



**NORTH AMERICAN ENERGY STANDARDS BOARD
OPERATING PRACTICE**

**EXECUTIVE COMMITTEE ACTIONS ON STANDARDS AND RELATED
MATTERS**

August 18, 1997
Revised April 18, 2002

- 1.0 Subcommittee and task force recommendations will be set forth in simple declarative language. The text will be in bold face type, and will clearly indicate whether the proposal is a new principle or standard, a modification of an existing principle, standard of definition, or otherwise related to the implementation or interpretation of an existing principle or standard. Proposed modifications shall clearly indicate the existing principle, definition or standard being modified.
- 2.0 The subcommittee or task force shall state the business purpose supported by any proposed change, and why the proposed change is superior to existing NAESB standards, principles, definitions or procedures. The subcommittee or task force shall also indicate the balanced voting results ~~"sense of the room," and, if requested at its meeting, a segment check,~~ with respect to its recommendation to the EC. In addition, should the subcommittee or task force consider other clarifying commentary to be necessary, it shall set forth such commentary following the recommendation, the business purpose, and the "sense of the room". Commentary shall be labeled as such, and shall reflect the subcommittee's or task force's rationale for the recommendation.
- 3.0 Should the subcommittee or task force have consulted with another NAESB subcommittee or task force as a part of the process of making a recommendation to the EC, it shall so indicate in the commentary. Moreover, at the time the chair of the subcommittee or task force determines to request input from another subcommittee or task force, the chair shall notify the NAESB office.
- 4.0 For the purposes of voting the original request and any subsequent commentary shall be set forth in an appendix, and shall be cross-referenced to the recommendation upon which EC action is expected.



- 5.0 Following the recommendation (and, if necessary, the clarifying commentary) there shall be set forth a line item indicating the effect of an EC vote to accept the recommendation. The line item is limited to one of the following:
- a. change to existing practice
 - b. status quo'
- 6.0 The recommended business practice standards of ad hoc subcommittees and task forces, (e.g., Title Transfer Tracking, EBB Internet Implementation, Imbalances, Notices, Confirmations and Cross Contract Ranking), will be voted upon by the Executive Committee prior to being fully staffed, at the determination of either the Executive Committee or the subcommittee proposing the standards. Upon passing by the required number of votes, the business practices will proceed to other appropriate subcommittees to ensure full staffing go to the Information Requirements Subcommittee and Technical Subcommittee, as appropriate, for implementation. Other committees and task forces may also elect to bring proposed business practices to the Executive Committee prior to fully staffing.
- 7.0 Standards and certain other matters are adopted by the appropriate quadrants members of the Executive Committee usig a super-majority vote: following a minimum of 67%+7 affirmative votes from each of the appropriate quadrants' EC members, including 40% affirmative votes two votes from each segment. Once such a proposed action receives the minimum required number of votes, it has passed, and shall be forwarded to the membership for ratification.
- 8.0 If a matter has passed at a meeting, Executive Committee member who were neither present in person, nor represented by an alternate, or who did not otherwise vote at the meeting in question, will be offered the opportunity to state their vote. Statements of votes received before the next scheduled Executive Committee meeting will be noted as being for informational purposes only.
- 9.0 If a required minimum "17 and 2super-majority" vote cannot be achieved at a meeting due to a lack of a sufficient number of votes from Executive Committee members in attendance at the meeting, and votes from absent members could result in the passage of the matter a notational vote shall follow. In such event, those Executive Committee members not present in person; not submitting a notational ballot which was counted at the meeting; or not represented by an alternate shall be asked to vote notationally.
- 10.0 Once a sufficient number of votes has been received following such notational vote, the standard or other matter shall be deemed passed and shall be sent to the membership for ratification.



However, all notational votes shall be recorded, as long as they are received prior to the deadline established for the notational vote. Votes received after the deadline but before the next scheduled Executive Committee meeting will be noted as being for informational purposes only.