

**Subj: Comments on NERC-NAESB MOU Team Posting**  
Date: 11/2/02 5:31:58 AM Central Standard Time  
From: Michael Gildea – Duke Energy

First of all, I appreciate the coordination discussions that are taking place and do see progress. The basic outline of the draft follows the suggestions Duke Energy provided to the industry in our FERC comments on this same subject several months ago. Suggestions to further improve the document include: (Suggestions organized by priority.)

#### Higher Priority Suggestions

Appendix A - While I support NERC's functional model for the purpose it was intended, I do not see its application here as particularly useful in establishing coordination guidelines and suggest that other alternatives be considered, even if that means being silent in this document, until further experience with this relationship is gained and detail can be added at that time.

MOU - section 2.3 -- not sure this will resolve the deadlock in some cases. Suggestion additional language to the effect that if Chairperson of the Parties can not reach resolution in say 10 days or 15 days, some type of ADR language be adopted.

MOU - language is needed that calls for whichever organizational process wants to address a proposed standard, it must also explicitly deal with the complementary requirement for fair compensation for such products, services and operational practices.

#### Second Tier Suggestions

MOU - page 1, line 15, -- more organizations than just FERC seek coordination

MOU - section 2.3 - line 68, Chairmen should be changed to Chairperson

MOU - section 2.5 - one month may be a little tight, a 2 months deadline might be more workable with something of a semi-standardized meeting schedule for the industry's calendar.

MOU - section 3.2 - clarification needed,..do not think we want all "verbatim, any comments submitted..." Suggest language to the effect that summary statements may be included in final submissions of all minority opinions and positions. (Grieved parties are free to file supporting documentation is believe so necessary.)

There are the exclusive comments of Michael Gildea, Duke Energy North America, Member EC, Marketing Segment, IOU Subsequent.  
Again, thanks for you your efforts.

Michael F. Gildea