAESB

4

Joint Meeting

- Met in Chicago August 2-3
- Reviewed all “bucket 2” items to endorse V0DT/BPS recommendation
- Reviewed and discussed all “bucket 3” items to resolve any differences and/or duplications

5

Results of Joint Meeting

- All “bucket 2” items were endorsed as proposed
  - Some minor changes were recommended to ensure removal of all reliability components
- All “bucket 3” items were assigned to either “bucket 1” (i.e. NERC) or “bucket 2” (i.e. NAESB) except for TLR Procedure
  - One item was withdrawn from Version 0 consideration
  - Joint assignment was made for the existing TLR procedure
- Details outlined in meeting notes

6

TLR Recommendation

- The TLR procedure will be “streamlined” based upon the NAESB proposal
  - Appropriate NERC/NAESB representatives will work together to finalize prior to the August 30th Draft 2 posting
- The TLR procedure will be a NAESB business practice standard and a part of NERC Standard 039

7

Other TLR Considerations

- The same language will be utilized at both NERC and NAESB
- NERC/NAESB to develop a coordinated plan for filing an update of the TLR procedure with FERC
- Joint Task Force will be established to develop “Version 1” by YE 2005
  - Separate reliability requirements and business practices
  - Incorporate other necessary improvements (e.g. IDC granularity task force recommendations)
  - Approval of Version 1 will retire the Version 0 TLR procedure at both NERC and NAESB

8

NERC/NAESB Endorsements of Recommendation

- The NAESB BPS approved the joint team's recommendations Aug 10
- The OC endorsed the joint team's recommendations Aug 11 and encouraged continued coordination between the NAESB BPS and NERC V0DT.
- The SAC endorsed the process

9

Joint Recommendation

- All "bucket 1" items as identified by joint task force should be developed as reliability standards by NERC
- All "bucket 2" items as identified by joint task force should be developed as business practice standards by NAESB
- The TLR Procedure shall be developed jointly, shall use the same language, shall be approved separately, and a joint team established to develop "Version 1" by year end 2005.

10

Motion to Approve

Motion by _____ to approve the NERC SAR and NAESB standard request for the development of Version 0 reliability and business practice standards, respectively, as identified by the joint NERC/NAESB task force.

11

Summary of Changes To Be Made To Version 0 Based On Comments Received

NERC-NAESB Collaborative Proposal for Version 0 Business Practice Standards

Preliminary Results Based on Joint TF Meeting August 2-3, 2004

August 11, 2004

Background

At its July 16, 2004, meeting the Joint Interface Committee (JIC) reviewed proposals from the NERC Version 0 Drafting Team and the NAESB Business Practices Subcommittee (collectively "the drafting teams") for the assignment of Version 0 reliability standards and business practice standards. The JIC noted agreement between the two proposals on the vast majority of proposed Version 0 standards, including both reliability standards to be assigned to NERC and business practice standards to be assigned to NAESB.

There were, however, a few areas in which the proposals differed. The NERC drafting team considered a several of the proposed business practices to be too difficult to separate from the reliability requirements, requiring a substantial rewrite of the current NERC rules. A substantial rewrite of the current reliability rules is clearly not in the scope of the Version 0 project. The NAESB Business Practices Subcommittee accepted that position and recommended creating duplicate or "shadow" NAESB Version 0 standards in these areas to establish an equivalent baseline for developing future business practice standards.

The JIC took several actions at its July 16 meeting:

1. The JIC assigned to NERC the development of proposed reliability standards, as documented in NERC's July 9, 2004, Version 0 reliability standards posting.
2. For the proposed business practice standards agreed to by the drafting teams, the JIC deferred assignment of those to NAESB, pending discussions at the NERC standing committee meetings the following week and the August 9 close of comment periods for the NERC and NAESB postings. The JIC felt that waiting a few weeks to be informed by a broader set of industry stakeholder inputs would be beneficial.
3. For the third set of proposed standards, in which the NERC drafting team proposed to develop a reliability standard and the NAESB team proposed to develop a "shadow" business practice standard, the JIC requested NERC and NAESB to assign a joint task force of committee leaders to collaboratively reconcile the proposals into a common recommendation.
4. The JIC requested this joint task force, if possible, to bring a single NERC-NAESB recommendation to the JIC for approval on August 16, after the close of the public comment periods and before the two drafting teams meet to continue working on their respective Version 0 standards.
5. The JIC noted that NAESB was not expected to slow its timetable for developing its proposed Version 0 business practice standards.

Joint Recommendation

The NERC-NAESB joint task force met in Chicago on August 2-3 and prepared a proposal for assignment of Version 0 business practice standards as outlined below. The joint task force was successfully able to clarify the division of Version 0 reliability standards and business practices, such that there are no proposed duplicate standards, with one exception. The one exception is the Transmission Loading Relief (TLR) Procedure. The task force proposes that that NERC and NAESB adopt a TLR procedure document with the "same language and format" in their respective Version 0 standards and

immediately begin a joint project to develop replacement Version 1 standards distinguishing reliability requirements and business practices by the end of 2005.

The task force will review the recommendation a final time on August 13 after an analysis of public comments received by NERC and NAESB. Because the standards in question are all derived from the NERC operating policies, the NERC Operating Committee is also being asked to review the recommendation prior to August 13. The joint task force will submit its final recommendation to the JIC on August 16.

The recommendation was endorsed by the participants on the task force from both NERC and NAESB. The task force members at the meeting were:

NERC	NAESB
Mark Fidrych, WAPA (OC)	Michael Desselle, AEP (NAESB Board)
Michel Armstrong, TransEnergie (OC)	Lou Oberski, Dominion (WEQ EC)
Terri Grabiak, Allegheny (MC)	Scott Brown, Exelon (WEQ EC)
Wayne Lewis, Progress (MC)	Phil Cox, AEP (BPS)
Scott Henry, Duke Power (SAC)	Joel Dison, Southern (BPS)
Gerry Cauley, NERC (V0 Drafting Team)	Andy Rodriguez, PJM (BPS)
Bill Lohrman, NERC (MC)	Rae McQuade, NAESB
	DeDe Kirby, NAESB

Recommended Assignment of Appendix 1A Sections B, C, and D (ACE Special Cases)

Proposed NERC Standard – The NERC Version 0 Drafting Team has incorporated the control performance standards (CPS1 and CPS 2) into proposed Standard 001. To make this standard complete, the drafting team incorporated the ACE equation, definitions to support the ACE equation, and specific reliability requirements from Appendix 1A into the standard.

Proposed NAESB Standard – The proposed NAESB Version 0 Business Practice Standard addresses treatment of special cases of the ACE equation in Appendix 1A: Section B – Pseudo-Ties and Dynamic Schedules for Jointly Owned Units); Section C – Supplemental Regulation Service; and Section D – Load or Generation Transfer by Telemetry. Reliability requirements in the NERC standards will not be duplicated in the NAESB standard.

References

- NERC Version 0 Reliability Standard 001
- NAESB Version 0 Standard
- Appendix 1A

Operating Policy 1D and Appendix 1D (Time Error Correction)

Proposed NERC Standard – The NERC proposed reliability standard addresses four elements from Policy 1D Requirement 4: 1) the Time Monitor for an Interconnection must be a Reliability Authority (RA); 2) any RA in the Interconnection may halt a time error correction for reliability considerations (before or during the correction); 3) any Balancing Authority may request its RA to halt a time error

correction for reliability considerations, and 4) establishing frequency offset at 0.02 Hz, leaving the frequency bias setting normal, or if the frequency schedule cannot be offset, the Control Area may offset its net interchange schedule (MW) by an amount equal to the computed bias contribution during a 0.02 Hz frequency deviation (i.e., 20% of the frequency bias setting). This standard is derived from Operating Policy 1D Requirement 4.

Proposed NAESB Standard – The NAESB proposed business practice standard is the time error correction procedure, exclusive of the reliability elements noted above. This standard incorporates Operating Policy 1D (excluding Requirement 4) and Appendix 1D.

References

- NERC Version 0 Reliability Standard 004
- NAESB Version 0 Standard
- Appendix 1D

Operating Policy 1F (Inadvertent Interchange Payback Procedure)

Proposed NERC Standard – The NERC Version 0 Drafting Team has developed a standard that includes the reliability requirements for inadvertent payback. This proposed standard excludes the inadvertent payback procedure (Policy 1F Requirement 5 and Appendix 1F). The NERC standard retains the inadvertent accounting and metering requirements necessary for reliability. NERC will evaluate whether a distinct dispute resolution procedure should be retained for inadvertent interchange, or whether NERC's general dispute resolution procedure would be suitable, as suggested by the Version 0 Drafting Team. The Version 0 Drafting Team will be requested to review whether it should incorporate Appendix 1F Section C – On Peak and Off Peak Periods – into the NERC standard.

Proposed NAESB Standard – The NAESB proposed business practice standard incorporates the inadvertent payback procedure in Policy 1F and Appendix 1F, with modifications to exclude reliability requirements noted above and addresses only the payback and business practice aspects. NAESB would incorporate any aspects of accounting or dispute resolution that it needs for the business practices purpose of payback. (In future standard development efforts (e.g. Version 1), NAESB may establish additional levels of inadvertent granularity that might be needed for business practice or payback purposes. NERC will work with NAESB to try to optimize the collection and distribution of that information.)

References

- NERC Version 0 Reliability Standard 006
- NAESB Version 0 Standard
- Appendix 1F

Operating Policy 3 and Appendices 3A1, 3A2, 3A3, 3A4, and 3D

Proposed NERC Standard – The NERC and NAESB drafting teams were able to divide Operating Policy 3 into reliability and business practice requirements. NERC has proposed four standards on interchange addressing requirements for: tagging interchange transactions; assessing interchange transactions, communicating and implementing tagged interchange transactions; and modifying tagged interchange transactions. The NERC standards incorporate the tag timing requirements in Appendix 3A1. Omission of the tag data elements was an oversight and the drafting team will be requested to review Appendix 3A4 to identify tag data elements needed for reliability and incorporate them into the next posting of the Version 0 reliability standards.

Proposed NAESB Standard – The NAESB business practice standard is proposed to include the remaining portions of Policy 3 addressing business practice issues and Appendices 3A2 – Tagging Across Interconnection Boundaries, and 3A3 – Electronic Tagging Service Performance Requirements and Failure Procedures. Any tag data requirements in Appendix 3A1, 3A4, and 3D not considered by NERC to be reliability requirements may be incorporated by NAESB into a business practice. If the comments indicate that the above five appendices (3A1, 3A2, 3A3, 3A4, and 3D) should remain with NERC, NAESB would be able to reference the appendices in their Version 0 CIBP Business Practice.

References

- NERC Version 0 Reliability Standards 010, 011, 012, and 013
- NAESB Version 0 Standard
- Appendices 3A1, 3A2, 3A3, and 3A4

Operating Policy 5C

Proposed NERC Standard – The proposed NERC standards address the reliability requirements of Operating Policy 5.

Proposed NAESB Standard – NAESB agrees to withdraw its proposed business practice in Version 0 that includes Operating Policy 5C requirement 2.1 and requirement 3. NAESB will propose that it later develop these as a Version 1 Business Practice.

References

None.

Appendices 9C1, 9C1B, and 9C1C

Proposed NERC Standard – NERC has proposed a set of standards that translates the entirety of Operating Policy 9 into reliability standards. The NERC Version 0 Drafting Team, although acknowledging significant business practices exist in the TLR procedures (Appendices 9C1, 9C1B, and 9C1C), believed that it was not possible in the time frame of the Version 0 project to rewrite the TLR procedure to separate reliability requirements from business practices. The drafting team proposes to incorporate the TLR procedure in its entirety into the Version 0 reliability standards, modified only to incorporate functional model language. The NERC drafting team will also request WECC and ERCOT to provide updates in Version 0 to Appendices 9C2 and 9C3 respectively.

Proposed NAESB Standard – NAESB proposes to adopt the TLR procedure (Appendices 9C1, 9C1B, and 9C1C) as a Version 0 business practice standard. The NAESB standard addresses only the Eastern Interconnection and does not propose to address WECC or ERCOT congestion management procedures.

Additional Considerations

1. NERC and NAESB should use the identical TLR procedure in their Version 0 standards.
2. NERC and NAESB should develop a joint plan for filing an update of the TLR procedure with the FERC.
3. NERC and NAESB should immediately begin a joint effort to update the TLR procedure to divide the reliability requirements and business practices and to incorporate other necessary improvements to the TLR procedure. The recommended target for retiring the duplicate Version 0 standards with the next version is end of 2005.

References

- Proposed Version 0 TLR Procedure
- Appendices 9C1, 9C1B and 9C1C

The chart below lists the NAESB proposed business practice that was approved by the NERC/NAESB Version 0 Leadership on August 2-3, 2004. It also lists the suggested changes by draft 1 comments that were accepted by the WEQ BPS at the August 10-11, 2004 meeting in Houston, TX.

Proposed NAESB ACE Business Practice (NERC Operating Policy 1, Appendix 1A Sections B,C, and D) Business Practice Standard after 8/2-3 NERC/NAESB Version 0 Leadership meeting in Chicago	The following represents the NAESB proposed standard that was approved by the NERC/NAESB Version 0 Leadership on 8/2-3: • The proposed NAESB Version 0 Business Practice Standard addresses treatment of special cases of the ACE equation in Appendix 1A: ➢ Section B – Pseudo-Ties and Dynamic Schedules for Jointly Owned Units; ➢ Section C – Supplemental Regulation Service; ➢ Section D – Load or Generation Transfer by Telemetry. • Reliability requirements in the NERC standards will not be duplicated in the NAESB standard
Accepted Changes to ACE at 8/10-11 WEQ BPS meeting in Houston	Accepted changes to ACE included the following: • Hydro-Quebec's comment that examples should not be in standards was accepted. Further discussion by the group indicated that examples should be in attachments (appendices.) • The group suggested the ACE team leader review the standard and make sure no duplication existed between the NERC standard and the NAESB business practice after reviewing comments submitted by Salt River. • Salt River's comments also led the group to suggest that the team leader include a cross-reference or definition (or both) for the item I_{sc}. • Other changes accepted include a change of "may" to "shall" within section 3 of ACE (suggested by FRCC.) • Other changes to section 3 were

	considered and can be found below. • The team leader will note all suggested formatting and grammatical changes, and decide if the change is correct and appropriate before submitting the second draft.
Proposed NAESB Time Error Correction Business Practice (NERC Operating Policy 1D and Appendix 1D) after 8/2-3 NERC/NAESB Version 0 Leadership meeting in Chicago	The following represents the NAESB proposed standard that was approved by the NERC/NAESB Version 0 Leadership on 8/2-3: • The NAESB proposed business practice standard is the time error correction procedure, exclusive of the following reliability standards found in Policy 1D Requirement 4 that will be addressed by NERC: ➢ (to be addressed in NERC Reliability Standards) - the Time Monitor for an Interconnection must be a Reliability Authority; ➢ (to be addressed in NERC Reliability Standards) – any RA in the Interconnection may halt a time error correction for reliability considerations, before or during the correction; ➢ (to be addressed in NERC Reliability Standards) – any Balancing Authority may request its RA to halt a time error correction for reliability considerations; ➢ (to be addressed in NERC Reliability Standards) – establishing frequency offset at .02 Hz. • The NAESB BP incorporates Operating Policy 1D (excluding Requirement 4) and Appendix 1D. • Note that Requirement 1.2 of Time Error Correction was removed from the NAESB BP upon agreement at this meeting. • Note that Requirement 1.7 of Time Error Correction was removed from the NAESB BP upon agreement at this meeting.
Accepted changes to Time Error Correction at 8/10-11 WEQ BPS meeting in Houston	Accepted changes to Time Error include the following:

	• A re-wording change was proposed by Salt River to Appendix A of Time Error. The team leader will decide whether or not to accept this change for draft 2 purposes. • Requirement 1.1 will be changed to reflect more active language as a result of an Entergy comment. • An Entergy comment also led the group to accepting a change to move all requirements to the standard so they are no longer contained within Appendix A. • The team leader will note all suggested formatting and grammatical changes, and decide if the change is correct and appropriate before submitting the second draft.
Proposed NAESB Inadvertent Interchange Payback Procedure BP (NERC Operating Policy 1F) after 8/2-3 NERC/NAESB Version 0 Leadership meeting in Chicago	The following represents the NAESB proposed standard that was approved by the NERC/NAESB Version 0 Leadership on 8/2-3: • The NAESB Business Practice incorporates the inadvertent payback procedure in Policy 1F and Appendix 1F, and addresses only the payback and business practice aspects with modifications to exclude reliability requirements listed below: ➢ Inadvertent accounting and metering requirements necessary for reliability; ➢ The Version 0 Drafting Team (NERC) will be requested to review whether it should incorporate Appendix 1F Section C – On Peak and Off Peak Periods – into the NERC reliability standard. • The NAESB Business Practice would incorporate any aspects of accounting or dispute resolution that it needs for the business practices purpose of payback. • In future standard development efforts (e.g. Version 1), NAESB may establish additional levels of inadvertent granularity that might be needed for business practice or payback purposes. NERC will work with NAESB to try to optimize the collection and distribution of that

	information.
Accepted changes to Inadvertent Interchange at 8/10-11 WEQ BPS meeting in Houston	Accepted changes to Inadvertent Interchange include the following: • Number 1.4.1 was changed to number 1.5 due to a comment by Salt River. • Revisions due to the comment by Salt River pertaining to requirement 3.1 can be seen attached below. • A comment was submitted by Mirant to use CPM instead of CPS on requirement 2.1.2. • A comment was also submitted by Mirant to use Balancing Authority Area in place of Balancing Area. • A comment submitted by Entergy led the group to change the "will not" in 1.3 to a "shall only." • The addition of 1.4.2 was an accepted change as a clarification and all of Entergy's comments regarding Requirement 2 "payback" were also accepted. • All changes of "will" to "shall" contained in Appendix A are accepted.
Proposed NAESB Coordinate Interchange BP (NERC Operating Policy 3 and Appendices 3A1, 3A2, 3A3, 3A4, and 3D) after 8/2-3 NERC/NAESB Version 0 Leadership meeting in Chicago	The following represents the NAESB proposed standard that was approved by the NERC/NAESB Version 0 Leadership on 8/2-3: • The NAESB Business Practice is proposed to include the portions of Policy 3 that address business practices issues, excepting the proposed four standards (by NERC) on interchange that address requirements for the following: ➢ (Proposed by NERC) – tagging interchange transactions; ➢ (Proposed by NERC) – assessing interchange transactions; ➢ (Proposed by NERC) - communicating and implementing tagged interchange transactions; ➢ (Proposed by NERC) - modifying tagged interchange transactions. • The NAESB BP will also include Appendices 3A2, 3A3, and 3D.
Accepted changes to CIBP at 8/10-11	Accepted changes to CIBP include the following:

WEQ BPS meeting in Houston	• A comment by Salt River led the group to suggest to the team leader that 2.0, 3.0 and 4.0 should be reviewed and reworded if necessary to reflect active voice. • Comment by Salt River that the word "Corrections" in requirement 9.0 should be un-capitalized by Salt River was accepted. • Suggested comments to 11.0 and 11.1 led the group to reword 11.0 to reflect the following changes: "All parties involved in the bilateral Interchange Transaction shall have, or arrange to have, personnel and facilities on site and immediately from the beginning of the Market Period until the transaction has been completed for notification of changes to the Transaction Tag." • Consequently, 11.1 was removed from CIBP. • A comment made by Salt River regarding requirement 14.1, led the group to ask NERC representative Bill Lohrman to question NERC on whether this requirement (14.2) was perhaps more of a reliability standard. • Additional comments made by Salt River led to the group changing the word in "TAG" in 14.1 and 14.2 to "Interchange Transaction." • A comment by Salt River regarding Appendix B subtitle "Interchange where Sink is in the Western Interconnection" led to the group changing the "NAESB Appendix A" under the 3rd bullet to "NERC Appendix A." • Additional comments by Salt River led the group to ask the team leader to clean up the definitions if necessary and appropriate within the business practice. • Comments on 1.2 and 1.2.1 of Appendix D led to the use of the term "where applicable" instead of the term "optionally." • The team leader will review and correct (if necessary) "Requesting Purchasing Selling Entity" found in 2.1.2.2.2 of Appendix D.

	• Comments by FRCC regarding duplication between NAESB and NERC led the group to suggest to the CIBP task force that to the extent they could review these comments with the IS, they should do so and make any changes they found necessary and appropriate. • Comments by Mirant on Requirement 10 led the group to recommend that CIBP review these comments and the practice to make sure the appropriate and necessary parts of the policy had been included and that no significant details had been overlooked. • Control Area will be changed to Balancing Area within Appendix B of CIBP.
Proposed NAESB TLR after 8/2-3 NERC/NAESB Version 0 Leadership meeting in Chicago	The following represents the proposed NAESB Standard that was approved by the NERC/NAESB Version 0 Leadership on 8/2-3: • The NAESB BP includes the TLR procedure (Appendices 9C1, 9C1B, and 9C1C). • NAESB BP will address only the Eastern Interconnection. • NERC and NAESB will use same language/format in TLR Version 0 • NERC and NAESB should develop a joint plan for filing an update of the TLR procedure with the FERC • NERC and NAESB should immediately begin a joint effort to update the TLR procedure to divide the reliability requirements and business practices and to incorporate other necessary improvements to the TLR procedure. • The recommended target for retiring the duplicate Version 0 standards with the next version is end of 2005.
Accepted changes to TLR at 8/10-11 WEQ BPS meeting in Houston.	• Changes proposed to TLR will be reviewed by the joint NAESB/NERC task force. • Comment on addition of introductory sentence to TLR will be reviewed by the

	task force.' • Entergy's comment to include a reference to Attachment E2 in requirement 2.5.2 was accepted by the group.

Below are additional changes that occurred as a result of the comments:

A. Several comments suggested rewording and formatting changes that the drafting team will take into consideration as appropriate.

B. Section 3 of ACE has been changed to reflect the following:

3. **Load or Generation Transfer By Telemetry**

Dynamic scheduling may be used for telemetered transfer of load or generation from one BALANCING AUTHORITY to another.

3.1 If dynamic scheduling is used to transfer load or generation by telemetry, both BALANCING AUTHORITIES shall modify their ACE equation as applicable. When using dynamic scheduling the following process shall be used:

3.1.1 To transfer load, the BALANCING AUTHORITY giving up the transferred load shall add the load to its ACE equation ($+I_{SL}$).

3.1.2 The BALANCING AUTHORITY accepting the load shall subtract the transferred load from its ACE equation ($-I_{SL}$).

3.1.3 For generation, the BALANCING AUTHORITY giving up generation shall subtract it ($-I_{SG}$) and the BALANCING AUTHORITY accepting the generation shall add it ($+I_{SG}$) to its ACE equation.

.

C. The group discussed including definitions within the business practices, and also cross-referencing terms to the WEQ glossary. The following outlines their decision:
The team encouraged suggestions from the group on terms they would suggest be defined. Team resolved that suggested defined terms would be reviewed by Team Leaders and business practice specific terms would be included in definitions section of that business practice. Terms would be compared to those already in existence within the WEQ glossary and glossary definitions would be utilized. For those terms that have two or more accepted definitions, both definitions will be listed in the glossary but the meaning used in the bp would be listed in the business practice as a definition specific to that bp.

D. During the August 13, 2004 conference call between NERC and NAESB Version 0 leadership, Time Error Correction was modified to reflect the following changes:

1.6 Time correction offset. The BALANCING AUTHORITY may participate in a Time Error Correction by either of the following two methods:

1.6.1 Frequency offset. The Balancing Authority may offset its frequency schedule in accordance to the directives of the Interconnection Time Monitor, leaving the FREQUENCY BIAS SETTING normal, or

1.6.2 Schedule offset. If the frequency schedule cannot be offset as directed by the Interconnection Time Monitor, the BALANCING AUTHORITY may offset its net INTERCHANGE schedule (MW) by an amount equal to the computed bias contribution during an equivalent frequency deviation.

Timeline of Activities

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

via email and posting

TO:	NAESB WEQ Business Practices Subcommittee Participants
FROM:	Rae McQuade, Executive Director
RE:	Request for Standards Development and Timeline and Deliverable Dates for Preparing "Version 0" Business Practices
DATE:	May 13, 2004

Dear WEQ BPS Interested Parties,

The WEQ BPS met on May 11 to discuss the transition of the business practices in the existing NERC policies from those NERC policies to NAESB business practices. The goal of the meeting was twofold – to finalize the request for standards development, and to set a timeline and deliverables deadlines that coincide with NERC's Transition Plan for developing "Version 0" reliability standards.[1] The request was unanimously endorsed by the BPS on May 11 and is attached for your information. The timeline also attached, was drafted by the NAESB office with the BPS leadership in coordination with NERC and the ISO RTO Council.

Please note that the intent of the request is to develop "Version 0" business practices that complement the "Version 0" reliability standards. "Version 0" reflects the business practices from the reliability operating policies, planning standards and compliance templates in effect today, with language changes for consistency with the NERC functional model.

Best Regards,

Rae McQuade

Rae McQuade
Executive Director, North American Energy Standards Board

cc:
WEQ Executive Committee Members
Mark Fidrych
Glenn Ross
Mike Grim
Linda Campbell
Gerry Cauley
Bill Lohrman
Don Benjamin
Gordon Scott
Michael Desselle
Lou Oberski
Steve Cobb
Phil Cox
Joel Dison
DeDe Kirby
Todd Oncken

[1] The NERC Accelerated Transition Plan can be downloaded from: ftp://www.nerc.com/pub/sys/all_updl/standards/Accelerated-Standards-Transition-Plan-Draft-4-19-04-FINAL.pdf

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

WHOLESALE ELECTRIC QUADRANT BUSINESS PRACTICES SUBCOMMITTEE MEETING SCHEDULE OF EVENTS AND MILESTONES TO PREPARE "VERSION 0" BUSINESS PRACTICES PLAN UPDATED JUNE 14, 2004

Date	Time	Location	Event
May 11	1 – 4 P Central	Houston	NAESB WEQ BPS Meeting
May 20-21	All Day	Chicago	NERC Standards Drafting Team Meeting
June 2-3	2nd 10 A – 5 P 3rd 9 A - 3 P Eastern	Atlanta	NAESB WEQ BPS Meeting
June 9-11	All Day	Chicago	NERC Standards Drafting Team Meeting
June 17-18	All Day	Columbus, OH	NAESB WEQ BPS Meeting
June 28-30	All Day	Chicago	NERC Standards Drafting Team Meeting
July 2			Distribution of NERC Version 0 Reliability Standards Draft 1 for comment
July 7 – 8	All Day	Houston	NAESB WEQ BPS Meeting
July 9			Distribution of NAESB Version 0 Business Practice Standards Draft 1 for comment – comments to be returned by August 9
July 16	11 A – 3 P	Tampa, FL	Proposed JIC Meeting where the two version 0 requests (the SAR from NERC and the request from NAESB) will be presented for JIC review and assignment – presumably to NERC and NAESB.
Aug 9			Comments returned to NAESB on proposed standards included in Draft 1 of the NAESB Version 0 Business Practice Standards
Aug 10 - 11	10 A – 5 P 9 A – 5 P	Houston, TX	NAESB WEQ BPS Meeting
Aug 11-13	All Day	??	NERC Standards Drafting Team Meeting (cancelled and rescheduled for Aug 18 – 20)
Aug 13	9 A – 11 A		NERC/NAESB Version 0 Leadership Conference Call
Aug 17-18	All Day	Houston	NAESB WEQ BPS Meeting (cancelled and rescheduled for Aug 10-11)
Aug 17	10 A – 11 A		NAESB WEQ BPS Conference Call

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

WHOLESALE ELECTRIC QUADRANT BUSINESS PRACTICES SUBCOMMITTEE MEETING SCHEDULE OF EVENTS AND MILESTONES TO PREPARE "VERSION 0" BUSINESS PRACTICES PLAN UPDATED JUNE 14, 2004

Date	Time	Location	Event
Aug 18 – 20	All Day	Denver, CO	NERC Standards Drafting Team Meeting
Aug 24	All Day	Colorado Springs	NAESB WEQ EC Meeting
Aug 30			Distribution of NERC Version 0 Reliability Standards Draft 2 for comment
Aug 30			(Updated to September 3) Distribution of NAESB Version 0 Business Practice Standards Draft 2 for comment – comments to be returned by September 30
Aug 31	All Day	Houston, TX	NAESB WEQ BPS Meeting
Sep 3			Distribution of NAESB Version 0 Business Practice Standards Draft 2 for comment – comments to be returned by October 3
Sep 30			(Updated to October 3) Comments returned to NAESB on proposed standards included in Draft 2 of the NAESB Version 0 Business Practice Standards
Oct 3			Comments returned to NAESB on proposed standards included in Draft 2 of the NAESB Version 0 Business Practice Standards
Oct 12-13	All Day	Washington DC	NAESB WEQ BPS Meeting
Oct 25			Distribution of NERC Version 0 Reliability Standards Draft 3 for comment
Oct 25			Distribution of NAESB Version 0 Business Practice Standards Draft 3 for comment – comments to be returned by November 25
Nov 16	All Day	Washington DC	NAESB WEQ EC Meeting
Nov 25			Comments returned to NAESB on proposed standards included in Draft 3 of the NAESB Version 0 Business Practice Standards. Comments forwarded to the WEQ EC for consideration with Draft 3 for vote.
Nov 30	All Day	Tampa	WEQ EC Meeting, EC vote on proposed standards included in Draft 3 proposed standards including consideration of comments submitted on November 25.
Nov 30			Assuming the proposed standards are adopted by the EC on November 30, the EC-endorsed proposed standards are sent out to the WEQ membership for ratification.
Dec 30			Ratification ballot due back to the NAESB office. Assuming

North American Energy Standards Board
1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com
Home Page: www.naesb.org

WHOLESALE ELECTRIC QUADRANT BUSINESS PRACTICES SUBCOMMITTEE MEETING SCHEDULE OF EVENTS AND MILESTONES TO PREPARE "VERSION 0" BUSINESS PRACTICES PLAN UPDATED JUNE 14, 2004

Date	Time	Location	Event
			results indicate that members ratify EC-endorsed proposed standards, they are considered NAESB standards.

R04013
North American Energy Standards Board

Request for Initiation of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction
or
Enhancement of an Existing NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Date of Request: May 13 2004

1. Submitting Entity & Address:
WEQ Business Practices Subcommittee

2. Contact Persons, Phone #, Fax #, Electronic Mailing Address:

Name :	Phil Cox	Mr. Joel Dison
Company:	American Electric Power	Southern Company
Title :	Transmission and Markets Analyst	Manager of Market Policy
Phone:	614-324-4598	(205) 257-6481
Fax :	614-583-7505	(205) 257-6824
E-mail :	epcox@aep.com	jjdison@southernco.com

3. Description of Proposed Standard or Enhancement:

Prepare business practices that support NERC's reliability practices and functional model terminology reflective of today's implementation. This request should be considered a companion request to the NERC Standards Authorization Request for Version 0 Reliability Standards.

The NERC Board of Trustee-approved operating policies and planning standards, the 38 compliance templates approved by the NERC board on April 2, and all approved revisions to Operating Policies 5, 6, and 9 balloted in April 2004 – will be translated into an initial baseline (Version 0) set of business practice standards. The list of items can be found as an attachment – see item 10 of this request.

As NERC notes in its SAR:

There are several important reasons for accelerating the transition from existing operating policies and planning standards to a single set of reliability standards under the ANSI-accredited process:

a The August 14 blackout has challenged NERC and the industry to demonstrate that its reliability standards are unambiguous and measurable – now.

b The U.S./Canada Power System Outage Task Force final report of April 5, 2004 states in Recommendation 25: "NERC should reevaluate its existing reliability standards development process and accelerate the adoption of enforceable standards."

c An April 14, 2004 Order of the Federal Energy Regulatory Commission (FERC) states a policy objective addressing "the need to expeditiously modify [NERC] reliability standards in order to make these standards clear and enforceable."

d The continued use of multiple formats, processes and forums for developing and maintaining reliability rules is an inefficient dilution of industry and staff resources.

e The transition to new standards and retiring of existing operating policies and planning standards will be too complex for industry implementation if taken one standard at a time over several years.

NERC's reliability policies have essential business practice elements that integrally support the reliability standards. However, from NAESB's perspective, such business practice standards when adopted would be voluntary. Regulatory agencies may then take their own subsequent actions to make such standards jurisdictionally enforceable. NAESB will coordinate its filing with the FERC to coincide with NERC adoption of the Version 0 standards.

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard and required communication protocols):

These business practice standards will be drafted to implement existing business practices as they reside in NERC's current reliability operating policies and planning standards effective today:

a. Extract the business practices from the existing reliability rules – namely the existing Board-approved operating policies and planning standards, the 38 compliance templates approved by the NERC board on April 2, and all approved revisions to Operating Policies 5, 6, and 9 balloted in April 2004 – into an initial baseline (Version 0) set of business practice standards.
b. Follow NERC's effort to identify the Functional Model designation for each performance requirement and measure in the Version 0 standards, and reflect the same functional model terminology in NAESB business practices.
c. Work collaboratively with NERC to identify sections of the existing operating policies and planning standards that are suitable for NAESB to incorporate into NAESB "Version 0" business practice standards.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

As described above, these complementary business practice standards are integral to the operation and enforceability of NERC's reliability standards. The collaborative effort with NERC to prepare a Version 0 foundation of business practices will serve as a cornerstone for future NAESB business practice standards development.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

There should be no additional costs to implement the business practices supporting Version 0 reliability standards as these business practices are in effect today in NERC's operating policies and planning standards.

7. Description of Any Specific Legal or Other Considerations:

NAESB should continue to coordinate with NERC as the Version 0 business practices are developed to ensure that they fully support and track NERC's reliability standards.

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

There should be no additional testing required to implement the business practices supporting Version 0 reliability standards as these business practices are in effect in current NERC operating policies and planning standards today.

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners:

Please see the response to item 8.

10. Attachments and reference materials (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

NERC operating policies, planning standards, and compliance templates
http://www.nerc.com/~oc/pds.html (operating policies)
http://www.nerc.com/~oc/standards/ (revised operating policy 5, 6, 9)
http://www.nerc.com/~filez/pss-psg.html (planning standards)
http://www.nerc.com/~comply/annual.html (compliance templates)
Functional model
http://www.nerc.com/~filez/functionalmodel.html
NERC Transition Plan
ftp://www.nerc.com/pub/sys/all_updl/standards/Accelerated-Standards-Transition-Plan-Draft-4-19-04-FINAL.pdf
SAR – Version 0 reliability standards development
http://www.nerc.com/~filez/standards/Version-0.html

TAB 11

Standard Numbering

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

August 18, 2004

TO: NAESB WGQ Executive Committee and Interested Industry Participants

FROM: Rae McQuade, NAESB Executive Director

RE: Standard Numbering

Dear WGQ Executive Committee –

With the advent of version 0 business practices development, the OASIS 1A standards development, the Order 2004 Standards of conduct standards development, the adoption of business practices for coordinate interchange and the adoption of business practices for FERC Orders 889, 605 and 638, decisions on standard numbering are needed.

Joel Dison has offered the following for your consideration:

(1) The WGQ standards all contain only one requirement each, meaning each standard is individually numbered; but then the WGQ also has a "class" by which standards are grouped.
(2) NERC's new standards will actually be a "set of requirements"
1. whereby each numbered standard contains multiple requirements
(3) It is very likely that the WEQ will be developing standards that are related to both WGQ standards as well as NERC standards
(4) The standards that we have already been developing can be easily grouped into "sets", with each set containing multiple requirements, and
(5) In many cases, the requirements we have been developing themselves contain multiple parts.

I would suggest the following numbering scheme:

(1) The NAESB WEQ should adopt a numbering scheme whereby each "set" of requirements is an individually numbered standard. Examples of this for the four standard "sets" we have already ratified would be as follows:

Std 1: FTAA
Std 2: OASIS Business Practices
Std 3: OASIS S&CP
Std 4: Coordinate Interchange Business Practices

(2) Each "standard" would contain multiple requirements. The numbering of those requirements would be multi-leveled, of the format 1.1.1, etc.

For example
1. First main requirement
1.1 First subpart to Requirement 1
1.2 Second subpart to Requirement 2
1.2.1 First subpart to Requirement 1.2 Etc.

(3) Versioning occurs at the standard level, such that any change to any individual requirement changes the version of the entire standard.

(4) Standards can be grouped into classes similar to that used by the WGQ, for example:

Class: Contracts (CTX)

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
Home Page: www.naesb.org

Std 1 FTAA
Class: Business Practices (BP)
Std 2 OASIS BP
Std 4 CIBP
Class: Standard Communication Protocols (SCP)
Std 3: OASIS S&CP

We could also have classes for GLOSSARY (GLO), GUIDES (GDE), etc., but they would all have to be specifically called out so that new standard sets would have a clear "home".

(5) Standards would have a 3-part referencing... individual requirements would have a 4-part referencing... formatted as follows:

Class: classname - Std: number - Ver: number - Req: multi-level number

Therefore, the standards that have already been ratified would be referenced as follows:

FTAA would be referenced as CTX-1-1
OASIS BPs would be referenced as BP-2-1
CIPB Version 1 would be referenced as BP-4-1 (the new CIBP Version 0 would be referenced as BP-4-0) OASIS S&CP would be referenced as SCP-3-1

Individual requirements would then be referenced as follows:

Requirement 1.5.2 of the S&CP would be referenced as SCP-3-1-1.5.2

As an alternate, numbering could "restart" within a class, so that FTAA = CTX-1-1 OASIS BP = BP-1-1

This numbering scheme, as complicated as it may seem, would allow coordination with both NERC and with the WGQ. It would work with NERC standards because each standard set could, if appropriate, be identified as pairing with or being associated with a particular reliability standard. Therefore, the reliability standard (set) and business practice standard (set) would together make up the operating manual. It would work with WGQ standards because classes could be established similarly to the WGQ and, if necessary, a jointly developed standard would be in the same class in both quadrants. If the jointly developed "standard" were actually multiple requirements, the WEQ could actually make them multiple standards with one requirement each to be consistent with the WQG version.