

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

**North American Energy Standards Board
Board of Directors Meeting
December 13, 2005**

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

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BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 1

WELCOME AND OPENING REMARKS

This section includes:

- Welcome and opening remarks including meeting specifics.
- The roster of the members of the Board of Directors.
- Antitrust guidelines to be covered by General Counsel Bill Boswell at the beginning of the meeting.

This section tracks with agenda item 1.

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

WELCOME AND OPENING REMARKS

- The meeting specifics are:

Where: Houston Airport Marriott Hotel
 18700 John F. Kennedy Blvd.
 Houston, Texas 77032
 Hotel Phone: 281-443-2310

When: December 13 9:00 am to 1:00 pm (with a working lunch)

Please feel free to call (713-356-0060) if you have any questions or comments, additions to the agenda, or additional meeting materials. If you would prefer attending by conference call, the NAESB Office can provide the conference calling information. The materials are posted on the NAESB Home Page in the "Board of Directors" area for attendees to download.

- For further assistance please reach:

Veronica Thomason at (713) 356 - 0060

- The officers presiding over the Board of Directors meeting are:

Mark Maassel	- Chairman (<i>absent at this meeting, Mr. Desselle will preside over the meeting</i>)
Michael Desselle	- Vice Chairman Wholesale Electric Quadrant
Leonard Haynes	- Vice Chairman Retail Electric Quadrant
Joe Stepenovitch	- Vice Chairman Wholesale Gas Quadrant
Rae McQuade	- President, COO and Secretary
Bill Boswell	- General Counsel

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ANTITRUST GUIDELINES

- The following guidelines will be reviewed by counsel at the meeting. The meeting will be monitored, transcribed, and minutes will be taken. The guidelines are as follows:

Antitrust guidelines direct meeting participants to avoid discussion of topics or behavior that would result in anticompetitive behavior including: restraint of trade and conspiracies to monopolize, unfair or deceptive business acts or practices, price discriminations, division of markets, allocation of production, imposition of boycotts, and exclusive dealing arrangements.

Any views, opinions or positions presented or discussed by meeting participants are the views of the individual meeting participants and their organizations. Any such views, opinions or positions are not the views, positions or opinions of NAESB, the NAESB Board of Directors, or any NAESB Committee or Subcommittee, unless specifically noted otherwise.

As it is not the purpose of the meeting to discuss any antitrust topics, if anyone believes we are straying into improper areas, please let us know and we will redirect the conversation.

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002
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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 BOARD TERMS – Wholesale Gas Quadrant

END USER SEGMENT		TERM END:
Valerie Crockett	Tennessee Valley Authority	Dec 31, 2006
Joe Stepenovitch	Florida Reliability Coordinating Council	Dec 31, 2006
John Procario	Vice President & COO, Cinergy - regulated	Dec 31, 2006
Marty Patterson	Director, Cinergy - unregulated	Dec 31, 2005
Jim Templeton	Principal, Comprehensive Energy Services	Dec 31, 2005
LDC SEGMENT		TERM END:
Clifton Olson	Vice President of Supply and Transmission, Energy East Corporation	Dec 31, 2006
Adrian Chapman	Vice President, Regulatory Affairs & Energy Acquisition, Washington Gas	Dec 31, 2006
Reed Horting	Vice President, Gas Supply & Transportation, PECO Energy Co.	Dec 31, 2006
Mike Novak	Asst. General Manager, National Fuel Gas Distribution Corporation	Dec 31, 2007
Lee Stewart	Senior Vice President, Gas Transmission, Southern California Gas Company	Dec 31, 2007
PIPELINE SEGMENT		TERM END:
Terry McGill	Executive Vice President, Enbridge Energy	Dec 31, 2006
Larry Smith	Vice President Commercial Operations, Tennessee Gas Pipeline Company	Dec 31, 2006
Bill Grygar	Vice President, Panhandle Eastern Pipe Line	Dec 31, 2006
V A C A N C Y		Dec 31, 2005
Richard Kruse	Senior Vice President, Duke Energy Gas Transmission	Dec 31, 2005
PRODUCER SEGMENT		TERM END:
Jay Ellzey	Manager – Regulatory and Opco Support, ChevronTexaco Natural Gas	Dec 31, 2006
William T. Benham	Vice President – Regulatory Affairs, BP Energy Company	Dec 31, 2005
Keith Sappenfield	Regional Director – US Regulatory Affairs, EnCana Oil & Gas (USA) Inc.	Dec 31, 2005
Bill Hebenstreit	Director of Contract Services - El Paso Production Company	Dec 31, 2006
Pete Frost	Director - Regulatory Affairs, ConocoPhillips Gas and Power Marketing	Dec 31, 2005
SERVICES SEGMENT		TERM END:
John Bretz	Vice President - Gas Marketing, Anadarko Energy Services Company	Dec 31, 2006
Michael Smith	Vice President—Regulatory and Legislative Affairs, Constellation Energy Commodities Group	Dec 31, 2006
Jim Buccigross	Vice President Energy Industry Practice, Group 8760 LLC	Dec 31, 2005
Lyn Maddox	Consultant, Oxadel Consulting, LLC	Dec 31, 2005
V A C A N C Y		Dec 31, 2006

OFFICERS: Mark Maassel is CEO and 2005 Chairman of the Board of Directors. Rae McQuade as President serves as Secretary and COO. Leonard Haynes is the REQ Vice Chairman. Michael Desselle is the WEQ Vice Chairman. Joe Stepenovitch is the WGQ Vice Chairman.

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 BOARD TERMS – Retail Electric Quadrant

DISTRIBUTOR SEGMENT		TERM END:
David Koogler	Director – Regulation & Competition, Dominion Virginia Power (SERC NERC Region)	Dec 31, 2005
Bill Bourbonnais	Vice President - Transmission, WPS Resources Corporation (MAIN NERC Region)	Dec 31, 2005
V A C A N C Y		Dec 31, 2006
Leonard Haynes	Executive Vice President and Chief Marketing Officer, Southern Company Services (SERC NERC Region)	Dec 31, 2006
END USER SEGMENT		TERM END:
Sonny Popowsky	Pennsylvania Office of Consumer Advocate	Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2006
V A C A N C Y		Dec 31, 2006
SERVICES SEGMENT		TERM END:
V A C A N C Y		Dec 31, 2005
Stacey Wood	Director, The Structure Group	Dec 31, 2005
J Cade Burks	President, EC Power	Dec 31, 2006
V A C A N C Y		Dec 31, 2006
SUPPLIER SEGMENT		TERM END:
V A C A N C Y		Dec 31, 2005
David Booty	Director of Operations, Direct Energy Business Services	Dec 31, 2005
V A C A N C Y		Dec 31, 2006
Richard Zelenko	General Manager, Dominion Retail Inc.	Dec 31, 2006

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 BOARD TERMS – Wholesale Electric Quadrant

END USER SEGMENT		TERM END:	SUB SEG
John A. Anderson	President and CEO, Electricity Consumers Resource Council (ELCON)	Dec 31, 2005	LIND
Jeanne Zaiontz	Director, Regulatory Affairs, BP Energy Co.	Dec 31, 2006	LIND
Carol Guthrie	General Manager, Electric Market Strategies, ChevronTexaco Energy Research and Technology Company	Dec 31, 2006	SGEN
V A C A N C Y		Dec 31, 2005	COMPRET
V A C A N C Y		Dec 31, 2005	IOU
John Reese	Senior Policy Advisor & Director of the Office of Economic Development and Policy, New York State Department of Public Service	Dec 31, 2006	REG
Kevin Burns	Vice President Sales and Marketing, Open Access Technology International, Inc.	Dec 31, 2007	AT LARGE
DISTRIBUTION/LSE SEGMENT		TERM END:	SUB SEG
Frank Johnson	Senior Vice President Electric Transmission and Distribution, Consumers Energy	Dec 31, 2005	IOU
Mark Crosswhite	Senior Vice President & General Counsel – Generation and Energy Marketing, Southern Company	Dec 31, 2006	IOU
Barry R. Lawson	Manager-Power Delivery, National Rural Electric Cooperative Association	Dec 31, 2005	MUNI-COOP
Arthur G. Fusco	Vice President and General Counsel, Central Electric Power Cooperative Inc.	Dec 31, 2006	MUNI-COOP
Mark B. Bonsall	Chief Financial Executive/Associate General Manager, Salt River Project	Dec 31, 2005	OTHER
V A C A N C Y		Dec 31, 2006	COMPRET
Bruce Ellsworth	New York State Reliability Council	Dec 31, 2007	AT LARGE
GENERATION SEGMENT		TERM END:	SUB SEG
V A C A N C Y		Dec 31, 2006	FED
Charles W. Severance	Director Bulk Power, Wisconsin Public Service Corporation	Dec 31, 2005	IOU
John J. Dellas	Executive Manager, Electric Supply, Consumers Energy	Dec 31, 2006	IOU
Dennis Sobieski	Managing Director – Business Development, PSEG Power	Dec 31, 2005	MERC
Thomas Ingwers	Director, Energy Trading and Contracts, Sacramento Municipal Utility District	Dec 31, 2005	MUNI-COOP
Gloria Ogenyi	Director Energy and Market Policy, Conectiv Energy Supply, Inc.	Dec 31, 2006	MERC
Ron Mucci	Senior Vice President Shared Services, Williams Power Company	Dec 31, 2007	AT LARGE

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TRANSMISSION SEGMENT		TERM END:	SUB SEG
W Terry Boston	Executive Vice President – Transmission/Power Supply Group, Tennessee Valley Authority	Dec 31, 2006	FED
Peter Flynn	Vice President Transmission Strategy and Policy, National Grid USA	Dec 31, 2005	ITC
Paul McCoy	Executive Vice President of Transmission System Operations, Trans-Elect	Dec 31, 2006	ITC
Dan Klempel	Director Transmission Regulatory Compliance, Basin Electric Power Cooperative	Dec 31, 2005	MUNI-COOP
John E. Lucas	Manager, Transmission Services, Southern Company	Dec 31, 2006	IOU
Michael Desselle	Director Public Policy, American Electric Power	Dec 31, 2005	IOU
Ken Wiley	President and Chief Executive Officer, Florida Reliability Coordinating Council	DEC 31, 2007	AT LARGE
MARKETER/BROKER SEGMENT		TERM END:	SUB SEG
Jeff Ackerman	Manager, Colorado River Storage Project Energy Management and Marketing Office, Western Area Power Administration	Dec 31, 2005	FED
R. Scott Brown	Vice President and Director, Exelon Generation Power Team	Dec 31, 2005	IOU
Roy True	Manager of RTO Market Development, ACES Power Marketing	Dec 31, 2006	MUNI-COOP
V A C A N C Y		Dec 31, 2005	N IOU
Michael Grim	Director of Markets and Regulation, TXU Business Services	Dec 31, 2006	N IOU
Joseph Hartsoe	Vice President and Associate General Counsel, American Electric Power Service Corp.	Dec 31, 2006	IOU
Rick Smead	Director, Navigant Consulting, Inc.	Dec 31, 2007	AT LARGE

The subsegments noted in the above roster are:

AT LARGE -- Regional reliability organizations, regional transmission organizations, consultants, service companies, information services and software companies, law firms, and other such organizations that are not specifically encompassed in the other sub-segments for a given segment.

COMPRET – Competitive Retailer (not available to MUNI/COOP, IOU or IOU affiliates)

EU -- End Use (also in another segment)

FED – Federal/State/Provincial

IOU – Investor Owned Utility or IOU Affiliated

ITC – Independent Transmission Company

LIND – Large Industrials (not in other segments)

MERC – Merchant

MUNI-COOP – Municipals, Cooperatives

N IOU –Not IOU affiliated

OTHER -- (not available to MUNI/COOP, IOU or IOU affiliates)

REG -- Regulator

RESCOM -- Residential/Commercial

SGEN -- End Use (Self Generation)

The number of seats within each segment that are allotted to subsegments are controlled through the WEQ Procedures.

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 BOARD TERMS – Retail Gas Quadrant

DISTRIBUTORS SEGMENT		TERM END:
Craig White	Chief Operating Officer, Philadelphia Gas Works	Dec 31, 2006
Glen R. Schwalbach	Assistant Vice President Corporate Planning, Wisconsin Public Service Corporation	Dec 31, 2007
Mark T. Maassel	President, Northern Indiana Public Service Company (NiSource, Inc.)	Dec 31, 2006
Paul J. Szykman	Director – Rates and Gas Supply, UGI Utilities, Inc.	Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2006
END USERS SEGMENT		TERM END:
V A C A N C Y		Dec 31, 2006
Tina Burnett	Chair, Northwest Industrial Gas Users Association	Dec 31, 2006
V A C A N C Y		Dec 31, 2006
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005
SERVICE PROVIDERS SEGMENT		TERM END:
Leigh Spangler	President, Latitude Technologies Inc.	Dec 31, 2006
V A C A N C Y		Dec 31, 2006
Dave Darnell	President & CEO, Systrends Inc.	Dec 31, 2005
Greg Lander	Principal, Commerce Energy Group	Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2006
SUPPLIER SEGMENT		TERM END:
Kathy Fudali	Manager, Contract Administration, Sprague Energy Corp.	Dec 31, 2006
V A C A N C Y		Dec 31, 2006
V A C A N C Y		Dec 31, 2006
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
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TAB 2

MEETING ANNOUNCEMENT AND AGENDA

This section includes:

- The meeting announcement and agenda for the Board normal business,

The material presented is background information for the discussion of agenda item 1.

The Board will discuss and review agenda and will be asked to adopt the agenda through a simple majority vote.

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November 16, 2005

TO: NAESB Members and Interested Parties
FROM: Rae McQuade, NAESB President and COO
RE: Meeting Announcement for the NAESB Board Meeting – December 13, 2005

Dear NAESB Members and Interested Parties:

The December Board meeting will be held in Houston at the Houston Airport Marriott Hotel, which is located adjacent to the George Bush Intercontinental Airport. The specifics of the meeting are:

Where: Houston Airport Marriott Hotel
18700 John F. Kennedy Blvd.
Houston, Texas 77032
Hotel Phone: 281-443-2310

When: December 13 Board meeting 9:00 am to 1:00 pm
A working lunch will be provided.

We look forward to seeing you at the meeting. Conference calling will be available should you be unable to attend in person. As the meeting date approaches, more information on the Board meeting will be posted at the following address: http://www.naesb.org/weq/weq_bod.asp.

Best Regards,

Rae McQuade
NAESB President & COO



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NAESB BOARD OF DIRECTORS MEETING
Houston Airport Marriott Hotel, Houston, Texas
Tuesday, December 13 – 9:00 a.m. to 1:00 pm Central
DRAFT AGENDA

- 8:30 a.m. Continental Breakfast
- 9:00 a.m.
1. Administration and Welcome
 - Antitrust Guidelines
 - Introduction of Board Members and Guests
 - Agenda Adoption
 - Adoption of Draft Notes (working session 9-22-05), draft minutes (meeting 6-22-05)
 2. Reports from board committees:
 - ERO Coordination Committee update,
 - Resources Committee update,
 - Retail Awareness Committee update,
 - Review and Adoption of Gas – Electric Interdependency Report,
 - Review and Endorsement of Duns Report Directions,
 - Review and Adoption of revised Certification Program, and
 - Review and Endorsement of Retail Structure Review Recommendation.
 3. Updates on specific standards development efforts:
 - Gas Quality
 - Retail Invoicing
 - Retail Contracts
 - OASIS enhancements
 - Complementary business practice standards for NERC
 4. Copyright Explanations
 5. Executive Committee Reports
 - Executive Committee Report from each Quadrant
 - Standards Adopted Since the September 22 Board Working Session
 - Filings with the FERC
 - Adoption of 2006 Annual Plans
 6. Financial Report
 - Financial Report for 2005 YTD
 - Review of Conference Calling Charges Program
 - Adoption of 2006 Budget
 7. Plan for March 2006 Board Meeting
 8. Old and New Business
 - Meeting Schedule for 2006
- 1:00 p.m. Adjourn

Attire – Business Casual
Working buffet lunch will be provided.

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 3

DRAFT MINUTES – JUNE 22, 2005

This section includes:

- The draft minutes for the Board meeting on June 22, 2005 with changes offered from Board members.
- The draft minutes from the September 22 working session.

The material presented is background information for the discussion of agenda item 1.

The Board will discuss and review minutes and will be asked to adopt each set of the minutes as final through a simple majority vote.



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June 27, 2005

TO: NAESB Board Members, Posting for Interested Industry Participants
FROM: Laura Kennedy, NAESB Meeting/Project Manager
RE: Revised Draft Minutes from the NAESB Board of Directors Meeting and Strategic Session, and NAESB Meeting of the Members – June 22, 2005

**NORTH AMERICAN ENERGY STANDARDS BOARD
 NAESB BOARD OF DIRECTORS MEETING & STRATEGIC SESSION
 NAESB MEETING OF THE MEMBERS
 June 22, 2005 in San Antonio, TX
 Revised Draft Minutes**

1. Administration and Welcome

Mr. Maassel called the meeting to order and welcomed the board members, participants and guests. Mr. Boswell advised the participants of the anti-trust guidelines. Ms. Kennedy then called roll for the board members and announced that quorum was established. Mr. Templeton made a motion, seconded by Mr. Desselle to adopt the agenda. The agenda was adopted unanimously. Mr. Haynes made a motion to adopt the March 3, 2005 draft minutes, and Mr. Desselle seconded the motion. The minutes were adopted unanimously. The final minutes of the March 3, 2005 Board Meeting are posted on the NAESB website at <http://www.naesb.org/pdf2/bd030305fm.doc>.

2. Meeting of the Members

The Board of Directors took a brief recess, while the NAESB Annual Meeting of the Members was conducted in accordance with Article VI of the Certificate.

Ms. McQuade provided a review of the accomplishments of all four quadrants over the past twelve months. This information can be found on pages 34-36 of the Board Meeting book. Ms. McQuade noted that NAESB adopts voluntary business practice standards which may be provided to regulatory agencies as status reports. However, the organization will not advocate before any regulatory body. The NAESB standards development process is ANSI accredited and begins with a request for standards development submitted by a member, an interested industry participant, a government agency or commission, an ISO, RTO, or a NAESB subcommittee, or with an Annual Plan item approved by the Board of Directors.

Over the past year, the Wholesale Electric Quadrant (WEQ) worked closely with NERC to adopt Version 0—the business practice components of the NERC operating policies. The WEQ is currently developing Version 1. The WEQ also adopted OASIS business practices and Standards and Communication Protocols (S&CP) that represent FERC Order Nos. 889, 605, and 638. The OASIS business practices included enhancements for multiple identical transmission service requests, and requirements for redirects. The WEQ subcommittees will continue to develop enhancements to OASIS on an incremental basis. The WEQ also developed business practices to support the Large Generation Interconnection Order, the Standards of Conduct (affiliate) Order, and there are plans to expand the business practices for the Standards of Conduct to be more consistent with the Standards of Conduct adopted by the Wholesale Gas Quadrant (WGQ). In January 2005, NAESB filed a status report under FERC



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Docket Number RM05-5-000. FERC issued Notice of Proposed Rulemaking RM05-5-000 on May 9, 2005 proposing to incorporate most of the business practices submitted in the status report by reference.

In September 2004, the WGQ adopted business practices to support gas quality reporting properties as reflected in pipelines' tariffs. This effort began with a three part request submitted by Florida Power and Light (Request No. R03035) to establish standards relating to gas quality specifications and measurement. To date, the WGQ has only addressed one portion of this request. Request R03035 also includes two other proposals: 1) reporting the assumptions used in making the gas quality measurements; and 2) investigation to determine if standards are needed for the gas quality standards. The WGQ also developed business practices to support reporting requirements for Standards of Conduct. The modifications were made to the Informational Postings section of pipeline web sites. The WGQ continues to work on requests to modify the existing base of WGQ standards. To ensure the standards are reflective of the current marketplace, over 35 requests have been addressed over the past twelve months that address the maintenance of the more than fifty business transactions and approximately six hundred business practices adopted by the WGQ.

The Retail Gas Quadrant (RGQ) and Retail Electric Quadrant (REQ) have worked together to develop commodity neutral business practices to address creditworthiness, billing and payments, market participant interactions, distribution company – supplier disputes, and trading partner agreement. The technical standards development for the Internet Electronic Transport Mechanism and Quadrant Electronic Delivery Mechanism is near completion. The retail quadrants expect to publish their first model business practices books during the 3rd quarter 2005.

The Energy Day effort is an outgrowth of the work of the Gas Electric Coordination Task Force. The WEQ and WGQ have worked together to address Request No. R04021 to develop business practices for communications between gas-fired generators and pipelines. These standards are in the process of being fully staffed in the WGQ and in the process of being ratified in the WEQ.

Several Board Committees were created during the last strategic session to develop programs or identify issues to make the organization more effective. The current Board Committees are: Gas-Electric Interdependency, which is chaired by Mr. Templeton; the Resources Committee which is chaired by Ms. Ogenyi and Mr. Brown, the Retail Awareness Committee, chaired by Mr. Burks, the Retail Structure Review Committee chaired by Mr. Bourbonnais; and the Certification Program chaired by Mr. Spangler. The WEQ voted through its procedures to add an additional At Large sub-segment within each segment to ensure that all members of the wholesale electric market can join and fully participate on the Executive Committee and Board of Directors.

Ms. McQuade stated that the Board and its committees are committed to the effectiveness and organization of NAESB. She added that the strategic session should provide input on the directions of standards development for 2006. Upon conclusion of the Meeting of the Members, the Board of Directors resumed their meeting.

3. Strategic Session

Review of the last strategic session:

Mr. Desselle reviewed the Strategic Session of the Board held on June 10, 2004. The notes from that meeting are included in the Board Meeting book on pages 38-40. Mr. Desselle stated



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that the Board discussed ways to address the waning membership and ways to address gas-electric coordination issues. For the wholesale arena, the Board listed: 1) business practice aspects of reliability; 2) integration of the gas and electric markets; 3) expansion of natural gas supply from non-conventional sources; 4) harmonization of standards; and 5) responsiveness to regulators as items for NAESB to address in coming years. For the retail arena, the Board listed: 1) development of a standard retail contract; 2) development of a standardized electric invoice; and 3) supporting regulators by teeing up policy issues as key topics for NAESB to address in the future.

Energy Day Efforts Review of 6-27-05 report and vote on Board Committee effort represented in the report:

The draft report on pipeline-power generation facility communications and the Gas-Electric Interdependency Report can be found on pages 42-57 of the Board Meeting book. Mr. Maddox reviewed the work of the Gas-Electric Interdependency Committee (GEIC) and the report. In the report, the GEIC identified issues that warrant additional industry attention, but may not result in NAESB standards development. Mr. Maddox stated that the report has become highly anticipated by several organizations include the FERC and NARUC.

Mr. Brown asked what action from the FERC and other organizations the GEIC expected as a result of the submission and publication of the report. Mr. Maddox stated that the goal of the report was not to request action, but to identify outstanding issues NAESB is not prepared to address. Mr. Sobieski asked the steps NAESB would take to manage the expectation of the regulatory agencies of what NAESB is planning to do and the state of the industry regarding progress on these issues. Mr. Maassel added that one of the reasons the report is so widely anticipated is because it not only describes NAESB's role in these issues, but also identifies areas where action is required by other organizations, agencies, etc. to advance the marketplace. Mr. Rosenberg stated that he welcomed the industry defined issues that are standing in the way of the FERC policies being implemented.

Mr. Hebenstreit made the following resolution that was seconded by Mr. Wiley:

WHEREAS the Board of Directors supports the conclusion and next steps of the Gas-Electric Interdependency report, and

WHEREAS the Board of Directors recognizes that requests R04016 and R04020, assigned to NAESB for standards development, are symptoms on several of the issues identified in the report, and

WHEREAS the Board of Directors previously approved the postponement of requests R04016 and R04020 to direct standards development attention to request R04021,

THEREFORE BE IT RESOLVED THAT the Board of Directors charges the Gas-Electric Interdependency Committee with drafting a Standards Development Request to address standards development for items with a high probability for achieving consensus, and

FURTHER BE IT RESOLVED THAT action should not be taken on requests R04016 and R04020 unless further action is taken by the Board, and

FURTHER BE IT RESOLVED THAT the draft request should be presented to the Board at its September 22 meeting.



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Mr. Maassel stated that the report would be submitted to the FERC and published on the NAESB website. The issues identified in the report that are ripe for NAESB standards development will be included in a request drafted by the GEIC and will be submitted to the Board at the September 2005 meeting. Mr. Wiley asked if NAESB would continue to highlight the issues identified in the report to the industry and the FERC. Mr. Stepenovitch stated that the Managing Committee meets with the FERC Commissioners and staff on a quarterly basis and will continue to highlight these issues. Mr. Haynes added that as the issues are resolved to allow NAESB to develop standards, industry participants, including the GEIC, can submit requests for standards development.

Mr. Wiley stated that he was the chair of the NERC Gas-Electric Interdependency Study and encouraged the NAESB Board to collaborate with NERC on the gas-electric coordination issues because many of the issues identified are truly reliability issues. Mr. Desselle stated that he would raise this issue at the next NERC Trustee meeting.

Mr. Novak noted that the WEQ and WGQ should to modify their Annual Plans to include general gas-electric interdependency items and that any request drafted by the GEIC would go through the normal triage process.

Mr. Kruse observed that, with the exception of the issue of communication, all of the other issues identified by the GEIC appeared to involve some additional guidance being provided to NAESB.

Mr. Maassel called the question on the motion. The motion passed unanimously.

Retail Directions:

Ms. Kiselewich reviewed the direction of the Retail Quadrants. Ms. Kiselewich stated that the Retail Quadrants are pursuing ways to get industry participants in states that are not actively moving forward with retail choice programs involved in NAESB business practice standards development. Two requests have been submitted that will likely help increase participation by all segments of the retail gas and retail electric industries.

Request R05016 was submitted by Wal-Mart Stores, Inc. proposing “development of standards or model business practices for electronic retail billing transactions and bill payment transactions between customers, suppliers, and utilities.” This request was posted as supplemental material to the Board Meeting book on the NAESB website at: <http://www.naesb.org/pdf2/r05016.doc> (request) and <http://www.naesb.org/pdf2/r05016a1.pdf> (attachment to the request). Ms. Kiselewich stated that national accounts retailers like Wal-Mart, JC Penney, Radio Shack, and Home Depot have a large number of transactions with utilities dealing with billing and payments on a regular basis. Standards or business practices to address Request No. R05016 would provide these national accounts retailers with significant benefits. The request states that an electronic invoice would provide a potential savings of \$500,000 a year. Ms. Krieger asked why Wal-Mart or any customer would submit a request to NAESB to develop electronic billing transactions when the Utility Industry Group (UIG) develops these issues and if NAESB would follow UIG conventions when the model business practices are developed. Ms. Kiselewich stated that NAESB would build on the work of other groups like UIG to further develop these types of transactions and urged any interested industry party to participate.

Mr. Novak noted that during joint Retail Quadrant Executive Committee meetings, some retail quadrant participants have stated that to pursue development of model business practices for non-competitive markets would result in a deviation from the Retail Quadrants’ mission. Mr.



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Haynes stated that he supported the move toward retail standards applicable to non-competitive markets and that the retail quadrants should develop work products relevant to the entire retail community. There was no objection from the members of the Board that it is proper for the retail quadrants to move into these areas.

Request R05013 was submitted by Energy Window, Inc. to develop a model electric retail contract based on the NAESB WGQ Base Contract. Ms. Kiselewich stated that it is the expectation that this request would be processed in a commodity neutral fashion for use in both the retail electric and retail gas industries. Request R05013 and the attachment are included in the Board Meeting book on pages 68-87.

Ms. Kiselewich noted that the Triage Committee is scheduled to consider the above referenced requests during its next conference call scheduled on July 8.

Ms. Kiselewich stated that the retail quadrants should also examine the increased activity throughout North America related to green power. Mr. Behr stated that the retail quadrants should develop standards that are applicable in both pure retail choice environments as well as any retail green environment being contemplated across the nation.

Mr. Brown stated that the new direction of the retail quadrants would provide a good opportunity to enlist new members. He encouraged the Board members to conduct an outreach to organizations, such as state consumer groups, that will be interested in participating in developing these model business practices. Ms. Kiselewich stated that this new direction will likely result in increased participation by members of the end user and services segments in the Retail Quadrants.

Mr. Maassel noted that it was the broad consensus of the Board for the Retail Quadrants to move forward with the requests noted above and in the area of non-competitive markets and that the Annual Plans should be modified to reflect this direction.

Wholesale Gas Directions:

Mr. Stepenovitch stated that Florida Power and Light submitted Request No. R03035 to establish standards relating to gas quality specifications and measurement. Ms. Gussow stated that this request was divided into three parts. Part A requested the establishment of “web-based reports for tracking all physical and chemical properties of natural gas defined in pipeline tariffs, including timelines for reporting.” Standards to address this section of the request were adopted by the WGQ in 2004. Part B requested development of “a uniform process, including the underlying assumptions and methodologies, for determining gas quality specifications from measured data.” Part C seeks to “examine the need to establish gas quality specification standards taking into consideration (i) the specification needs of end users and providers of service to end users, and (ii) sources of supply (e.g. land-based, the Gulf, LNG).” Ms. Gussow requested that the WGQ begin development of standards to address Part B. She stated that NAESB is the proper forum for development of these standards.

Mr. Mills stated that Parts B and C imply policy issues that NAESB cannot address until the Natural Gas Council finishes its work on this issue. Mr. Stepenovitch stated that Part B does not seek development of a standardized methodology, but to establish reporting procedures on what methodology that an entity uses to measure the data. Mr. Sappenfield and Mr. Buccigross agreed with Mr. Stepenovitch’s explanation of Part B. Mr. Sappenfield added that while to require everyone to use the same methodology is a policy decision, reporting on the methodology used to determine the gas quality specifications does not imply policy issues. He



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noted that even if an instrument is used to obtain the data, the manufacturer of the instrument had to use some methodology in the logic or software to generate the data.

Mr. Novak suggested that a separate request be submitted to narrow the information requested in Part B. Mr. Maassel stated that the Board has the ability to interpret the request and to charge the Executive Committee with developing standards to fit that interpretation. Mr. Boswell added that the Board is not bound by the form of the request itself and can narrowly construe the language of the request. Mr. Buccigross agreed and stated that the minutes should reflect that the intent of Part B is to report the methodology used to determine gas quality specifications, and not to standardize the methodology. Mr. Novak stated that the WGQ Executive Committee should add an item to the WGQ Annual Plan to reflect the direction by the Board.

Mr. Haynes moved that the Board keep Part C of Request R03035 in abeyance, and to instruct the WGQ Executive Committee to add Part B to the Annual Plan for 2006 with the understanding that work related to the reporting of gas quality specifications is associated with the development of reporting procedures and not the standardization of the measurement itself. Mr. Buccigross seconded the motion. The motion passed unanimously.

Wholesale Electric Directions:

Mr. Desselle reviewed the direction of the WEQ. The FERC issued ANOPR RM00-10-000 in 2000 regarding the implementation of OASIS Phase II. Since that time, the industry has embraced electronic scheduling, e-tags and other OASIS enhancements. Mr. Desselle stated that Ms. McQuade and Mr. Gent sent a letter to FERC Chairman Wood on April 22, 2005 to report on the results of the NERC-NAESB OASIS Conference held on March 29, 2005. The letter described the efforts currently underway in the WEQ to develop OASIS and stated that the industry is working towards electronic scheduling on an incremental basis without the need for a major redefinition of OASIS requirements. As noted above, several OASIS enhancements were included in the January 2005 FERC filing. (*See Section 2*). In addition, the WEQ is working on recommendations for several requests that will result in OASIS enhancements. Dynegy and Calpine have been working with the NAESB office to develop a request to address the issues contemplated in the ANOPR. Ms. McQuade stated that the NAESB office is working at the request of FERC Commissioner Kelliher to identify activities currently underway in the WEQ that may satisfy the ANOPR and to identify other areas that require attention to satisfy the ANOPR. The WEQ also continues to develop Version 1 standards.

Mr. Brown asked if NAESB is interpreting communication from the FERC in a timely manner. He stated that he wanted to ensure that the FERC is aware that the Board members treat any communication from the FERC seriously. Mr. Maassel stated that in addition to the quarterly meetings with FERC staff, FERC staff will continue to have presence at the Board meetings. Ms. McQuade noted that FERC Facilitator, Mr. Rick Miles, facilitated all of the Energy Day meetings. She added that it is more difficult to communicate with state commissioners because of their number. She stated that the program for the NARUC summer meeting was modified to include a NAESB presentation. She urged Board members who are active with state commissions to identify areas where NAESB needs to be more involved.

Funding Issues:

Mr. Desselle stated that Mr. Anderson requested that the Board investigate alternative ways of funding the organization either through dues tiering or funding from external sources. Mr.



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Maassel stated that Board members should submit any ideas for consideration. Mr. Sappenfield stated that funding has been an issue throughout NAESB and GISB's history and that the work of the Board Committees' is sufficient at this time.

4. Board Business

Standards Adopted Since the March Board Meeting:

Ms. McQuade reviewed the standards adopted since the March 3 Board Meeting. A list of these standards is included on pages 98-100 of the Board Meeting book. The WGQ adopted a Trading Partner Agreement in a joint effort with the Retail Quadrants and adopted standards in response to FERC Order 2004 (Affiliate Order). Ratification is pending for the WGQ Quadrant Electronic Delivery Mechanism Manual and the Internet Electronic Transport specification, with ballots due on July 1. The WGQ is also in the process of fully staffing the standards for daily operational communications between pipelines and power plants (Energy Day Standards). In addition, ratification is pending in the WGQ for a number of maintenance requests with ballots due on July 1. Notational ballots are due on June 22 for the Executive Committee to approve additional Minor Corrections for NAESB Version 1.7.

The WEQ Executive Committee has approved the recommendation for standards for daily operational communications between pipelines and power plants (Energy Day Standards). Ratification of these standards is pending with ballots due on July 8.

The Retail Quadrants have adopted the Trading Partner Agreement for Retail Use in a joint effort with the WGQ.

Fourteen requests have been submitted since the March 3 Board meeting. Most of the requests are technical in nature, however, Request No. R05007 was submitted by ERCOT to modify the NAESB WEQ Version 0 business practice standards by removing any references to ERCOT. Ms. McQuade stated that this request was a good sign that the wholesale electric industry is beginning to accept the NAESB standards development process. As Ms. Kiselewich discussed above, two other requests of note are Request No. R05013 to develop a model electric retail contract and Request No. R05016 from Wal-Mart to standardize "electronic retail billing transactions and bill payment transactions between customers, suppliers, and utilities."



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Filings with the FERC made since last report:

Ms. McQuade reviewed the six FERC submittals since the last Board meeting. A list of the filings is included in the Board Meeting book on pages 102-103. On March 18, NAESB submitted a report regarding assignment of permanent numbers to the NAESB WGQ standards to implement gas quality reporting requirements. On April 12, NAESB submitted errata to NAESB WGQ Version 1.7. On April 18, NAESB provided a supplemental report to the January 18, 2005 WEQ standards. On April 22, Ms. McQuade and Mr. Gent authored a letter to Chairman Wood to report the results of the NERC/NAESB Future of OASIS Conference. Also on April 22, NAESB responded to Paragraph 10 of the FERC's NOPR and Termination Order in Docket Nos. RM96-1-026 and RM96-1-015. The WGQ adopted modifications to existing standards in order to provide a specific location for posting voluntary consent to information disclosure by nonaffiliated customers. At the time the report was submitted, the modified standard had been distributed for member ratification, but had not been ratified. On May 4, 2005, NAESB submitted the ratification results for the standards submitted in the April 22 report.

Reports from the Board Committees:

Resources Committee

Mr. Brown, co-chair of the Resources Committee, stated that the Resources Committee is responsible for twenty-five new members since its inception. When the thirteen resignations are taken into account, there has been a net of twelve new members. Mr. Brown stated that the Resources Committee will continue to work with the members of the Retail Quadrants to conduct an outreach for potential new members in light of the new direction of the Retail Quadrants. Mr. Brown requested that the Board members each contact two potential members to help the Resources Committee reach its goal.

Retail Awareness Committee

Mr. Burks, chair of the Retail Awareness Committee, stated that members of the Retail Awareness Committee have approached several states and are currently developing a way to categorize activities in the Retail Quadrants by state on the NAESB web site. Mr. Burks' company, EC Power, has volunteered to develop this feature at no cost to NAESB.

Retail Structure Review Committee

Mr. Bourbannais is the chair of the Retail Structure Review Committee. He stated that the Committee met on June 1 to discuss reasons why the membership numbers in the Retail Quadrants has declined. The Committee determined that it would work closely with the Resources Committee to increase the membership of the Retail Quadrants.

Certification Committee

Mr. Spangler, chair of the Certification Committee, stated that the Certification Program provides a way for providers of services and software to certify they are offering products that comply with NAESB technical standards. The goal is to update and increase the relevance of the program and to make it effective in the Wholesale Electric, Retail Electric, and Retail Gas Quadrants. The Certification Committee expects to have a work product for the Board's consideration at the September meeting.



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Executive Committee Report from Each Quadrant:

Wholesale Gas Quadrant

Mr. Buccigross reported on the modifications the WGQ Executive Committee made to the WGQ Annual Plan. The WGQ Annual Plan is located on pages 106-108 of the Board Meeting materials. Mr. Buccigross stated that Item 11 was added in response to Request No. R05014 to review and update NAESB Base Contract for Sale and Purchase of Natural Gas to reflect current industry practices. Based on the Board's decision regarding Request No. R03035, the Executive Committee will add Item 12 to develop procedures for the reporting of gas quality. Item 2 - development of standards regarding daily operational communications between natural gas pipelines and gas fired electrical generators is almost complete. The Technical and Information Requirements Subcommittees reviewed this recommendation and determined that the only changes necessary to implement these standards will be to the implementation manuals. The Executive Committee is scheduled to vote on the technical recommendation on July 11. Mr. Buccigross stated that completion dates were changed for Items 3, 5, 6, and 7.

Mr. Chapman moved, seconded by Mr. Desselle, to adopt the WGQ Annual Plan to include the modifications explained by Mr. Buccigross. The motion passed unanimously.

Wholesale Electric Quadrant

Mr. Desselle reported on the modifications the WEQ Executive Committee made to the WEQ Annual Plan, located on pages 109-112 of the Board Meeting materials. He stated that the majority of modifications were made to the status of the items and completion dates. Item 1(a)(i) and 1(h) were marked as Completed. The status of Items 1(e),(f), and (g) were changed to state that efforts are Underway. The subcommittee assignment of Item 4 was changed from Seams to Various because the Seams Subcommittee has been dissolved.

Mr. Desselle moved, seconded by Mr. Haynes, to adopt the WEQ Annual Plan to include modifications explained by Mr. Desselle. The motion passed unanimously.

Retail Quadrants

Mr. Novak reviewed the modifications to the Retail Gas Quadrant and Retail Electric Quadrant Annual Plans located on pages 113-118 of the Board Meeting book. The completion dates for Items 1 (a), (b), and (c) were changed to 3rd Quarter 2005. Mr. Novak noted that CPS should be deleted from the Subcommittee Assignment on Item 1(b). Item 2 was marked as Completed. The status of Item 3 was changed to Underway, and the completion date was changed to 4th Quarter 2004. Mr. Novak stated that Item 6 is very close to completion. He stated that the Executive Committee voted to create a Contracts Subcommittee.

Mr. Novak moved, seconded by Mr. Desselle to adopt the Retail Gas Quadrant and Retail Electric Quadrant Annual Plans to include modifications explained by Mr. Novak. The motion passed unanimously.

Financial Report:

Next, Ms. Wishart reviewed the Financial Report located on pages 120-122 of the Board Meeting book. The report included the Accrual Based Financial Report as of April 2005 and the Year to Date Income and Expenses to Budget.

Ms. McQuade reviewed the status of the membership. The WEQ currently has 141 members, the WGQ currently has 121 members, the REQ currently has 29 members, and the RGQ currently has 31 members. Most of the volatility can be seen in the WEQ as a result of adding



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the new At Large sub-segment. The membership information can be found on pages 123-136 of the Board Meeting book.

Partnerships and Coordination with Other Groups:

Ms. McQuade reported that she, Mr. Desselle, and Mr. Stepenovitch met with FERC Commissioners on May 19 to provide an update on the Energy Day efforts requested by Commissioner Brownell. The notes from these meetings are included in the Board Meeting book on pages 137-138. The NAESB delegation also met with the Department of Energy, NARUC, and several trade associations to make them aware of the developments of the Energy Day Subcommittee and the GEIC. These groups were provided with a draft copy of the GEIC report. As a result, NARUC modified the agenda of its summer meetings in Austin to provide an opportunity for NAESB to make a presentation based on the GEIC report.

5. Plan for upcoming September 22 Board Meeting in Houston

The next Board of Directors meeting is scheduled on Thursday, September 22, 2005 from 9 a.m. to 1 p.m. Central time. The meeting location is the IAH Airport Marriott Hotel in Houston, Texas. The agenda and meeting materials will be distributed to the Board members prior to the meeting.

6. Old and New Business

No other business was discussed.

7. Adjourn

Mr. Stepenovitch moved, seconded by Mr. Steward to adjourn. The meeting adjourned at 1:00 p.m. central.

8. Action Items From this Meeting

- Mr. Desselle will discuss NAESB's coordination with NERC on gas-electric coordination issues at the next NERC Trustee meeting.
- The WEQ and WGQ Executive Committees should modify their Annual Plans to include general gas-electric interdependency items.
- The Retail Quadrant Annual Plans should be modified to include development of model business practices for non-competitive markets.
- The WGQ Executive Committee should add an Annual Plan item for Part B of Request R03035.

9. Board Attendance

Wholesale Gas Quadrant Board Members

END USER SEGMENT		ATTENDANCE
Valerie Crockett	Tennessee Valley Authority	In Person
Joe Stepenovitch	Florida Reliability Coordinating Council	In Person
John Procario	Vice President & COO, Cinergy - regulated	In Person
Marty Patterson	Director, Cinergy - unregulated	Phone
Jim Templeton	Principal, Comprehensive Energy Services	In Person



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LDC SEGMENT		
Clifton Olson	Vice President of Supply and Transmission, Energy East Corporation	In Person
Adrian Chapman	Vice President, Regulatory Affairs & Energy Acquisition, Washington Gas	In Person
Reed Horting	Vice President, Gas Supply & Transportation, PECO Energy Co.	Phone
Mike Novak	Asst. General Manager, National Fuel Gas Distribution Corporation	In Person
Lee Stewart	Senior Vice President, Gas Transmission, Southern California Gas Company	In Person
PIPELINE SEGMENT		
Terry McGill	Executive Vice President, Enbridge Energy	Phone
Larry Smith	Vice President Commercial Operations, El Paso Eastern Pipelines	In Person
Bill Grygar	Vice President, Panhandle Eastern Pipe Line	In Person
Ron Mucci	Senior Vice President Shared Services, Williams Gas Pipeline	In Person
Richard Kruse	Senior Vice President, Duke Energy Gas Transmission	In Person
PRODUCER SEGMENT		
Jay Ellzey	Manager – Regulatory and Opco Support, ChevronTexaco Natural Gas	Absent
William T. Benham	Vice President – Regulatory Affairs, BP Energy Company	Absent
Keith Sappenfield	Regional Director – US Regulatory Affairs, EnCana Oil & Gas (USA) Inc.	In Person
Bill Hebenstreit	Director of Contract Services - El Paso Production Company	In Person
Pete Frost	Director - Regulatory Affairs, ConocoPhillips Gas and Power Marketing	Phone
SERVICES SEGMENT		
VACANCY	VACANCY	
VACANCY	VACANCY	
Jim Buccigross	Vice President Energy Industry Practice, Group 8760 LLC	In Person
Lyn Maddox	Consultant, Oxadel Consulting, LLC	In Person
Gregory White	Manager, President & CEO, Promet Energy Partners, LLC	Absent

Retail Electric Quadrant Board Members

DISTRIBUTOR SEGMENT		ATTENDANCE:
David Koogler	Director – Regulation & Competition, Dominion Virginia Power (SERC NERC Region)	In Person
Bill Bourbonnais	Vice President - Transmission, WPS Resources Corporation (MAIN NERC Region)	In Person
Johnny Magwood	Vice President Customer Services, Baltimore Gas and Electric Company (MAAC NERC Region)	Absent
Leonard Haynes	Executive Vice President and Chief Marketing Officer, Southern Company Services (SERC NERC Region)	In Person
END USER SEGMENT		
Sonny Popowsky	Pennsylvania Office of Consumer Advocate	Absent
VACANCY		
VACANCY		
VACANCY		
SERVICES SEGMENT		
VACANCY		
Stacey Wood	Director, The Structure Group	Absent
J Cade Burks	President, EC Power	In Person
VACANCY		
SUPPLIER SEGMENT		



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Brian Landrum	President, Reliant Energy Retail Services	Absent
David Booty	Director of Operations, Direct Energy Business Services	In Person
V A C A N C Y		
Richard Zelenko	General Manager, Dominion Retail Inc.	Absent

Wholesale Electric Quadrant Board Members

END USER SEGMENT		SUB SEG:	ATTENDANCE
John A. Anderson	Executive Director, Electricity Consumers Resource Council (ELCON)	LIND	Absent
Jeanne Zaiontz	Director, Regulatory Affairs, BP Energy Co.	LIND	Phone
Carol Guthrie	General Manager, Electric Market Strategies, ChevronTexaco Energy Research and Technology Company	SGEN	Absent
V A C A N C Y		COMPRET	
V A C A N C Y		IOU	
John Reese	Senior Policy Advisor & Director of the Office of Economic Development and Policy, New York State Department of Public Service	REG	Absent
Kevin Burns	Vice President Sales and Marketing, Open Access Technology International, Inc.	AT LARGE	In Person
DISTRIBUTION/LSE SEGMENT			
Frank Johnson	Senior Vice President Electric Transmission and Distribution, Consumers Energy	IOU	In Person
Mark Crosswhite	Senior Vice President & General Counsel – Generation and Energy Marketing, Southern Company	IOU	Absent
Barry R. Lawson	Manager-Power Delivery, National Rural Electric Cooperative Association	MUNI-COOP	Phone
Arthur G. Fusco	Vice President and General Counsel, Central Electric Power Cooperative Inc.	MUNI-COOP	In Person
Mark B. Bonsall	Chief Financial Executive/Associate General Manager, Salt River Project	OTHER	Absent
Carrie Cullen Hitt	Vice President of Governmental and Regulatory Affairs, Constellation NewEnergy	COMPRET	Phone
Bruce Ellsworth	New York State Reliability Council	AT LARGE	In Person
GENERATION SEGMENT			
V A C A N C Y		FED	
Charles W. Severance	Director Bulk Power, Wisconsin Public Service Corporation	IOU	In Person
John J. Dellas	Executive Manager, Electric Supply, Consumers Energy	IOU	Phone
Dennis Sobieski	Managing Director – Business Development, PSEG Power	MERC	In Person
Thomas Ingwers	Director, Energy Trading and Contracts, Sacramento Municipal Utility District	MUNI-COOP	Absent
Gloria Ogenyi	Director Energy and Market Policy, Conectiv Energy Supply, Inc.	MERC	Absent
V A C A N C Y		AT LARGE	
TRANSMISSION SEGMENT			
W Terry Boston	Executive Vice President – Transmission/Power Supply Group, Tennessee Valley Authority	FED	Absent
Peter Flynn	Vice President Transmission Strategy and Policy, National Grid USA	ITC	In Person
Paul McCoy	Executive Vice President of Transmission System Operations, Trans-Elect	ITC	In Person
V A C A N C Y		MUNI-	



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John E. Lucas	Manager, Transmission Services, Southern Company	COOP	
Michael Desselle	Director Public Policy, American Electric Power	IOU	Absent
Ken Wiley	President and Chief Executive Officer, Florida Reliability Coordinating Council	IOU	In Person
		AT LARGE	In Person

MARKETER/BROKER SEGMENT

V A C A N C Y		FED	
R. Scott Brown	Vice President and Director, Exelon Generation Power Team	IOU	In Person
Roy True	Manager of Regulatory Affairs – ERCOT, ACES Power Marketing	MUNI-COOP	In Person
Jim Mayhew	Director, RTO Coordination and Commercial Liaison , Mirant Corp.	N IOU	Absent
Michael Grim	Director of Markets and Regulation, TXU Business Services	N IOU	In Person
Joseph Hartsoe	Vice President and Associate General Counsel, American Electric Power Service Corp.	IOU	Phone
Rick Smead	Director, Navigant Consulting, Inc.	AT LARGE	In Person

Retail Gas Quadrant Board Members

DISTRIBUTORS SEGMENT		ATTENDANCE:
Craig White	Acting Chief Operating Officer, Philadelphia Gas Works	Absent
Glen R. Schwalbach	Assistant Vice President Corporate Planning, Wisconsin Public Service Corporation	Absent
Mark T. Maassel	President, Northern Indiana Public Service Company (NiSource, Inc.)	In Person
Paul J. Szykman	Director – Rates and Gas Supply, UGI Utilities, Inc.	Absent
V A C A N C Y		
V A C A N C Y		
END USERS SEGMENT		
V A C A N C Y		
Tina Burnett	Chair, Northwest Industrial Gas Users Association	In Person
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
SERVICE PROVIDERS SEGMENT		
Leigh Spangler	President, Latitude Technologies Inc.	In Person
Dave Pfeifer	Vice President – Energy, SunGard EnForm Consulting, LP	Absent
Dave Darnell	President & CEO, Systrends Inc.	Phone
Greg Lander	Principal, Commerce Energy Group	Absent
Richard J. Rudden	President & CEO, R. J. Rudden Associates, Inc.	Absent
V A C A N C Y		
SUPPLIER SEGMENT		
Kathy Fudali	Manager, Contract Administration, Sprague Energy Corp.	Absent
V A C A N C Y		
V A C A N C Y		
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V A C A N C Y		



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12. Other Attendance

Name	Organization	Attendance
George Behr	ESG	Phone
Bill Boswell	NAESB	In Person
Mike Bray	Enbridge Offshore	In Person
Chris Briggs	Anadarko Petroleum	In Person
Gordon Brown	California ISO	Phone
Kathryn Burch	Duke Energy	In Person
Christopher Burden	Williams Gas Pipeline	In Person
Yvette Camp	Southern Company	Phone
Dolores Chezar	KeySpan	In Person
Dale Davis	Williams Gas Pipeline	In Person
Elizabeth Evans	Anadarko Petroleum	In Person
Chuck Feagans	Tennessee Valley Authority	Phone
Christina Frescki	NJR Energy Services	Phone
Michael Gildea	Constellation Generation	In Person
Mark Gracey	El Paso Eastern Pipelines	In Person
Dona Gussow	Florida Power and Light	In Person
Tom Gwilliam	Iroquois Gas Transmission	In Person
Cheryl Hoffman	Hoffman-Paulson Associates	In Person
Laura Kennedy	NAESB	In Person
Iris King	Dominion Transmission	In Person
Ruth Kiselewich	Baltimore Gas & Electric	In Person
Rebecca Klein	Loeffler Tuggey Pauerstein Rosenthal, LLP	In Person
Hollis Krieger	Con Edison	Phone
Michelle Manson	Conectiv	Phone
Marcy McCain	Duke Energy Gas Transmission	In Person
Debbie McKeever	TXU Electric Delivery	In Person
Rae McQuade	NAESB	In Person
Randy Mills	Chevron	Phone
Todd Oncken	NAESB	In Person
Marjorie Perlman	Energy East	Phone
Judy Ray	Alabama Power Company	Phone
Barbara Rehman	BPA	Phone
Marv Rosenberg	FERC	In Person
Micki Schmitz	Northern Natural Gas	Phone
Bob Schwermann	Sacramento Municipal Utility District	In Person
Lisa Simpkins	Constellation Commodities	In Person
Veronica Thomason	NAESB	In Person
Kim Van Pelt	Panhandle Eastern Pipe Line	In Person
Tommy Weathersbee	TXU Electric Delivery	In Person
Darla Wishart	NAESB	Phone
Kathy York	Tennessee Valley Authority	In Person



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September 30, 2005

TO: NAESB Board Members, Posting for Interested Industry Participants
FROM: Laura Kennedy, NAESB Meeting/Project Manager
RE: Draft Minutes from the NAESB Board of Directors Informational Meeting – September 22, 2005

**NORTH AMERICAN ENERGY STANDARDS BOARD
 NAESB BOARD OF DIRECTORS INFORMATIONAL MEETING
 September 22, 2005 in Houston, TX
 Draft Minutes**

1. Administration and Welcome

Mr. Maassel called the meeting to order and welcomed the board members, participants and guests. Mr. Boswell advised the participants of the anti-trust guidelines. Ms. McQuade then called roll for the board members and announced that quorum was not established for any of the four quadrants. Mr. Maassel then closed the Board meeting as quorum requirements were not met, and convened the meeting as an informational session. The agenda was reviewed and modified for the informational session. The adoption of the minutes was deferred to the December 13 Board meeting as was the copyright update. Mr. Maassel welcomed our new Board members Jeff Ackerman, John Bretz, Dan Klempel and Michael Smith; and he also recognized Ron Mucci as a new Board member representing the wholesale electric quadrant, moving from his previous Board seat in the wholesale gas quadrant. Mr. Maassel thanked departing Board members Brian Landrum, Jim Mayhew, Dave Pfeifer and Rich Rudden.

2. Reports from board committees

Resources: Mr. Brown and Ms. Ogenyi updated the group on the efforts of the Resources Committee. To date their efforts have resulted in a net 18 new members, (35 new members + 4 subscriptions to the home page – 21 resignations). Work is continuing to meet the committee's goal of 30 new members. Board members were requested to participate in this effort and reach out to their colleagues to urge them to join NAESB.

Retail Awareness: Ms. McQuade provided an update for the committee. EC Power has developed a pilot web page for the committee that would display relevant documents by state, accessed via a map. The members are currently reviewing this page for additional updates. It should be accessible to all members shortly. A letter drafted by the NAESB office to all state commissioners and several related energy associations introducing the newly published retail model business practices (to be published on September 27), may include language that would highlight this effort.

Gas Electric Interdependency (GEIC): Ms. McQuade reviewed the progress to date for the GEIC. A draft report to the Board was prepared that resulted in several rounds of edits. The report would also serve as a report to the FERC once it has received Board approval at the December 13 meeting. The report highlights several possible standards development efforts, most of which would benefit from policy decisions prior to any work being done of the development efforts.

Certification Committee: Mr. Buccigross provided the update for the certification committee. The draft license is in the meeting materials and has been reviewed by our General Counsel. The changes from the prior license are minimal. The committee is amending the program as a self-certification process with officer approval. The accompanying WGQ checklist is complete, the WEQ list is in progress and the retail checklists will be prepared once the standards are published. The program should be brought to the Board at its December 13 meeting.



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Retail Structure Review Committee: Mr. Bourbonnais provided the update for the Retail Structure Review Committee noting that there is a drive for more members of the retail quadrants. He urged board members to assist in this effort by approaching their colleagues for membership in NAESB. The committee is also developing a report which will be presented to the Board in December.

3. Update on specific standards development efforts

Gas Quality: The Wholesale Gas Quadrant (WGQ) will begin efforts on the second part of the gas quality request R03035 on October 6 as assigned to the WGQ Business Practices Subcommittee. Mr. Buccigross does not anticipate any problems with the development and expects that it will complete at the end of this year.

Retail Invoicing: Ms. Kiselewich provided the update on retail invoicing. The request R05016 is scheduled to be addressed later in September, with an expected completion date in 2006. The effort will be addressed by the Retail Gas and Retail Electric Quadrants' Business Practices Subcommittee (RGQ and REQ BPS). Wal-Mart and EC Power will both participate in the effort to develop these business practices which will be applicable to all states regardless of their retail choice status.

Retail Contracting: Mr. Novak provided the update on retail contracting. A new joint REQ and RGQ Contracts Committee has been formed, the first purpose of which will be to develop the mission statement for approval by the REQ and RGQ EC, and the group will address request R05013 for retail purchases and sales of electricity. The parties to the contract would be the retail suppliers and end use customers in the competitive markets. The effort should start in late September.

OASIS and NAESB Standards Complimentary to NERC Efforts: Ms. McQuade and Mr. Desselle gave the update on OASIS, Version 0 and Version 1. A detailed accounting is provided in the meeting materials. The OASIS changes are being approached incrementally as OASIS 1a, rather than through a full redesign, which has been referred to as OASIS 2. Several changes have already been completed, but many more are expected. On version 0, NERC and NAESB are nearing completion on separating the Transmission Loading Relief (TLR) procedures into NAESB business practices and NERC reliability standards. For version 1, Inadvertent Interchange Payback will be complete this year with no changes anticipated, Coordinate Interchange business practices are being revised to reflect version 0 efforts, additional changes to TLR and changes to long term ATC calculations are expected. We are also anticipating several NERC requests to move version 0 NAESB business practices standards back to reliability standards. Those requests have not yet been received.

4. Executive Committee (EC) Report from Each Quadrant:

The Board, due to lack of quorum was unable to approve the changes to the plans as described below. The Managing committee determined to meet after the Board meeting to review the changes and approve them so that the ECs were not delayed by lack of Board action. The updates provided were:

- **Wholesale Gas Quadrant (WGQ):** Mr. Buccigross covered the WGQ plan changes, which other than correcting for dates for completion, including one main item to address part B of request R03035, Gas Quality.
- **Wholesale Electric Quadrant (WEQ):** Ms. McQuade discussed the changes to the WEQ plan, which focused primarily on changing dates and statuses to update the plan for current activities.
- **Retail Gas and Electric Quadrants (REQ and RGQ):** Ms. Kiselewich discussed the changes to the retail plans, which focused not only on completion date and status changes, but also included the addition of items for requests R05013 (contracting) and R05016 (retail invoicing).

Ms. McQuade reviewed the FERC filings made since the last board meeting and the standards completed since the last Board meeting. Both reports are included in the meeting materials. The reports demonstrate the significant amount of work concluded by the ECs and their subcommittees in the three-month period between Board meetings.



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5. Financial Report and Membership Report:

Ms. McQuade reviewed the membership report and the financial reports. The membership report shows a net gain of 11 members, most of which resides in the WEQ. Both retail quadrants have a net decrease in members this year. The overall gain in membership is due primarily to the efforts of the Resources Committee. In reviewing the financial report (accrual based as of July), because of the decrease in revenues due to less membership than expected for 2005, the organization is projecting a net loss of \$25,000. This loss has been reduced because of reductions in expenses. All efforts will continue to reduce expenses, but unless membership increases, it is unlikely that the projected deficit can be addressed in 2005.

6. Plan for upcoming December 13 Board Meeting in Houston

The next Board of Directors meeting is scheduled on Thursday, December 13 from 9 a.m. to 1 p.m. Central time. The meeting location is the IAH Airport Marriott Hotel in Houston, Texas. The agenda and meeting materials will be distributed to the Board members prior to the meeting. Agenda items noted for this meeting included an overview of the copyright policy, a review and approval of the changes to the certification program, a review and approval of a report from the GEIC to the FERC, a review and approval of recommendation from the Retail Structure Review Committee, a review and approval of the 2006 annual plans, a review and approval of the 2006 budget, and the normal business of the Board of Directors. Should there be any other agenda items that a Board member would like placed on the agenda, the board member should contact the NAESB office.

7. Meeting Schedule for 2005, 2006

The next Board of Directors meeting is scheduled on Thursday, December 13 from 9 a.m. to 1 p.m. Central time. A proposed schedule was offered for the 2006 quarterly meetings. All are scheduled to be held in Houston at the IAH airport. The final schedule will be circulated to the board members in October.

8. Adjourn

The informational session concluded at 10:50 a.m...

-

9. Board Attendance

Wholesale Gas Quadrant Board Members

END USER SEGMENT		ATTENDANCE
Valerie Crockett	Tennessee Valley Authority	In Person
Joe Stepenovitch	Florida Reliability Coordinating Council	Phone
John Procaro	Vice President & COO, Cinergy - regulated	Phone
Marty Patterson	Director, Cinergy - unregulated	Absent
Jim Templeton	Principal, Comprehensive Energy Services	Absent
LDC SEGMENT		
Clifton Olson	Vice President of Supply and Transmission, Energy East Corporation	Absent
Adrian Chapman	Vice President, Regulatory Affairs & Energy Acquisition, Washington Gas	Absent
Reed Horting	Vice President, Gas Supply & Transportation, PECO Energy Co.	Phone
Mike Novak	Asst. General Manager, National Fuel Gas Distribution Corporation	Phone
Lee Stewart	Senior Vice President, Gas Transmission, Southern California Gas Company	Phone
PIPELINE SEGMENT		
Terry McGill	Executive Vice President, Enbridge Energy	Absent
Larry Smith	Vice President Commercial Operations, El Paso Eastern Pipelines	Absent



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Bill Grygar V A C A N C Y	Vice President, Panhandle Eastern Pipe Line	In Person
Richard Kruse	Senior Vice President, Duke Energy Gas Transmission	Absent
PRODUCER SEGMENT		
Jay Ellzey	Manager – Regulatory and Opco Support, ChevronTexaco Natural Gas	Absent
William T. Benham	Vice President – Regulatory Affairs, BP Energy Company	Absent
Keith Sappenfield	Regional Director – US Regulatory Affairs, EnCana Oil & Gas (USA) Inc.	Phone
Bill Hebenstreit	Director of Contract Services - El Paso Production Company	Absent
Pete Frost	Director - Regulatory Affairs, ConocoPhillips Gas and Power Marketing	Absent
SERVICES SEGMENT		
John Bretz	Vice President - Gas Marketing, Anadarko Energy Services Company	Absent
Michael Smith	Vice President—Regulatory and Legislative Affairs, Constellation Energy Commodities Group	Phone
Jim Buccigross	Vice President Energy Industry Practice, Group 8760 LLC	In Person
Lyn Maddox	Consultant, Oxadel Consulting, LLC	Absent
Gregory White	Manager, President & CEO, Promet Energy Partners, LLC	Absent

Retail Electric Quadrant Board Members

DISTRIBUTOR SEGMENT		ATTENDANCE:
David Koogler	Director – Regulation & Competition, Dominion Virginia Power (SERC NERC Region)	Phone
Bill Bourbonnais	Vice President - Transmission, WPS Resources Corporation (MAIN NERC Region)	In Person
Johnny Magwood	Vice President Customer Services, Baltimore Gas and Electric Company (MAAC NERC Region)	Absent
Leonard Haynes	Executive Vice President and Chief Marketing Officer, Southern Company Services (SERC NERC Region)	In Person
END USER SEGMENT		
Sonny Popowsky V A C A N C Y V A C A N C Y V A C A N C Y	Pennsylvania Office of Consumer Advocate	Absent
SERVICES SEGMENT		
V A C A N C Y		
Stacey Wood	Director, The Structure Group	Absent
J Cade Burks V A C A N C Y	President, EC Power	Absent
SUPPLIER SEGMENT		
V A C A N C Y		
David Booty V A C A N C Y	Director of Operations, Direct Energy Business Services	Absent
Richard Zelenko	General Manager, Dominion Retail Inc.	Absent



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Wholesale Electric Quadrant Board Members

END USER SEGMENT		SUB SEG:	ATTENDANCE
John A. Anderson	Executive Director, Electricity Consumers Resource Council (ELCON)	LIND	Absent
Jeanne Zaiontz	Director, Regulatory Affairs, BP Energy Co.	LIND	Absent
Carol Guthrie	General Manager, Electric Market Strategies, ChevronTexaco Energy Research and Technology Company	SGEN	Absent
V A C A N C Y		COMPRET	
V A C A N C Y		IOU	
John Reese	Senior Policy Advisor & Director of the Office of Economic Development and Policy, New York State Department of Public Service	REG	Absent
Kevin Burns	Vice President Sales and Marketing, Open Access Technology International, Inc.	AT LARGE	In Person
DISTRIBUTION/LSE SEGMENT			
Frank Johnson	Senior Vice President Electric Transmission and Distribution, Consumers Energy	IOU	Phone
Mark Crosswhite	Senior Vice President & General Counsel – Generation and Energy Marketing, Southern Company	IOU	Absent
Barry R. Lawson	Manager-Power Delivery, National Rural Electric Cooperative Association	MUNI-COOP	Phone
Arthur G. Fusco	Vice President and General Counsel, Central Electric Power Cooperative Inc.	MUNI-COOP	Phone
Mark B. Bonsall	Chief Financial Executive/Associate General Manager, Salt River Project	OTHER	Absent
Carrie Cullen Hitt	Vice President of Governmental and Regulatory Affairs, Constellation NewEnergy	COMPRET	Absent
Bruce Ellsworth	New York State Reliability Council	AT LARGE	In Person
GENERATION SEGMENT			
V A C A N C Y		FED	
Charles W. Severance	Director Bulk Power, Wisconsin Public Service Corporation	IOU	In Person
John J. Dellas	Executive Manager, Electric Supply, Consumers Energy	IOU	Absent
Dennis Sobieski	Managing Director – Business Development, PSEG Power	MERC	Phone
Thomas Ingwers	Director, Energy Trading and Contracts, Sacramento Municipal Utility District	MUNI-COOP	Absent
Gloria Ogenyi	Director Energy and Market Policy, Conectiv Energy Supply, Inc.	MERC	In Person
Ron Mucci	Senior Vice President Shared Services, Williams Power Company	AT LARGE	Absent
TRANSMISSION SEGMENT			
W Terry Boston	Executive Vice President – Transmission/Power Supply Group, Tennessee Valley Authority	FED	Absent
Peter Flynn	Vice President Transmission Strategy and Policy, National Grid USA	ITC	Phone
Paul McCoy	Executive Vice President of Transmission System Operations, Trans-Elect	ITC	Absent
Dan Klempel	Director Transmission Regulatory Compliance, Basin Electric Power Cooperative	MUNI-COOP	In Person
John E. Lucas	Manager, Transmission Services, Southern Company	IOU	In Person



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Michael Desselle	Director Public Policy, American Electric Power	IOU	In Person
Ken Wiley	President and Chief Executive Officer, Florida Reliability Coordinating Council	AT LARGE	Absent

MARKETER/BROKER SEGMENT

Jeff Ackerman	Manager, Colorado River Storage Project Energy Management and Marketing Office, Western Area Power Administration	FED	Absent
R. Scott Brown	Vice President and Director, Exelon Generation Power Team	IOU	In Person
Roy True	Manager of Regulatory Affairs – ERCOT, ACES Power Marketing	MUNI-COOP	In Person
V A C A N C Y			
Michael Grim	Director of Markets and Regulation, TXU Business Services	N IOU	Absent
Joseph Hartsoe	Vice President and Associate General Counsel, American Electric Power Service Corp.	IOU	Phone
Rick Smead	Director, Navigant Consulting, Inc.	AT LARGE	Absent

Retail Gas Quadrant Board Members

DISTRIBUTORS SEGMENT		ATTENDANCE:
Craig White	Acting Chief Operating Officer, Philadelphia Gas Works	Absent
Glen R. Schwalbach	Assistant Vice President Corporate Planning, Wisconsin Public Service Corporation	Absent
Mark T. Maassel	President, Northern Indiana Public Service Company (NiSource, Inc.)	In Person
Paul J. Szykman	Director – Rates and Gas Supply, UGI Utilities, Inc.	Absent
V A C A N C Y		
V A C A N C Y		
END USERS SEGMENT		
V A C A N C Y		
Tina Burnett	Chair, Northwest Industrial Gas Users Association	Absent
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
SERVICE PROVIDERS SEGMENT		
Leigh Spangler	President, Latitude Technologies Inc.	Absent
V A C A N C Y		
Dave Darnell	President & CEO, Systrends Inc.	Absent
Greg Lander	Principal, Commerce Energy Group	Absent
V A C A N C Y		
V A C A N C Y		
SUPPLIER SEGMENT		
Kathy Fudali	Manager, Contract Administration, Sprague Energy Corp.	Absent
V A C A N C Y		
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12. Other Attendance

Name	Organization	Attendance
Ruth Kiselewich	Baltimore Gas & Electric	In Person
Iris King	Dominion Transmission	In Person
John Hughes	ELCON	Phone
Barry Warren	Empire District Electric	In Person
Laurie Paulson	Hoffman-Paulson Associates	In Person
Bill Boswell	NAESB General Counsel	In Person
Rae McQuade	NAESB President	In Person
Barbara Alexander	State of Maine Public Advocate	Phone

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 4

REPORTS ON BOARD COMMITTEES

This section includes:

- Most recent minutes or work papers of each of the following board committees as posted on the web site: ERO Coordination, Resources, Retail Awareness, Gas – Electric Interdependency, Certification Program, Retail Structure Review, and D-U-N-S Task Force.

The material presented is background information for the discussion of agenda item 2. Action is asked of the Board of Directors through simple majority vote to:

- Discuss and determine if the GEIC report should be approved or additional time permitted to discuss clarifications requested by FERC staff.
- Endorse the certification program revisions
- Endorse the direction outlined in the Retail Structure Review Report
- Endorse the course of action outlined in the D-U-N-S Report.



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via e-mail

TO: Electric Reliability Organization (ERO) Committee Members, and Interested Industry Participants

FROM: Rae McQuade, President
Laura B. Kennedy, Meeting/Project Manager

RE: Notes from the ERO Committee Conference Call on November 14, 2005

DATE: November 16, 2005

Dear ERO Committee Members,

The first conference call of the ERO Committee was held on November 14, 2005. The following notes resulted from the meeting.

- Administration:
- Ms. Kennedy read the antitrust advice.
- Purpose and Tasks of ERO Committee:
- The NAESB ERO Committee is a board committee formed to coordinate efforts with NERC as the ERO is formed.
 - The committee members determined that the committee would review the NERC/NAESB/IRC Memorandum of Understanding (MOU) to determine if changes should be made in light of the creation of the Electric Reliability Organization (ERO). This reevaluation of the MOU will provide an opportunity to strengthen and streamline the existing processes of the Joint Interface Committee (JIC).
 - Ms. McQuade will contact Mr. Boswell, NAESB General Counsel to determine what rights NAESB has to modify the MOU. Mr. Benjamin will work with Mr. Cook to do the same.
 - Ms. McQuade and Mr. Desselle will contact Mr. Torgerson and Mr. DeBoissiere in order that the ISO/RTO Council can be made aware of the planned activities of the ERO Committee. Mr. Benjamin will contact Mr. Phillips.
 - The committee will also develop a policy to set forth how NAESB will coordinate with the ERO. This policy will be separate from the MOU and will specifically address NAESB's working relationship with NERC as standards are developed.
 - The committee will also consider how NAESB will work with regional groups as they develop their own reliability standards.
- Action Items:
- Ms. Kennedy will send the link for the current MOU to the Committee members.
 - Ms. McQuade will contact Mr. Boswell and Mr. Benjamin will contact Mr. Cook regarding the modification of the MOU.
 - Ms. McQuade and Mr. Desselle will contact representatives of the ISO/RTO Council. Mr. Benjamin will follow up with a call to Mr. Phillips.
- Next Meetings
- The next conference call of the ERO Committee is scheduled on



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December 2, 2005 at 8 AM Central.

Adjournment

- The meeting adjourned at 3:20 PM Central.

Attendance:

Name	Organization	Participation
Don Benjamin	NERC	Committee Member
Scott Brown	Exelon Corporation	Committee Member
Michael Desselle	AEP	Committee Chair
Dan Klempel	Basin Electric Power Cooperative	Committee Member
Roy True	ACES Power Marketing	Committee Member
Laura Kennedy	NAESB	Staff
Rae McQuade	NAESB	Staff

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TO: ERO Working Group
FROM: Rae McQuade
RE: Agenda for ERO conference call on December 2, 2005
DATE: December 1, 2005

As previously noted in emails and communications, please join us on December 2, 2005, from 8:00 am - 9:30 am Central for an ERO conference call. Call -in information will be provided via email or you can call the office for instructions.

NAESB Board ERO Committee Conference Call
Friday, December 2, 2005 -- 8:00 am - 9:30 am, Central
Draft Agenda

1. Welcome and Administrative
 - Antitrust guidelines
 - Adoption of draft agenda
2. Discussion on MOU changes
3. Discussion on coordination between NERC and NAESB
4. Other Topics
5. Adjourn



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via email

TO: NAESB Resources Committee, Managing Committee, and Retail Structure Review Committee (RSRC) Members; and Posting for Interested Parties

FROM: James Cargas, NAESB Deputy Director

RE: Notes from Resources Committee Conference Call on November 9, 2005

DATE: November 11, 2005

Dear Resources Committee, RSRC, and Managing Committee Members,

A Resources Committee conference call was held on November 9, 2005. The previous meeting, on September 22nd, was cancelled at the request of the Chair due to the hurricane Rita evacuation of Houston. The subsequent conference call, on October 20th, was cancelled at the Chair's request. The following notes and assignments resulted from the meeting.

Resources Committee: Wednesday, November 9, 2005

- | | |
|------------------------------------|---|
| Administrative: | <ul style="list-style-type: none"> • Mr. Cargas reviewed the anti-trust warning and took roll-call. The draft agenda was adopted by consensus. |
| Status Towards 2005 Goal: | <ul style="list-style-type: none"> • The Committee's progress is at net 13 new members. <ul style="list-style-type: none"> ○ New members since last call [3]: Williams Power (WEQ, Generation, At-Large), Cimarex Energy Co. (WGQ, Producer), and Ameren Services (WEQ, Marketer/Broker, IOU affiliate). ○ Subscriptions to Home Page Access since last call [1]: The Energy Authority. ○ Resignations since last call [8]: Detroit Edison Co. (REQ, Distribution), American Electric Power (WEQ, Distribution, IOU), Columbus Southern Power Co. (WEQ, Generation, Merchant), Foley & Lardner LLP (REQ, Services), Hydro One Networks (WEQ, Transmission, ITC), Shell Energy (RGQ, Supplier), Arkansas Electric Coop. (WEQ, Generation, Muni.), and KeySpan Energy Delivery (RGQ, Distribution). • Exelon Energy decided to not resign their RGQ, Supplier membership. • Mr. Cargas provided a report on the results of recent exit interviews. Several former members will be contacted again with assistance of APPA to gauge interest in re-joining. |
| Status Reports on Follow Up Calls: | <ul style="list-style-type: none"> • Mr. Hebensteit, Ms. Ogenyi, Mr. Brown and Mr. Cargas provided updates on their follow up calls to prospective members. |
| LNG Outreach: | <ul style="list-style-type: none"> • A discussion was held on the impact amendments to the WGQ Base Contract and Part B gas quality standards may have on the emerging American LNG industry. It was concluded that those issues could generate interest in membership. • Mr. Cargas can draft a membership letter to prospective LNG members, provided Committee members assist by providing contact information. • WGQ members will be approached to make follow up calls. |



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- | | |
|---|---|
| End-User Outreach: | <ul style="list-style-type: none"> • The end-user letter and materials went out to 87 prospective members on Aug. 29. Thus far only Ms. Ogenyi and Mr. Haynes have offered to conduct follow up calls. |
| Retail Quadrant Outreach & RSRC Coordination: | <ul style="list-style-type: none"> • A discussion was held on efforts in Pennsylvania to revitalize their deregulation efforts and make adjustments where necessary. The PUC will hold hearings during the next few months. • The fact that deregulated states are not contiguous was also discussed. This has the effect of reducing the need for NAESB to develop cross-border or cross-market national or regional retail business practices. The state PUCs are currently providing any needed intra-state MBPs. • It was concluded that retail members must make the follow up calls for them to be effective. Resources members will make another pitch to them at the upcoming WEQ Leadership (Dec. 12), Board (Dec. 13) and EC (Nov. 29, Nov. 30, Dec. 1) meetings. The size of the Resources Committee needs to be increased substantially. • The Board and EC presentations could benefit from some trend analysis projecting NAESB's future. • For the time being, working on requests of non-members like Wal-Mart, JC Penney and Energy Window still benefits the organization since they are attending and contributing to NAESB's body of business practices. It is hoped that they consider remaining active and joining after completing their current efforts. • Requesting additional assistance from NEMA in reaching their vendors was discussed. • Mr. Bourbonnais provided an update on the Retail Structure Review Committee's (RSRC) efforts to increase retail membership. Their next call is Mon., Nov. 21. |
| Other Business | <ul style="list-style-type: none"> • Ms. Ogenyi thanked Mr. Cargas for his work compiling the testimonials. |

Action Items:

- | | |
|---------------|---|
| Action Items: | <ul style="list-style-type: none"> • Committee members will continue to place follow up calls to prospective members assigned to them. • Mr. Cargas will contact APPA regarding resignations of their members. • Mr. Cargas will draft a membership letter to prospective LNG members. • Committee members will provide contact information for prospective LNG members to the NAESB Office. • Ms. Ogenyi, Mr. Hebenstreit and Mr. Cargas will develop a presentation showing membership trends and projections. • Ms. Ogenyi and Mr. Brown will make presentations at the upcoming Leadership, Board and EC meetings with the goal of increasing the Resources Committee size to make follow up calls. |
|---------------|---|



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Attendance:

	Name:		Organization:	Comte. Member:
1	Scott	Brown	Exelon	Yes, Vice Chair
2	Bill	Bourbonnais	WPS Resources Corporation	
3	James	Cargas	NAESB	Deputy Director
4	Bill	Hebenstreit	El Paso Production Company	Yes
5	Michael	Novak	National Fuel	Yes
6	Gloria	Ogenyi	Conectiv	Yes, Chair

Upcoming Conference Calls:

- Monday, December 5th at 1:00pm Central (2:00pm Eastern)
- Thursday, January 12th at 1:00pm Central (2:00pm Eastern)

Prepared: 10-28-05



North American Energy Standards Board

Gas and Electric Interdependency Interim Report to the NAESB Board of Directors

December 13, 2005

Below is the interim status report of the NAESB Gas-Electric Interdependency Committee (GEIC) and is supplemental to the June 27, 2005 report submitted to the Federal Energy Regulatory Commission (“Commission” or “FERC”) in Docket No. RM05-28-000. The final report will be prepared for Board review at its December 13, 2005 meeting.

BACKGROUND

In a December 2004 letter from Chairman Wood to Michael Desselle¹, the chairman noted that the January 2004 cold snap in New England highlighted the need for better coordination between the natural gas pipelines and the electric grid, including Regional Transmission Organizations (RTOs)/Independent System Operators (ISOs) and gas-fired power generators. He noted that he was pleased to see the efforts underway by NAESB to develop business practices in both industries that would alleviate the coordination problem and be in place for the next winter season.

On June 27, 2005 a report was submitted to the Commission which included communication standards between natural gas transmission service providers and power generators and will be included in the next published version of both the Wholesale Electric Quadrant (WEQ) and Wholesale Gas Quadrant (WGQ) standards (version 1 and version 1.8, respectively). Prior to publication, they are available as final actions from the NAESB web site² related to the request from which they originated – R04021.³ Also in the report, the NAESB Gas-Electric Interdependency Committee of the Board of Directors (“GEIC”) identified thirteen issues and categorized them as (1) indicating policy direction and decisions from federal, state or provincial regulatory agencies or other groups, including issues between contractual parties, (2) appropriate for review for NAESB standards development, (3) appropriate to be forwarded to NERC for consideration for reliability standards development, (4) appropriate for review as regional

¹ The Chairman’s letter can be accessed from the NAESB web site at <http://www.naesb.org/protected/ferc121404.pdf>.

² The final actions after ratification for request no. R04021 may be accessed from the NAESB web site at http://www.naesb.org/weq/weq_Final.asp and http://www.naesb.org/WGQ/wgq_Final.asp.

³ NAESB standards can be accessed in a number of ways. The standards are available for download in the protected area of the NAESB web site free of charge or can be purchased in electronic format from the NAESB Office. Access to the protected area of the NAESB web site is free to all current NAESB members as a benefit of NAESB membership, and non-members can register for home page access for \$3500 per year. The Commission has previously recognized that, “[I]t is common practice for standards organizations to charge for copies of their standards in order to defray the publishing costs as well as some of the administrative, legal, and other costs of developing the standards.” In addition to the standards themselves, all agendas, working papers, and subcommittee meeting minutes are publicly accessible on the NAESB web site free of charge.

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28 issues, and (5) a national infrastructure concern. For the majority of the issues identified there was more than one
29 category assigned.

30 The conclusions reached on the issues identified pointed to the crucial need for extraordinary coordination among
31 regulators, NERC, NAESB and industry participants of both the natural gas and electric wholesale markets. As the
32 issues list demonstrated, many of the items required the attention of more than one of the groups, and that resolution
33 of many of the items will be based on decisions neither made nor taken by NAESB. Specific to NAESB, before
34 NAESB can move further in developing business practice standards to address the coordination of the two
35 industries, policy direction and industry willingness for change is required – otherwise, NAESB may be in the
36 position of developing business practices and striving to achieve industry consensus for standards that the industry is
37 not convinced are needed. For the two outstanding requests R04016 (Energy Day assigned to both the wholesale
38 gas and wholesale electric quadrants) and R04020 (Electric Market Timelines assigned to the wholesale electric
39 quadrant); the requests have already been assigned to NAESB for action both by the NAESB Executive Committee
40 and by the Joint Interface Committee. The requests have not been addressed at this time –through actions taken by
41 the Board of Directors on June 22.

42 On June 22, the Board recognized that requests R04016 and R04020 were symptoms of many of the issues
43 identified, and as such, charged the GEIC with the preparation of a standards development request that reflected the
44 intent of both of these requests and included other aspects of gas-electric interdependency that were evident in the
45 issues lists (such as issues #5, #10 and #12) and targeted for business practices development. The request, once
46 developed, would be reviewed by the Board for inclusion in the NAESB Annual Plan, and would be processed
47 through NAESB’s normal process for standards. An important direction from the Board in its instructions to the
48 GEIC was that the members of the GEIC should ascertain a level of industry support for such actions anticipated by
49 the request before standards development request is submitted. In summary, the committee members should not
50 recommend actions in a standards request that they did not anticipate would garner sufficient industry support.

51 **PROCESS USED BY THE NAESB GAS-ELECTRIC INTERDEPENDENCY COMMITTEE**

52 The GEIC met four times (August 16, September 8, October 6, and October 24) following the June 22 Board of
53 Directors meeting. The meetings were open and posted on the NAESB web site for all interested parties. Observers
54 were welcomed, and did attend the meetings. Notes were taken for all meetings and posted on the web site along
55 with agendas and work papers. The board committee is considered a named committee of NAESB – the members
56 are named by the Chairman of the Board of Directors and are either board members, members of the NAESB
57 Advisory Council, or specifically requested to join because of their knowledge of the markets. The work products
58 of the committee were prepared by the committee members with staff administrative support and forwarded to the
59 Board of Directors for review and approval. The GEIC is chaired by Jim Templeton, a NAESB Board member and
60 former chairman of the organization.

61 **CONCLUSIONS REACHED BY THE NAESB GAS-ELECTRIC INTERDEPENDENCY COMMITTEE**

62 In discussions of possible standards development efforts, six potential activities were identified where existing
63 standards should be reexamined to determine whether updates or new business practices could be written to further
64 improve the interaction between the gas and electric industries. The six activities are an outgrowth of the analysis of
65 13 issues described in the June 27 report to the FERC on gas-electric interdependency⁴, most of which require policy

⁴ NAESB prepared and submitted a report on June 27, 2005, in Docket No. RM05-28-000, “Standards for the Coordination of Business Practices Between Public Utilities and Interstate Natural Gas Pipelines,” which included 10 communication standards between transporters of natural gas and power generation facilities as well as 13 coordination issues identified, most of which had policy implications.

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66 direction if they are to be undertaken. Similarly, these six activities identified have policy implications. During the
67 identification of the potential development activities, general concerns were voiced by committee members on the
68 interaction of the wholesale gas and electric quadrants and the commitment of both groups to come equally to the
69 table with solutions. The status of the two outstanding requests (R04016 and R04020) was also discussed.

70 Additionally, during discussions of these possible efforts, concerns were identified that may pose roadblocks in
71 garnering sufficient industry support to proceed. Modification by the gas industry of established processes and
72 practices to address problems that affect both industries will not necessarily improve the gas/electric interface unless
73 the electric industry also works to address the electric problems. If modifications are made, they should be made in
74 both the gas and electric industries to ensure both are working to improve gas/electric coordination. The six efforts
75 identified that could be included in a standards development request were:

- 76 1. Enhance the standards to support Capacity Release pricing on an index⁵ for those pipelines that have the FERC
77 authority to price capacity on an index basis. The concerns raised included:
- 78 • Removal of the pricing cap to make it more attractive for firm gas transportation holders to release the
79 capacity to others was raised during the discussion, but it would require regulatory policy changes and is
80 specifically not anticipated as part of this item.
- 81 2. Review the possibility of adding an additional intraday nomination cycle with bumping rights to provide more
82 flexibility to shippers, including power generators, with firm transportation rights such that they can nominate
83 for natural gas supporting their market clearing times. The concerns raised were:
- 84 • Adding an additional cycle may have impacts on the timing of the existing nomination cycles.
 - 85 • The timing of the various nomination cycles may have different impacts on different parties and/or other
86 NAESB standards, which must be considered before any changes are made.
 - 87 • Additional Wholesale Electric Quadrant standards may be needed to take advantage of a revised gas
88 nomination cycle.
 - 89 • The proposed business practices may be more acceptable to the gas industry if developed in conjunction
90 with Item 3 below.
- 91 3. Review and modify the requirements for organized electric markets so that the markets clear in sufficient time
92 to nominate within the existing gas nomination timelines. The concerns raised were:
- 93 • It may be difficult for organized markets to be in compliance with this proposed business practice given the
94 existing nomination timelines; the proposed business practices may be more acceptable to the electric
95 industry if developed in conjunction with Item 2 above.
 - 96 • It will be necessary to gain consensus in the electric industry to standardize the electric timelines, each of
97 which have been developed regionally. In the alternative, the electric industry can create business practices
98 that support market clearing within the gas nomination cycles.
 - 99 • The ISOs and RTOs will need to make modifications to each of their separate processes to support NAESB
100 business practices that require the electric markets to clear prior to the timely gas nomination timelines.
- 101 4. Review the ability of pipelines to shift gas for primary firm transportation within a pipeline path without having
102 to re-offer as secondary firm transportation service. The concerns raised were:
- 103 • Current no bump rules limit firm customers' ability to divert gas to another market mid-day without
104 reallocation. If pipelines could be operationally indifferent, then they could switch deliveries without

⁵ A work paper was provided by National Fuel Gas Distribution, and is attached.

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105 facing the equity issues that arise for those customers who were not originally scheduled because they did
106 not contract for firm transportation, but delivery is switched from firm transportation customers to
107 customers who also did not contract for firm transportation. However, this would conflict with current
108 tariff and policy equity issues. Any business practices created must be non-discriminatory.

109 • If it is determined that this function is appropriate, policy changes may be required.

110 5. Require generators that declare availability for the day ahead market to have the appropriate commercial
111 arrangements to fulfill the needed obligations. The concerns raised were:

112 • Being too prescriptive as to how the obligations are met interferes with the risk management strategies of
113 market participants.

114 • To the extent this proposal needs to address reliability aspects of this issue, those concerns will be directed
115 to NERC.

116 • The issue of firm transportation as it relates to resource adequacy is being addressed as part of the proposed
117 NERC Resource Adequacy Standard currently under development.

118 6. Develop the appropriate supporting definitions for new business practices for the Wholesale Electric Quadrant,
119 including but not limited to definitions for: alternate fuel capability, usable alternate fuel capability, firm
120 transportation service, firm sales service, firm supply, and “must run” generator. The concerns raised were:

121 • In previous attempts, the Wholesale Electric Quadrant was unable to reach consensus on definitions of
122 similar terms.

123 • Although these definitions will apply to Wholesale Electric Quadrant, the definitions should be developed
124 with the appropriate input from the Wholesale Gas Quadrant to ensure consistency with gas products.

125 As noted in the prior report of June 27, to accomplish the above standards development efforts will demand
126 extraordinary coordination of the industry participants of both the natural gas and electric wholesale markets.

127 As general comments to the above six efforts, for all efforts that were focused on wholesale gas efforts (efforts 1, 2
128 and 4), a general comment was made that the wholesale electric quadrant should come to the table with a
129 willingness to also make changes to their process. The discussion held so far does not indicate a willingness to
130 create business practices for wholesale electric markets. It is the opinion of the committee members that the
131 organized electric markets, such as the ISOs and RTOs and their stakeholder groups, may not be interested in
132 working within NAESB to create the needed business practices. It is anticipated that their approach would be
133 regional solutions developed individually. Along these lines, the electric market participants of the GEIC have not
134 identified any sponsors for the efforts directed at the wholesale electric market (efforts 3, 5 and 6), and a broader
135 outreach to Edison Electric Institute and other WEQ NAESB members is in order.

136 For the two outstanding requests R04016 (Energy Day assigned to both the wholesale gas and wholesale electric
137 quadrants) and R04020 (Electric Market Timelines assigned to the wholesale electric quadrant); the requests have
138 already been assigned to NAESB for action both by the NAESB Executive Committees and by the Joint Interface
139 Committee. At the Board meeting on June 22, the Board instructed the Executive Committees to not proceed with
140 these requests even though they had been submitted, approved as within NAESB’s scope, assigned to the
141 appropriate quadrants and had also been approved by the Joint Interface Committee. The Board recognized that
142 requests R04016 and R04020 were symptoms of many of the issues identified, and as such, delayed action on the
143 requests. The two outstanding requests would be reconsidered by the Board for development after the GEIC had
144 completed its analysis and prepared new standards development requests. It was anticipated that the new standards
145 requests would supersede and replace them. The submitters of the requests have agreed to withdraw them once the
146 final report and/or request(s) for standards development is completed.

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147 **NEXT STEPS**

148 In considering the development of new requests that would address one or more of the six development efforts
149 identified by the GEIC, the concerns identified the potential need for regulatory policies, as these efforts are
150 controversial and the ability to achieve substantial industry consensus is not certain. Because of this concern, the
151 committee did not prepare requests for standards development as directed by the Board of Directors in June.
152 Instead, the committee highlighted the six areas that may be beneficial for standards development, if the industry
153 supports such development. It is the committee's opinion that the lack of industry support poses sufficient
154 roadblocks to development and regulatory policy guidance is needed before further efforts can be undertaken.
155 Instead of requests, the committee prepared this report, which was endorsed by the Board of Directors on December
156 13 and will be forwarded to the FERC as a final update report on gas-electric interdependency issues. With the
157 Board approval of this report as a final update, the submitters withdrew their requests R04016 and R04020⁶, as the
158 roadblocks noted above apply equally well to the requests. The GEIC efforts are considered complete with the
159 submittal of this final report as endorsed by the Board of Directors to the FERC.
160

⁶ Request No. R04016 to develop a standard definition for Energy Day was submitted to NAESB on May 25, 2004 by KeySpan Utility Services and Duke Energy Gas Transmission and assigned jointly to the Wholesale Gas Quadrant and Wholesale Electric Quadrant for standards development. The Joint Interface Committee voted to support its assignment to NAESB on September 21, 2004.

Request No. R04020 to establish business standards relating to electric transaction scheduling and timelines was submitted to NAESB on June 29, 2004 by Tennessee Valley Authority and assigned to the Wholesale Electric Quadrant for standards development. The NERC/NAESB Joint Interface Committee voted to support its assignment to NAESB on January 18, 2005.

TO: J. Templeton, Chair, GEIC

FROM: M. Novak

DATE: August 16, 2005

RE: Proposed Standards Development - NAESB Report on WEQ and WGQ Business Practice Standards for Transmission Service Provider-Power Plant Operator Communications and the Gas and Electric Interdependency Report (June 27 Report)

Within the June 27 Report, Issue #9 and Issue #10, deal with diversion gas and/or capacity from LDCs to the real-time generation market. Issue #9 references market-based pricing and issue #10 references tariffs and development of business practices. Any attempt to monetize shipper releases of pipeline capacity in terms of real-time generation load price fluctuations is currently bound by the maximum tariff rates applicable to capacity, as well as bidding rules.

Current NAESB WGQ Standards governing capacity release are more restrictive on pricing beneath the maximum tariff rate than current Commission policy requires. As currently structured, NAESB WGQ Standard 5.3.26 requires the releasing shipper to determine whether bidding should take place in terms of dollars and cents or as a percentage of maximum rate. NAESB WGQ Standard 5.3.19 can be read to restrict re-releases to be on the same terms and basis as the primary release when a more current reading of Commission policy would say this is a matter between the releasing and replacement shipper subject to broader bidding rules and maximum tariff rate limits. Additionally, the standards can be read to restrict the form of releases to volumetric and reservation forms that at the time these standards were drafted, appeared to comport with all the options necessary.

In more recent years, pipelines have sold capacity at discounted rates where the effective rate was tied to a published price index. Commission policy allows that releasing shippers should be free to offer the same type of pricing arrangement that the pipeline offers. At least where pipelines offer discounts based upon price indices, Commission policy appears to support releasing shippers offering the same type of pricing in a capacity release.

To capture real-time generation load price fluctuations, a firm shipper (e.g. an LDC) should be able to propose a release rate based off a published electric price index. The rate would fluctuate each day between a releasing shipper specified floor and the maximum tariff rate. In theory, this would create an economic incentive to provide more short-term capacity to the gas-fired generation market because with the prospect of high release value, releasing shippers can explore replacement capacity alternatives that otherwise would not be cost-effective.

While no pipeline tariffs prohibit capacity release transactions based off published price indices, the NAESB Standards, which in most cases have been incorporated into pipeline tariff by reference, do not support index-based releases. NAESB standards should support such release transactions and if the Commission relaxed the prohibition on releases above the maximum applicable tariff rate, then standards can further evolve.

As a general matter, technology has progressed tremendously since the initial drafting of the NAESB WGQ Capacity Release Standards. Along with the evolution of Commission policy governing the capacity release market, there appears to be justification for GEIC considering development of a request for the WGQ to review and update its Capacity Release Standards.

Issues # 9 and #10 are attached for reference.

Selected Issues from June 27 Report

Issue #9: Where voluntary arrangements between pipeline shippers could accommodate the real-time generation market (e.g. instantaneous diversion of gas from an LDC to an adjacent market) neither the pipeline nor releasers of capacity are allowed to charge short-term rates that would match the instantaneous market value of capacity to a peaking generator. Further, the ability of pipeline tariff terms (e.g., nomination cycles and release procedures) to accommodate such arrangements vary as to their flexibility. Modifications to policy would enable pipelines and releasers of capacity to charge peaking generators short-term rates.

Note: Historically, pipelines have used a combination of firm pipeline capacity, pipeline contracts, storage, balancing, parking services and curtailment priorities to mitigate fluctuating load requirements. Pipeline tariffs are designed to insure reliable service to all customers, so any accommodation of such voluntary arrangements would require a process to be certain there was no adverse impact on other customers. Should such arrangements be incorporated into tariffs, business practices can be developed for support. As for rate flexibility, in the past the Commission has experimented with market-based pricing for released capacity. Short-term monetizing of load price fluctuation (hourly, daily, weekly and seasonally) as well as daily and hourly volume accommodation may be appropriate for consideration.

Issue #10: If voluntary arrangements between pipeline shippers are created that accommodate the real-time generation market ((e.g. instantaneous diversion of gas from an LDC to an adjacent market), business practices could be drafted that support the trade of gas from an LDC to an adjacent market.

Note: Pipeline tariffs are designed to insure reliable service to all customers, so any accommodation of such voluntary arrangements would require a process to be certain there was no adverse impact on other customers. Should such arrangements be incorporated into tariffs, business practices can be developed for support.



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TO: Posting on NAESB Web Site
 FROM: Rae McQuade, NAESB Executive Director
 RE: Board Gas-Electric Interdependency Committee – Named Board Members
 DATE: November 3, 2004

The Board Gas-Electric Interdependency Committee is chaired by Jim Templeton. The named Board members that comprise the Board Gas-Electric Interdependency Committee are as follows:

Name	Organization	Quadrant	Phone	Email
Vicky Bailey	Johnston & Associates		202-659-8400	vbailey@johnstondc.com
Adrian Chapman	Washington Gas Light	WGQ	703-750-7677	achapman@washgas.com
Valerie Crockett	Tennessee Valley Authority	WGQ	423-751-6096	vjcrockett@tva.gov
Mark Crosswhite	Southern Company	WEQ	205-257-0472	macrossw@southernco.com
Michael Desselle	American Electric Power	WEQ	214-777-1083	mddesselle@aep.com
Peter Flynn	National Grid USA	WEQ	508-389-3391	Peter.flynn@us.ngrid.com
Pete Frost	ConocoPhillips Gas & Power Marketing	WGQ	202-833-0917	Pete.w.frost@conocophillips.com
Robert Gee	Gee Strategies		703-698-2033	racbud@ix.netcom.com
Joseph Hartsoe	American Electric Power Service Corp	WEQ	202-383-3430	jrhartsoe@aep.com
Leonard Haynes	Southern Company Services	REQ	404-506-0206	ljhaynes@southernco.com
Sheila Hollis	Duane Morris		202-776-7810	sshollis@duanemorris.com
Reed Horting	PECO Energy	WGQ	215-841-6410	Reed.horting@exeloncorp.com
Richard Kruse	Duke Energy Gas Transmission	WGQ	713-627-5368	rkruse@duke-energy.com
Mark Maassel	Northern Indiana Public Service Company (NiSource, Inc.)	RGQ	219-647-6400	mtmaassel@nisource.com
Lyn Maddox	Oxadel Consulting, LLC	WGQ	281-465-8539	linmaddox@sbcglobal.net
Randy Mills	ChevronTexaco	WGQ	713-752-7815	Randymills@chevrontexaco.com
Ron Mucci	Williams Gas Pipeline	WGQ	918-573-4981	Ron.m.mucci@williams.com
Mike Novak	National Fuel Gas Distribution	RGQ, WGQ	716-857-7884	novakm@natfuel.com
Marty Patterson	Cinergy CBU	WGQ	513-419-6935	Marty.patterson@cinergy.com
John Procario	Cinergy	WGQ	513-287-3657	jprocario@cinergy.com
Rick Smead	Navigant Consulting	WEQ	713-646-5029	rsmead@navigantconsulting.com
Larry Smith	Tennessee Gas Pipeline Company	WGQ	713-420-4299	Larry.smith@elpaso.com
Dennis Sobieski	PSEG Power	WEQ	973-430-6698	Dennis.sobieski@pseg.com
Joe Stepenovitch	Florida Reliability Coordinating Council	WGQ	813-289-5644	joestep@frcc.com



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Jim Templeton	Comprehensive Energy Services	WGQ	713-759-6999	jrtemplton@aol.com
Ken Wiley	Florida Reliability Coordinating Council	WEQ	813-289-5644	kwiley@frcc.com
Jeanne Zaiontz	BP Energy	WEQ	281-366-4507	zaiontj@bp.com



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TO: NAESB Board Managing Committee, and posting for interested parties

FROM: Certification Program Committee: Leigh Spangler (Chair), George Behr, Jim Buccigross, Christopher Burden, Cade Burks, Dave Darnell, Dave Pfeifer, and Paul Sorenson; and James Cargas (Deputy Director)

RE: Recommended Revisions to and Expansion of NAESB Certification Program

DATE: November 7, 2005

Final Report of Board Certification Program Committee

Summary

The NAESB Certification Program provides suppliers to the gas and electric industries the opportunity to demonstrate the compliance of their products and services with applicable NAESB standards. The Certification Program Committee (CPC) was charged by the Board to assess the existing NAESB Wholesale Gas Quadrant (WGQ) Certification program and make recommendations to increase the program's relevance, visibility and applicability to all quadrants.

The key recommendations of the CPC are that NAESB adopt a self-certification process and reduce the certification fees. The CPC believes these changes will increase vendor participation, provide greater protection of trade secrets, reduce NAESB's administrative costs, and provide implementation flexibility within each quadrant.

1. Certification Program Committee Formation and Goals

The CPC was formed by the Board of Directors during its March 3, 2005 meeting. It reports to the Board of Directors through the Board Managing Committee. It is charged with (1) evaluating the existing WGQ certification program and determining the relevance of a NAESB certification program to the market place, (2) making recommendations for improvements that are applicable to all four quadrants, and (3) developing the materials required for implementation of the new certification program. The Committee held seven conference calls and is now prepared to make its recommendations to the Board through the Managing Committee.¹

2. Current WGQ Certification Program

Certification is an activity that many standards organizations and associations undertake as the organization reaches a level of maturity. For example the following is a sample of the certification programs of other standards developing organizations:

- American National Standards Institute (ANSI) produce accreditation program, http://www.ansi.org/conformity_assessment/accreditation_programs/accreditation_certification_programs.aspx?menuid=4
- American Society of Mechanical Engineers (AMSE) conformity assessment, <http://www.asme.org/cns/accreditation/index.html>

¹ The CPC held conference calls on April 5, April 27, May 19, June 8, July 12, August 4, and November 7, 2005. The agendas, call notes and work papers from these calls are posted at: http://www.naesb.org/certification_program.asp.



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- Gas Appliance Manufacturers Association (GAMA) certification program, <http://www.gamanet.org/gama/inforesources.nsf?OpenDatabase>
- National Electrical Manufacturers Association (NEMA) conformity assessment, <http://www.nema.org/stds/conformity/>

Certification enhances credibility and awareness of the standards. It is also a tool that can be used by software product developers to evaluate their product offering and demonstrate to potential clients that they have taken steps to ensure that their products are in compliance. Similarly, implementers of the standards and companies buying the software services, solutions or products use certification as part of their purchasing decision process. Making the checklist which comprises the certification available provides potential buyers with a clear understanding of the elements of the certification program. For those who chose to avail themselves of this voluntary program, it can be a very effective marketing or purchasing tool.

The Gas Industry Standards Board (GISB) Board of Directors implemented a certification program on June 10, 1999, for the standards it promulgated for the wholesale gas industry. The program was voluntary, confidential and eventually covered WGQ Versions 1.3 through 1.6. The service companies originally requested the creation of a program to support their products. Members paid a \$7,500 fee while non-members were charged \$10,000 per software product or solution. The certified software products were permitted to display the GISB or NAESB Certification Mark on the documentation (electronic or printed) for a period of two years, after which re-certification was required. Use of any certification program is fully voluntary and intended to be used as a tool for companies to indicate they support and use a particular version of NAESB standards. Accordingly, it is used primarily by service providers. It is not typically a tool used by regulated entities.

The current WGQ certification program depends on the person requesting certification (Requestor) hiring a NAESB approved third-party certifier (Certifier) and permitting the Certifier to review the code and functionality of their product to determine its compliance with the WGQ standards. The Requestor would execute a confidentiality agreement with the Certifier to ensure any trade secrets remain confidential. The cost of the certifier was in addition to the fees paid to NAESB. A NAESB developed check list of minimum requirements for each version served as a guide in this process.

The need for third-party Certifiers required NAESB to also certify the Certifiers. Each individual seeking certification was required to attend a NAESB WGQ standards course, a WGQ web standards course and pass an examination. Administration of the exam was free to members and \$1,000 for non-members.

3. Adoption of Self-Certification Format

The CPC reviewed the existing WGQ certification program and certification programs of other organizations. The Committee found, that with the passage of Sarbanes-Oxley in 2002, the corporate environment and marketplace has become more willing to rely on self-certification by a corporate officer as a means of ensuring compliance. This self-certification method:

- Eliminates the need for a software developer to reveal its computer code to a third-party Certifier,
- Provides for greater protection of trade secrets,
- Eliminates costs associated with hiring a Certifier, and
- Creates the potential for reduced NAESB certification fees.

As such the CPC believes a self-certification program will enjoy greater participation than the existing program. Of course, officers asked to sign off on NAESB's certification may still want to incur the cost of hiring a third-party Certifier to conduct an audit to ensure the validity of the representations they must make.



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4. Development of Recommended Program Materials

First, the CPC redrafted the 1999 certification mark license agreement to apply to the applicable standards and model business practices of all four quadrants. An appendix was added containing an "Officer or Principal Certification Statement Under Oath" that was modeled on the certifications required by the US Securities and Exchange Commission under Sarbanes-Oxley. The two-year limit to certification was maintained. Finally, some introductory language was also added. The revised License Agreement underwent legal review and was approved by NAESB General Counsel, Bill Boswell.

Second, Mr. Jim Buccigross drafted a WGQ Version 1.7 check list containing the data/information, electronic delivery mechanism (EDM), informational postings and customer activities web site requirements. In the event a Requestor wants to be certified for prior versions, the previously existing WGQ check lists can be utilized. Third, Mr. Paul Sorenson drafted a WEQ Version "0" check list containing the Open Access Same-Time Information Systems (OASIS) Standards & Communications Protocols (S&CP) requirements. These WGQ and WEQ certification program materials have been finalized, allowing the revised certification program to be implemented upon approval of the Board.

The emerging state of standards in the NAESB Retail Quadrants limited the feasibility of creating a RXQ certification checklist during the CPC's tenure. The recent passage of the Internet ET specification, however, will provide an opportunity for RXQ certification efforts in the near term.



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APPLICATION FOR NAESB CERTIFICATION

Please return this form along with payment to the North American Energy Standards Board ("NAESB") offices at the above address. Upon approval, you will be sent the appropriate self-certification check list(s) and certification mark license agreement. Once a completed check list(s) and executed license agreement are received, and reviewed for completeness, a certification mark will be sent the below company representative for use during a two-year certification period.

Name of Company: _____

Company Representative: _____

Address, City, State and Postal Code: _____

Phone: _____ Fax: _____

E-mail: _____ Web Site: _____

Name and Version of Software Product or Software Solution Being Certified:

1. _____
2. _____
3. _____
4. _____

NAESB Standard or Model Business Practices Being Certified ("Standards Certified"):

- Wholesale Gas Quadrant, Version 1.4, 1.5, 1.6 or 1.7 (circle one)
- Wholesale Electric Quadrant, OASIS SC&P Version 0

Scope of Certification (select all that apply):

- Data/Information Requirements
- Web Site Requirements (Informational Postings and Customer Activities)
- EDI/EDM Requirements

Payment Information:

NAESB Member Price Per Certification	\$---?----
Non-Member Price Per Certification	\$---?----
Number of Software Products and Solutions Being Certified	_____
Number of Standards the Above Software Is Being Certified On	_____
Total Amount Enclosed or to Be Charged:	_____

Form of Payment:

- Check Enclosed Made Payable to "NAESB"
- Charge The Following Credit Card the Above Amount
 - American Express
 - Visa
 - Master Card

Account Number: _____

Expiration Date: _____

Authorizing Signature: _____



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 License Agreement From NAESB to the Certified Party

This Agreement (the "Agreement"), once signed below by both parties represents the agreement between North American Energy Standards Board ("NAESB") and [_____] (the "Licensee") with respect to Licensee's participation in the NAESB Certification Program and use of the NAESB certification service mark (the "Certification Mark"). Licensee and NAESB together will be referred to as "Parties" in this Agreement.

WHEREAS, NAESB has implemented a Certification Program for its Wholesale Gas Quadrant, Wholesale Electric Quadrant, Retail Electric Quadrant and Retail Gas Quadrant standards and model business practices ("MBPs") for software products and software solutions ("Software");

WHEREAS, requesting NAESB certification is a voluntary process and NAESB does not mandate that any person or entity be certified;

WHEREAS, NAESB's Certification Program depends on self-certification by the Licensee using the checklists provided by NAESB, depends on the truthfulness of the responses, and depends on the Licensee not omitting any material facts from its responses;

WHEREAS, NAESB has created a separate and distinct Certification Mark to permit Licensees that comply with NAESB's Certification Program and pay the appropriate license fee to demonstrate the compliance of their Software and achieve certification;

WHEREAS, the Licensee has developed and is marketing its Software to the energy market, and desires to demonstrate to that its Software complies with and implements NAESB standards and MBPs;

WHEREAS, the Licensee has carefully reviewed the appropriate self-certification checklist provided by NAESB, and determined in good faith that its Software is in compliance with the checklist and a duly authorized officer or principal of the Licensee has certified as to the accuracy and truthfulness of Licensee's responses; and

WHEREAS, this Agreement is a necessary component of the Certification Program since it governs the use of the Certification Mark and Licensee's Officer Certification that its Software is in compliance with NAESB's Certification Program;

NOW THEREFORE, for valuable consideration the Parties agree as follows:

1. NAESB CERTIFICATION MARK.

- A. Display of the Certification Mark: If Licensee elects to display the Certification Mark on Licensee's Web site, it shall be at a location and in a manner consistent with the License granted herein. Licensee must provide NAESB with the URL(s) of the location(s) where the Certification Mark(s) are displayed. Licensee must also display the Certification Mark solely in connection with Software which has been certified, including instructional, advertising, or promotional materials, and Licensee must provide NAESB with copies of all materials which display the Certification Mark.



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-
- B. Certification Program Identified: If Licensee elects to display the Certification Mark, it shall identify the quadrant (i.e., Wholesale Gas Quadrant, Wholesale Electric Quadrant or Retail Quadrants) and standards version (i.e., Version 1.7, Version 0, etc.) for which Licensee has been certified. To the extent that certification review covered only a portion of the functionality of the Software, Licensee shall note those functions that have been certified.
- C. Reviews: Licensee shall cooperate with NAESB to assess the level of consistency and quality of use of the Certification Mark on the Licensee's Web Site and other materials. Such reviews may consist of Web Site and material reviews (initial and periodic) conducted at NAESB's offices. On-site compliance reviews may be used as part of NAESB's oversight process should NAESB have reason to believe Licensee is in non-compliance with this Agreement. To comply with this review process, Licensee agrees to:
- i. At no charge to NAESB or its representatives, provide full access to the Licensee's Web Site (i.e., including password access to premium or members-only areas) and reasonable access to Licensee's records for the purpose of conducting reviews to ensure that Licensee's practices are consistent with this Agreement.
 - ii. Be subject to an on-site compliance review in response to complaints from third parties. If Licensee has breached this Agreement, Licensee agrees to reimburse NAESB for the reasonable cost of any such review and promptly rectify the inconsistent practice. NAESB shall provide, at a minimum, ten (10) days written notice to Licensee prior to initiation of an on-site review and shall perform its review during Licensee's normal business hours. NAESB shall use its reasonable effort to accommodate Licensee's schedule and shall perform its review in such a manner as to not unreasonably interfere with Licensee's operations.
 - iii. Respond within five (5) business days to all reasonable NAESB inquiries about Licensee's use of the Certification Mark.
- D. Licensee's Continuing Obligation: Licensee agrees to update its certified Software in the event NAESB issues an errata or minor correction for the standard quadrant and version certified under this Agreement. Licensee agrees to check NAESB's web site on a regular basis and make reasonable efforts to learn of the existence of any errata or minor corrections. NAESB's only obligation is to post all errata and minor corrections on its web site within a reasonable time of issuance; NAESB has no obligation to inform Licensee of the existence of any errata or minor corrections.
2. **LICENSE GRANT.** Subject to the terms and conditions of this Agreement, NAESB grants to Licensee a non-exclusive, royalty-free, worldwide, non-transferable license to use, reproduce, and publicly display copies of the Certification Mark in the form provided by NAESB to Licensee on the following Web Site(s) (the "Site"): http://_____ and in materials solely related to the Software which has been certified. Licensee may not use or reproduce the Certification Mark in any manner other than as described in this Agreement. Licensee's use of the Certification Mark is limited to a certified Software, and no license is provided to use the Certification Mark on any other Site(s) or on any other products or materials of any kind produced by Licensee. Licensee may not sublicense the use of the Certification Mark, except as necessary to a third party who provides the hosting service for Licensee's Site(s) in order to allow the display of the Certification Mark on the Site(s).



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3. **OFFICER OR PRINCIPAL CERTIFICATION.** An Officer or Principal of the Licensee agrees to certify and warrant, as set forth in Appendix A hereto, that Licensee (a) has reviewed NAESB's Certification Program checklist for the quadrant and version being certified, (b) has concluded that Licensee's Software meets or exceeds each and every requirement set forth in the relevant checklist, (c) has submitted truthful and accurate statements in all responses submitted to NAESB as of the date submitted and shall remain true and accurate during the term of this Agreement, (d) has not omitted any material fact necessary to make the statements not misleading, (e) has reviewed the content of the statement with legal counsel, (f) understands that this Agreement is limited to a two(2) year term, (f) will immediately notify NAESB of any material changes in the Software or discovery that a response is untrue, inaccurate or misleading, (g) consents to the public posting of the certification statement on NAESB's web site, and (h) has the right and authority to make these certifications and enter into this Agreement.

4. OWNERSHIP OF THE CERTIFICATION MARK - QUALITY CONTROL.

- A. Acknowledgement; Non-assistance: Licensee acknowledges that NAESB (or its licensor) is the sole and exclusive owner of all trademarks, service marks, copyrights and other intellectual property rights of any kind in the Certification Mark. Licensee agrees that: (a) it shall do nothing inconsistent with such ownership either during the term of the Agreement or afterwards; (b) it shall use the Certification Mark in a manner that does not deviate from NAESB's rights in the Certification Mark; (c) it shall take no action that shall interfere with or diminish NAESB's right in the Certification Mark; and (d) it shall use the Certification Mark so as to create a separate and distinct impression from any other service Certification Mark or trademark that may be used.
- B. Non-Alteration: The Licensee shall not alter the Certification Mark in any form, change the data contained within the image, or artificially change the shape of the image(s). If the Certification Mark resides on a server other than Licensee's own server because a party provides a service to Licensee with regard to the Site, Licensee shall ensure that any such third party conforms to the requirements of this Agreement with regard to the Certification Mark.

5. WARRANTY, DISCLAIMER, AND INDEMNIFICATION. THE CERTIFICATION MARK IS LICENSED "AS IS" WITH NO WARRANTY OF ANY KIND.

CERTIFICATION APPROVAL DOES NOT STATE, AND NAESB DOES NOT REPRESENT OR WARRANT THE REQUESTER TO BE NAESB COMPLIANT IN ITS USE OF NAESB STANDARDS.

FURTHER, NAESB DISCLAIMS AND EXCLUDES, AND LICENSEE ACKNOWLEDGES AND AGREES TO THIS DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESSED OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CERTIFICATION PROCESS OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER NAESB KNOWS OR HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. LICENSEE ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE



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OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CERTIFICATION PROCESS OR USE OF THE CERTIFICATION MARK. NOTWITHSTANDING THE ABOVE, IN NO CASE SHALL NAESB'S LIABILITY TO ANY PARTY BEING CERTIFIED EXCEED TWO THOUSAND DOLLARS AND NO CENTS (\$2,000), OR THE ACTUAL DAMAGES, WHICHEVER IS LESS.

Licensee shall defend, indemnify and hold NAESB harmless from any third party claims against NAESB, its officers, directors, employees, agents, contractors or representatives, arising from or relating to the Licensee's use of the Certification Mark (except for claims that the Certification Mark or use of the Certification Mark infringes any rights of third parties).

6. **TWO YEAR TERM.** Unless terminated earlier, this Agreement shall terminate two (2) years from the date that NAESB notifies Licensee that its Software has been certified. Upon termination of this Agreement, Licensee shall need to re-apply and re-qualify for a NAESB license under the then-current NAESB certification program or process, if any, if it wishes to use the Certification Mark for future periods.

7. TERMINATION.

- A. Termination for Material Breach: NAESB may terminate this Agreement upon fourteen (14) calendar days prior written notice to Licensee of a material breach of this Agreement, unless the breach is corrected to NAESB's reasonable satisfaction within the fourteen (14) calendar day period. Material breaches include but are not limited to: (a) Licensee's use of the Mark in a manner inconsistent with the license granted under this Agreement, any use of the Mark on products or materials other than those certified, or any use otherwise contrary to the provisions of this Agreement or (b) Licensee's challenge to NAESB's ownership of the Mark or the validity of the Mark.
- B. Partial Termination/Modification of Certification Mark: Upon ten (10) business days prior written notice, NAESB may terminate Licensee's right to use the Certification Mark on a server in a particular country in which NAESB reasonably determines that the continued use of the Certification Mark in such country may impose potential liability on NAESB or seriously threaten NAESB's ownership of the Certification Mark. In addition, if NAESB use of the Certification Mark is challenged by a third party or NAESB becomes aware of a significant risk of such a challenge, NAESB may at its option unilaterally provide its Licensees with a replacement for the Certification Mark which shall become the Certification Mark for all purposes under this Agreement.
- C. Effect of Termination: Upon termination of this Agreement, Licensee shall immediately cease all use of the Certification Mark. Termination shall not create any obligation for NAESB to refund in whole, or in part, any license fees paid by Licensee regardless of the reason for termination.

8. **RIGHT OF PUBLICITY.** Licensee hereby grants NAESB a nonexclusive, royalty-free, worldwide license, during the term of this Agreement, to use and distribute Licensee's name in NAESB's Current List of Licensees located on NAESB's publicly accessible Web site, corporate brochures and printed materials. Upon termination or expiration of this Agreement, NAESB will remove the Licensee from NAESB's Current List of Licensees located on NAESB's publicly accessible Web site.



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9. MISCELLANEOUS.

A. Governing Law: This Agreement shall be construed in accordance with, and governed by, the laws of the State of Delaware without recourse to its choice of law or conflict of law provisions.

B. Entire Agreement; Waiver; Relationship of the Parties: There are no promises, covenants, or undertakings between the Parties other than those expressly set forth in this Agreement. Licensee has read, understood and accepted this Agreement. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Parties.

Nothing contained in the Agreement shall be construed as creating a joint venture, partnership, agency or employment relationship between the Parties, and neither Party shall have any right to bind the other or incur any obligation on the other's behalf without the other's prior written consent.

This Agreement shall not confer any rights or remedies upon any person other than the Parties. This Agreement and the exhibits hereto constitute the entire Agreement between the Parties as to the subject matter hereof, and supersedes all prior and contemporaneous agreements, representations and understandings between them. This Agreement shall not be changed, modified, or amended except by writing signed by both Parties. This Agreement shall not be assigned by any Party without the other Party's express written approval, which shall not unreasonably be withheld.

C. Notices: For the purpose of this Agreement, all notices and/or communications given by either Party shall either be in writing or electronic notice. To be effective, any service hereunder shall be addressed as set forth below:

NAESB

Name:	Rae McQuade
Title:	President
Company Name:	NORTH AMERICAN ENERGY STANDARDS BOARD
Address:	1301 Fannin Street, Suite 2350 Houston, Texas 77002
Telephone:	(713) 356-0060
Telefax:	(713) 356-0067
URL:	www.NAESB.org
Email Address:	NAESB@naesb.org



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Home Page: www.naesb.org

Licensee

Name: _____

Title: _____

Company Name: _____

Address: _____

Telephone: _____

Telefax: _____

URL: _____

Email Address: _____

This Agreement is accepted and agreed to by the Parties as of the last date appearing below.

For NAESB:

For Licensee:

By: _____	By: _____
Name: Rae McQuade	Name: _____
Title: President	Title: _____
Company: North American Energy Standards Board	Company: _____
Date: _____	Date: _____



North American Energy Standards Board

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Appendix A



North American Energy Standards Board

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Home Page: www.naesb.org

OFFICER OR PRINCIPAL CERTIFICATION STATEMENT UNDER OATH

Statement under oath of principal executive officer regarding facts and circumstances relating to the certification of his/her company's software as compliant with the below referenced standards of the North American Energy Standards Board ("NAESB").

Name of Company: _____

Address, City, State and Postal Code: _____

Phone: _____ Fax: _____

Web Site: _____

Name and Version of Software Product or Software Solution ("Software") Being Certified: _____

NAESB Standard or Model Business Practices Being Certified ("Standards Certified"):

- Wholesale Gas Quadrant, Version 1.4, 1.5, 1.6 or 1.7 (circle one)
- Retail Gas and Retail Electric Quadrants, Version 1.0
- Wholesale Electric Quadrant, Version 0

Scope of Certification (select all that apply):

- Data/Information Requirements
- Web Site Requirements (Informational Postings and Customer Activities)
- EDI/EDM Requirements

I, [NAME OF PRINCIPAL EXECUTIVE OFFICER] , state, attest and certify that:

1. To the best of my knowledge, based upon a review of the Self-Certification Checklist for the above referenced Certified Standards and the Software source code:
 - a. The above referenced Software meets or exceeds each and every requirement contained in the Self-Certification Checklist for the Standards Certified;
 - b. No response to the Self-Certification Checklist for the Standards Certified contains an untrue statement of material fact as of the date of this Statement; and
 - c. No response to the Self-Certification Checklist for the Standards Certified omits a material fact necessary to make the statements in the Checklist not misleading as of the date of this Statement.
2. I have reviewed the contents of this Statement with the Company's legal counsel.
3. I understand that the certification is limited to the Software product or solution and version listed above, that certification is limited to the Standards Certified as indicated above, and that the certification shall automatically expire two (2) years from the date of this Statement.
4. In the event of a material change in the Software, or the discovery that a response to the Self-Certification Checklist is untrue, inaccurate or misleading, I will immediately notify NAESB and agree to cease using the Certification Mark.
5. I consent to the public posting of this Statement on NAESB's web site.
6. I have the right and authority to make the statements and representations herein and to enter into the corresponding License Agreement with NAESB.

Executed this _____ day of _____, 2005.

ATTEST:

Secretary

Name of Company

Officer or Principal Executive Officer's Signature

Print Name

Title



North American Energy Standards Board

Certification Program

Check List for NAESB WGQ Standards Version 1.7

This check list is used to certify software and software solutions (collectively “software”) as being compliant with NAESB’s Wholesale Gas Quadrant (WGQ) Version 1.7 standards. Software may be certified as being compliant with either (i) the data and information requirements, or (ii) the electronic delivery mechanism (EDM) requirements, or (iii) the informational postings and customer activities web site requirements, or any combination of these requirements.

Name of Company: _____

Address, City, State and Postal Code: _____

Phone: _____ Fax: _____

Web Site: _____

Name and Version of Software Product or Software Solution (“Software”) Being Certified:

Scope of Certification Being Sought:

- Data/Information Certification Requirements (“D”)
- Electronic Delivery Mechanism (EDM) Certification Requirements (“E”)
- Informational Postings and Customer Activities Web Site Certification Requirements (“W”)

Nominations Related Standards:

1.4.1 D Nomination Data Set

Data/Information Certification Requirement

- ___ Data set not present. If not present, proceed to next data set.
- ___ All NAESB data elements for this data set and version with a mandatory usage are present and no other data elements are defined as mandatory.
- ___ NAESB data elements for this data set and version with a mandatory usage have the correct attributes.
- ___ NAESB data elements for this data set and version with a mandatory usage have the correct placement.

1.4.2 D Nomination Quick Response Data Set

Data/Information Certification Requirement

- ___ Data set not present. If not present, proceed to next data set.
- ___ All NAESB data elements for this data set and version with a mandatory usage are present and no other data elements are defined as mandatory.
- ___ NAESB data elements for this data set and version with a mandatory usage have the correct attributes.
- ___ NAESB data elements for this data set and version with a mandatory usage have the correct placement.



North American Energy Standards Board

Certification Program

- 1.4.3 D Request for Confirmation Data Set
Data/Information Certification Requirement
- Data set not present. If not present, proceed to next data set.
 - All NAESB data elements for this data set and version with a mandatory usage are present and no other data elements are defined as mandatory.
 - NAESB data elements for this data set and version with a mandatory usage have the correct attributes.
 - NAESB data elements for this data set and version with a mandatory usage have the correct placement.
- 1.4.4 D Confirmation Response Data Set
Data/Information Certification Requirement
- Data set not present. If not present, proceed to next data set.
 - All NAESB data elements for this data set and version with a mandatory usage are present and no other data elements are defined as mandatory.
 - NAESB data elements for this data set and version with a mandatory usage have the correct attributes.
 - NAESB data elements for this data set and version with a mandatory usage have the correct placement.
- 1.4.5 D Scheduled Quantity Data Set
Data/Information Certification Requirement
- Data set not present. If not present, proceed to next data set.
 - All NAESB data elements for this data set and version with a mandatory usage are present and no other data elements are defined as mandatory.
 - NAESB data elements for this data set and version with a mandatory usage have the correct attributes.
 - NAESB data elements for this data set and version with a mandatory usage have the correct placement.
- 1.4.6 D Scheduled Quantity For Operator Data Set
Data/Information Certification Requirement
- Data set not present. If not present, proceed to next data set.
 - All NAESB data elements for this data set and version with a mandatory usage are present and no other data elements are defined as mandatory.
 - NAESB data elements for this data set and version with a mandatory usage have the correct attributes.
 - NAESB data elements for this data set and version with a mandatory usage have the correct placement.
- 1.4.7 D Confirmation Response Quick Response Data Set
Data/Information Certification Requirement
- Data set not present. If not present, proceed to next data set.
 - All NAESB data elements for this data set and version with a mandatory usage are present and no other data elements are defined as mandatory.



North American Energy Standards Board

Certification Program

Check List for NAESB Wholesale Electric Quadrant (WEQ) Open Access Same-Time Information Systems (OASIS) Standards & Communications Protocols (S&CP) WEQSCP-001-000

This check list is used to certify software and software solutions (collectively “software”) as being compliant with NAESB’s Wholesale Electric Quadrant (WEQ) Open Access Same-Time Information System (OASIS) Standards & Communications Protocols (S&CP) standards, WEQSCP-001-000.

Name of Company: _____

Address, City, State and Postal Code: _____

Phone: _____ Fax: _____

Web Site: _____

Name and Version of Software Product or Software Solution (“Software”) Being Certified:

Network Architecture Requirements:

- 2.1b Permit Use of Any Customer Computers
 Any commonly available computer systems, as long as they support the required communication links to the Internet, are supported.
- 2.1c Value Added Services
 Not supported.
 Private network connections are supported on Customer request and supplied on a cost-recovery basis.
 Additional value added services are supported
 When provided, these private connections and additional services are made available to all Customers on a fair and non-discriminatory basis.
- 2.1d Permit use of existing communications facilities
 Not supported.
 Use of existing communication facilities is supported consistent with FERC regulations.
- 2.1e Single or Multiple Providers per Node
 A single Transmission Provider is supported.
 Multiple Transmission Providers are supported.
- 2.2a Internet Compatibility
 Internet tools, directory services and communications protocols are



North American Energy Standards Board

Certification Program

- supported
- 2.2b Public Internet Access
- Access to OASIS is supported over the Public Internet.
 - This access is made through a firewall
- 2.2c Private Access
- Private communications links to OASIS are supported and offered on a fair and non-discriminatory basis
 - Costs-based charges are assessed for private access
- 2.2d Internet Communications Channel
- Public Internet connection to OASIS is adequate to meet all required OASIS performance metrics
- 2.3a/b Point-to-Point Protocol (PPP) and Internet Protocol Control Protocol (IPCP) and Serial Line Internet Protocol (SLIP)
- Private network dial-up not supported.
 - PPP protocol supported for private network dial-up.
 - IPCP protocol supported for private network dial-up.
 - SLIP protocol supported for private network dial-up.
- 2.3c Transport Control Protocol and Internet Protocol (TCP/IP)
- TCP/IP protocol supported for all inter-OASIS and OASIS-to-User communications.
- 2.3d Hyper Text Transfer Protocol (HTTP)
- HTTP Version 1.0 is supported for all User access.
- 2.3e Internet Protocol Address
- IP address registered with the Internet Network Information Center (InterNIC) is provided.
- 2.4a Browser Support
- Netscape's Navigator version 4.0.x and later are supported.
 - Microsoft's Internet Explorer version 4.0.x and later are supported.
 - Additional commercially available web browser software is supported.
- 2.4b HTML Forms
- HTML forms are provided for Customer entry of data.
- 2.4c Domain Name Service (DNS)
- DNS resolution of OASIS registered IP Address is supported.
- 2.4d Simple Network Management Protocol (SNMP)
- Not supported.
 - SNMP tools are supported/used in management of communications equipment.
 - Other tools are supported/used in management of communications equipment.



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TO: NAESB Board Managing Committee, and posting for interested parties
FROM: Retail Structure Review Committee Members: Bill Bourbonnais (Chair), Jim Buccigross, Leonard Haynes, Ruth Kiselewich, David Koogler, Mark Maassel, Marcy McCain, Mike Novak, Keith Sappenfield and James Cargas (Deputy Director)
RE: **Final Report** – Recommendation for One-Year Bylaws Waiver and Other Actions
DATE: December 6, 2005

Retail Structure Review Committee Final Report

BACKGROUND:

Over the past few years, the memberships of the Retail Gas and Electric Quadrants of the North American Energy Standard Board (NAESB) have steadily declined, recently to a level below the Bylaw requirement of 40 members in each quadrant (NAESB Bylaws, Section 2.3). At the December 9, 2004, NAESB Board of Directors meeting, the Board requested volunteer board members to form a committee to address the retail quadrant membership issues and make recommendations to Board of directors by the end of 2005.

On June 1, 2005, the Retail Structure Review Committee (RSR Committee) had its first meeting of the following volunteers and NAESB staff:

Bill Bourbonnais, WPS Resources
 Jim Buccigross, Group 8760
 James Cargas, NAESB
 Leonard Haynes, Southern Company Services
 Ruth Kiselewich, Baltimore Gas and Electric
 David Koogler, Dominion Virginia Power
 Mark Maassel, NiSource Inc.
 Marcy McCain, Duke Energy
 Rae McQuade, NAESB
 Mike Novak, National Fuel Gas Distribution
 Keith Sappenfield, EnCana Corporation

At this meeting the RSR Committee adopted the following Mission Statement:

The Retail Structure Review Committee functions solely at the pleasure of the NAESB Board of Directors and reports to the NAESB Board of Directors through the NAESB Board Managing Committee. The Committee will make recommendations to the full board to address the membership levels in the retail electric and retail gas quadrants through possible changes to NAESB By-laws, structural changes to the quadrants or their segments including merger of the two quadrants.

The RSR Committee also reviewed the reasons for the decline in the two retail quadrant's membership, which can best be summarized as the primary focus of the retail quadrants on business practices for the customer choice retail market coupled with the stalled or even regressive status of the retail customer choice initiatives in the nation.



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The RSR Committee reviewed its options, which included (a) an increase of retail quadrant membership to bylaw requirement levels, (b) changing the bylaws to reduce the membership requirement, (c) combining the two Retail Quadrants to reach the bylaw membership levels, or (d) delaying any structural changes until the original work plan of developing business practices for the customer choice retail markets is completed.

The RSR Committee has determined that none of the available options will have any appreciable effect on the finances of the NAESB organization. It is believed that the Retail Quadrants are operating as efficiently as possible and only a major increase in Retail Quadrant membership will have any significant improvement in NAESB finances.

The RSR Committee also reviewed the current potential expansion of the retail quadrant focus from the development of business practices for just the customer choice retail markets to also including the development of business practices needed for regulated as well as customer choice retail markets. This expansion of focus is being driven by a number of requests for standard retail energy contracts (R05013) and standard electronic billing (a request from national accounts customers) (R05016) and a discussion on green energy business practices in both gas and electric markets.

On June 22, 2005, the Board of Directors agreed that the governance documents permitted the focus of the retail quadrants to include the development of business practices needed for regulated as well as customer choice retail markets. This move to address business practices applicable to retail regulated markets, plus a partnership with the Resources Committee to focus on the increase of retail quadrant memberships, was thought to be the needed synergy to increased interest and membership in the two retail quadrants and elimination of the need for immediate structural remedies.

On September 27, 2005, the retail quadrants published their first set of business practice standards for the electric and natural gas customer choice markets. The retail quadrants also announced the formation of committees to start work on two new initiatives: retail contracts and uniform electronic billing business practices. These initiatives are intended to produce business practices for the customer choice markets as well as the regulated retail markets. It was hoped that the completed customer choice business practices and the new initiatives for the regulated markets, along with a focused initiative to work with the Resources Committee in late 2005 and early 2006 to focus on encouraging new retail quadrant members would significantly increase retail quadrant membership going forward. To date this has not been the experience, there still is difficulty in getting new memberships, continued loss of retail members and disappointing participation in the subcommittees working on the two requests for business practices for retail customer choice and regulated markets noted above.

On November 30, 2005, the RSR Committee presented a proposal to merge the two quadrants to the Retail Quadrants Executive Committees to obtain their input (Attachment #1). The members of the Retail Executive Committees were concerned that the effort required to combine the two quadrants at this time would be disruptive to completion of the original work plan of retail customer choice business practices (Attachment #2). The overall opinion of the Retail Executive Committees was to delay any structural changes until the original work plan of the two quadrants is jointly completed, which is projected to be largely completed in 2006.



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DISCUSSION OF OPTIONS:

The option of revision of the NAESB bylaws may only be a short-term remedy. The current membership requirement of 40 for each retail quadrant was not scientifically reached but was a reasonable minimum level of membership if the retail quadrants were to be effective at reaching consensus of a critical mass of the market. A membership level of less than 40 could result in concern regarding critical mass for a nation of 48 contiguous states. Current memberships of 27 in the Retail Electric Quadrant and 29 in the Retail Gas Quadrant could continue to decline if (1) companies with more than one retail quadrant membership decide to reduce their memberships since most work is done through cooperative work of both quadrants, (2) the nationwide customer choice initiative remains stalled and (3) the expansion of the focus to provide business practices for both choice and regulated markets does not encourage an increase in the involvement of stakeholders.

The option of merging the NAESB Retail Electric and Retail Gas Quadrants would provide immediate membership levels that satisfy the bylaw membership requirements and would continue the current practice of the two quadrants working together. The current combined level of 56 members could decline to as low as 51 members, if members with both gas and electric quadrant memberships decide they only need one membership, which is still above the bylaw membership requirement of 40, unless there are significant membership terminations due to the merger of the two quadrants. The merger of the two quadrants will also require bylaw revisions to reflect one rather than two quadrants and to resolve bylaw differences between the two quadrants.

The option of continuing to expand the focus of the retail quadrants to include projects for regulated markets along with customer choice markets may result in an increased interest in retail quadrant memberships, but this has not been the experience to date. Given the time (estimated at 6 – 9 months) it will take to modify the bylaws and ratify the governance changes, if there is an unexpected success in increasing membership, the Board could subsequently decide to leave the quadrants as they are. Also, the combining of the two quadrants could be done in a way that permits the easy return to two quadrants in the future. Also, if a decision is made to merge the two retail quadrants, great care should be taken to ensure that representatives of both gas and electric have an equal voice (Attachment #1 contains such an approach).

The option of delaying any structural changes at this time would allow the continuation of the work of the combined retail quadrants to complete the original work plan of choice business practices without the disruption of quadrant structural changes (Attachment #2). It would also allow measurement of the progress on the two new initiatives for development of business practices for both customer choice and regulated retail markets and determination as to whether that proves to provide adequate industry interest to increase retail quadrant memberships. Finally it would also allow time to develop a strategy for the retail quadrants after the original work plan of customer choice business practices are completed allowing any structural changes to fit the future work of the quadrants.



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RECOMMENDATION:

Based on the reviews completed by the RSR Committee and the input from the Retail Quadrants Executive Committees, the RSR Committee recommends that the NAESB Board of Directors delay any structural changes to the Retail Quadrants at this time and allow the Retail Quadrants to complete their original work plan of customer choice business practices and continue work on the three business practices for both customer choice and regulated retail markets in 2006.

The RSR Committee also recommends the NAESB Board:

1. Direct the RSR Committee to complete a strategic planning exercise in 2006 to determine the direction of the two retail quadrants after completion of the original work plan of development of business practices for customer choice retail markets in 2006. This strategic planning exercise should include input from the NAESB Advisory Committee at their scheduled February 11, 2006, meeting.
2. Direct the RSR Committee to complete a review of the need for structural changes to the two Retail Quadrants in 2006 based on quadrant membership levels, progress and interest in the three initiatives for business practices for both retail customer choice and regulated markets and the results of the Retail Quadrants Strategic Planning Committee with a final recommendation to the Board at the December 2006 Board meeting.



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ATTACHMENT #1

November 25, 2006 RSR Committee Proposal to Combine Retail Quadrants

- 1) Consolidated the two retail quadrants into one combined retail quadrant called "Combined Retail Quadrant" (CRQ). Another option is "Retail Energy Quadrant" but that could be confused with the current Retail Electric Quadrant.
- 2) CRQ would have 4 segments of 7 members each.

Based on the current Board roster and EC roster, no one would lose a seat, initially the CRQ Board in the transition would include the following:

Distributors - 7/7 (RGQ:4,REQ:3)
 Suppliers - 3/7 (RGQ:1,REQ:2)
 Services - 6/7 (RGQ:4,REQ:2)
 End Users - 2/7 (RGQ:1,REQ:1)

Initially the CRQ Executive Committee in transition would include:

Distributors - 7/7 (RGQ:3,REQ:4)
 Suppliers - 5/7 (RGQ:3,REQ:2)
 Services - 6/7 (RGQ:4,REQ:2)
 End Users - 2/7 (RGQ:1,REQ:1)

- 3) In the transition, until the next elections a company would be allowed to hold two seats in a segment only if they want to separate their electric interests and gas interests and maintain two NAESB retail memberships. This would avoid displacement of current Board and EC members and subsequent elections would prevent any abuse of having two votes on the Board or EC.
- 4) Within each segment, one seat (maybe two) could be reserved for sole commodity companies (gas or electric only). Unlike WEQ, these reserve spots should not be left unfilled if no sole commodity company is interested - in such cases a combination company could fill the slot.
- 5) CRQ should keep two bodies of MBPs - one for electric and one for gas, the vast majority of which would be identical. This avoids the automatically assumption to be applicable to both REQ and RGQ.
- 6) It may be appropriate to include a reserve clause that says if membership of CRQ reaches 85 or 90 and with 2/3rds vote of the CRQ members, gas and electric quadrants could be separated.



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ATTACHMENT #2

Report on RSRC draft final report and resulting discussions held during REQ and RGQ EC meeting on November 30, 2005 in Washington, DC.

From: Kiselewich, Ruth C [<mailto:Ruth.C.Kiselewich@bge.com>]
 Sent: Thursday, December 01, 2005 7:46 AM
 Subject: RE: CRQ Proposal

The concept of combining the two retail quadrants was presented at the joint REQ and RGQ Executive Meetings held November 30th. Mike Novak gave a presentation on the proposal and there was almost an hour-long discussion with numerous comments which included:

- Combining the quadrants will not solve the membership issue which is the primary goal so, basically, why mess with something that is working very well.
- Currently, the quadrants are essentially joined with meetings, the annual plan, the same standards and having legal documents reflect a single quadrant takes away the future flexibility.
- Making a change in the organization of the retail quadrants will require changing the By-laws and the quadrant procedures. (A comment was made after the meeting that the By-laws would have to be changed even if the two quadrants are left as is because the quadrants are below the required membership levels. I think the Board can continue to authorize the ECs to operate with below the minimum membership requirements and avoid changing the By-laws.)
- Rather than spend time on the cosmetic change, we should focus on what is needed in the marketplace, focus on providing value so that more will see the benefit of NAESB.
- We are a year away from completing the standards and changing the organization does nothing now. It actually slows down the standards development work as found with the recent change in subcommittee structure, i.e. the establishment of IR. We are more likely to see a change in membership when all the standards are done and have been well communicated.
- Concern was voiced about the optics of seeing all the vacancies and this could be addressed by changing the numbers in each segment.
- There needs to be a discussion with NARUC on what they think about combining the quadrants because in the past they have wanted the two.
- A couple said they thought this was a good move.

Ruth



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TO: Wholesale Gas Quadrant Executive Committee Members,
 Retail Gas Quadrant Executive Committee Members,
 Wholesale Electric Quadrant Executive Committee Members, and
 Retail Electric Quadrant Executive Committee Members

CC: NAESB Managing Committee

FROM: NAESB D-U-N-S® Task Force (Dale Davis, Barbara Rehman, Christopher Burden,
 Robert Connell, Rae McQuade, James Cargas, Laura Kennedy, Todd Oncken)

RE: Report on Findings and Recommendations of the D-U-N-S® Task Force

DATE: October 21, 2005

REPORT ON FINDINGS AND RECOMMENDATIONS OF THE D-U-N-S® TASK FORCE

Executive Summary

NAESB currently uses the Dun & Bradstreet (D & B) Data Universal Numbering System (D-U-N-S®) number in some of its standards for identification of entities. The D-U-N-S® number is a nine-digit identifier assigned by D&B that permits businesses, their affiliates and divisions to be uniquely identified. After several NAESB members reported difficulties in obtaining D-U-N-S® numbers from D & B, a task force was formed to investigate. The task force confirmed that members across all of the quadrants are indeed having difficulty receiving D-U-N-S® numbers for a variety of reasons and that D & B is often charging for the issuance of D-U-N-S® numbers where they did not in the past. The standards of all four quadrants either utilize the D-U-N-S® number or are contemplating its use.

To address D & B's change in policy, the task force recommends that the Executive Committees support and request that the Managing Committee support and request Board approval of the following:

- a quadrant-specific approach where no action be taken at this time for the Wholesale Gas Quadrant (WGQ), Retail Gas Quadrant (RGQ), and Retail Electric Quadrant (REQ); and for the Wholesale Electric Quadrant (WEQ), NAESB should work with the North American Electric Reliability Council (NERC) to jointly determine if an alternative numbering system would be a better fit for its needs than the currently employed D-U-N-S® numbers; and,
- pursue the creation of an agreement with D&B that would meet the WEQ's numbering needs if the WEQ determines that the use of D-U-N-S® numbers should continue.

1. Introduction

Market participants in many industries have the need to uniquely identify businesses to facilitate commerce. To satisfy that need, many industries use a nine-digit Data Universal Numbering System (D-U-N-S®) number assigned by Dun & Bradstreet (D & B). There are 196 different location coding methods recognized by ANSI X12. The natural gas and electricity markets have adopted, or are adopting, the use of D-U-N-S® numbers in the standards and procedures adopted by NAESB, as well as through other industry organizations and initiatives. For example, NAESB uses D-U-N-S® numbers extensively throughout the WGQ standards to define organizations via a common code, and the retail quadrants are considering the use of D-U-N-S® numbers for similar functions. On the electric side, the Federal Energy Regulatory Commission (FERC) requires the use of D-U-N-S®



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numbers as the unique numerical identification of Open Access Same-time Information Systems (OASIS) participants and NERC uses the D-U-N-S® numbers in its Transmission System Information Networks (TSIN) registration process, for both OASIS and e-tag purposes.

Several NAESB members have reported difficulty obtaining D-U-N-S® numbers for a variety of reasons. Members have also reported that D & B is charging \$99 to issue a new D-U-N-S® number immediately over the phone, but will issue new numbers at no cost to those processed within thirty days. In contrast, others have noted that special arrangements have been made for obtaining D-U-N-S® number in relation to reporting to the federal government. Several other industries have recently moved away from the use of D-U-N-S® numbers, including the retail and grocery industries. These industries have adopted alternative standards to the D-U-N-S® number.

With the high reliance on D-U-N-S® numbers in each of the quadrants, the impact of changing to a new numbering system is likely to be significant for all the processing and “back end” systems and the business implementation impacts (which would not be limited to the NAESB uses). The systems can be changed to use a new identifier at a cost per system that would vary by market participant. The business processes that support these transactions, the training and certification testing, legal agreements, etc... would all have to be updated at significant cost. Finally, all these changes would have to be implemented on a coordinated basis (all change at the same time).

As a result of the energy industry’s extensive use of D-U-N-S® numbers, the challenges noted above, and the actions taken by other industries, the NAESB D-U-N-S® Task Force was formed during the September 2004 Executive Committee meetings for investigation into possible actions.

2. Use of D-U-N-S®

A. Wholesale Gas Quadrant Standards

The following is a list of usage specifications for entity codes (D-U-N-S® numbers or proprietary entity codes) in the NAESB WGQ standards:

- Entity codes are used to identify parties in transactions on a particular system or with interconnecting parties.
- Entity codes are used to identify government and other non-business type entities. Examples of the expanded use include: exchanging NAESB WGQ EDI ASCI X-12 transactions with FERC; submitting the Index of Customers to FERC; and obtaining a location common code from IHS.
- Entity codes are needed to uniquely identify an entity, specific to its locations, because entities involved in multiple transactions may need to be identified by the associated points of receipt / delivery that are unique by location.
- Entity codes are needed to uniquely identify an entity, including its divisions, because the contractual party may be at the division level or lower in the organization (e.g. down to a plant level at a particular location) and it needs to be uniquely identified.
- Although not a requirement, entity codes can help organizations uniquely identify an entity’s functional roles.
- A central repository of entity codes is needed in some instances because some parties validate the entity common code against the data base of the organization that issues the common codes. Other organizations validate a common code against data in their own systems. Self-issuance of entity common codes is equivalent to the proprietary entity codes also in use by the WGQ.



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- Due to the nature of some transactions, issuance of an entity code should be instantaneous. However, there are other transactions where issuance on a longer time-frame would be acceptable.
- Entity common codes could be required for security purposes, depending on how the receiving party of the electronically submitted transaction identifies / validates (authenticates) the party submitting the transaction. If more rigorous security measures are required, entity common codes could become necessary.
- No additional system requirements for entity common codes are apparent at this time.

Adoption of D-U-N-S® Number as Entity Common Codes Identifier: On March 15, 1996, the Gas Industry Standards Board (GISB) (predecessor to NAESB) submitted a report to the FERC wherein the first 140 standards for the natural gas industry were transmitted. Specifically, the body of standards addressed the issues set forth by the Commission in the Advance Notice of Proposed Rulemaking in Docket No. RM96-1-000 (ANOPR). In that ANOPR, the Commission indicated a desire for “practical and workable standardized, streamlined business practices and procedures for the gas industry.” Specifically, the Commission listed 10 High Priority Data Requirements (HPDRs), such as nominations, confirmations, imbalances, invoices and capacity release, for which they wanted standards developed. In response, GISB set up five Business Processes Subcommittee (BPS) task forces to work on the 10 HPDRs. One of the missions for all of the BPS groups was to utilize common codes for various pieces of data, business parties being one of them. Initially one principle and one standard were developed that directed the use of common codes that were currently under development. GISB ultimately determined that the D-U-N-S® number would be used as the common code for entities in the electronic data interchange (EDI) Accredited Standards Committee (ASC) X-12 data sets. It was later determined that common codes for entities should also be used on the interstate pipelines’ Electronic Bulletin Boards (EBB).

In addition, FERC required interstate pipelines to make certain data sets available via both EDI ASC X-12 and EBB (e.g. capacity release offers and awards, reports, etc.). Accordingly the pipelines provided the applicable entity common codes in such data sets. Because of the nature of EDI ASC X-12, the initial design of the data sets did not include the transmission of the corresponding name. This made it difficult for parties to easily determine the parties being referenced without access to a cross reference index. So, for certain data sets, specifically capacity release transactions, the pipelines were required by FERC to also provide the corresponding names within the given capacity release data sets.

In Order 587-G, issued April 16, 1998, the Commission set forth the requirement that pipelines had to provide a cross reference table of the entity name corresponding to the D-U-N-S® number. In Order 587-G it was noted that D & B may not allow the pipelines to provide that kind of information as they, D & B, claimed the D-U-N-S® number was intellectual property. Furthermore, the D-U-N-S® number may not be sufficient because it is not assigned at the level of detail needed for transacting business, i.e., if one business has two plant locations or parties, depending on the corporate structure of that business, D & B may assign the same D-U-N-S® number and then use the address to differentiate them. Subsequent to Order 587-G, GISB negotiated an agreement for the GISB office to maintain a central repository website. Pipelines that could not provide a table that cross referenced entity common codes on their own websites could have their cross reference information posted on the GISB (now NAESB) central repository. According to the agreement between GISB and D & B, the information contained on the central repository website is limited to the name and the number and does not include the address. In order to obtain that level of information, D & B requires inquiry and payment of a fee directly to them.



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During the implementation of the D-U-N-S® number as the entity common code, it was recognized by many participants that not all entities had D-U-N-S® numbers and that some entities were even reluctant to obtain them. This was noted as a partial impediment to entry in to the market place. As a result, a request was filed at GISB (R97058) to allow for the use of proprietary entity codes when a party did not have a D-U-N-S® number. Initially modifications were made to the capacity release data sets to allow for the use of a proprietary entity code. Subsequently the following standards were adopted and are still in existence today. Accordingly, all the remaining data sets (non-capacity release) were modified to accommodate the use of proprietary entity codes:

Principle 0.1.1

An entity is a person or organization with sufficient legal standing to enter into a contract or arrangement with another such person or organization (as such legal standing may be determined by those parties) for the purpose of conducting and/or coordinating natural gas transactions.

Principle 0.1.2

For NAESB WGQ purposes, there should be a unique entity common code for each entity name and there should be a unique entity name for each entity common code.

Standard 0.3.1

Entity common codes should be “legal entities”, that is, Ultimate Location, Headquarters Location, and/or Single Location (in Dun & Bradstreet Corporation (“D&B”) terms). However, in the following situations, a Branch Location (in D&B terms) can also be an entity common code:

1. when the contracting party provides a D-U-N-S® Number at the Branch Location level; or
2. to accommodate accounting for an entity that is identified at the Branch Location level.

Standard 0.3.2

Parties should mutually agree to use the Transportation Service Provider’s proprietary entity code when the D-U-N-S® Number is not available.

There are currently 49 data sets in NAESB WGQ Version 1.7, with more being developed. Currently there are 27 data elements that identify entities in one or more of these data sets. In all cases, the WGQ has successfully accommodated the use of either the D-U-N-S® number or the proprietary entity code. Because the common code (D-U-N-S® Number) and the proprietary entity code are different data elements, the recipient of the document can determine which type of code is being transmitted. Also, the field size for the data elements in all the data sets is large enough (17 digits) to accommodate either the D-U-N-S® + 4 (even though the D-U-N-S® + 4 was not adopted as the standardized common code) or the proprietary entity code. Additionally, in the EDI ASC X-12 transmission, the common code for entities is used to identify and verify the parties communicating with one another.

Challenges Faced by the Wholesale Gas Industry in Using D-U-N-S® numbers: The WGQ has the most experience using D-U-N-S® numbers in the context of NAESB standards and has been able to modify its standards to accommodate any problems associated with obtaining and using DUNS



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numbers. The cost to change to or cross reference an alternate entity codes is expected to be greater than the benefit of moving to a different coding structure. Complaints from NAESB members regarding D & B's changes in long-standing policies have come from persons using these standards. Examples of these complaints include:

- the current 30-day timeline for obtaining a D-U-N-S® number increases the costs associated with records maintenance, since records must be updated in 30 days when D-U-N-S® number are received;
- D & B does not recognize entities that are not separate financial entities, so individual D-U-N-S® numbers are not issued for organizations operating under assumed names (i.e. DBAs) and primary company D-U-N-S® numbers are often used instead;
- the impact of using primary company D-U-N-S® numbers for subsidiaries and/or individual business units operating as DBAs will increase as businesses increase their reliance on EDI transactions, including EDI confirmations, because EDI transaction require a unique company identifier; and
- organizations have integrated the use of D-U-N-S® numbers, but a more efficient system could provide benefits.

B. Wholesale Electric Quadrant Standards:

The following is a list of usage specifications for entity common codes (D-U-N-S® numbers) in the NAESB WEQ standards:

- D-U-N-S® numbers are used as the unique numerical identification of OASIS participants and NERC has adopted use of D-U-N-S® numbers for transmission scheduling purposes through e-tags. The use is also reflected in the NAESB "Version 0" standards that complement the NERC reliability standards.
- Government and observers (including vendors) also have D-U-N-S® numbers. For example, the D-U-N-S® number for FERC is 037760097.
- D-U-N-S® number is not used to uniquely identify divisions within an entity or functional roles within an entity.
- A central repository or registry for entity codes is preferable, because self-issuance could be less efficient for purposes of sharing and validation of entity information and could result in some duplication.
- Issuance of a D-U-N-S® number on the same day would be preferred.
- D-U-N-S® numbers are used for the validation process and are screened for security purposes.
- Validations of common codes would support contract compliance and billing purposes.
- Additional system requirements are likely due to needs for increased security in OASIS and e-tags.

Adoption of D-U-N-S® Number as Entity Common Codes Identifier: The OASIS is the system designed to facilitate electric industry transmission transactions. In developing Order 889 for the electric industry, FERC reflected on their experience with implementing standards for file transfers and electronic bulletin boards in the gas industry and determined that "use of a common system of identifying companies enhances the efficiency of data transfers." FERC was satisfied with the



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results of using D-U-N-S® numbers as the standard to uniquely identify pipelines and shippers in the natural gas transactions and proposed to require the use of D-U-N-S® numbers to identify transmission-owning utilities and customers on OASIS nodes. There was a suggestion to use the numbering system found in the Energy Information Administration forms, EIA-861 and EIA-867, in the event that an external entity, such as D & B, would become disinterested in maintaining their commitment to FERC. The “How” group, the industry group working on OASIS, agreed that use of D-U-N-S® numbers enhances the management of data and allows flexibility of business applications of OASIS in the future. Since the “How” group supported the use of common names as more user friendly, they proposed that the list of names and D-U-N-S® numbers be maintained in a centralized registry.

FERC subsequently adopted D-U-N-S® numbers as the unique numerical identification of OASIS participants and arranged with D & B to assign D-U-N-S® numbers, free of charge, to any entity requesting a D-U-N-S® number. An October 14, 1996 D&B internal memo discusses D&B’s original arrangements with FERC, for entities to be numbered according to their function. That is, the SIC codes and code extensions that went out in the original D&B internal guidelines for issue of D-U-N-S® numbers for purposes of the FERC requirement, were as follows:

- 1) Power Generation - 4911[SIC] 9902[extension]
- 2) Transmission Provider (interstate or intrastate) - 4911 9903
- 3) Power Marketing (brokering) - 4911 9904

Meanwhile, in 1998, NERC adopted the D-U-N-S® numbers for identifying entities listed on e-tags. E-tags are associated with transmission schedules and can be tied back to the transmission transaction for verification purposes. The key for OASIS and e-tags is that by maintaining the list of names and D-U-N-S® numbers on a central registry, currently TSIN.com for the electric industry, it is possible for all industry participants to view the lists and therefore validate information associated with OASIS and/or e-tag transactions.

Challenges Faced by the Wholesale Electric Industry in Using D-U-N-S® numbers: D&B periodically reviews and updates its database of D-U-N-S® numbers based on various criteria. This review, coupled with a lack of adequate notice of changes to the database and changes to D&B policy with respect to assignment of numbers and fees charged, has negatively affected the wholesale electric industry. For example, in October 1998, D&B modified its database and started deleting multiple D-U-N-S® numbers per company without notifying the companies. D&B also discontinued using the extension numbers that identified the functional role of the entity within a company. Around that same time, the original D&B contact for the electric industry left D&B and no one at D&B remembered the agreement made with the electric industry to support OASIS. However, another Memorandum of Understanding was forged between the electric industry and D&B in 1999. In 2003, the D&B contact for the electric industry left D&B and D&B’s database was modified again.

NAESB is currently working with NERC on modifications to the TSIN.com registry. This provides an excellent opportunity for the wholesale electric industry to either approach D&B once again to lock in an understanding with regard to use of D-U-N-S® numbers or to switch to another type of numbering system.

C. Retail Gas and Retail Electric Quadrant Model Business Practices:

The following is a list of usage specifications for entity common codes (D-U-N-S®+4) proposed for use by the retail electric and gas quadrants:

- D-U-N-S®+4 is commonly used as the unique numerical identification of trading partners and business entities in trading partner agreements and implementing guides.



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- D-U-N-S®+4 is commonly used as the unique numerical identification of trading partners and business entities in back end billing and customer systems.

Adoption of D-U-N-S®+4 as Entity Common Codes Identifier: The Retail Electric Deregulation Working Groups in California and Massachusetts were the first states to adopt and implement EDI transactions. The working groups decided to use D-U-N-S® numbers as the entity common code in the EDI transactions, because D-U-N-S® numbers were used in existing EDI implementations and commerce transactions. In fact, most Utilities had been using D-U-N-S® numbers as an EDI identifier in supply chain transactions, purchases and payments for inventory and materials since the mid to late 1980s. Additionally, many of the Utilities had experience using D-U-N-S® numbers as an identifier for natural gas transactions using the GISB (now NAESB) standards. In 1998, another group of states, including Pennsylvania, Maine, Rhode Island, New York, Illinois, Oregon, Michigan, and Arizona, became active in the electric deregulation arena, due to state legislation and regulatory orders. Representatives from these states worked together with the Utility Industry Group to confirm the use of standard electronic transactions to exchange information. However, these state working groups began using an expanded D-U-N-S® number, or D-U-N-S®+4, in response to many states allowing one company to operate as affiliated retailers or multiple retailers. The D-U-N-S®+4 accommodates one financial entity operating as multiple trading partners. The D-U-N-S® +4 became the accepted identifier for many electric retail markets and was approved by various state regulators. In late 1999, the Coalition for Uniform Business Rules reaffirmed and documented consistent business rules for Retail Electric deregulation and adopted the D-U-N-S®+4 as the common trading partner identifier.

As indicated above, most states implementing Retail Electric Deregulation have been using the D-U-N-S®+4, as the 13 digit identifier for the trading partner or business entity and include this requirement in trading partner agreements and implementation guides. As a result, systems that support Electronic Business Transactions and “back end” Billing and Customer systems have incorporated the D-U-N-S®+4 as the identifier for a trading partner and rely on this identifier for transaction processing.

Impact of a New Identifier or Not Allowing Use of D-U-N-S®+4: There has been some movement toward creating a new universal identifier for business entities or trading partners for e-business transactions. The impact of this change is likely to be significant, for all the processing and “back end” systems and the business implementation impacts (which would not be limited to the NAESB uses). The systems can be changed to use a new identifier at a cost per system that would vary by market participant. The business processes that support these transactions, the training and certification testing, legal agreements, etc... would all have to be updated at significant cost. Finally, all these changes would have to be implemented on a coordinated basis (all change at the same time) which represents significant risk to our Retail Electric markets.

The D-U-N-S®+4 as a trading partner identifier is tightly coupled into systems and business practices that support Retail Electric Deregulation and requiring a change to this identifier would represent significant cost and risk to our markets.

3. Other Standards Organizations' Experience and Responses

NAESB and the energy industry are not alone in experiencing the impacts from D & B's changes in policy. GS1-US (formerly the Uniform Code Council), the Data Interchange Standards Association, and the Federal Energy Regulatory Commission have informed NAESB of changes that they have made to datasets, standards, and procedures to mitigate impacts to their standards and procedures.



North American Energy Standards Board

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A. GS1-US

GS1-US (formerly the Uniform Code Council) is an international standards organization that is best known for introducing the universal product codes on all of our consumer products. Recently, the UCC has implemented the European Global Locator Number (GLN) as an alternative to the D-U-N-S® numbering system in several data sets. GLN was introduced to North America three years ago and continues to gain acceptance. While the use of D-U-N-S® is still the driver in the credit industry, GLN is gaining popularity in supply chain and electronic commerce applications as a supplement or replacement for D-U-N-S®+4. The GLN is an open, global standard that supports 23 major industries conducting business in 141 nations.

The GLN is built on the same premise as the universal product codes (UPC). GS1-US manages the UPC process by assigning a company prefix¹ to member organizations and then the individual companies complete the 13-digit number by assigning location reference numbers and a calculated check-digit². As an alternative for organizations that do not have a GIS number, GS1-US will assign a unique 13-digit GLN number for a yearly charge of \$50. The GLN is unique in that it can identify both legal entities (e.g., an affiliate) and functional entities (e.g., an accounting department). There is no central registry of numbers since each company is responsible for maintaining and communicating its own numbering based on its assigned prefix.

There are several key advantages to the GLN number, including:

- The GLN is administered by a not-for-profit standards organization.
- The GLN can be used throughout the world with no need for trading partners to assign proprietary numbers to ensure uniqueness.
- GLN may be assigned to any location insuring ultimate flexibility of a system to meet the needs and requirements of all businesses anywhere in the world.
- The GLN includes a check digit for data integrity.
- The non-significant characteristic of the GLN allows any location to be identified for any company regardless of its activity anywhere in the world.

The efficiency benefits of using the GLN can be seen through the recent experiences of the health care industry and the Coalition for Health Care Electronic Standards (CHCES). CHCES was very active in promoting the adoption of the GLN standard to facilitate electronic transactions in the health care industry, and is working collaboratively with GS1-US to establish a central GLN registry for the industry.

B. Data Interchange Standards Association (DISA):

The Data Interchange Standards Association (DISA) is a non-profit organization that develops electronic data interchange standards and is the source of X12 EDI and XML standards.

It was through DISA X12's ANSI approved process, that GS1-US amended X12 Data Sets 894, 896, and 871 (DM0565204) to accommodate the needs of the retail goods and grocery industries by adding GLN as an alternative 13-digit location code. This amendment became final in late 2004. There are no other efforts currently underway at DISA to make similar changes to other data sets.

¹ The company prefix is generally referred to as a GIS number. The fee for assignment and maintenance of the GIS number is relational to organizational size and potential uses.

² The company prefix is between 6 and 10 digits. The locational reference is between 3 and 7 digits and can identify particular affiliates, divisions, departments, products or services.



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C. FERC Electric Quarterly Report:

Barbara Bourque of FERC, the coordinator of the Electric Quarterly Report (EQR) Users Group for the Commission, told NAESB the main challenge in using D-U-N-S® numbers was that companies submitting data to FERC were using the wrong D-U-N-S® number for themselves and their trading partners. To solve this, users had to refile past data using the correct D-U-N-S® number for their company. The FERC EQR Users Group is working on a query system that will allow filers to check that they have the correct D-U-N-S® number for their trading partner. The EQR does not require multiple D-U-N-S® numbers for companies so the users have not been reporting problems similar to those NAESB members have reported.

FERC staff reported to NAESB that D&B has a separate 800 number to call to obtain D-U-N-S® numbers for no charge if an entity is required by a regulatory agency to register with the federal government. Any company required by a regulatory agency to register with the federal government and in the process of that registration, identifies itself with a D-U-N-S® number to the federal entity, can get a free instant D-U-N-S® number by calling 866-705-5711.

4. **Conclusions of Task Force**

The use of entity common code identifiers is essential to the electronic transaction of business in the natural gas and electric industries. Through various different means, noted above, each of the industries has grown to rely on D&B to supply entity common codes, either through the D-U-N-S® number or D-U-N-S®+4. Additionally, each of the industries has marginally different requirements for entity common codes, and each has had different experiences in working with D&B in the assigning and obtaining D-U-N-S® numbers.

Because the quadrants are in various states of standards adoption, each quadrant may choose different approaches to common coding for company or organization identifiers. The need of the quadrant and the problems currently experienced or expected in the continued use of D-U-N-S® numbers, weighed by the cost of changing or cross referencing existing systems to a different coding system for company or organization identifiers are the factors that lead to the conclusions stated.

- For the WGQ, the decision to remain with D-U-N-S® numbers was reached because the NAESB standards have been modified to accommodate any problems encountered with obtaining or using D-U-N-S® numbers. Further, the cost to change to or cross reference an alternate entity code is expected to be greater than the benefit of moving to a different coding structure. If the problems are exacerbated in the future or if more rigorous security measures are required, an alternative entity common code structure could become necessary and this recommendation (for no change at this time) should be revisited.
- For the retail quadrants, the decision to remain with D-U-N-S® numbers was reached because the retail market has not developed as expected, and for those states where the retail markets are employing common procedures needing company or organization identifiers, the problems experienced by the use of D-U-N-S® numbers do not warrant the cost of changing or cross-referencing to a new system.
- For the WEQ, there may be value in considering an alternative entity common code that could provide benefits to the wholesale electric industry and address concerns that NAESB members, industry participant, and the FERC have with the continued use of D-U-N-S® numbers. Specifically, the electric industry should take into consideration the need to assign and maintain entity common codes that are significant to transactions and to reflect the different functions that organizations perform within the stream of commerce or other registry concerns. The ultimate choice of entity common codes for the electric industry should permit the NAESB standards to evolve with regulatory and functional trends without the administrative risks associated with relying on a third-party provider. Therefore, the



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task force recommends that NAESB collaborate with NERC to jointly determine if an alternative numbering system would be a better fit for its needs than the currently employed D-U-N-S® numbers. Benefits of any change should be weighed against the costs and risks of such change, not only to NAESB users, but also to external systems that may reference the common codes. If it is determined to stay with D&B, then the task force recommends that NAESB and NERC pursue the creation of an agreement with D&B that would meet the WEQ needs, including codes that would support the NERC Functional Model.

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 5

UPDATES ON SPECIFIC STANDARDS DEVELOPMENT EFFORTS

This section includes background materials to support the updates to be given on specific standards development efforts: for

- Gas Quality (request R03035)
- Retail Invoicing (request R05016)
- Retail Contracts (request R05013)
- Status report on OASIS enhancements and complementary business practice standards for NERC reliability standards

The material presented is background information for the discussion of agenda item 3. No action is asked of the Board of Directors.

R03035

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: December 11, 2003

1. Submitting Entity & Address:

Florida Power & Light Company
700 University Boulevard, EMT/JB
Juno Beach, FL 33058

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name : Dona Gussow
Title : Contracts Coordinator
Phone : 561-691-7886
Cell: 561-301-8598
Fax : 561-625-7567
E-mail : dgussow@fpl.com

3. Description of Proposed Standard or Enhancement:

Establish standards relating to gas quality specifications and measurement, as follows:

- A. Establish web-based reports for tracking all physical and chemical properties of natural gas defined in pipeline tariffs, including timelines for reporting.
- B. Develop a uniform process, including the underlying assumptions and methodologies, for determining gas quality specifications from measured data.
- C. Examine the need to establish gas quality specification standards taking into consideration, (i) the specification needs of end users and providers of service to end users, and (ii) sources of supply (e.g. land-based, the Gulf, LNG). Draft such standards as appropriate.

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 3**

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):

Development of the gas quality specification standards would assist end users by providing a means to determine fuel quality (needed for optimizing operation of gas powered electric power generation equipment), facilitate emissions reporting to regulatory agencies, and facilitate electric power generation planning.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

The proposed standards would make standardized gas quality information, including the derivation of gas quality specifications, available to the industry.

A multi-quadrant task force (assuming multi-quadrant assignment by the quadrant Executive Committees) can be formed to review the issues resulting from participating gas and electric representatives having a full understanding of the costs vs. the benefits of standardizing gas quality specifications.

Given the realities in the marketplace and positive impact these standards would have on electricity generation, Florida Power & Light Company anticipates being actively involved on these issues.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

Cannot be ascertained at this time.

7. Description of Any Specific Legal or Other Considerations:

Cannot be ascertained at this time. However, standards produced could result in the need to modify pipeline tariffs.

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 4**

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

Not determined at this time.

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :

Not Applicable.

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

A comparison table of current gas quality specification calculations is attached.

R03035-Attachment

DRAFT COMPARISON OF PIPELINE NATURAL GAS QUALITY SPECIFICATIONS

[REVISED 12/15/03]

PIPELINE	HOW HV DETERMINED	HEAT VALUE (HV) [BTU/SCF]	WATER (H ₂ O) [lbs/million cf]	HYDROGEN SULFIDE (H ₂ S) [grains/100 cuft]	MERCAPTAN [grains/100 cuft]	TOTAL SULFUR (S) [grains/100 cuft]	OXYGEN (O) [% by volume]	NITROGEN (N) [% by volume]	CARBON DIOXIDE (CO ₂) [% by volume]
A	Industry Practice	≥960	≤7	<1	No Spec	≤20 NOTE 1.c	No Spec	No Spec	No Spec
B	Standard Instrument	967-1200	≤7	≤1/4 - Mainline ≤1 - SE & SW	No Spec	≤20 NOTE 1.b & 1.d	≤1	≤3	≤2
C	Not Defined	≥978	≤7	≤1	No Spec	≤20	≤1	4 less % by volume of CO ₂	≤3
D	AGA Rpt#5 -or- Other	967-1100	≤7	≤1/4	No Spec	≤20	≤.2 NOTE 2.a	≤4 + NOTE 2.a	≤3 + NOTE 2.a
E	Continuous Sampling AGA Rpts	≥967	≤7	≤0.25	≤0.75	≤5 Includes all forms of sulfur	≤.2 NOTE 2.b	NOTE 2.b	≤2 + NOTE 2.b
F	GPA Std 2172	≤1000	≤7	≤1/4	No Spec	≤10	≤1/4	NOTE 2.c	NOTE 2.c
G	Continuous Sampling -or- Other	No Spec	≤7	≤0.25	No Spec	≤20	≤.2	NOTE 2.c	2 + NOTE 2.c
H	Standard Methods	1000-1075	≤7	≤1/4	No Spec	≤10 NOTE 1.b & 1.d	≤.25	NOTE 2.c	NOTE 2.c
I	AGA Rpt#3	950-1175	≤7	16 PPM	No Spec	320 PPM	≤.2	≤3	≤3
J	Not Defined	≥950	≤4	≤1	No Spec	≤20	≤.2	4 less % by volume of CO ₂	≤3
K	Not Defined	≥950	≤7	≤1/4	≤1/4	≤1/2	10 PPM	≤3	≤2
L	Not Defined	≥950							

PIPELINE	HOW HV DETERMINED	HEAT VALUE (HV) [BTU/SCF]	WATER (H ₂ O) [lbs/million cf]	HYDROGEN SULFIDE (H ₂ S) [grains/100 cuft]	MERCAPTAN [grains/100 cuft]	TOTAL SULFUR (S) [grains/100 cuft]	OXYGEN (O) [% by volume]	NITROGEN (N) [% by volume]	CARBON DIOXIDE (CO ₂) [% by volume]
M	Standard Instrument	≥970	≤7	≤1/4	≤1/4	≤5	≤.2	NOTE 2.c	NOTE 2.c
N	Not Defined	≥950	≤7	≤10	No Spec	200 total	≤1	3 total (combined with CO ₂)	3 total (combined with N)
O	Not Defined	≥967	No Spec	≤0.25	No Spec	≤20	No Spec	No Spec	No Spec
P	Not Defined	≥967	≤7	≤.5 -or- 8PPM	No Spec	≤10	No Spec	4 less % by volume of CO ₂	≤3
Q	Not Defined	≥967	≤7	≤1/4	No Spec	≤20	No Spec	4 less % by volume of CO ₂	≤3
R	Not Defined	980-1100	≤7	≤.3	No Spec	≤20	No Spec	No Spec	No Spec
S	Not Defined	950-1100	≤7	≤1/4	1	≤5	≤.05	No Spec	≤2

NOTES:	
1	<p>Total Sulfur Content Notes</p> <p>1.a Total Sulfur content not specified.</p> <p>1.b Total Sulfur includes mercaptan.</p> <p>1.c Total Sulfur excludes mercaptan.</p> <p>1.d Total Sulfur includes H₂S.</p> <p>1.e Total Sulfur excludes H₂S.</p>
2	<p>Nonhydrocarbon Gases Notes</p> <p>2.a Gas shall not contain more than 5% by volume of nonhydrocarbon gases including, but not limited to, carbon dioxide, nitrogen, oxygen.</p> <p>2.b Gas shall not contain more than 3% by volume of nonhydrocarbon gases including, but not limited to, carbon dioxide, nitrogen, oxygen, helium.</p> <p>2.c Gas shall not contain more than 3% by volume of carbon dioxide + nitrogen..</p>
3	
4	
5	

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 3**

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.

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 4**

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: October 1, 2004

1. Submitting Entity & Address:

See Attached

J.C. Penney Company, Inc.
M/S 4215
6501 Legacy Drive
Plano, TX 75024-4215

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

	<u>Contact Person</u>	<u>EDI Representative</u>
Name :	Keith Masten	Jason Clark
Title :	Sr. Procurement Agent	Project Manager
Phone :	972-431-2611	972-431-2977
Fax :	972-531-2611	972-531-2977
E-mail :	kmasten@jcpenny.com	

jclar14@jcpenny.com

I would also recommend Tom Moriarty, Manager of EDI Support, as an additional contact for EDI information as it relates to e-commerce for JCPenny. He can be reached at tmoriart@jcpenny.com. Any new transactions/technologies we would want to implement would need to be coordinated through Tom.

Description of Proposed Standard or Enhancement:

Standards or model business practices for electronic retail billing transactions and bill payment transactions between customers, suppliers, and utilities.

Energy-consuming, National Accounts (NA) with multiple facilities that span several utility service territories are required to engage with numerous utilities to satisfy the reconciliation of billing and payments associated with their commodity consumption and distribution and transmission services. Therefore, customers with a nationwide footprint (e.g., Wal-Mart, Radio Shack) must support multiple methods of receiving, interpreting and paying bills monthly for each account.

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 5**

In service territories where EDI is not available the NA customer receives a large volume of paper-based transactions on a recurring monthly basis. Further complicating the problem is the complete lack of formatting consistency from one utility to another.

In service territories where the utility offers EDI billing, the NA customer experiences a wide variety of EDI standards and requirements. Although EDI has been in existence for more than 20 years and is a normal means of transacting business in most industries, it has not seen similar levels of success in billing transactions between energy utilities and their retail customers.

For utilities that serve these customers, it can also result in significant quantities of data, invoices, and payment transactions that are generally consistent in format from month-to-month. With the nature of these transactions, they are suitable for execution using electronic communications.

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):

Although efforts are underway to develop implementation standards for electronic transactions between suppliers and utilities, there are no efforts underway to establish standards for electronic transactions between customers, suppliers, and utilities. NA customers and utilities alike have expressed interest in establishing standards for electronic billing communications.

While adoption of NAESB standards is voluntary, any voluntary adoption of developed standards would help to reduce the cost of sending, receiving, interpreting, and paying monthly utility bills. Also, it is hoped that over time more and more billing participants would adopt these voluntary standards; thus reducing costly exception processing. Whether a NA customer uses a 3rd party vendor to process and pay utility and energy bills or handles that process in house, uniform EDI standards would reduce costs.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

More efficient business processes for utilities, suppliers and customers alike. Reduced late payments. Reduced costs and improved customer service.

JC Penney's internal costs to process an EDI bill / payment is less the \$1.00 per invoice. While Penney's currently uses a 3rd party vendor to process and pay its utility and energy bills, it is anticipated that the cost of processing bill which are providing in an EDI format could easily save our company between \$100,000 and \$200,000 annually. We are extremely interested in seeing a uniform format established for EDI standards. Uniform standards would help reduce costs for 3rd party vendors, which would ultimately help reduce our costs as well. Input from this group should be given significant consideration along with feedback from other national account customers.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 6**

Specific implementation costs for NA customers and utilities are unknown at this time. The customer organizations on the attached list are willing to commit time, feedback, and expertise to help develop standards.

7. Description of Any Specific Legal or Other Considerations:

Regulations may exist that govern bill content and presentation. These regulations will need to be considered when establishing standards.

Also, billing complexity can increase with deregulation, as competitive charges are unbundled from the non-competitive charges. That said, however, unregulated energy providers are also likely to have newer, more flexible billing systems, or even outsource to application service providers (ASP) who are also more likely to have electronic billing capacity.

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

The above listed customer organizations (and more if necessary).

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :

Consumers, utilities, retail energy providers, and third billing agents.

10. Attachments (such as: further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

Should we decide in the future to bring this bill payment function in-house the following would be relevant to this objective:

In general, X12 standards are very broad and cover many different types of industries. To meet a consensus with our trading partners, JCPenney subscribes to the VICS (Voluntary Inter-industry Commerce Standard) which is used by the retail merchandise industry.

Support of a standard outside of our current VICS standard could easily be cost prohibitive to implement. For example, in Procurement, suppliers that we purchase paper from for catalog, pre-prints, and other media, use an entire different subset of ANSI standards (GCS) for the print industry. The cost to implement a whole new subset of standards for only a handful of suppliers (10-12) was too cost prohibitive. We found a way to implement EDI with those suppliers within our existing capabilities. For commodities such as energy, phone services, etc. I would recommend we look at implementing the EDI 811-Consolidated Service Invoice/Statement transaction. JCPenney does not currently support this transaction, but it doesn't mean that it couldn't be. We'd have to look at the impact and cost to support it.

We would recommend looking at the ANSI X12 811 transactions as a possible solution. If further details on this transaction are needed, Jason can request generic ANSI mapping specifications of this transaction.



Rae McQuade
NAESB, Executive Director
1301 Fannin, Suite 2350
Houston, TX 77002

Re: Request for Initiation of a NAESB Business Practice Standard: Standardization of Electronic Billing

Dear Ms. McQuade:

As large national, multi-site energy consumers, we urge NAESB to consider standardizing retail utility electronic billing (EB) transactions. The organizations represented below (and several others) conduct business transactions with numerous utilities from all over the U.S. to satisfy the reconciliation of billing and payments associated with our energy, transmission, and distribution consumption. Uniform standards would help reduce costs for customers and utilities by streamlining business processes.

This letter serves to support and complement the request for standards from the JC Penney Company (enclosed). The organizations below have similar concerns and needs and wholeheartedly support standards.

EB/EDI is certainly not new to our businesses. For years, retailers, grocers, restaurants, and other chains have utilized it for practically everything that we buy and sell. In most cases, vendors can not conduct business with our companies unless they utilize an EB/EDI platform.

It is encouraging to see that more utilities are offering EB/EDI to customers. Most national accounts customers or their third party billing agents participate in utility electronic billing transaction programs when feasible. And although we welcome utilities into the "fold," we have found some programs to be very inconsistent and onerous to the point that participating is not cost effective. In service territories where the utility offers EB/EDI, the lack of formatting consistency from one utility to another complicates matters. We experience a wide variety of differing formats which leads to critical data discrepancies. For instance, Utility A may have room for 6 characters and Field #1, but Utility B has only 3 characters.

While we realize that there is much work to be done concerning this issue, we are confident the effort will be worthwhile. Customers will benefit with less late fees and the reduced costs of sending, receiving, interpreting, and paying monthly utility bills. Utilities will certainly gain by way of timelier payments, reduced mailing/processing costs, and better customer service.

Please feel free to call us if you have any questions.

Thank you for your consideration.

Sincerely,

D. Keith Masten
Sr. Procurement Agent
JCPenney Company
(972) 431-2611

R05013

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@naesb.org.

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.

R05013

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 6, 2005

1. Submitting Entity & Address:

EnergyWindow, Inc.
1900 Folsom Street Suite 207_____
Boulder, Colorado, 80302_____
www.energywindow.com_____

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name : Jack Mason
Title : President
Phone : 877-444-0087 or 303-263-8678
Fax : 303 443-4409_____
E-mail : jmason@energywindow.com

3. Description of Proposed Standard or Enhancement:

Develop a model electric retail contract modeled after the NAESB Base Contract for Sale and Purchase of Natural Gas, NAESB Standard 6.3.1 (NAESB Base Contract for Gas). The contract would be designed for use by large scale aggregators, large single- and multi-site commercial users of electric power, and large industrials in competitive electric power markets.

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 3**

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):

Through use of the NAESB Base Contract for Gas, the wholesale and retail gas industry has many years of experience using a standard contract to purchase natural gas on the wholesale and retail market. Benefits of using the NAESB Base Contract for Gas include:

- Lower transaction costs and effort associated with reviewing, negotiating contracts and executing electric service agreements;
- Reduced customer service and contract administration cost and effort following contract execution, during the term of the contract;
- Less lost savings for buyers, or revenue for suppliers associated with, a) delays in contract closure; and b) contracts that never close, due to inability to negotiate terms successfully and market changes during the negotiation period;
- Fewer opportunities for customer misunderstanding, dissatisfaction and loss;
- Less risk for buyers, and suppliers;
- Greater ability to judge the value of offerings on important product attributes without decisions being clouded by legal aspects and language;
- A framework within which more valuable aspects of electric service products can be emphasized, and suppliers can respond to customer business needs, innovate, and differentiate their offerings – all more effectively, and
- Increased competitive market participation.

Those benefits and experiences could be translated into retail electric markets through the development and use of an analogous model contract for retail electric purchases. Large scale aggregators, large commercial users of power and natural gas, and large industrials purchase electric power in the retail market, and a standard contract would help facilitate market liquidity and transaction efficiency.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

See discussion above.

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:

Not applicable.

**Request for Initiation of a NAESB Standard for Electronic Business Transactions or
Request for Enhancement of a NAESB Standard for Electronic Business Transactions
Page 4**

7. Description of Any Specific Legal or Other Considerations:

Since this request proposes the development of a standard contract, there are obvious legal considerations, many of which have been addressed in the development of the NAESB Base Contract for Natural Gas.

8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):

Discussions with representatives of buyer and supplier organization suggest strong interest in a model retail electric contract and willingness to test the model. Names and contact information can be provided when appropriate.

9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :

Not Applicable

10. Attachments (such as : further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

A suggested draft of a NAESB model contract for retail electric applications is attached. It is based on the concept, structure, and, where appropriate, language of the NAESB Base Contract for Gas. In addition, the draft was developed with consideration of more than a dozen buyer and supplier retail electric service contracts in use in the industry today. Where possible and appropriate, language from the NAESB Base contract was selected preferentially. The suggested draft is provided with language borrowed from the NAESB Base Contract for Gas in blue text and additional or revised language to reflect specific requirements for retail electric service in black type in order to facilitate review and understanding of the extent of possible parallels between the two contracts. Selected mark-ups are shown where informative. An outline of the draft suggested model contract with more extensive mark-ups and annotations to explain approach, rationale and basis for selecting approaches or language for retail electric transactions can be provided if it would be helpful.



North American Energy Standards Board

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December 6, 2005

RE: Progress Report on NAESB WEQ Standards Activities as related to OASIS and NERC

FERC FILINGS

- July 1, 2005: NAESB Comments on RM05-5-000 – changes requested by the FERC in the NOPR.
- July 20, 2005: NAESB Report on the ANOPR RM00-10-000 against NAESB OASIS Activities and Planned Activities
- November 16, 2005: Report for NAESB Wholesale Electric Business Practices, Docket No. RM05-5-000, Renumbering of Standards.

WEQ STANDARDS EFFORTS

- **November 29, 2005:** The WEQ Executive Committee adopted the Recommendation and Report for WEQ 2003 Annual Plan Item 6-IIP: the Inadvertent Interchange Payback Report after making a few modifications.
- **November 29, 2005:** The WEQ Executive Committee unanimously adopted Recommendation R04035/R05002 (Clarify OASIS 1A nomenclature and amend WEQ standard 4.19/Amend sections 9.5 and 10.5 of OASIS 1A Redirect Standards). The Executive Committee remanded Recommendation R04006D back to the WEQ ESS/ITS for further development of the proposed modification to Redirect Standard 9.8.1.
- **November 29, 2005:** The WEQ Executive Committee voted on the recommendation for R04013A (TLR Business Practice Standards). The vote was inconclusive and notational ballots are due on December 19, 2005. The WEQ Board members are asked by the WEQ EC to determine if
- **November 29, 2005:** The WEQ Executive Committee also had routine discussions on subcommittee and task forces, adopted the draft 2006 WEQ Annual Plan, and voted in support of the D-U-N-S® Report as it relates to the WEQ.

WEQ SUBCOMMITTEES AND TASK FORCES

WEQ ESS/ITS and OASIS

- The last several meetings of the WEQ Electronic Scheduling Subcommittee/Information Technology Subcommittee and OASIS Task force have been focused on preparing the recommendations that were considered on November 29 by the WEQ EC – namely: R04006D (Resales and Transfers, for R04006C-1 (Develop OASIS 1A capacity release request standards), R04035 (Clarify OASIS 1A nomenclature and amend WEQ standard 4.19) and R05002 (Amend sections 9.5 and 10.5 of OASIS 1A redirect standards) and R04036 (Amend definitions, terms and numbering of WEQ Order 2004 (affiliate) standards).

NERC/NAESB JISWG

- **September 29, 2005:** The draft Systems Requirement Document (SRD) for the Registry was posted for informal comment on September 29, with comments due on October 26, 2005.
- **October 31-November 2, 2005:** The JISWG reviewed the informal comments to the draft SRD. NERC staff will provide clean up to the document and include any ERO registry requirements. The NERC IS and OC will review the document and any changes to the SRD will be discussed at the upcoming December 13th JISWG conference call meeting. The JISWG will post the document for an additional informal comment period before NERC begins the RFP for the registry. The group plans to stay involved in the NERC side development of the registry, while drafting business practices for the commercial interface of this tool (R04037 – Revise NERC Registry for use by OASIS). The JISWG began work on R05018 (Revise the e-Tag specification to allow PSEs associated with a transmission segment in the tag optional approval rights); the group decided that the R05001 Coordinate Interchange standard currently under development should contain the enabling language for optional approval rights and the JISWG would make any necessary technical changes to e-Tag. In addition, the group discussed the inclusion of e-Tag as a NAESB



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business practice. The JISWG discussed PKI standards for the WEQ and listed the necessary steps and documents for implementation. The list for enhancements to e-Tag was updated to include the development of NAESB standards requests for emergency and capacity tags.

- **Planned, December 13, 2005:** The JISWG plans to review the revisions made to the registry SRD by the NERC IS, OC, and the NERC staff. It will prepare the SRD for another round of informal comments. In addition, the group will discuss standards requests for emergency and capacity tags (under item 6 of the e-Tag enhancement list.) Also, a letter regarding e-Tag and market adjustments from the NERC IDCWG will be reviewed.

WEQ CIBP Task Force

- **October 31, 2005:** The group reviewed comments submitted on draft R05001 Coordinate Interchange Business Practice. The group discussed changes to the NERC timing tables for the inclusion of GPEs and LSEs. No goal date has yet been set for the submittal of Recommendation R05001 to the WEQ EC. The CIBP Task Force is making every effort to keep their schedule in line with the NERC Coordinate Interchange Standards Drafting Team.
- **Planned, December 8, 2005:** The CIBP task force will discuss revisions made to the e-Tag approval process regarding R05018. In addition, the group will discuss whether or not the NERC timing table will be included in the NAESB business practice for the purposes of including GPEs and LSEs.

WEQ BPS and the drafting of post-split TLR Business Practices

- **October 12, 2005:** The BPS met a total of 6 times in 2005 (June 14-15; July 20-21; August 9-10; September 7; October 4-5; and October 12) to complete the Recommendation R04013A "Post-Split Version 0 TLR Business Practices Standards." They voted out the standards in recommendation form to the WEQ Executive Committee on October 12, 2005.
- **November 22, 2005:** The BPS reviewed the formal comments submitted on R04013A "Post-Split Version 0 TLR Business Practices Standards" and developed responses to both the general and specific comments in preparation of the November 29, 2005 WEQ EC meeting. In addition, the BPS discussed the work plan for the first quarter of 2006.
- **Planned, January 18-19, 2005:** The BPS plans to begin work on R05007 (Review the NAESB WEQ "Version 0" business practice standards and remove any references to ERCOT) and work on the provision of affiliate disclosure on OASIS sites (Standards of Conduct).

Outstanding Requests

- The request for ATC/TTC business practices forwarded to NAESB from NERC was forwarded back to NERC at its request for a clarification of language. The request has not yet been clarified and returned to NAESB. (**R05004** - Received March 22, 2005, Submitted by NERC Long Term ATC/AFC Task Force, Develop transmission service request and scheduling standards using TTC/ATC/AFC and CBM/TRM, Assigned to WEQ Electronic Scheduling Subcommittee.)
- The requests to remove the standards for version 0 and reincorporate those standards back into the reliability standards are still outstanding. These items were referenced in the filing NAESB made with FERC on January 18, 2005 at the request of NERC.

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 6

COPYRIGHT EXPLANATIONS

This section includes:

- A description of the NAESB policy on NAESB copyrighted materials, prepared by Mr. Boswell as General Counsel of the organization.

The material presented is background information for the discussion of agenda item 4. No action is asked of the Board of Directors.

NAESB Copyrighted Documents

As you know, all NAESB Standards are protected under United States Copyright laws. The same copyright protection applies to much of the other materials published by NAESB.

Members of NAESB and persons purchasing NAESB Standards are permitted to make reasonable use of these materials internally for certain limited purposes. However, they may not transfer them outside their own companies nor may they transfer them to affiliates or other third parties without written authorization from the NAESB office.

Duplication of NAESB Standards is not only an infringement of NAESB's copyright but it increases the risk that the duplicated materials may not contain all of the Standards and the like, and may thus be incomplete. Persons in possession of incorrect, incomplete and outdated materials may be under the misconception that they are observing NAESB's Standards even when they are not. This serves no one and only undermines what NAESB is trying to accomplish. Copyright infringement also undermines NAESB's ability to maintain the economic integrity its members expect so that it may continue its work in the future.

Members and purchasers of NAESB Standards and other NAESB copyrighted materials are cautioned to review their policies regarding use and distribution of our materials to assure that they are not intentionally or inadvertently infringing NAESB's copyright and coming into conflict with federal law.

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 7

EXECUTIVE COMMITTEE REPORTS

This section includes:

- The 2005 and 2006 Annual Plans for each of the quadrants
- An excerpt of the WEQ EC draft minutes of 11-29-05 where the WEQ EC requests that the WEQ Board members review and ensure coordination between NERC and NAESB regarding TLR, prior to the ratification process beginning for TLR version 0 standards.
- Standards adopted in 2005
- FERC filings made in 2005

The material presented is background information for the discussion of agenda item 5.

The Executive Committee leadership of each quadrant will discuss its progress towards completion of its 2005 annual plan and respond to questions from the Board. Action is required of the Board, to approve changes suggested by Executive Committees and to approve any changes suggested by the Board. To approve changes to the plans, the Board will be asked to vote to endorse those changes via a simple majority vote.

The Executive Committee leadership of each quadrant will discuss the proposed 2006 annual plans and respond to questions from the Board. Action is required of the Board, to approve the 2006 plans. To approve the 2006 plans, the Board will be asked to vote to endorse the plans via a simple majority vote.



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NORTH AMERICAN ENERGY STANDARDS BOARD

2005 WEQ Annual Plan Approved by the NAESB Board of Directors on September 22, 2005

Reviewed and Updated by the WEQ EC on November 29, 2005

Item Description	Completion ¹	Assignment
1 Develop business practices standards as needed to complement reliability standards		
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:		Business Practices Subcommittee (BPS)
a) Determine enhancements to "Version 0" business practices and/or new business practices as identified in the Version 0 development process.	High Priority	
i) Catalogue and prioritize enhancements to "Version 0" business practices as identified in the Version 0 development process (i.e. meeting minutes) and comment periods. <i>Completed.</i>	High Priority 1 st Q 2005	BPS
ii) Develop enhancements to "Version 0" business practices and/or develop new business practices as identified in the Version 0 development process (i.e. meeting minutes) and comment periods. <i>Underway.</i>	As Requested High Priority	Various
b) Make version 1 changes to business practices related to functional model entities as NERC undertakes the same efforts, (Interchange Authority, Reliability Authority, Transmission Service Provider and Purchasing-Selling Entity for Interchange Market Operator for Interchange). <i>Not Started. Dependent on NERC actions.</i>	Ongoing	BPS
c) Develop Inadvertent Interchange Payback Business Practices (2003 WEQ Annual Plan Item 6) <i>Completed October 29, 2005.</i>	4 th Q, 2005	BPS
d) Develop business practices to support Coordinate Interchange – update already adopted version 1 to reflect version 1 NERC CI (R03013, R05001) <i>Dependent on NERC activities.</i>	4 th Q, 2005 Low Priority	BPS
e) Develop business practice standards to support Operate Within Limits (R03017) <i>Underway. Dependent on Action item 1(f).</i>	2006	BPS
f) Develop business practices to support the reliability components of TLR <i>Underway.</i>	4 th Q, 2005	BPS
g) Determine any needed NAESB action in support of the Interchange Distribution Calculator (IDC). <i>Underway. Dependent on Action item 1(f).</i>	2006	BPS

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.



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NORTH AMERICAN ENERGY STANDARDS BOARD

2005 WEQ Annual Plan Approved by the NAESB Board of Directors on September 22, 2005

Reviewed and Updated by the WEQ EC on November 29, 2005

Item Description	Completion ¹	Assignment
h) Develop jointly with NERC a Joint NERC/NAESB Operating training manual. <i>Dependent on outcome of 1f.</i>	2005 High Priority	TBD
2 Develop business practice standards for Version 1 to support ATC calculations		
a) Review Version 0 NERC reliability standards and comments regarding ATC calculations to determine if business practice standards are needed for NAESB Version 1. <i>Completed.</i>	1 st Q, 2005	BPS
b) Develop version 1 business practice standards to better coordinate the use of the transmission system among neighboring transmission providers. Such business practice standards may be based on recommendations from NERC's Long Term ATC/AFC Task Force and could involve revised procedures for the ATC calculation and/or revised protocols for coordination between neighboring transmission providers and/or amendments to existing TLR procedures. <i>Not Started. Awaiting revised clarified request R05004 from NERC.</i>	Ongoing	BPS
3 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:	2005	Electronic Scheduling Subcommittee (ESS) and Information Technology Subcommittee (ITS)
i. Ongoing maintenance and enhancement of OASIS Phase IA Business Practices and S&CP, including but not limited to:		
1) Clarification of definitions and terminology in OASIS Business Practices <i>Underway.</i>	3 rd Q, 2005	ESS/ITS
2) Business Practices for the resale or reassignment of transmission service (R04006D) <i>Underway.</i>	3 rd Q, 2005	ESS/ITS
3) Implementation of "release" mechanism in the OASIS S&CP to complement non-firm redirects <i>Underway.</i>	3 rd Q, 2005	ESS/ITS
4) Network Services: determine if business practice standards or other support is needed to support use of OASIS for Network Service transactions. <i>Underway.</i>	2006	ESS/ITS
5) Registry: determine if business practice standards are needed to support the registry functions currently supported by NERC. <i>Underway.</i>	2006	ESS/ITS



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NORTH AMERICAN ENERGY STANDARDS BOARD

2005 WEQ Annual Plan Approved by the NAESB Board of Directors on September 22, 2005

Reviewed and Updated by the WEQ EC on November 29, 2005

Item Description	Completion ¹	Assignment
ii. OASIS Phase II per FERC ANOPR (Docket no. RM00-10-000) and subsequent orders: <ol style="list-style-type: none"> 1) Adoption/maintenance of ESC use cases (R04007) <i>Underway.</i> 2) Adoption/maintenance of Functional Requirements Document (R04007) <i>Underway.</i> 3) Develop and maintain business practices to support and implement the ESC use cases (R04007) <i>Underway.</i> 4) PKI Initiative (e-MARC) (R03007) <i>Underway.</i> 	2006	ESS/ITS
b) Develop and/or maintain standard communication protocols and cyber-security requirements as needed, including related industry standard communication protocols and cyber-security requirements <ol style="list-style-type: none"> i. OASIS Phase II per FERC ANOPR (Docket no. RM00-10-000) and subsequent orders (R04007) <i>Underway as OASIA 1A enhancements.</i> ii. Develop companion business practices to NERC's Cyber Standard (1300), and specifically review section 1303-Personnel & Training to determine if business practices are needed. 	2006	ITS
c) Develop business practices as needed for clarification of definitions and terminology in the Standards of Conduct. <i>Complete.²</i>	2 nd Q, 2005	ESS/ITS
d) Develop needed business practice standards for organization/company codes for NAESB standards – and address current issues on the use of DUNs numbers. <i>Underway.</i>	4 th Q, 2005	DUNs Task Force

4 Develop business practices standards to Improve the Current Operation of the wholesale electric market

- | | | |
|---|--------------|---------|
| a) Evaluate the entries on the seams catalog, determine the need for business practice standards and draft the standards requests to develop business practice standards to complement or assist specific seams mitigation efforts as noted in the seams catalog. | As Requested | Various |
|---|--------------|---------|

None requested to date.

² The changes to the Standards of Conduct requested by the Commission in NOPR RM05-5-000 will be made as soon as possible.



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NORTH AMERICAN ENERGY STANDARDS BOARD

2005 WEQ Annual Plan Approved by the NAESB Board of Directors on September 22, 2005

Reviewed and Updated by the WEQ EC on November 29, 2005

Item Description	Completion ¹	Assignment
b) Develop business practice standards according to approved and assigned standards requests that complement or assist specific seams mitigation efforts as noted in the seams catalog. <i>None requested to date.</i>	As Requested	Various
c) Develop business practices to support Western Interconnection Tag Definitions (R04032) <i>Complete.</i>	Withdrawn	BPS
5 Determine the need for and develop, if necessary, business practice standards supportive of the Gas-Electric Coordination Report		
a) Evaluate and develop business practice standards for Energy Day (R04016) <i>Postponed.</i>	Tabled based on Board Action on 06/22/05	BPS
b) Evaluate and develop business practice standards for electric scheduling timelines (R04020). <i>Postponed.</i>	Tabled based on Board Action on 06/22/05	ESS
c) Evaluate and develop business practice standards for communications between entities representing gas-fired power generators and the pipelines serving them (R04021) <i>Complete.</i>	2 nd Q, 2005 High Priority	BPS

PROVISIONAL ITEMS

- 1 Develop business practice standards as requested by the regional and state advisory groups.
- 2 Using the NERC Interconnected Operations Services reference document (March 2002, version 1.1) as a guide and starting point, develop business practices as necessary for ancillary services and/or interconnected operating services transactions.



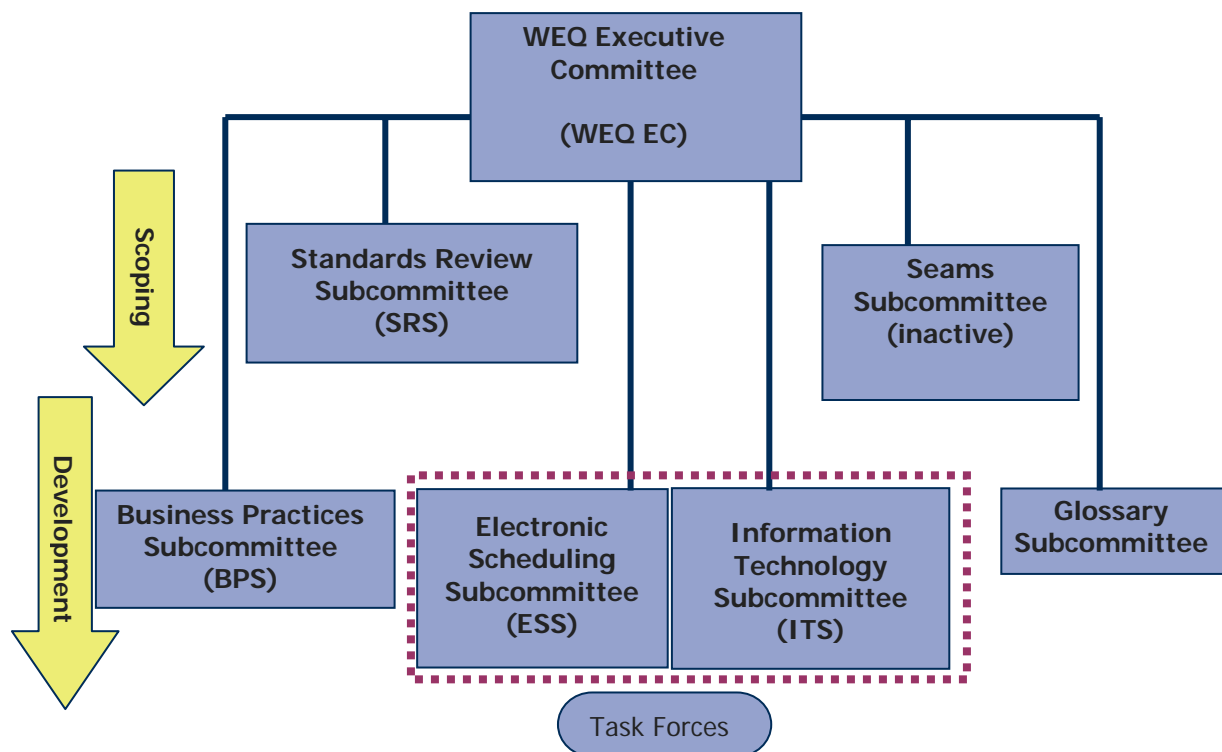
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NAESB Wholesale Electric Quadrant Committee Structure



NAESB WEQ EC Subcommittee Leadership:

Executive Committee: Lou Oberski (WEQ EC Chair) and Tony Reed (WEQ EC Vice Chair)

Standards Review Subcommittee: Raj Rana, Narinder Saini, Ollie Frazier

Seams Subcommittee: Inactive

Business Practices Subcommittee & Task Forces: Kathy York

- TLR: Michael Desselle (inactive – now encompassed in BPS normal work)
- Inadvertent Interchange Payback: Phil Cox
- Energy Day: Kathy York (inactive – tasks complete)

Electronic Scheduling Subcommittee/Information Technology Subcommittee & Task Forces: Paul Sorenson, J.T. Wood and Sherri Monteith

- Coordinate Interchange: Roman Carter
- Joint Interchange Scheduling Working Group (JISWG): Bob Harshbarger
- OASIS 1A: J.T. Wood and Wendy Weathers
- OASIS 2: Paul Sorenson and Jagjit Singh (inactive – focus in OASIS 1A)

Glossary Subcommittee (to be renamed): Sherri Monteith

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NORTH AMERICAN ENERGY STANDARDS BOARD

2005 WGQ Annual Plan WGQ EC Revisions (12-1-05)

Item Description	Completion ¹	Assignment
Gas-Electric Activities		
1 Development of standards regarding an Energy Day (R04016) Status: Pending Board Decisions.	Tabled	BPS (joint with WEQ BPS)
2 Development of standards regarding daily operational communications between natural gas pipelines and gas fired electrical generators (R04021) Status: Complete.	2 nd Qtr. 2005	BPS (joint with WEQ BPS)
Electronic Delivery Mechanisms and Related Activities		
3 Prepare a common NAESB Electronic Transport (ET) and WGQ Quadrant Electronic Delivery Mechanism (WGQ QEDM) manuals using the version 1.6 NAESB WGQ EDM tab 6 and applicable 4.x.x standards as a base. Status: Complete.	2 nd Qtr. 2005	EDM Subcommittee
4 Review of minimum technical characteristics in Appendices C, D, and E of the EDM Manual. Status: Complete.	2 nd Qtr. 2005	EDM Subcommittee
5 Review and enhance security standards as required by technological changes. Review security standards as may be deemed necessary, e.g. Public Key Infrastructure (PKI). Status: Pending WEQ ITS/ESS outcome; added to 2006 WGQ Annual Plan.	4 th Qtr. 2005	EDM Subcommittee
6 Explore additional possibilities for partnership with the Department of Energy. Sandia Review of security and reliability of NAESB EDM Standards. Status: In Progress.	4 th Qtr. 2005	EC Officers

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.

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NORTH AMERICAN ENERGY STANDARDS BOARD

2005 WGQ Annual Plan WGQ EC Revisions (12-1-05)

Item Description	Completion ¹	Assignment
<p>7 Preparation of documents and submission of EDM standards to ANSI for approval as ANSI standards.</p> <p>Status: Postponed</p>	To be reviewed for 2006 consideration	EDM Subcommittee
<p>Standards of Conduct</p>		
<p>8 Review and develop necessary standards for the posting requirements contained in Paragraph 10 of FERC Notice of Proposed Rulemaking and Termination Order, Docket Nos. RM96-1-026 and RM96-1-015, 109 FERC ¶ 61,326 (Dec 21, 2004)</p> <p>Status: Complete</p>	1st Qtr 2005	Business Practices Subcommittee
<p>Contracts Activities</p>		
<p>9 Review and develop a Canadian Supplement to the ISDA Gas Annex. (R#____)</p> <p>Status: Pending completion of Item 11.</p>	2006	Contracts Subcommittee
<p>10 Review and develop modifications to the NAESB Base Contract for Sale and Purchase of Natural Gas to allow alternative cover page. (R04028)</p> <p>Status: Complete.</p>	3rd Qtr.	Contracts Subcommittee
<p>11 Review and update NAESB Base Contract for Sale and Purchase of Natural Gas to reflect current industry practices and applicable terms and conditions. (R05014)</p> <p>Status: In Progress</p>	2 nd Qtr. 2006	Contracts Subcommittee
<p>12 Develop a uniform process, including the underlying assumptions and methodologies, for determining gas quality specifications from measured data. (R03035)²</p> <p>Status: In Progress; added to 2006 WGQ Annual Plan</p>	1 st Qtr. 2006	Business Practices Subcommittee

² At its meeting on June 21, 2005, the Board of Directors unanimously voted to keep Part C of Request R03035 in abeyance, and to instruct the WGQ Executive Committee to add Part B to the Annual Plan for 2006 with the understanding that work related to the reporting of gas quality specifications is associated with the development of reporting procedures and not the standardization of the measurement itself.

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NORTH AMERICAN ENERGY STANDARDS BOARD

2005 WGQ Annual Plan WGQ EC Revisions (12-1-05)

Item Description	Completion ¹	Assignment
Provisional Activities³		
FERC rulemaking orders – Docket No. AD 04-10 (Storage Reporting)		
Program of Standards Maintenance & Fully Staffed Standards Work⁴		
Business Practice Requests	Ongoing	Assigned by the EC on a request by request basis
Continue review against plan for migration to ANSI ASC X12 new versions as needed and coordinate such activities with DISA.	Ongoing	ANSI (X12) Subcommittee
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC on a request by request basis
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC on a request by request basis
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC on a request by request basis

- Notes: (a) Priority is given to action items that are carry-overs from the 2004 Annual Plan.
- (b) Any new activity should be preceded by a request from the submitter after which the annual plan will be revisited. The provisional items would only be addressed after a request is submitted or an order is issued by the FERC.

³ To the extent that it is determined that any of the provisional activities should be worked upon during the year as a result of a specific request for standards development or a FERC action, the Board has the discretion to modify the annual plan. Additionally, provisional activities will remain on the Annual Plan for one year pending the filing of a formal request or a decision to add them to the plan as active items.

⁴ This work is considered routine maintenance and thus the items are not separately numbered.

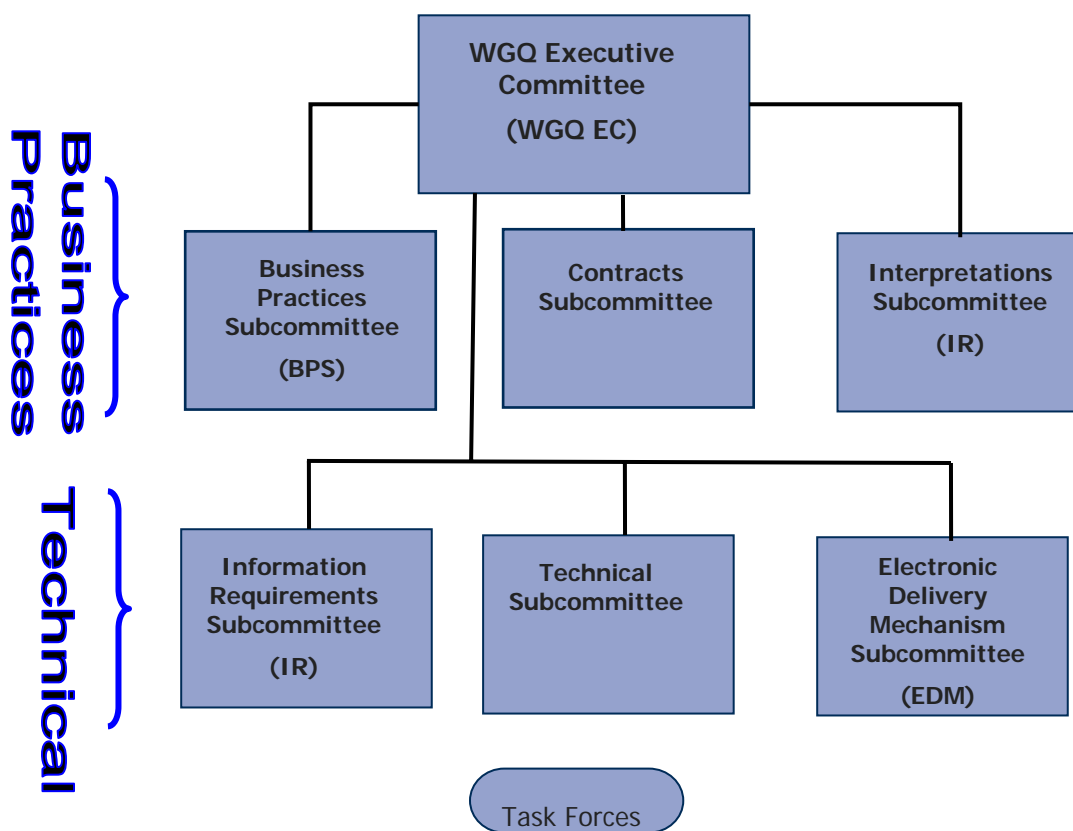
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Home Page: www.naesb.org

NAESB Wholesale Gas Quadrant Executive Committee and Subcommittee Structure



NAESB WGQ EC and Subcommittee Leadership:

Executive Committee: Jim Buccigross, Chair and Mike Novak, Vice-Chair

Business Practices Subcommittee: Kim Van Pelt, Tina Burnett, Christina Frescki, and Richard Smith

Information Requirements Subcommittee: Dale Davis

Technical Subcommittee: Kim Van Pelt

Contracts Subcommittee: Suzanne Calcagno, Keith Sappenfield

Electronic Delivery Mechanism Subcommittee: Leigh Spangler, Christopher Burden

Interpretation Subcommittee: Paul Love

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 ANNUAL PLAN – RETAIL ELECTRIC QUADRANT¹ REQ EC Revisions (11-30-05)

Item Number & Description	Completion ²	Assignment ³
1 Billing & Payment Data Dictionaries and Models		
<p>a. Develop the Data Sets for the Billing & Payments MBPs</p> <p>Status: Completed.</p>	3 rd Qtr 2005	IR
<p>b. Modify Billing & Payments MBPs pursuant to Request R04034.</p> <p>Status: Completed.</p>	3 rd Qtr 2005	BPS
<p>c. Technical Electronic Implementation Standards – Billing & Payments</p> <p>Status: Underway.</p>	3 rd Qtr 2005	TEIS
2 Market Participant Interactions	1 st Qtr. 2005	SUIS/BPS
<p>Develop model practices to support interactions between Distribution Companies and/or registration agents and Suppliers, such as supplier registration processes, governing documents, and roles and obligations of both Distribution Company and/or registration agent and Supplier (e.g. content and framework of governing documents or orders).</p> <p>Status: Completed</p>		
3 Pre-Enrollment Customer Information	4 th Qtr. 2005	BPS
<p>Develop practices for exchanging customer information necessary for interactions prior to enrollment and billing, i.e., customer authorization procedures, identifying types of customer information necessary for pre-enrollment activities, and methodologies for exchanging information.</p> <p>Status: Completed.</p>		
4 Customer Enrollment, Switching & Dropping	2006	BPS
<p>Develop practices for submitting and receiving, processing and fulfilling a customer's request to enroll with or leave a supplier (including suppliers dropping customers) and for maintaining current customer account information, and for notifying affected parties.</p> <p>Status: Pending.</p>		

¹ As outlined in the NAESB Bylaws, the REQ will also address requests submitted by members and assigned to the REQ through the Triage Process.

² 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.

³ Assignments are subject to approval of the proposal to restructure the subcommittees.

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 ANNUAL PLAN – RETAIL ELECTRIC QUADRANT¹ REQ EC Revisions (11-30-05)

Item Number & Description	Completion ²	Assignment ³
5 Examine Wholesale Gas Quadrant Non-EDM Standards Review NAESB Wholesale Gas Quadrant Non-EDM manuals to determine whether the standards within should be modified and/or adopted for use in the Retail Quadrants.	Ongoing	BPS
Technical Electronic Implementation Subcommittee⁴		
6 Quadrant EDM Establish the Quadrant specific EDM (QEDM) standards for REQ and RGQ. Status: Completed.	2 nd Qtr. 2005	Technical Electronic Implementation
7 Develop a model RGQ/REQ contract/outline modeled after the NAESB Base Contract for Sale and Purchase of Natural Gas, NAESB Standard 6.3.1 (NAESB Base Contract for Gas) designated for use by electric power markets or competitive gas markets. (R05013) Status: Underway	2006	Contracts Subcommittee
8 Develop model business practices for electronic retail billing transactions and bill payment transactions between customers, suppliers, and utilities pursuant to Request No. R05016. Status: Underway. Expected completion on 12-8-05	2006	BPS
Provisional Activities		
Review security standards as may be deemed necessary; Public Key Infrastructure (PKI).		
"Energy Day" Standard - including assessment of changes to existing NAESB standards.		
Electronic Customer Billing - Develop practices for the provision electronically of billing information.		
Future Activities		
Customer Inquiries Develop procedures for responding to customer inquiries directed to Distributors and/or Suppliers and for notification of the other party.	TBD	
Supplier Certification Develop practices for Distribution Companies to register/certify new Suppliers when they seek to begin doing business in the Distribution Company's service area.	TBD	
Retail Meter Data Validation, Editing & Estimating Develop procedures for insuring the integrity and validity of retail customer metering data that is needed by utilities and suppliers for billing, load profiling, settlement, etc. Issues related to unbundled or competitive metering are not to be considered.	TBD	
Load Profiling Develop practices for using statistical methods to estimate interval consumption by customers who do not have interval meters.	TBD	

⁴ The TEIS is assigned the completion of any technical work forwarded to them by the business development subcommittees ideally one quarter after receipt of forwarded work.

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 ANNUAL PLAN – RETAIL ELECTRIC QUADRANT¹ REQ EC Revisions (11-30-05))

Item Number & Description	Completion ²	Assignment ³
Settlement Process Reconcile energy schedules and energy delivered by suppliers within a given market. Note: will need to be coordinated with the WEQ.	TBD	
Program of Standards Maintenance & Fully Staffed Standards Work⁵		
Business Practice Requests	Ongoing	Assigned by the EC on a request by request basis
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC on a request by request basis
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC on a request by request basis
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC on a request by request basis
Ongoing Development and Maintenance of Definitions	Ongoing	Glossary Subcommittee

⁵ This work is considered routine maintenance and thus the items are not separately numbered.

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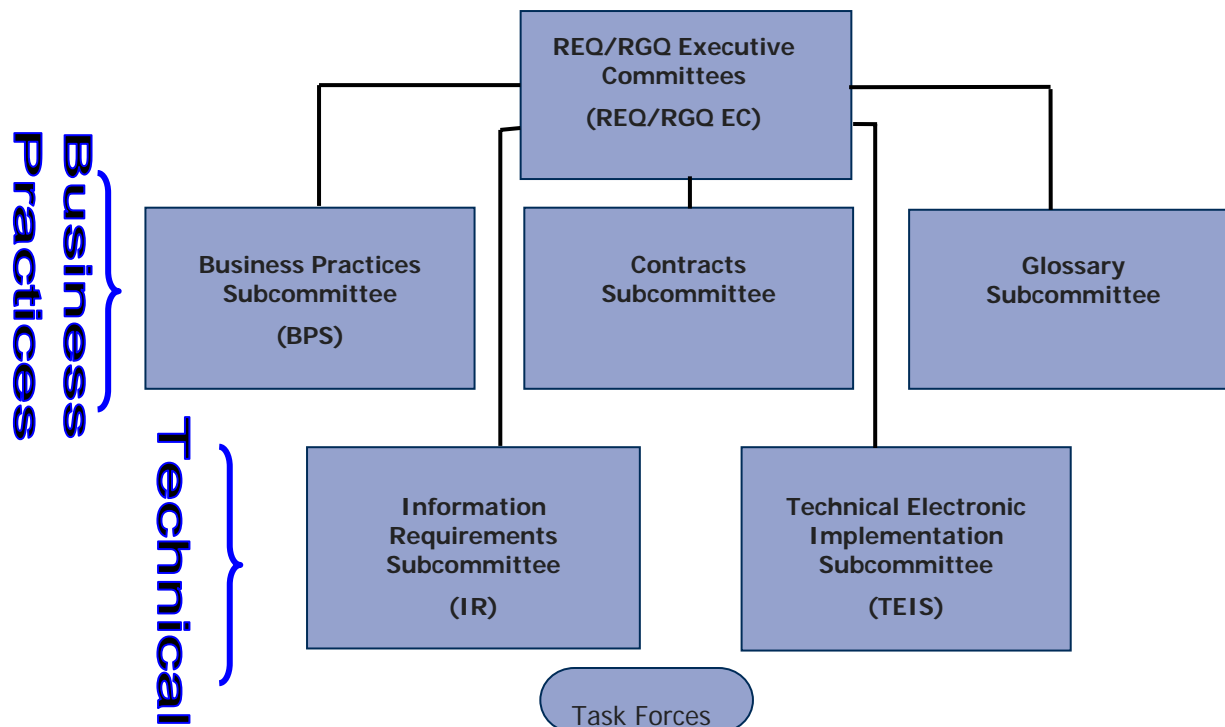
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NAESB Joint Retail Electric Quadrant and Retail Gas Quadrant

Committee Structure



NAESB RGQ EC and Subcommittee Leadership:

Executive Committee: Mike Novak, Chair and Suzanne Calcagno, Vice-Chair

Business Practices Subcommittee: Phil Precht

Information Requirements Subcommittee: George Behr

Technical Electronic Implementation Subcommittee: George Behr

Contracts Subcommittee: Marcy McCain and Suzanne Calcagno

Glossary Subcommittee: Don Sytsma

NAESB REQ EC and Subcommittee Leadership:

Executive Committee: Ruth Kiselewich, Chair and Jim Minneman, Vice-Chair

Business Practices Subcommittee: Mary Edwards and Dan Jones

Information Requirements Subcommittee: Ed Overtree

Technical Electronic Implementation Subcommittee: Mark Jarrett

Contracts Subcommittee: Ed Overtree

Glossary Subcommittee: Mary Edwards and Patrick Eynon

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 ANNUAL PLAN – RETAIL GAS QUADRANT¹ RGQ EC Revisions (11-30-05)

Item Number & Description	Completion ²	Subcommittee ³ Assignment
1 Billing & Payment Datasets and Models		
a. Develop the Data Dictionaries for the Billing & Payments MBPs Status: Completed.	3 rd Qtr 2005	IR
b. Modify Billing & Payments MBPs pursuant to Request R04034. Status: Completed.	3 rd Qtr 2005	BPS
c. Technical Electronic Implementation Standards – Billing & Payments Status: Underway.	3 rd Qtr 2005	TEIS
2 Market Participant Interactions	1 st Qtr. 2005	SUIS/BPS
Develop model practices to support interactions between Distribution Companies and/or registration agents and Suppliers, such as supplier registration processes, governing documents, and roles and obligations of both Distribution Company and/or registration agent and Supplier (e.g. content and framework of governing documents or orders). Status: Completed.		
3 Pre-Enrollment Customer Information	4 th Qtr. 2005	BPS
Develop practices for exchanging customer information necessary for interactions prior to enrollment and billing, i.e., customer authorization procedures identifying types of customer information necessary for pre-enrollment activities, and methodologies for exchanging information. Status: Completed.		
4 Customer Enrollment, Switching & Dropping	2006	BPS
Develop practices for submitting and receiving, processing and fulfilling a customer's request to enroll with or leave a supplier (including suppliers dropping customers) and for maintaining current customer account information, and for notifying affected parties. Status: Pending.		
5 Examine Wholesale Gas Quadrant Non-EDM Standards	Ongoing	BPS
Review NAESB Wholesale Gas Quadrant Non-EDM manuals to determine whether the standards within should be modified and/or adopted for use in the Retail Quadrants.		

¹ As outlined in the NAESB Bylaws, the RGQ will also address requests submitted by members and assigned to the RGQ through the Triage Process.

² 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.

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NORTH AMERICAN ENERGY STANDARDS BOARD 2005 ANNUAL PLAN – RETAIL GAS QUADRANT¹ RGQ EC Revisions (11-30-05)

Item Number & Description	Completion ²	Subcommittee ³ Assignment
Technical Electronic Implementation Subcommittee⁴		
6	2 nd Qtr. 2005	Technical Electronic Implementation
Establish the Quadrant specific EDM (QEDM) standards for REQ and RGQ. Status: Complete.		
7	2006	Contracts Subcommittee
Develop a model RGQ/REQ contract/outline modeled after the NAESB Base Contract for Sale and Purchase of Natural Gas, NAESB Standard 6.3.1 (NAESB Base Contract for Gas) designated for use by electric power markets or competitive gas markets. (R05013) Status: Underway.		
8	2006	BPS
Develop model business practices for electronic retail billing transactions and bill payment transactions between customers, suppliers, and utilities pursuant to Request No. R05016. Status: Underway. Expected completion 12-8-05.		
Provisional Activities		
Review security standards as may be deemed necessary; Public Key Infrastructure (PKI).		
"Energy Day" Standard - including assessment of changes to existing NAESB standards.		
Electronic Customer Billing - Develop practices for the provision electronically of billing information.		
Future Activities		
Customer Inquiries	TBD	
Develop procedures for responding to customer inquiries directed to Distributors and/or Suppliers and for notification of the other party.		
Supplier Certification	TBD	
Develop practices for Distribution Companies to register/certify new Suppliers when they seek to begin doing business in the Distribution Company's service area.		
Program of Standards Maintenance & Fully Staffed Standards Work⁵		
Business Practice Requests	Ongoing	Assigned by the EC on a request by request basis

⁴ The TEIS is assigned the completion of any technical work forwarded to them by the business development subcommittees ideally one quarter after receipt of forwarded work.

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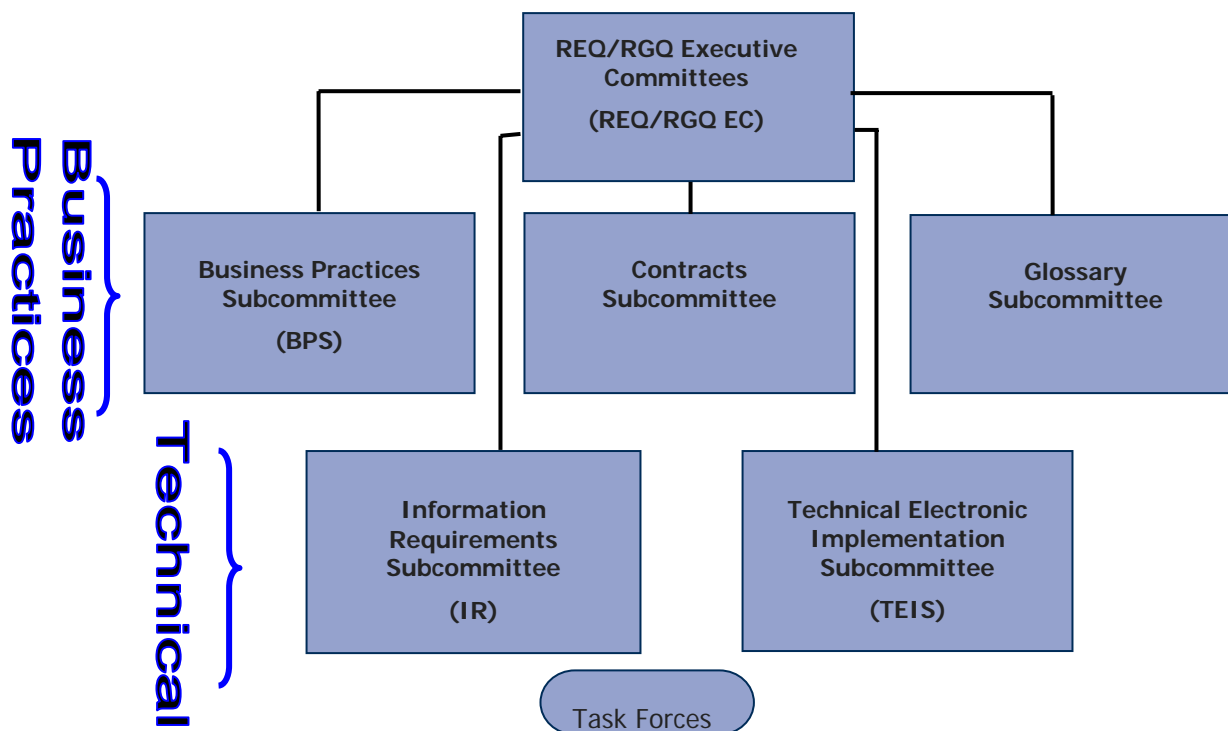
NORTH AMERICAN ENERGY STANDARDS BOARD 2005 ANNUAL PLAN – RETAIL GAS QUADRANT¹ RGQ EC Revisions (11-30-05)

Item Number & Description	Completion ²	Subcommittee ³ Assignment
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC on a request by request basis
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC on a request by request basis
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC on a request by request basis
Ongoing Development and Maintenance of Definitions	Ongoing	Glossary Subcommittee

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NAESB Joint Retail Electric Quadrant and Retail Gas Quadrant Committee Structure



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NORTH AMERICAN ENERGY STANDARDS BOARD

Draft 2006 WEQ Annual Plan

Adopted by the WEQ Executive Committee on November 29, 2005

Item Description	Completion ¹	Assignment ²
1 Develop business practices standards as needed to complement reliability standards		
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:		
a) Make version 1 changes to business practices as requested.	Ongoing	BPS
i) Make changes to business practices as related to inclusion of functional model entities as NERC undertakes the same efforts	As requested	BPS
ii) Review the NAESB WEQ "Version 0" business practice standards and remove any references to ERCOT (R05007)	1 st Q, 2006	BPS
b) Develop business practices to support Coordinate Interchange – update already adopted version 1 to reflect version 1 NERC CI (R03013, R05001, R05020)	3rd Q, 2006	BPS
c) Develop business practice standards to support Operate Within Limits (R03017)	2006	BPS
d) Develop business practices to support the reliability components of TLR		
i) Version 0 Split of TLR business practices from reliability components	1 st Q, 2006	BPS
ii) Continuous support of TLR Procedure in alignment with NERC efforts including version 1 development	Ongoing	BPS
f) Determine any needed NAESB action in support of the Interchange Distribution Calculator (IDC).	2006	BPS
g) Develop jointly with NERC a Joint NERC/NAESB Operating training manual.	2006	BPS
2 Develop business practice standards for Version 1 to support ATC calculations		
Develop version 1 business practice standards to better coordinate the use of the transmission system among neighboring transmission providers. Such business practice standards would be based on recommendations from NERC's Long Term ATC/AFC Task Force and would involve revised procedures for the ATC calculation and/or revised protocols for coordination between neighboring transmission providers and/or amendments to existing TLR procedures.	Pending	BPS
<i>Note: Awaiting revised clarified Request R05004 from NERC – to develop transmission service request and scheduling standards using TTC/ATC/AFC and CBM/TRM.</i>		



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NORTH AMERICAN ENERGY STANDARDS BOARD

Draft 2006 WEQ Annual Plan

Adopted by the WEQ Executive Committee on November 29, 2005

	Item Description	Completion ¹	Assignment ²
3	Develop business practices standards to improve the current operation of the wholesale electric market and 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. Specific items to address include:		
i)	Business Practices for the resale or reassignment of transmission service (R04006D)	1 st Q, 2006	ESS/ITS
ii)	Implementation of "release" mechanism in the OASIS S&CP to complement non-firm redirects (R04006C1)	1 st Q, 2006	ESS/ITS
iii)	Network Services: determine if business practice standards or other support is needed to support use of OASIS for Network Service transactions (R04006E).	3 rd Q, 2006	JISWG
iv)	Registry: determine if business practice standards are needed to support the registry functions currently supported by NERC (R04037).	2 nd Q, 2006	JISWG
v)	Adoption/maintenance of ESC use cases (R04007)	1 st Q, 2006	ESS/ITS
vi)	Adoption/maintenance of Functional Requirements Document (R04007)	1 st Q, 2006	ESS/ITS
vii)	e-Tag enhancements (including e-Tag specification changes) (R05018)	2 nd Q, 2006	ESS/ITS
viii)	Document procedures used to implement the displacement/interruption terms of the Pro Forma tariff (R05019)	3 rd Q, 2006	ESS/ITS
ix)	Incremental enhancements to OASIS as an outgrowth of the NAESB March 29, 2005 conference on the future of OASIS (R05026)	TBD	Not Assigned
b)	Develop and/or maintain standard communication protocols and cyber-security business practices as needed		
i)	Develop companion business practices to NERC's Cyber Standard (CIP002-009), and specifically review section 1303-Personnel & Training to determine if business practices are needed.	3 rd Q, 2006	ESS/ITS
ii)	Partner with the Department of Energy to perform a surety assessment on NAESB technical standards and respond to the surety assessment findings and recommendations.	4 th Q, 2006	EC Officers
iii)	PKI Initiative (e-MARC) (R03007)	1 st Q, 2006	JISWG
c)	Develop business practices as needed for clarification of definitions and terminology in the Standards of Conduct ³	1 st Q, 2006	BPS



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NORTH AMERICAN ENERGY STANDARDS BOARD

Draft 2006 WEQ Annual Plan

Adopted by the WEQ Executive Committee on November 29, 2005

Item Description	Completion ¹	Assignment ²
d) Develop needed business practice standards for organization/company codes for NAESB standards – and address current issues on the use of DUNs numbers.	4 th Q, 2006	Not Assigned
<i>Note: Disposition of Item 3d depends on action by the Board of Directors on December 13, 2005.</i>		

PROVISIONAL ITEMS

- 1 Develop business practice standards as requested by the regional and state advisory groups.
- 2 Using the NERC Interconnected Operations Services reference document (March 2002, version 1.1) as a guide and starting point, develop business practices as necessary for ancillary services and/or interconnected operating services transactions.
- 3 Develop and or modify business practices related to OATT reform resulting from the Notice of Inquiry, Docket No. RM05-25-000, FERC Notice Requesting Comments, “Preventing Undue Discrimination and Preference in Transmission Services”, issued September 16, 2005.
- 4 Evaluate the entries on the seams catalog, determine the need for business practice standards and draft the standards requests to develop business practice standards to complement or assist specific seams mitigation efforts as noted in the seams catalog.
- 5 Develop business practice standards according to approved and assigned standards requests that complement or assist specific seams mitigation efforts as noted in the seams catalog.
- 6 Develop business practice standards as related to the Effectiveness Study of Competitive Wholesale Markets (Congressional Mandate), Electric Energy Market Competition Task Force, Docket No. AD05-17-000, issued by the FERC on October 13, 2005.
- 7 Upon the issuance of the final order by FERC, develop and or modify business practices as requested by FERC related to OASIS or Version 0 business practices as filed by NAESB with the FERC on January 18, 2005, in Docket No. RM05-5-000. The FERC Notice of Proposed Rulemaking, RM05-5-000, “Standards for Business Practices and Communication Protocols for Public Utilities,” was issued May 9, 2005.
- 8 Develop and/or maintain business practice standards to support gas-electric interdependencies
 - Respond to requests as received that are related to Docket No. RM05-28-000.
 - Respond directives related to the conclusions of the NAESB reports submitted in Docket No. RM05-28-000.
 - Evaluate and develop business practice standards for Energy Day (R04016).
 - Evaluate and develop business practice standards for electric scheduling timelines (R04020).

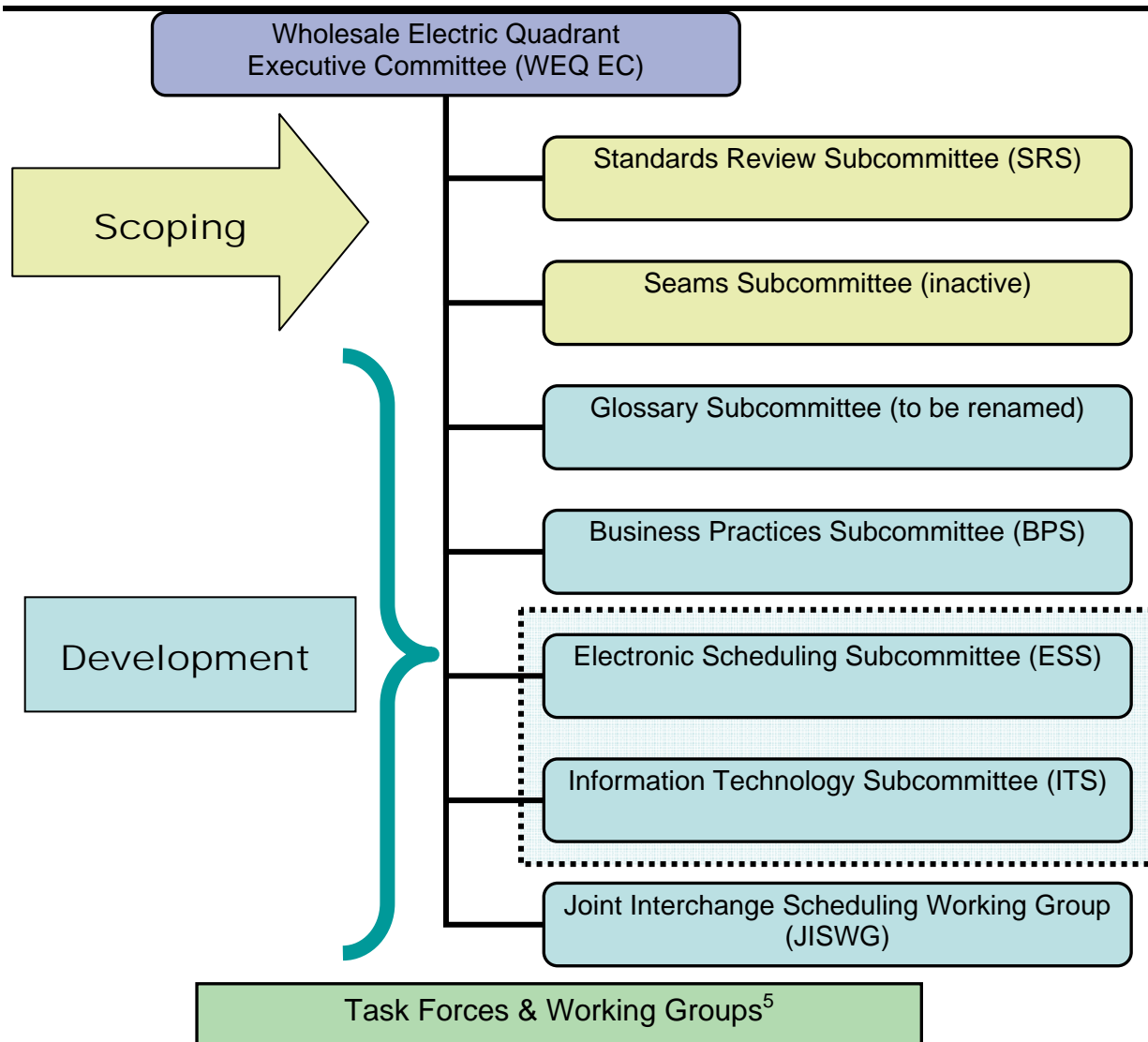


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NAESB WEQ EC and Subcommittee Leadership:

Executive Committee: Lou Oberski (WEQ EC Chair) and Tony Reed (WEQ EC Vice Chair)

Standards Review Subcommittee: Raj Rana, Narinder Saini, Ollie Frazier

Seams Subcommittee: Inactive

Business Practices Subcommittee & Task Forces: Kathy York & Joel Dison

Electronic Scheduling Subcommittee/Information Technology Subcommittee & Task Forces: Paul Sorenson, J.T. Wood and Sherri Monteith

- Coordinate Interchange: Roman Carter
- OASIS: J.T. Wood and Wendy Weathers

Joint Interchange Scheduling Working Group (JISWG): Bob Harshbarger

Glossary Subcommittee (to be renamed): Sherri Monteith



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End Notes:

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² The assignments are abbreviated. The abbreviations and committee structure can be found at the end of the annual plan document.

³ The changes to the Standards of Conduct requested by the Commission in NOPR Docket No. RM05-5-000 will be made as soon as possible.

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NORTH AMERICAN ENERGY STANDARDS BOARD
Proposed 2006 WGQ Annual Plan – Prepared 12-01-05

Item Description	Completion ¹	Assignment ²
Gas-Electric Activities		
1 Development of standards regarding an Energy Day (R04016)	Tabled ³	WGQ BPS (with WEQ BPS)
Electronic Delivery Mechanisms and Related Activities		
2 Review security standards as may be deemed necessary, e.g. Public Key Infrastructure (PKI).	Pending WEQ PKI activities	EDM
3 Partner with the Department of Energy's Sandia National Laboratories on NAESB technical standards and respond to the surety assessment findings and recommendations.	2 nd Q, 2006	EC Officers
4 Review of minimum technical characteristics in Appendices B, C, and D of the WGQ QEDM Manual	2 nd Q, 2006	EDM
5 Prepare a joint analysis with the Retail Quadrants for AS2 and AS3 protocols as compared to the NAESB IET.	4 th Qtr. 2006	EDM & Retail TEIS
Contracts Activities		
6 Review and update NAESB Base Contract for Sale and Purchase of Natural Gas to reflect current industry practices and applicable terms and conditions. (R05014)	2 nd Q, 2006	Contracts
Gas Quality		
7 Part B of R03035: Develop a uniform process for reporting the underlying assumptions and methodologies for determining gas quality specifications from measured data.	1 st Q, 2006	BPS
8 Part C of R03035: Examine the need to establish gas quality specification standards taking into consideration, (i) the specification needs of end users and providers of service to end users, and (ii) sources of supply (e.g. land-based, the Gulf, LNG). Draft such standards as appropriate.	Tabled ⁴	Not assigned at this time.
Program of Standards Maintenance & Fully Staffed Standards Work⁵		
Business Practice Requests	Ongoing	Assigned by the EC ⁶
Continue review against plan for migration to ANSI ASC X12 new versions as needed and coordinate such activities with DISA.	Ongoing	ANSI X12 Subcommittee
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC ⁶
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC ⁶
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC ⁶
Provisional Activities⁷		
Respond to requests as received that are related to <u>Docket No. RM05-28-000</u> (Gas-Electric Interdependency)		
Respond to directives related to the conclusions of the NAESB reports submitted in <u>Docket No. RM05-28-000</u>		
Review and develop a Canadian Supplement to the ISDA Gas Annex		

Notes: (a) Priority is given to action items that are carry-overs from the 2005 Annual Plan.

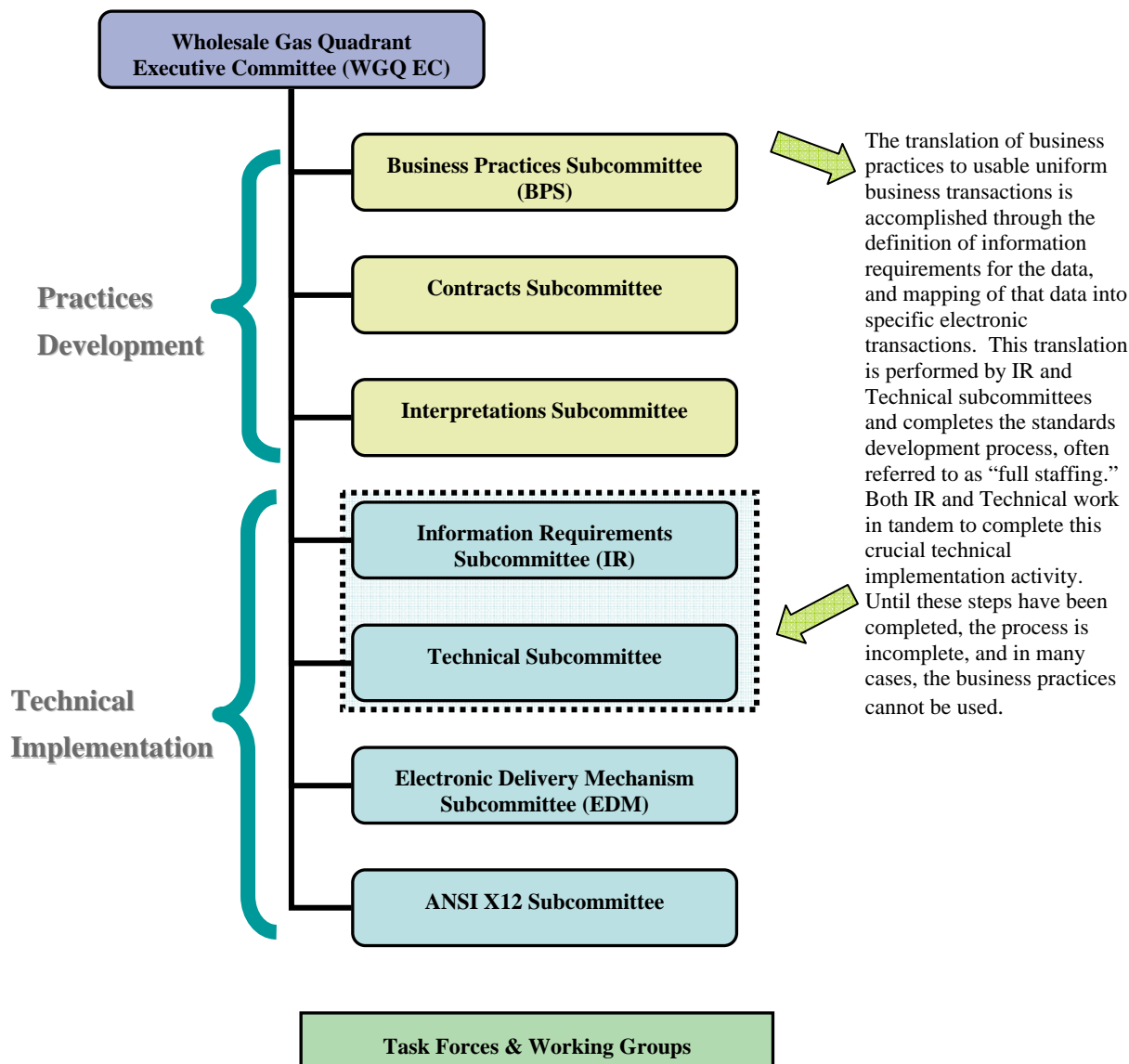
(b) Any new activity should be preceded by a request from the submitter after which the annual plan will be revisited. The provisional items would only be addressed after a request is submitted or an order is issued by the FERC.

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Contracts Subcommittee: Suzanne Calcagno, Keith Sappenfield

Electronic Delivery Mechanism Subcommittee: Leigh Spangler, Christopher Burden

Interpretation Subcommittee: Paul Love

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End Notes:

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 assignments are abbreviated. The abbreviations and committee structure can be found at the end of the annual plan document.

³ The Board of Directors determined to table standards development efforts on item 1 at the June 22, 2005 meeting. Depending on the outcome of the board meeting on December 13, 2005, both Request Nos. R04016 and R04020 may be withdrawn by the submitters. If those requests are withdrawn, then this item will be deleted from the plan and all annual plan items renumbered.

⁴ At its meeting on June 21, 2005, the Board of Directors unanimously voted to keep Part C of Request R03035 in abeyance, and to instruct the WGQ Executive Committee to add Part B to the Annual Plan for 2006 with the understanding that work related to the reporting of gas quality specifications is associated with the development of reporting procedures and not the standardization of the measurement itself.

⁵ This work is considered routine maintenance and thus the items are not separately numbered.

⁶ The EC assigns maintenance of existing standards on a request by request basis.

⁷ To the extent that it is determined that any of the provisional activities should be worked upon during the year as a result of a specific request for standards development or a FERC action, the Board has the discretion to modify the annual plan. Additionally, provisional activities will remain on the Annual Plan for one year pending the filing of a formal request or a decision to add them to the plan as active items.



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NORTH AMERICAN ENERGY STANDARDS BOARD

Proposed 2006 ANNUAL PLAN for the RETAIL GAS and ELECTRIC QUADRANTS¹ -- Prepared as of 11-30-05

Item Number & Description	Completion ²	Assignment
1 Billing & Payment Data Dictionaries and Models		
a. Develop Technical Electronic Implementation Standards – Billing & Payments	1 st Qtr 2006	TEIS
2 Pre-Enrollment Customer Information		
a. Develop technical transaction processes for exchanging customer information necessary for interactions prior to enrollment and billing, i.e., customer authorization procedures, identifying types of customer information necessary for pre-enrollment activities, and methodologies for exchanging information.	2 nd Qtr. 2006	TEIS
3 Electronic Retail Billing.		
a. Develop information requirements for electronic retail billing transactions and bill payment transactions between customers, suppliers, and utilities pursuant to Request No. R05016.	1 st Qtr. 2006	IR
b. Develop Technical Electronic Implementation Standards – Electronic Retail Billing	2 nd Qtr. 2006	TEIS
4 Customer Enrollment, Switching & Dropping		
a. Develop practices for submitting and receiving, processing and fulfilling a customer's request to enroll with or leave a supplier (including suppliers dropping customers) and for maintaining current customer account information, and for notifying affected parties.	3 rd Qtr. 2006	BPS
b. Develop information requirements for submitting and receiving, processing and fulfilling a customer's request to enroll with or leave a supplier (including suppliers dropping customers) and for maintaining current customer account information, and for notifying affected parties.	4 th Qtr. 2006	IR
c. Develop Technical Electronic Implementation Standards – Customer Enrollment, Switching & Dropping.	2007	TEIS
5 Customer Inquiries		
a. Develop procedures for responding to customer inquiries directed to Distributors and/or Suppliers and for notification of the other party.	2007	BPS
6 Contracts		
a. Develop a model RGQ/REQ contract/outline modeled after the NAESB Base Contract for Sale and Purchase of Natural Gas, NAESB Standard 6.3.1 (NAESB Base Contract for Gas) designated for use by electric power markets or competitive gas markets. (R05013).	4 th Qtr. 2006	Contracts
7 Prepare a joint analysis with the WGQ for AS2 and AS3 protocols as compared to the NAESB IET.	4 th Qtr. 2006	TEIS & WGQ EDM
8 Develop NAESB Certification checklist criteria for Retail Quadrants to be used in the NAESB Certification Program.	4 th Qtr. 2006	TEIS



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NORTH AMERICAN ENERGY STANDARDS BOARD

Proposed 2006 ANNUAL PLAN for the RETAIL GAS and ELECTRIC QUADRANTS¹ -- Prepared as of 11-30-05

Item Number & Description	Completion ²	Assignment
9 Partner with the Department of Energy's Sandia National Laboratories on NAESB technical standards and respond to the surety assessment findings and recommendations.	2 nd Qtr. 2006	EC Officers ³

Program of Standards Maintenance & Fully Staffed Standards Work⁴

Business Practice Requests	Ongoing	Assigned by the EC ⁵
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC ⁵
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC ⁵
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC ⁵
Ongoing Development and Maintenance of Definitions	Ongoing	Glossary

Provisional Activities

Review security standards as may be deemed necessary, such as Public Key Infrastructure (PKI).

Future Activities

Joint Effort:

Supplier Certification: Develop practices for Distribution Companies to register/certify new Suppliers when they seek to begin doing business in the Distribution Company's service area.

Modify TPA as necessary.

Retail Electric Quadrant Effort Only:

Retail Meter Data Validation, Editing & Estimating: Develop procedures for insuring the integrity and validity of retail customer metering data that is needed by utilities and suppliers for billing, etc. Issues related to unbundled or competitive metering are not to be considered.

Load Profiling: Develop practices for using statistical methods to estimate interval consumption by customers who do not have interval meters.

Settlement Process: Reconcile energy schedules and energy delivered by suppliers within a given market. Note: will need to be coordinated with the WEQ.

Retail Gas Quadrant Effort Only:

Examine Wholesale Gas Quadrant Non-EDM Standards for applicability to retail business practices.

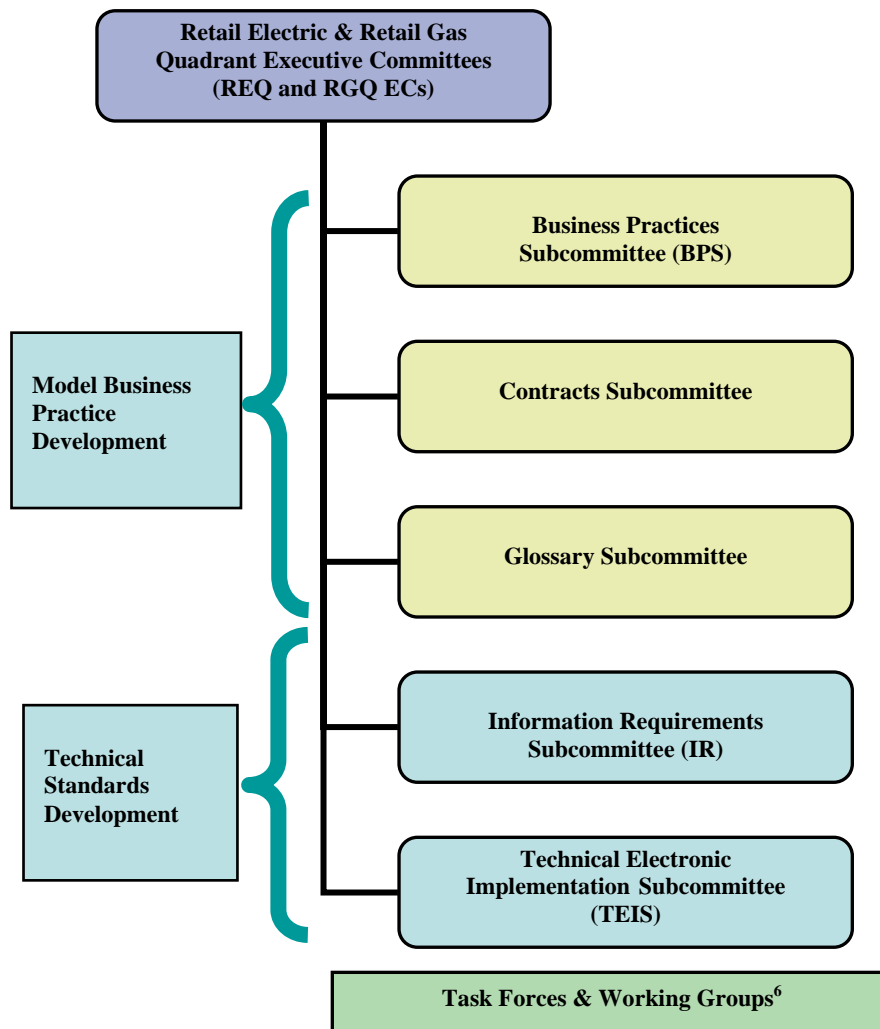


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NAESB RGQ EC and Subcommittee Leadership:

Executive Committee: Mike Novak, Chair and Suzanne Calcagno, Vice-Chair

Business Practices Subcommittee: Phil Precht

Information Requirements Subcommittee: George Behr

Technical Electronic Implementation Subcommittee: George Behr

Contracts Subcommittee: Marcy McCain and Suzanne Calcagno

Glossary Subcommittee: Don Sytsma

NAESB REQ EC and Subcommittee Leadership:

Executive Committee: Ruth Kiselewich, Chair and Jim Minneman, Vice-Chair

Business Practices Subcommittee: Mary Edwards and Dan Jones

Information Requirements Subcommittee: Ed Overtree

Technical Electronic Implementation Subcommittee: Jennifer Teel

Contracts Subcommittee: Ed Overtree

Glossary Subcommittee: Mary Edwards and Patrick Eynon



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End Notes:

¹ As outlined in the NAESB Bylaws, the REQ and RGQ will also address requests submitted by members and assigned to the REQ and RGQ through the Triage Process.

² 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.

³ The project with SNL is a four quadrant effort, with all EC officers providing support to the SNL representatives.

⁴ This work is considered routine maintenance and thus the items are not separately numbered.

⁵ The REQ and RGQ ECs will assign maintenance efforts on a request by request basis.

⁶ The ECs and the subcommittees can create task forces and working groups to support their development activities for development of model business practices and technical standards.



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would not provide an alternative, the industry would have to seek other avenues to modify the current inadvertent interchange payback process.

Mr. Norris suggested several modifications to the Recommendation and Report. First, Mr. Norris suggested modifying the first paragraph under Section 3 of the Recommendation. He proposed deleting the phrase “none of the proposed solutions are better than” and inserting the phrase “no consensus can be reached regarding alternatives to”. Second, Mr. Norris suggested deleting the last phrase of sentence 4b of the Recommendation that states “the NAESB Version 0 standard is appropriate in its current form” and inserting the phrase “no new standards would gain industry consensus.” Third, Mr. Norris proposed deleting the last sentence of paragraph 4c of the Recommendation that stated “The task force determined that the standards included in Version 0 are sufficient and no changes are needed.” Fourth, Mr. Norris proposed modifying the Conclusion section of the Report. He proposed replacing the phrase “none of the” with “no consensus regarding any” and replacing the phrase “is better than the payback-in-kind methodology for the Eastern Interconnect (as embodied in the NAESB Version 0 Inadvertent Interchange Payback Standard.)” with “could gain approval.” He also proposed deleting the very last sentence of the Conclusion: “With the lack of industry direction for a new ‘inadvertent interchange payback’ standard the IIPTF has inferred that the industry is satisfied with the requirements within the current NAESB Version 0 Inadvertent Interchange Business Practice Standard.”

Mr. Norris moved, seconded by Mr. Williams, to adopt the IIPTF Recommendation and Report as modified. Mr. Gallagher stated that the proposed modifications make it clear that the participants could not reach a consensus. Mr. Oberski stated that Mr. Norris’ proposed modifications were good changes to the Recommendation and Report. He noted that even if the Recommendation and Report is approved by the Executive Committee, NAESB members are not prohibited from representing an alternative viewpoint to the FERC at a later time. Mr. Reed stated that he was participant in the task force and that the changes proposed by Mr. Norris were reflective of the work of the group.

Ms. Campbell asked how the Executive Committee has the ability to modify the language in a report from a task force. Mr. Oberski stated that the Executive Committee can modify any Recommendation that is presented to it from a subcommittee or task force. Ms. McQuade added that when the Executive Committee reviews any work product of one of its subcommittees or task forces, it has the authority to change those work products, as the subcommittees or task forces serve through the Executive committee, and once the Executive Committee adopts the work product, it becomes the work product of the EC.

The motion unanimously passed a simple majority vote. The revised Recommendation and Report is posted on the NAESB website on the WEQ EC page (http://www.naesb.org/weq/weq_ec.asp). [Vote 1].

Ms. McQuade noted that since the recommendation adopted by the Executive Committee is to maintain status quo, it is not a change to standards and as such does not require ratification. The recommendation and report along with comments and work papers will be forwarded to the FERC in the form of a status report.

Recommendation R04013A: TLR Business Practice Standards: Mr. Desselle stated that NAESB worked with NERC to develop the Version 0 standards, including the business practices and reliability standards for Transmission Loading Relief (TLR). Both organizations determined that each would adopt identical TLR standards until such time a joint group could agree on how the standards should be split into business practices and reliability standards.



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Ms. York, as co-chair of the WEQ Business Practices Subcommittee (BPS), presented the Recommendation for R04013A and provided additional background information on the development of the recommendation. (The recommendation is included on pages 105-123 of the Executive Committee book). Ms. York stated that the NERC/ NAESB Joint TLR Group completed the split of the Version 0 TLR standards on June 1, 2005. At that time, the BPS took up the development of the commercial business practices for the TLR process. The BPS worked over the past five months to develop language for the TLR business practices with minor modifications made to the existing standards for grammar, reordering, etc. The WEQ Executive Committee voted at its August 23, 2005 meeting to insert new language on dynamic schedules into the existing TLR process (Request No. R05009). This recommendation was ratified by the membership on October 10, 2005. On October 12, 2005, the BPS voted to send Recommendation R04013A (TLR) to the Executive Committee. The recommendation was posted for industry comment, with comments due on November 18, 2005. The BPS held a conference call on November 22, 2005 to review the comments submitted. Nine sets of comments were received on this recommendation. (All of the comments submitted on this recommendation can be found on pages 124-155 of the Executive Committee book). Seven of the nine organizations that submitted comments stated that the TLR processes should be maintained in one document and administered by NERC and/or the Executive Committee should postpone the vote on the recommendation. The comments listed issues such as the impacts on reliability if operators were required to reference separate standards; the need for additional training and protocols; synchronization issues; the accessibility of the NAESB standards; and implementation and future coordination issues as reasons the TLR processes should be maintained at NERC. Two of the organizations submitted comments that the BPS completed the assigned task. During the November 22 conference call, the BPS made a few minor changes to the recommendation. The modified recommendation is posted on the WEQ Executive Committee page titled "Changes to TLR Business Practices (Recommendation R04013A) by the BPS 11/22/05" (http://www.naesb.org/pdf2/weq_ec112905w6.doc).

Ms. York stated that on November 18, 2005, the NERC Operating Reliability Subcommittee (ORS) notified NAESB that NERC had received similar comments stating that the TLR processes should be maintained and administered by NERC. At its November 16-17 meeting, the NERC ORS agreed to "withdraw its standard authorization request that would remove the business practices from NERC standard IRO-006-0, "Transmission Loading Relief"; to "request that the North American Energy Standards Board discontinue developing the complementary business practice standards as described in its Recommendation R04013A"; and to "request that the NAESB Business Practices Subcommittee work with the Operating Reliability Subcommittee on an on-going basis on all future changes to the TLR Procedure." (The November 18, 2005 letter from the NERC ORS to NAESB can be found on pages 132-135 of the Executive Committee book).

Ms. York moved, seconded by Mr. Dison, to adopt the Recommendation for R04013A as modified by the BPS on November 22, 2005. Mr. Oberski stated that the BPS completed the task assigned by the WEQ Executive Committee. He added that the comments submitted did not cite conflicts in the language or errors in the proposed standards, but comments on the appropriateness of the split of the business practices and reliability standards.

Mr. Davis stated that Entergy submitted comments recommending that the Recommendation for R04013A not be approved. He stated that there should be one standard administered by both NERC and NAESB. The TLR process should consist of one set of rules in one document that is developed by both organizations.



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Mr. Benjamin stated that the business practices and reliability standards for the TLR process are so intertwined that they should be maintained by one organization. He stated that the TLR Group and the NAESB BPS completed the task it was assigned: to determine the division between the reliability standards and the business practice pieces. He stated that the modified business practices should be reviewed by the NERC ORC, the reliability coordinators, and the IDC Working Group. Mr. Benjamin stated that there is no benefit for the industry to have the TLR process split between NERC and NAESB, and that the reliability standards and complementary business practices for TLR should be maintained by NERC. NERC does not have any plans to deviate from the existing version 0 TLR standards.

Mr. Dison made prepared comments. Mr. Dison stated that Southern Company has not fully reached consensus on the TLR issues. He stated that his comments represent his observations as a participant who has been involved in the process and do not necessarily represent the position of his company. Mr. Dison noted that previously, business practices were embedded as part of reliability policies established by NERC. When NAESB was formed to develop commercial business practices for the wholesale electric industry, NERC, NAESB, and the IRC executed a Memorandum of Understanding (MOU) to establish a process by which all entities could participate in the standards development process. NERC and NAESB worked through a joint process to identify all of the business practices embedded within the NERC policies that would be developed as NAESB standards.

Mr. Dison stated that NERC and NAESB agreed to split TLR into its commercial and reliability components by the end of 2005 and replace the Joint NERC/NAESB Version 0 TLR Standard. He stated that NAESB is now prepared to fulfill its end of the agreement. If the adoption of the TLR business practices does not move forward through the NAESB process, it would not only undo the agreement between NERC and NAESB, but would also be a violation of the intent and purpose of the MOU between NERC and NAESB. Mr. Dison stated that to send the TLR procedure back to NERC would represent a nullification of the agreement between NERC and NAESB. Mr. Dison added that due to the formation of NAESB, commercial representation at NERC committee meetings has been significantly reduced. If it is determined that the entire TLR process will be maintained at NERC, the NERC Market Interface Committee should be re-established to avoid significant negative impacts on commercial interests. Mr. Dison stated that the procedures established by NERC and NAESB to develop standards have been successful. He stated that the TLR procedure will be one procedure composed of two parts: a reliability component and a commercial component. In addition, NERC and NAESB have agreed to develop a joint operating manual which will provide seamless written procedures for operators. Mr. Dison recommended that NAESB continue to allow the process to work as planned and encouraged NERC and NAESB to follow through on their commitments to work together on this issue.

Mr. Cobb stated that the TLR standard is a regional standard. He asked if different voting methodologies existed for votes on regional standards. Ms. McQuade stated that there are not specific requirements to permit separate groups vote on standards; the entire Executive Committee votes on recommendations submitted by subcommittees and task forces. Mr. Hicks stated that organizations that are not affected by these regional issues are not sure how to vote on these issues. Mr. Oberski noted that straw votes will be taken to give indications of the sense of the group.

Mr. Norris asked if the NERC ORS represents the position of NERC. Mr. Benjamin stated that the NERC ORS drafted the TLR SAR. As part of the NERC reliability standards development process, NERC received comments, half of which stated that the TLR business practice standards should not be divided from the original TLR procedure. As a result of the discussion



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on the comments, the NERC ORS determined that the proposed standards in the SAR would not achieve industry consensus and decided to withdraw the SAR. As a result of the withdrawal of the SAR, the NERC TLR procedure will remain as it is today. Mr. Benjamin added that NERC and NAESB have made a good faith effort to split the business practices from the reliability standards. However, once the split was made, each organization has to apply its own processes to the standards development. The group that drafted the original SAR, the NERC ORS, decided to withdraw the SAR. Ms. Campbell stated that the Joint Interface Committee (JIC) recognized that there will be areas that are difficult to separate between NERC and NAESB. TLR is one of these issues. She noted that the JIC is not a final decision maker. Ms. Campbell encouraged the WEQ Executive Committee members to be open minded as to ways in which the NERC and NAESB groups can work together.

Mr. Desselle stated that NAESB should proceed with its process for this recommendation and to forward the results to the FERC. He noted that the JIC decided that NERC and NAESB would split the TLR process as the two organizations similarly split the other Version 0 standards. Mr. Desselle stated that the NAESB WEQ Executive Committee and the NERC ORS should not second guess the decisions of the JIC.

Mr. Green noted that if the recommendation is adopted as proposed, it may result in two competing standards as changes are made: the Version 0 TLR standard that both organizations have adopted will remain in place at NERC to be maintained by NERC, and the proposed TLR business practice standard will be in place at NAESB to be maintained by NAESB. Currently it is understood that the version 0 business practices correctly reflect and complement version 0 reliability standards. Despite the potential for competing standards, Mr. Green stated that he supported the adoption of the recommendation and supported the creation of a joint operating manual and joint administration of the standards.

Mr. Davis stated that the JIC process has worked properly, but that the comments of the industry indicate that the industry participants do not want the TLR process to be split.

Mr. Lawson asked the reason for the urgency to adopt the TLR standards. Mr. Desselle stated that the JIC agreed that NERC and NAESB would adopt identical TLR standards, but would replace those standards with the separated TLR standards by the end of the year. NAESB also committed to the FERC to complete the new TLR standards by the end of the year.

Mr. Berwager stated that the comments from NERC do not identify flaws in the standards drafted by the NAESB BPS. He added that the WEQ Executive Committee should determine a way for NERC and NAESB to avoid these issues in the future. Mr. Desselle stated that the Board of Directors has formed an ERO Committee to review the MOU for needed changes resulting from the creation of an ERO. The Board of Directors could request that the ERO Committee work with NERC to develop better coordination procedures. Mr. Oberski stated that the Executive Committee could vote on the recommendation, and if the recommendation is adopted by the Executive Committee, the Executive Committee can hold ratification of the standards until the NAESB Board of Directors determines how to resolve the coordination issues.

After further discussion, Mr. Oberski requested a straw vote on two potential motions. Straw Vote 1 was: Should the BPS recommendation be approved as modified by the WEQ BPS on 11/22/05? The votes for Straw Vote 1 were approximately 10 in favor and 5 opposed. Straw Vote 2 was: Should the recommendation as modified by the WEQ BPS on 11/22/05 be adopted, but ratification withheld until the coordination issues are satisfactorily addressed by the Board of Directors? The votes for Straw Vote 2 were approximately 14 in favor and 3 opposed.



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Mr. Dison made a motion to amend Ms. York's motion to state: Recommend adoption of the TLR Business Practices as modified with ratification held in abeyance until TLR implementation issues between NERC and NAESB, including ongoing development of both the commercial and reliability aspects of TLR have been clearly defined. This determination to be made by the NAESB WEQ Members of the Board of Directors. Mr. Norris seconded the motion.

Ms. Campbell stated that WEQ Members of the Board of Directors may not be as aware of all of the issues surrounding NERC/NAESB coordination as the Executive Committee members. Mr. Oberski stated that the Executive Committee's purview is to approve standards and standards requests and that the Board of Directors determines policy and how the organization will coordinate with other organizations. Mr. Lawson stated that the Executive Committee cannot assign tasks to the Board of Directors. Mr. Dison stated that the intent of the motion is that ratification of these standards should be held in abeyance until the Board determines that TLR implementation issues between NERC and NAESB have been clearly defined. Ms. Campbell stated that she would not support the amended motion because there is nothing to ensure the implementation issues are worked out. Mr. Frazier suggested delaying the vote on the TLR standards to send a message to the Board that the coordination issues should be addressed.

Mr. Cox noted that if the Executive Committee adopts the standards, NAESB will be disjointed from NERC regarding the TLR standards. If the Executive Committee does not act on the standards, the organizations will still be in lock step regarding the TLR standards.

Mr. Hughes stated that it was important for the Executive Committee to take action and supported adoption of the recommendation. Mr. Gallagher stated that the Executive Committee should not avoid executing its charge to vote on recommendations submitted by its subcommittees and task forces.

Mr. Benjamin stated that the Executive Committee should review all of the comments submitted on the recommendation individually. Mr. Dison stated that the comments are being addressed in the form of the motion on the table.

After further discussion, the Executive Committee voted on Mr. Dison's motion to amend Ms. York's motion. The motion passed a simple majority vote with 17 votes in support, 3 votes in opposition, and 2 abstentions. [Vote 2]

Mr. Oberski called the question on the amended motion. There were 18 votes in support, 3 votes in opposition, and 1 abstention. There were not a sufficient number of votes to establish a conclusive result – either the required supermajority for the motion to pass or the conditions needed for the motion to fail. The motion and recommendation will be submitted for notational ballot votes by the members of the Executive Committee that were not present to vote on the motion either in the room or on the phone. The votes recorded during the meeting are captured in the Voting Record below. [Vote 3].

Mr. Desselle asked what happens to the recommendation if the required votes to achieve the required supermajority are not received. Ms. McQuade stated that if the required votes are not received, the motion fails, but that the recommendation will be submitted to the FERC along with the full record of the subcommittee minutes, Executive Committee minutes, and vote records.

Recommendation R04035/R05002: Clarify OASIS 1A nomenclature and amend WEQ standard 4.19/Amend sections 9.5 and 10.5 of OASIS 1A Redirect Standards: Mr. Sorenson presented the joint Recommendation for Request Nos. R04035 and R05002. The recommendation can be found on pages 157-177 of the Executive Committee book. Mr. Dison asked if the portion of the recommendation titled "Workpaper Consolidation of recommendations R05002 and R04035



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November 30, 2005

RE: NAESB FERC Filings, DoE Efforts, NARUC Efforts and EBA activity

FERC FILINGS

- **January 18, 2005:** NAESB Submission of WEQ Standards to FERC under Docket No. RM05-5-000. On January 18, 2005 NAESB provided a Report regarding NAESB's activities undertaken by the NAESB Wholesale Electric Quadrant ("WEQ") Executive Committee. (http://www.naesb.org/doc_view2.asp?doc=ferc011805_report.pdf).
- **March 18, 2005:** NAESB Report to the FERC Regarding the Permanent Numbers Assigned to the NAESB WGQ Standards to Implement Gas Quality Reporting Requirements Under Docket Nos. RM96-1 et al and RM98-10 et al. On March 18, 2005, NAESB provided a Report regarding the permanent numbers assigned to the NAESB Wholesale Gas Quadrant ("WGQ") standards to implement gas quality reporting requirements, previously provided to the Commission on November 1, 2004. (http://www.naesb.org/doc_view2.asp?doc=ferc031805.pdf).
- **April 12, 2005:** NAESB WGQ Version 1.7 Errata Submission to FERC Under Docket Nos. RM96-1 et al and RM98-10 et al. On April 12, 2005, NAESB provided a Report regarding errata to Version 1.7 of the NAESB Wholesale Gas Quadrant ("WGQ") Standards, previously provided to the Commission on April 13, 2004. (http://www.naesb.org/doc_view2.asp?doc=ferc041205.pdf).
- **April 18, 2005:** NAESB Supplemental Report to the January 18, 2005 WEQ Standards to FERC Under Docket No. RM05-5-000 correcting corrects a typographical error in the original report and providing additional detail on the modifications made to the business practices that address Open Access Same-Time Information Systems ("OASIS") and OASIS Standards & Communications Protocol ("S&CP") and Data Dictionary. (http://www.naesb.org/doc_view2.asp?doc=ferc041805.pdf).
- **April 22, 2005:** NAESB Report to the FERC Regarding NAESB WGQ Standards in Response to Paragraph 10 of the Commission's Notice of Proposed Rulemaking and Termination Order in Docket Nos. RM96-1-026 and RM96-1-015. On April 22, 2005, NAESB provided a Report regarding NAESB Wholesale Gas Quadrant ("WGQ") standards in response to paragraph 10 of the Commission's Notice of Proposed Rulemaking and Termination Order in Docket Nos. RM96-1-026 and RM96-1-015. (http://www.naesb.org/doc_view2.asp?doc=ferc042205.pdf).
- **May 4, 2005:** NAESB Notification to the FERC of Ratification Results for the WGQ Standards in Response to Paragraph 10 of the Commission's Notice of Proposed Rulemaking and Termination Order in Docket Nos. RM96-1-026 and RM96-1-015. On May 4, 2005, NAESB provided FERC with notification of the ratification results for the Wholesale Gas Quadrant ("WGQ") modified standard that responds to paragraph 10 of the Commission's Notice of Proposed Rulemaking and Termination Order in Docket Nos. RM96-1-026 and RM96-1-015 that was filed on April 22, 2005. (http://www.naesb.org/doc_view2.asp?doc=ferc050405.pdf).
- **June 27, 2005:** NAESB Report on the Efforts of the NAESB Gas-Electric Interdependency Committee and the Business Practices on Pipeline-Gas-Fired Generation Facility under Docket No. RM05-28-000. On June 27, 2005 NAESB provided a Report regarding NAESB's activities undertaken by the Gas-Electric Interdependency Committee (GEIC) and the business practices drafted by the Wholesale Electric Quadrant and Wholesale Gas Quadrant related to Request No. R04021. (http://www.naesb.org/doc_view2.asp?doc=ferc062705_cover_report.pdf).
- **July 1, 2005:** NAESB Comments on Docket No. RM05-5-000 "Standards for Business Practices and Communication Protocols for Public Utilities." On July 1, 2005, NAESB submitted comments for the Notice of Proposed Rulemaking Docket No. RM05-5-000 "Standards for Business Practices and Communication Protocols for Public Utilities." The comments were specific to questions asked of NAESB in the NOPR. The NOPR directed three comments to NAESB: "...it would be useful if the WEQ would adopt standards comparable to those NAESB adopted regarding standards of conduct on the gas side" (§47); "OASIS Business Practice Standard 9.7 (addressing redirects) – appears to conflict with Commission policy and NAESB has not explained the benefits of such a change" (§31); "We are also concerned about some vague language in Standard 10.6, which states that "for the purposes of curtailment and other capacity reductions, confirmed Redirects on a Non-Firm basis shall be treated comparably to all



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other types of Non-Firm Secondary Point-to-Point Service. The phrase "all other types" is not defined. We interpret this phrase to apply only to services that are comparable to non-firm point-to-point service, and propose to accept the standard based on this interpretation" (§32). (http://www.naesb.org/doc_view2.asp?doc=ferc070105.pdf)

- **July 15, 2005:** NAESB Report to FERC Regarding Errata to Version 1.7 NAESB WGQ Standards, RM96-1 et al and RM98-10 et al. NAESB WGQ Version 1.7 standards were ratified by NAESB membership and published on December 31, 2003. NAESB submitted errata for NAESB WGQ Version 1.7 to the Commission on April 12, 2005. While processing the errata, the WGQ Information Requirements (IR) and Technical Subcommittees identified the need for possible additional minor corrections. After further review, the WGQ IR and Technical Subcommittees proposed additional errata for NAESB WGQ Version 1.7. The additional errata correct the Code Values Dictionaries in NAESB WGQ Version 1.7 Standard 1.4.2 – Nomination Quick Response and NAESB WGQ Version 1.7 Standard 1.4.7 – Confirmation Response Quick Response. The additional errata were first brought to NAESB's attention at the May 12, 2005 Executive Committee meeting. The Executive Committee voted unanimously to adopt the errata via notational ballot on June 22, 2005. The member comment period ended on July 12, 2005 and no adverse comments were received. The errata were applied to the NAESB WGQ Version 1.7 standards on August 12, 2005. This report was submitted to the Commission on July 15, 2005. (http://www.naesb.org/doc_view2.asp?doc=ferc071505.pdf)
- **July 20, 2005:** Analysis of ANOPR RM00-10-000 Against NAESB OASIS Activities and Planned Activities. On July 20, 2005, NAESB authored a letter to Chairman Kelliher to report how NAESB is addressing items specific to the ANOPR including incremental changes noted by the industry at the March 2005 Future of OASIS Conference. It includes a discussion of the NAESB WEQ 2005 RM05-5-000 filing and current requests for standards development that address improvements to OASIS. The discussion is followed by a summary of the Future of OASIS Conference and the state of the industry, as well as a description of draft requests for NAESB standards that are under development to implement the incremental changes. (http://www.naesb.org/doc_view2.asp?doc=ferc072005.pdf)
- **November 16, 2005:** Report for NAESB Wholesale Electric Business Practices, Docket No. RM05-5-000, Renumbering of Standards. On November 16, 2005, NAESB submitted a report to the FERC regarding NAESB's activities undertaken to renumber wholesale electric quadrant business practice standards for ease of reference and to ensure the uniqueness of the number. The text of the standards and the order in which they are presented has not changed. This effort was undertaken at the request of FERC staff, and applies to all wholesale electric business practices standards: namely, the standards submitted in the January 18, 2005 "Report for NAESB Wholesale Electric Business Practices", Docket No. RM05-5-0001; and further noted in the April 18, 2005 "Supplemental Report for NAESB Wholesale Electric Business Practices", Docket No. RM05-5-000; and the July 1, 2005 "NAESB Comments on Docket No. RM05-5-000 'Standards for Business Practices and Communication Protocols for Public Utilities.'" The FERC also proposed to amend its regulations to incorporate by reference certain of these standards in the May 9, 2005 FERC Notice of Proposed Rulemaking Docket No. RM05-5-000. (http://www.naesb.org/doc_view2.asp?doc=ferc111605.pdf)

FERC FILING PROPOSED SCHEDULE

- If the items are related (same docket no.) they may be combined into one filing. For the changes to the standards of conduct (WEQ) reflected in NAESB comments prepared on July 1 (RM05-5-000), NAESB is in the process of determining how best to approach the needed changes to support the request by FERC on standards of conduct. Once the approach is determined, NAESB will make the needed changes or inclusions to this schedule. As NAESB continues to develop standards that support the status report to Chairman Kelliher (dated July 20, 2005), those updates will be provided to the FERC.

Planned by Yearend 2005

- (1) WEQ: Several enhancements to OASIS including redirect modifications, resales and transfers, and changes to 10.6 (clarification of "all other types" – see our July 1 comments on RM05-5-000)
- (2) WEQ: Release mechanisms on the S&CP (RM05-5-000)
- (3) WEQ: Version 0 split of transmission loading relief (RM05-5-000)



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- (4) WEQ: Inadvertent Interchange Payback report and comments (RM05-5-000)

Planned by 1st Quarter 2006

- (5) WGQ: Gas Quality Part 2 – Part B of the request R03035, reporting of assumptions and calculations used in measurement of gas quality specifications (RM96 et al)
- (6) WEQ and WGQ: Follow up report from the Gas-Electric Interdependency Committee (RM05-28-000)

Planned by 2nd Quarter 2006

- (7) WGQ: Version 1.8 WGQ standards (publish date in July 31, 2006) (RM96 et al)
- (8) WEQ: Possible Version 1 changes to the standards including Coordinate Interchange Business Practices, TLR and LTATF efforts (RM05-5-000). Item 8 may be done earlier or later than 2nd quarter 2006, depending on the progress of the WEQ EC.

DEPARTMENT OF ENERGY – SANDIA NATIONAL LABORATORIES

- **October 11, 2005:** Began working with SNL to review and prepare a surety assessment of the NAESB technical standards, specific to the TEIS, EDM and PKI efforts. SNL expects to conclude its assessment by second quarter 2006. A previous review by SNL began in 1999 and concluded in March 27, 2000 with a report from SNL to NAESB, at that time GISB. A GISB/NAESB response was prepared along with standards modifications to implement the recommendations on February 22, 2002.
- **October 24, 2005:** Installed Centurion software to encrypt email communications and documents exchanged with SNL and DoE for preparation of the SNL “Official Use Only” surety assessment report.
- **October 26, 2005:** Update schedules set for SNL with NAESB to report progress of surety assessment.
- **November 15, 2005:** Leaders of NAESB WGQ, WEQ, and Retail Quadrants met via conference call with members of the Sandia National Laboratories team that are reviewing the NAESB technical standards. The NAESB members clarified questions asked by the SNL team members.
- **Planned, December 14, 2005:** Conference call between EC leaders of the NAESB WGQ, WEQ, and Retail Quadrants and the Sandia National Laboratories team members.

NATIONAL ASSOCIATIONS OF REGULATORY UTILITY COMMISSIONERS

- Update calls of one hour each month are held to brief commissioners and staff on NAESB activities. The monthly update schedule, agenda, work papers and notes can be accessed from the NAESB web site (http://www.naesb.org/monthly_update.asp). These conference calls are open to all interested parties and the materials for the calls can be accessed from the NAESB web site at the above address.
- **September 30, 2005:** NARUC newsletter ran a story on NAESB retail standards release.
- **Planned, December 21, 2005:** The next conference call will focus on the 2006 annual plans and the retail structure review report results.
- **Planned, February 11, 2006:** NAESB Advisory Council will hold its meeting in conjunction with the NARUC winter session. Planning is underway now with Michelle Malloy.

ENERGY BAR ASSOCIATION

- **First Quarter 2006:** Bill Boswell and Jim Cargas are drafting an article on GISB/NAESB, to be published in the Energy Bar Journal’s spring 2006 issue.



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November 30, 2005

RE: NAESB Standards Requested and Adopted in 2005

REQUESTS RECEIVED IN 2005

FOR THE RETAIL QUADRANTS

- **R05008** - Received April 10, 2005, Submitted by Dominion Virginia Power, Enhancements and/or additions to the RXQ Billing and Payment MBPs, Assigned to Retail Business Practices Subcommittee
- **R05013** - Received May 6, 2005, Submitted by EnergyWindow, Inc, Develop a model electric retail contract, Assigned to Retail Contracts Subcommittee
- **R05016** - Received June 17, 2005, Submitted by Wal-Mart Stores, Inc., Standards or model business practices for electronic retail billing transactions and bill payment transactions between customers, suppliers, and utilities, Assigned to Retail Business Practices Subcommittee

FOR THE WHOLESALE GAS QUADRANT

- **R05003** - Received March 8, 2005, Submitted by Florida Gas Transmission Company, Amend WGQ standard 3.4.1 to add new code value for special fuel surcharges, Assigned to WGQ Information Requirements Subcommittee
- **R05005** - Received March 23, 2005, Submitted by Northern Natural Gas, Add new transaction type codes to the Nomination 1.4.1, Shipper Scheduled Quantity 1.4.5, and Transportation Sales Invoice 3.4.1 datasets, Assigned to WGQ Information Requirements Subcommittee
- **R05006** - Received March 23, 2005, Submitted by Northern Natural Gas, Add code value to Validation Code and Message elements in Nomination Quick Response dataset, Assigned to WGQ Information Requirements Subcommittee
- **R05010** - Received April 26, 2005, Submitted by Northern Natural Gas, Add code values to Validation Code and Message elements in Nomination Quick Response dataset, Assigned to WGQ Information Requirements Subcommittee
- **R05011** - Received April 26, 2005, Submitted by Northern Natural Gas, Add new Adjustment Type Code Value to 2.4.3 Allocation and 2.4.4 Shipper Imbalance datasets, Assigned to WGQ Information Requirements Subcommittee
- **R05012** - Received May 3, 2005, Submitted by Northern Natural Gas, Add Reduction Reason code to Scheduled Quantity, Operator Scheduled Quantity and Confirmation Response, Assigned to WGQ Information Requirements Subcommittee
- **R05014** - Received May 10, 2005, Submitted by EnCana Gas Marketing and NAESB WGQ Contracts Subcommittee, Review the current NAESB WGQ's "Base Contract for Purchase and Sale of Natural Gas" for possible update and revisions to reflect current industry practices and applicable general terms and conditions, Assigned to WGQ Contracts Subcommittee
- **R05015** - Received June 15, 2005, Submitted by National Fuel Gas Distribution Corporation, Add language to the NAESB WGQ Implementation Guide(s) discussing the use of discretionary verbs, Assigned to WGQ Executive Committee



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- **R05017** - Received June 1, 2005, Submitted by El Paso Eastern Pipelines, Delete or change the usage of the data element Rate Form/Type Code from datasets 5.4.20, 5.4.21 and 5.4.22, Assigned to ??
- **R05021** - Received June 1, 2005, Submitted by El Paso Eastern Pipelines, Modify existing and/or develop additional standard(s) for displaying Entity codes when D-U-N-S Numbers do not exist, Assigned to WGQ Business Practices Subcommittee
- **R05022**, Received June 1, 2005, Submitted by El Paso Eastern Pipelines, Standard to limit the use of special characters in a Package ID, Assigned to WGQ Business Practices Subcommittee
- **R05023** - Received September 1, 2005, Submitted by Northern Natural Gas, Add new Adjustment Type Code Value to 2.4.4 Shipper Imbalance dataset, Assigned to WGQ Information Requirements Subcommittee
- **R05024** - Received September 1, 2005, Submitted by Northern Natural Gas, Add code values to Charge Type element in Transportation/Sales Invoice dataset, Assigned to WGQ Information Requirements Subcommittee
- **R05025** - Received October 12, 2005, Submitted by Northern Natural Gas, Add new Adjustment Type Code Value to 2.4.4 Shipper Imbalance dataset, Has not been triaged.
- **R05027** – Received October 28, 2005, Submitted by El Paso Natural Gas Company, Add two new Allocation Transaction Type codes to improve the reporting of Pathed Non-Threaded levels of detail in the Allocation Statement.
- **R05028** – Received November 1, 2005, Submitted by Kinder Morgan, Inc., Add two new data elements to the Nomination and Scheduled Quantity data sets that 1) permit the service requestor to identify a specified path for the nominated transaction, and 2) provide shippers the ability to identify the specific month of an imbalance they may want to clear.

FOR THE WHOLESALE ELECTRIC QUADRANT

- **R05001** - Received January 2, 2005, Submitted by NAESB Members of the ESS/ITS, Amend WEQ R03013 to align coordinate interchange transactions with Version 0, Assigned to WEQ Electronic Scheduling Subcommittee/Information Technology Subcommittee.
- **R05002** - Received January 13, 2005, Submitted by NAESB WEQ Information Technology Subcommittee, Amend sections 9.5 and 10.5 of OASIS 1A redirect standards, Assigned to WEQ Electronic Scheduling Subcommittee.
- **R05004** - Received March 22, 2005, Submitted by NERC Long Term ATC/AFC Task Force, Develop transmission service request and scheduling standards using TTC/ATC/AFC and CBM/TRM, Assigned to WEQ Electronic Scheduling Subcommittee.
- **R05007** - Received April 8, 2005, Submitted by Electric Reliability Council of Texas (ERCOT), Review the NAESB WEQ “Version 0” business practice standards and remove any references to ERCOT, Assigned to WEQ Business Practices Subcommittee.
- **R05009** - Received April 22, 2005, Submitted by NAESB office, Modify the NAESB Version 0 TLR business practices to remain consistent with the NERC Version 0 TLR reliability standards, Assigned to WEQ Business Practices Subcommittee.
- **R05018** - Received June 24, 2005, Submitted by the NERC/NAESB Joint Interchange Scheduling Work Group, Revise the e-Tag specification to allow PSEs associated with a transmission segment in the tag optional approval rights, Assigned to WEQ Electronic Scheduling Subcommittee/Information Technology Subcommittee.
- **R05019** - Received June 24, 2005, Submitted by the NERC/NAESB Joint Interchange Scheduling Work Group, Modify OASIS standards and S&CP to clearly document the procedures used to implement the displacement/interruption terms of the Pro Forma tariff, Assigned to WEQ Electronic Scheduling Subcommittee/Information Technology Subcommittee.



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- **R05020** - Received June 6, 2005, Submitted by NERC, Include a guideline for rounding schedules with partial mWh's in the coordinate interchange business practice WEQBPS-002-000, Assigned to WEQ Electronic Scheduling Subcommittee/Information Technology Subcommittee.
- **R05026** - Received October 11, 2005, Submitted by Calpine, Thirteen proposed enhancements to incrementally improve OASIS, Has not been triaged.

STANDARDS ADOPTED IN 2005

FOR THE WHOLESALE GAS QUADRANT

- **Recommendation R98018:** Reduction Reason Codes to Scheduled Quantity by Contract & Scheduled Quantity for Operator. *(Ratified 3/17/05).*
- **Recommendation R98040/R98050/01018:** Modify Flowing Gas Implementation Guide to include Storage Balance Reporting Dataset, Add Datasets Storage & Park/Loan Balance to Upload of Requirements for Download (And Response Datasets), and Add Transaction Type Data Element Code Values. *(Ratified 3/17/05).*
- **Recommendation R99037:** Confirmation Level Data Element to Request for Confirmation, Confirmation Response, and Scheduled Quantity for Operators. *(Ratified 3/17/05).*
- **WGQ Annual Plan Item 8:** FERC Order 2004 (affiliate Order). *(Ratified 5/3/05).*
- **Recommendation R04017:** Trading Partner Agreement for Retail Use as Modified by the REQ EC, RGQ EC, and WGQ EC on March 4, 2005. *(Ratified 5/13/05 in WGQ).*
- **WGQ Annual Plan Item 7, RGQ Annual Plan Item 12, REQ Annual Plan Item 14:** Adoption of the common NAESB Electronic Transport (ET). *(Ratified 7/1/05 in WGQ).*
- **WGQ 2005 Annual Plan Item 3:** Adoption of the WGQ Quadrant EDM Manual as a replacement for the NAESB WGQ Electronic Delivery Mechanism (EDM) Manual. *(Ratified 7/1/05).*
- **Recommendation R02006:** Add validation code warning value "Higher rate may result" to NAESB WGQ Std. No. 1.4.2 – Nomination Quick Response *(Ratified 7/1/05).*
- **Recommendations R03004/R01013:** Add code value "Exceeded Family of Contracts MDQ" for the data element Reduction Reason in NAESB WGQ Std. No. 1.4.5 – Scheduled Quantity. *(Ratified 7/1/05).*
- **Recommendation R97110:** Modify the definition of data elements 'Posting Date' and 'Posting Time' in Offer Download, Bid Download, and Award Download. Delete data elements 'Withdrawal Posting Date' and 'Withdrawal Posting Time' from Withdrawal Download. Add data elements 'Posting Date' and 'Posting Time' to Withdrawal Download. Modify Withdrawal Download TIBP. *(Ratified 7/1/05).*
- **Recommendation R00004:** Add a new data element 'Limit Type' to Pre-Determined Allocation. Add code values for new data element 'Limit Type' in Pre-Determined Allocation Code Values Dictionary. Add validation codes to Pre-Determined Allocation Quick Response. Add 'Limit Type' to the Flowing Gas Data Group. *(Ratified 7/1/05).*
- **Recommendation R00005:** Add a new data element "Swing Fuel Option Indicator" to Pre-Determined Allocation. Add code values for new data element 'Swing Fuel Option Indicator' to Pre-Determined Allocation Code Values Dictionary. Add validation codes to Pre-Determined Allocation Quick Response. Add 'Swing Fuel Option Indicator' to the Flowing Gas Data Group. *(Ratified 7/1/05).*
- **Recommendation R01011:** Add validation code to Pre-Determined Allocation Quick Response. *(Ratified 7/1/05).*



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- **Recommendation R00010:** Add code value for the data element 'Rate Identification Code to data sets: Offer Download, Bid Download, Award Download, Offer Upload, Offer Upload Quick Response, Offer Upload Notification, Bid Upload, Bid Upload Quick Response. (*Ratified 7/1/05*).
- **Recommendation R04021 and R04021-A:** Definitions and standards for daily operational communications between pipelines and power plants and the technical implementation for the standards in R04021. (*Ratified 8/15/05*).
- **Recommendations R99031 and R03008:** Add data element "Cycle Indicator" to the Nomination, Request for Confirmation, Confirmation Response, Scheduled Quantity, and Scheduled Quantity for Operator data sets. Add five validation codes to Nomination Quick Response and Confirmation Response Quick Response. Add code value "Reduction Reason" to Confirmation Response. Add data element "Cycle Indicator" in Dates Data Group of NAESB WGQ Standards 1.3.54, 1.3.60, 1.3.61, and 1.3.63. (*Ratified 10/10/05*).
- **Recommendation R01008:** Add new code value "Meter Bounce – Overrun" for the data element "Transaction Type" in the Nomination, Scheduled Quantity, Pre-determined Allocation, Allocation, Shipper Imbalance, and Transportation/Sales Invoice data sets. (*Ratified 10/10/05*).
- **Recommendation R03030:** Add two new code values: "Imbalance Resolution – Firm" and "Imbalance Resolution – Interruptible" for the data element "Transaction Type" in the Nomination, Scheduled Quantity, and Transportation/Sales data sets. (*Ratified 10/10/05*).
- **Recommendation R03022:** Reinstate two code values: "Imbalance Transfer" and "Storage Inventory Transfer" for the data element "Transaction Type" in the Nomination, Scheduled Quantity, Pre-determined Allocation, and Allocation data sets. (*Ratified 10/10/05*).
- **Recommendation R00024:** Add four code values: "Storage Account Balance Overrun", "Storage Account Balance Underrun", "Storage Capacity Charge" and "Storage Unmet Monthly Minimum" for the data element "Charge Type" in NAESB WGQ Standard No. 3.4.1 – Transportation Sales/Invoice. (*Ratified 10/10/05*).
- **Recommendation R01010:** Add ten code values for the "Reduction Reason" data element in the "Scheduled Quantity" and "Scheduled Quantity for Operator" data sets. (*Ratified 10/10/05*).
- **Recommendation R02010:** Add one new code value: "Reduction due to balancing of path" for the data element "Reduction Reason" in the Confirmation Response, Scheduled Quantity, and Scheduled Quantity for Operator data sets. (*Ratified 10/10/05*).
- **Recommendation R03019:** Add one new code value: "Underperformance of Confirming Party at Receipt Location" for the "Reduction Reason" data element in the Confirmation Response, Scheduled Quantity, and Scheduled Quantity for Operator data sets. (*Ratified 10/10/05*).
- **Recommendation R04030:** Add a new data element to the Internet Electronic Transport (Internet ET) "refnum-orig". (*Ratified 10/10/05*).
- **Clarification C03006:** Add a clarification for certain disclosure under Section 14.10 under the NAESB WGQ "Base Contract for Purchase and Sale Natural Gas" (NAESB WGQ Standard 6.3.1). (*Ratified 10/10/05*).
- **WGQ Annual Plan Item #4:** Update the minimum technical characteristics in Appendix B "Minimum Technical Characteristics for the Developer and User of the Customer Activities Web Sites", Appendix C "Minimum Technical Characteristics and Guidelines for the Developer and User of Informational Postings Web Sites, and Appendix D "Minimum Technical Characteristics for EDM Communications". (*Ratified 10/10/05*).
- **Clarification C05002:** Clarification to NAESB WGQ Standard 4.3.88 – add proposed WGQ Interpretation 7.3x regarding a clarification for usage of 128-bit Secure Socket layer encryption under NAESB WGQ Standard 4.3.88. (*Adopted by the WGQ on 12/1/05 and out for ratification.*)



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FOR THE RETAIL QUADRANTS

- **Recommendation R04017:** Trading Partner Agreement for Retail Use as Modified by the REQ EC, RGQ EC, and WGQ EC on March 4, 2005. *(Ratified 5/13/05 in REQ and RGQ).*
- **RGQ Annual Plan Item 12, REQ Annual Plan Item 14, WGQ Annual Plan Item 7:** Adoption of the common NAESB Electronic Transport (ET). *(Ratified 8/30/05 in REQ and RGQ).*
- **Recommendation R04030:** Add a new data element to the Internet Electronic Transport (Internet ET) “refnum-orig”. *(Ratified 9/26/05).*
- **Retail Gas Quadrant Annual Plan Item 6 and Retail Electric Quadrant Annual Plan Item 6:** Establish the Quadrant specific EDM (QEDM) standards for REQ and RGQ. *(Ratified 9/26/05).*

FOR THE WHOLESALE ELECTRIC QUADRANT

- **Recommendation R04021:** Definitions and standards for daily operational communications between pipelines and power plants. *(Ratified 7/8/05).*
- **Recommendation R05009:** Modify the NAESB Version 0 TLR business practices to remain consistent with the NERC Version 0 TLR reliability standards. *(Ratified 10/10/05).*
- **2003 WEQ Annual Plan Item 6-IIP:** (IPTF Final Report) Develop business practices standards for Inadvertent Interchange Payback. *(Adopted by the WEQ EC on 11/29/05 – no ratification required.)*
- **Recommendation R04013A:** Version 0 Business Practices Standards – Development of post-split “Version 0” Transmission Loading Relief Business Practice Standard. *(Adoption pending notational ballot. Ratification held in abeyance until TLR implementation issues between NERC and NAESB, including ongoing development of both the commercial and reliability aspects of TLR have been clearly defined. This determination to be made by the NAESB WEQ Members of the Board of Directors.)*
- **Recommendation R04035/R05002:** Clarify OASIS 1A nomenclature and amend WEQ standard 4.19/Amend sections 9.5 and 10.5 of OASIS 1A Redirect Standards. *(Adoption by the WEQ EC on 11/29/05 and out for ratification.)*
- **Recommendation R04006D:** OASIS 1A Enhancements – Sale or Assignment of Transmission Service. *(WEQ EC voted back to Electronic Scheduling Subcommittee and Information Technology Subcommittee on 11/29/05 issues surrounding Redirect Standard 9.8.1.)*

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 8

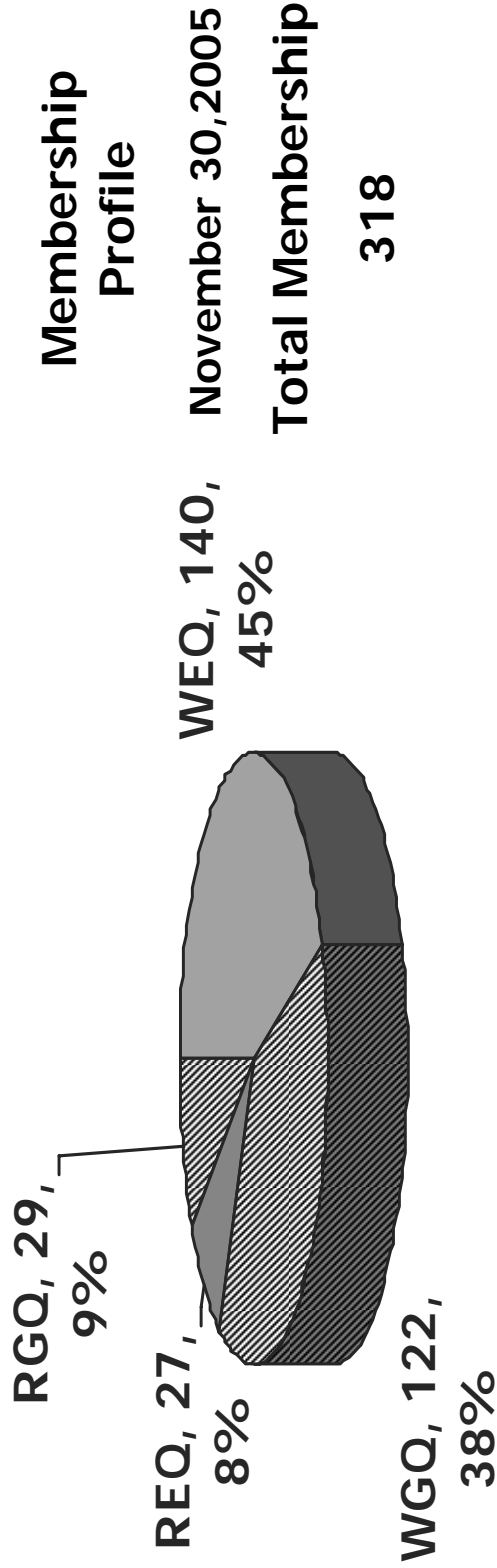
FINANCIAL REPORT

This section includes:

- Financial Reports YTD for 2005
- Proposed budget for 2006
- Membership Report and Statistics

The material presented is background information for the discussion of agenda item 6. This is for informational and discussion purposes with the no action expected of the board with the exception of the 2006 budget. The Board will be asked to approve the 2006 budget via a simple majority vote.

North American Energy Standards Board 11/30/05



Quadrant Statistics	WEQ	WGQ	REQ	RGQ	Total
Membership YE 2004	133	119	32	32	316
Net Change	+8	+3	-6	-3	+2
Change in Quadrant	-1		+1		0
Membership YTD	140	122	27	29	318

North American Energy Standards Board Membership List
As of November 30, 2005

NAESB Membership Report - Quadrant/Segment Membership Analysis		Number of Members
WGQ Segments	Total	122
	End Users	18
	Distributors	24
	Pipelines	40
	Producers	14
	Services	26
REQ Segments	TOTAL	27
	End Users	4
	Distributors	13
	Services	5
	Suppliers	5
RGQ Segments	TOTAL	29
	End Users	4
	Distributors	12
	Services	7
	Suppliers	6
WEQ Segments	TOTAL	140
	End Users	13
	Distributors	23
	Transmission	43
	Generation	31
	Marketers	26
	None Specified	4

North American Energy Standards Board Membership List
As of November 30, 2005

NAESB Membership Statistics – Changes by Quadrant for 2005 as of November 30, 2005

WEQ	New Members:	20
	<i>DTE Energy, Southern California Edison Company, American Public Power Association, Idaho Power Company, Progress Energy (Regulated), Maryland Peoples Counsel, Minneapolis Consulting Group, NERC, Open Access Technology International, Inc., Constellation Generation Group, New York State Reliability Council, Otter Tail Power Company, WECC, Edison Mission Marketing & Trading, Inc., Imperial Irrigation District (Marketer), Imperial Irrigation District (Transmission), Aquila, Inc., Qualedi, Inc., Williams Power Company, Ameren Services</i>	
	Member Resignations:	12
	<i>CapGemini Ernest and Young, Avista Corp, Duke Energy North America, Buckeye Power, Inc., Southwestern Power Administration, Mirant Corp., American Electric Power Service, Columbus Southern Power Company, Hydro One Networks, Arkansas Electric Cooperative Corporation, Old Dominion Electric Cooperative, Progress Energy (Unregulated)</i>	
	* NOTE: Change in membership designation of Constellation NewEnergy from WEQ to REQ on November 14, 2005	-1
WGQ	New Members:	10
	<i>Chandeleur Pipe Line Co., Florida Reliability Coordinating Council, New Jersey Natural Gas Company, NJR Energy Services Company, Alliance Pipeline LP, Northern Plains Natural Gas Co., Anadarko Energy Services Company, Cinergy, Enterprise Products Partners, L.P., Cimarex Energy Co.</i>	
	Member Resignations:	7
	<i>Transwestern Pipeline Co., TXU Energy Trading, SUEZ Energy Resources, Columbia Gulf Transmission, Edison Mission Marketing and Trading, Energy Velocity, Promet Energy Partners, LLC</i>	
REQ	New Members:	0
	Member Resignations:	6
	<i>Southern California Edison, Reliant Energy Retail Services, Electric America, Georgia Power Company, Detroit Edison Company, Foley & Lardner</i>	
	* NOTE: Change in membership designation of Constellation NewEnergy from WEQ to REQ on November 14, 2005	+1
RGQ	New Members:	1
	<i>Sprague Energy Corp.</i>	
	Member Resignations:	4
	<i>Consolidated Edison Company of New York, Inc., Amerada Hess Corporation, Shell Energy Services, KeySpan Energy Delivery</i>	
TOTAL	New Members	31
	Member Resignations:	29

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant		Organization	Segment	Contact	Sub-Segment
Retail Electric Quadrant:	1	Alabama Power	d	Judy W. Ray, Yvette Camp	
	2	Ameren Services Company	d	Patrick Eynon	
	3	Baltimore Gas & Electric Co.	d	Ruth Kiselewich, John Magwood	
	4	Calpine Energy Services, LP	su	Janet Dixon	
	5	Cinergy Services, Inc.	d	Paul K. Jett	
	6	Consolidated Edison Company of NY	d	Hollis Krieger	
	7	Constellation NewEnergy, Inc.	d	Sara O'Neill, Peter Kelly- Detwiler, Jansen Pollock	
	8	Defense Energy Support Center	e	Lisa Robert	
	9	Direct Energy Business Services	su	David Booty	
	10	Dominion Retail	su	William Barkas, Richard Zelenko	
	11	Dominion Virginia Power	d	David F. Koogler, Mary Edwards	
	12	EC Power International	s	Judy Bailey, J. Cade Burks, Jennifer Teel	
	13	Electric Reliability Council of Texas (ERCOT)	s	Sam R. Jones, Rob Connell, Ray Giuliani	
	14	Exelon Energy Delivery	d	Toni Garza	
	15	Gulf Power Company	d	Joel Thomas Kilgore	
	16	MidAmerican Energy	d	James E. Wilson	
	17	Mississippi Power Company	d	Dorman Davis	
	18	Office of Public Advocate, State of Maine	e	Barbara Alexander	
	19	Ohio Consumers Council	e	Randy Corbin	
	20	Pennsylvania Office Of Consumer Advocate	e	Tanya J. McCloskey, Sonny A. Popowsky	
	21	PPL Solutions, LLC	s	James M. Minneman	
	22	Public Service Electric & Gas	d	Terrence Moran	
	23	Savannah Electric and Power Company	d	Osman Bholat	
	24	Southern Company Services	s	Mark S. Jarrett, Yvette Camp	
	25	Structure Group	s	Stacey Wood	
	26	TXU Energy Retail	su	Felecia Lokey	
	27	Wisconsin Public Service Corporation	d	William L. Bourbonnais, Les Nishida, Ken Thiry	

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant		Organization	Segment	Contact	Sub-Segment
Wholesale Gas Quadrant:	1	8760	s	Jim Buccigross	
	2	AEP Energy Services, Inc.	s	Cathy Szasz	
	3	Alliance Pipeline LP	pl	Neil Coghlan	
	4	Ameren Corporation	l	Scott Glaeser	
	5	Anadarko Energy Services Company	s	John Bretz, Steve Abbey	
	6	Apache Corporation	pr	Michele Markey	
	7	Arizona Public Service Company	e	Gary Duede, Kelly Daly, Curt Brechtel	
	8	Atmos Energy	pl	Steve Easley	
	9	Ballard Natural Gas, LLC	s	Susan Thibodeaux	
	10	Baltimore Gas & Electric Co.	l	Phil Precht	
	11	Barclays Bank PLC	s	Guy Kern-Martin	
	12	BG LNG Services, LLC	s	Martha Braddy	
	13	Boeing Co., The	e	Tina Burnett	
	14	BP Energy	pr	Bill Benham, Lauren Kaestner	
	15	Bridgeline Gas Marketing	pl	Georgia Blanchard	
	16	Burlington Resources	pr	Paul Keeler	
	17	Calpine Energy Services, LP	e	Janet Dixon, Craig Chancellor	
	18	Cargill Incorporated	s	Kathy Gerken	
	19	Cascade Natural Gas Corporation	l	Mark Sellers-Vaughn	
	20	CenterPoint Energy Gas Resources Corp.	s	James G. Beste	
	21	CenterPoint Energy Gas Transmission Company	pl	Larry Thomas	
	22	CenterPoint Energy Mississippi River Transmission Corporation	pl	Robert Trost	
	23	Chandeleur Pipe Line Company	pl	Janice E. Rogers	
	24	Chevron/Texaco	pr	Randy Mills	
	25	Cimarex Energy Co.	pr	Kim King	
	26	Cinergy - regulated	e	John Procaro	
	27	Cinergy	e	Marty Patterson	
	28	Cinergy Marketing and Trading	s	Maribeth Bedevian	
	29	Columbia Gas Transmission	pl	Carl Levander	
	30	Comprehensive Energy Services	e	Jim Templeton	
	31	ConocoPhillips Gas and Power	pr	Peter Frost	

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
32	Consolidated Edison Company of NY	l	Mary Jane McCartney, James Stanzione	
33	Constellation Commodities Group, Inc.	s	Robert McKay	
34	Dauphin Island Gathering Partners	pl	Katie Rice	
35	Defense Energy Support Center	e	Veronica Jones, Kevin Ahern	
36	Department of Energy	e	Christopher Freitas	
37	Dominion Exploration and Production, Inc.	pr	David Ogden, Gary Weaver, Sheri Heslington	
38	Dominion Resources	l	Craig Columbo	
39	Dominion Transmission, Inc.	pl	Gary Sypolt, Iris King	
40	Duke Energy Gas Transmission - Texas Eastern	pl	Richard Kruse	
41	El Paso Natural Gas	pl	William Griffith	
42	El Paso Production Company	pr	Bill Hebenstreit	
43	Enbridge Energy Company, Inc.	pl	Terry McGill	
44	EnCana Marketing (USA) Inc.	s	Keith Sappenfield	
45	EnCana Corporation	pr	Keith Sappenfield	
49	Energy East Management Corporation	l	Marjorie Perlman	
47	Entergy Services, Inc.	e	Arlynn Kelleher, Terry Shields	
48	Enterprise Products Partners L.P.	pl	Richard W. Porter	
49	Equitable Gas Company	l	Steve Rafferty	
50	Equitrans, L.P.	pl	Mina Speicher	
51	ExxonMobil Gas Marketing	pr	Richard Smith	
52	Florida Power & Light Company	e	Dona Gussow	
53	Florida Reliability coordinating Council	e	Joe Stepenovitch	
54	Gas Transmission Northwest Corp.	pl	Jay Story	
55	Great Lakes Gas Transmission	pl	Gene Fava	
56	Group 8760	S	Jim Buccigross	
57	Gulf South Pipeline	pl	Claire Burum, Randy Young	
58	H S Resources Inc.	pl	Carol Hall	
59	Imperial Irrigation District	e	William Rapp	
60	Iroquois Gas Transmission System	pl	Tom Gwilliam	
61	Kern River Gas Transmission Company	pl	Janie Nielsen	
62	Kerr-McGee Oil and Gas Corporation	pr	Charles (Chuck) Johnson	
63	Key Span Energy	l	Dolores Chezar	

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
64	Laclede Gas Co.	l	Kenneth Neises	
65	Latitude Technologies	s	Leigh Spangler	
66	Louis Dreyfus Energy Services	s	Mary Ellen Bell, Ruby H. Melton	
67	Lower Colorado River Authority	e	Mickey Bell	
68	Marathon Oil Company	pr	Robin Perrine	
69	Mewbourne Oil Company	pr	Michael F. Shepard	
70	National Fuel Gas Distribution	l	Michael Novak	
71	National Fuel Gas Supply Corp.	pl	Joseph Kardas	
72	Natural Gas Pipeline Co of America	pl	Paul Love	
73	New Jersey Natural Gas Company	l	Douglas C. Rudd	
74	Niagara Mohawk Power Corporation	l	Bruce Garcy	
75	Nicor Gas	l	Nancy Brucher	
76	NiSource Inc.	l	George Simmons	
77	NJR Energy Services Company	s	Ginger Richman	
78	Northern Natural Gas	pl	Mary Darveaux	
79	Northern Plains Natural Gas Co., LLC	pl	Scott Coburn	
80	Northwest Natural Gas Company	l	Randolph Friedman	
81	NOVA Gas Transmission Ltd.	pl	Doug Miller	
82	Occidental Energy Marketing Inc. (OEMI)	pr	Melinda Duncan	
83	Oxadel Consulting, LLC	s	Lyn Maddox	
84	Pacific Gas & Electric	l	John Breen	
85	Panhandle Eastern Pipe Line	pl	William Grygar, Kim Van Pelt	
86	PECO Energy Co.	l	Reed R. Horting, Amy Hamilton	
87	Pemex Gas Y Petroquimica Basica	s	Juan Enrique Gonzalez Azuara	
88	Peoples Gas Light & Coke Co.	l	Tom Zack	
89	Platts	s	Bill Murphy	
90	Portland General Electric	pl	Kathy Davies	
91	Portland Natural Gas Transmission System	pl	David Haag	
92	PPL EnergyPlus, LLC	e	Anne Lovett	
93	Public Service Electric & Gas	l	David Wohlfarth	
94	Questar Pipeline Co.	pl	Scott Hansen	
95	Quorum Business Solutions Inc.	s	Douglas Allen	
96	Sabine Pipe Line LLC	pl	Jan Rogers	
97	Salt River Project Agricultural	e	Diane McVicker	

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
	Improvement & Power District			
98	SCANA Corporation	pl	Jacquelyn Gettle	
99	Sempra Energy - Southern California Gas Co.	l	Lee Stewart, Rodger Schwecke	
100	Sequent Energy Management, L.P.	s	Pat Metteauer	
101	Shell Gas Transmission, LLC	pl	Chuck Cook, Neal Gerstandt	
102	SolArc Inc.	s	Tim Curtis	
103	Southern California Edison Company	e	Roman Bakke	
104	Southern Company Services, Inc.	e	Carl Haga	
105	Southern Natural Gas Co.	pl	Renee Hyde, Ronnie L. Martin	
106	Southern Star Central Gas Pipeline	pl	James L. Harder, Dale Sanders	
107	Southwest Gas Corporation	l	Larry Black	
108	SunGard	s	Jennifer Chen	
109	Telvent	s	William (Bill) Morrow	
110	Tennessee Gas Pipeline Company	pl	Larry Smith, Mark Gracey	
111	Tennessee Valley Authority	e	Valerie Crockett	
112	Texas Gas Transmission, LLC	pl	Jeff Bittel	
113	Tiger Natural Gas	s	Bob Smith	
114	TransCanada Pipelines	pl	Doug Miller	
115	Trinity Apex Systems	s	Richard (Dick) Couron	
116	UBS Energy LLC	s	Suzanne Calcagno	
117	Vector Pipeline L.P.	pl	Amy Bruhn	
118	Washington Gas Light Co.	l	Adrian Chapman, Ken Yagelski	
119	Westfield Gas & Electric Light Dept.	l	Joyce Bodak	
120	Williams Gas Pipeline	pl	Dale Davis, Ron Mucci	
121	Williston Basin Interstate Pipeline	pl	Keith Tiggelaar	
122	Wisconsin Public Service Corporation	l	Patrick Fox	
Wholesale Electric Quadrant:				
1	ACES Power Marketing LLC	m	Roy J. True	muni
2	Alabama Electric Cooperative, Inc.	d	Kenneth J. Skroback	muni
3	Ameren Services	m	Shawn Schukar	iou
4	American Electric Power Service Corp.	m	Barbara Radous, Joseph Hartsoe, Phil Cox	iou
5	American Electric Power Service Corp.	t	John Stough, Michael Desselle	iou

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
6	American Municipal Power - Ohio, Inc.	d	Pat Frazier, Chris Norton	muni
7	American Public Power Association	d	Allen Mosher	muni
8	American Transmission Company LLC	t	Julie Voeck	itc
9	Aquila, Inc.	g	Greg Emery	iou
10	Arizona Public Service Company	t	Mark W. Hackney	iou
11	Basin Electric Power Cooperative	t	Dan Klempel	muni
12	Basin Electric Power Cooperative	m	David Raatz	nd
13	Basin Electric Power Cooperative	g	Jason Doerr	muni
14	Boeing Company	e	Steve LaFond	lind
15	Bonneville Power Administration	d	Sydney D. Berwager	other
16	Bonneville Power Administration	g	Francis Halpin	fed
17	Bonneville Power Administration	m	Brenda Anderson	fed
18	Bonneville Power Administration	t	Barbara Rehman	fed
19	BP America Inc.	e	Jeanne Zaiontz	lind
20	Calpine Corporation	g	William Taylor, Jim Stanton	merc
21	Central Electric Power Cooperative	d	Arthur Fusco	muni
22	ChevronTexaco Energy Research and Technology	e	Carol Guthrie	sgen
23	Cinergy (regulated)	e	John Procaro	endues
24	Cinergy	g	Walt Yeager	iou
25	Cinergy	m	Walt Yeager	iou
26	Cleco Power, LLC	t	Keith Comeaux	iou
27	Comprehensive Energy Services	e	Jim Templeton	enduse
28	Conectiv Energy Supply, Inc.	g	Gloria Ogenyi	merc
29	Conectiv Energy Supply, Inc.	m	Gloria Ogenyi	iou
30	Consolidated Edison Company of New York, Inc.	t	Scott Butler	iou
31	Constellation Generation Group	g	Michael Gildea	merc
32	Consumers Energy Company	d	Andrew C. Dotterweich, Frank Johnson	iou
33	Consumers Energy Company	g	Steven L. Gaarde, Andrew C. Dotterweich, John J. Dellas	iou
34	Dairyland Power Cooperative	t	Chuck Callies	muni
35	Department of the Interior, Bureau of Reclamation	g	Deborah M. Linke	fed
36	Dominion Energy Marketing, Inc.	g	Lou Oberski	iou
37	DTE Energy	m	David G. Nick	iou
38	Duke Energy Corp.	d	Ollie Frazier	iou

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
39	Dynergy Power Marketing, Inc.	g	Barry Huddleston	merc
40	Edison Electric Institute	n	David Owens, Dave Dworzak	N
41	Edison Mission Marketing & Trading, Inc.	g	William Roberts	merc
42	Electric Reliability Council of Texas (ERCOT)	n	Sam R. Jones, Ray Giuliani	n
43	ElectriCities of North Carolina (North Carolina Eastern Municipal Power Agency)	g	Gregory Locke	muni
44	Electricity Consumers Resource Council (ELCON)	e	John Anderson, John Hughes	lind
45	Empire District Electric Company, The	t	Bary K. Warren	iou
46	Energy East Management Corporation	t	Marjorie Perlman	iou
47	Entergy Services, Inc.	t	Edward J. Davis	iou
48	Entergy Services, Inc.	m	James M. (Jimmy) Smith	iou
49	Exelon Corporation - PECO Energy	d	John F. Leonard, Jr.	iou
50	Exelon Generation - Power Team	m	Jack Crowley	iou
51	ExxonMobil Gas Marketing	e	Steve Sayuk, Mark Scheel, Mark Ulrich	sgen
52	FirstEnergy Solutions Corp.	m	Edward C. Stein	iou
53	Florida Municipal Power Agency	g	Robert C. Williams	muni
54	Florida Municipal Power Agency	d	Steven H. McElhaney	muni
55	Florida Power & Light Company	m	Gerry Yupp, Raleigh Nobles	iou
56	Florida Power & Light Company	t	Marty Mennes	iou
57	Florida Reliability Coordinating Council	t	Linda D. Campbell	at large
58	Georgia Transmission Corporation	t	Patrick McGovern, Mark Temple	muni
59	Hydro – Quebec Transenergie	t	Victor Bissonnette	fed
60	Idaho Power Company	t	Robert Gumm	iou
61	Imperial Irrigation District	m	Kim M. Kiener, Frank M. Barbera	muni
62	Imperial Irrigation District	t	Juan Carlos Sandoval, Javier Esparza	muni
63	Indiana Municipal Power Agency	g	Dick Foltz	muni
64	International Transmission Company	t	Jim D. Cyrulewski	itc
65	Maryland Peoples Counsel	e	Mike Tomczak	
66	Michigan Electric Transmission Company LLC	t	Charles V. Waits	itc
67	Michigan Public Power Agency	d	James R. Nickel, Daniel E. Cooper	muni

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
68	Midwest Independent Transmission System Operator+J96	n	William (Bill) Phillips	n
69	Minneapolis Consulting Group	e	Mike Prickett	endues
70	Missouri River Energy Services	d	Brian Zavesky	muni
71	Modesto Irrigation District	t	Roger Van Hoy	muni
72	National Association of Regulatory Utility Commissioners	e	Lou Ann Westerfield	reg
73	National Grid USA	t	Herbert Schrayshuen, Peter Flynn, Mary Ellen Paravalos	itc
74	National Rural Electric Cooperative Assoc.	d	Barry Lawson	muni/coop
75	Navigant Consulting, Inc.	m	Richard G. Smead	at large
76	New York State Dept. of Public Service	e	William Heinrich	reg
77	New York State Reliability Council	d	P. Donald Raymond	at large
78	North American Electric Reliability Council	d	Donald M. Benjamin, Larry Kezele, Tom Vandervort, Bill Blevins	at large
79	North Carolina Electric Membership Corporation	d	David Beam	muni
80	North Carolina Electric Municipal Power Agency #1	m	Clay A. Norris	muni
81	North Carolina Electric Municipal Power Agency #1	d	Andrew Fusco	muni
82	Northeast Utilities Service Company	t	David Boguslawski, Bill P. McKinnon	iou
83	Oglethorpe Power Corporation	g	Billy Ussery	muni
84	Ohio Consumers' Counsel	e	Randy Corbin	comres
85	Ontario Power Generation	g	Barry Green	merc
86	Ontario Power Generation	m	Rob Robinson	niou
87	Open Access Technology International, Inc.	e	Kevin Burns	at large
88	Open Access Technology International, Inc.	t	Paul R. Sorenson	at large
89	Otter Tail Power Company	t	Daryl Hanson, Larry Larson	iou
90	PacifiCorp	m	Edison G. Elizeh	iou
91	PacifiCorp	g	Greg Maxfield	iou
92	PacifiCorp	t	Jim Hicks, Mark Maher	iou
93	PHI Power Delivery	t	Ken Gates	iou
94	Platte River Power Authority	t	Terry L. Baker	muni
95	Portland General Electric	m	Terri Peschka	iou
96	PPL Electric Utilities Corporation	t	Ray Mammarella	iou

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
97	Progress Energy (Regulated)	m	James Eckelkamp	iou
98	Progress Energy	t	Verne Ingersoll, Phillip W. Lewis	iou
99	PSEG Power LLC	g	Thomas M. Piascik	merc
100	PSEG Energy Resources and Trade LLC	m	James D. Hebson	io
101	Public Service Electric and Gas Company	d	Colin J. Loxley	iou
102	Public Service Electric and Gas Company	t	Jeffrey C. Mueller	iou
103	Puget Sound Energy, Inc.	t	George Marshall, Bob Harshbarger	niou
104	Qualedi, Inc.	g	Stephen A. Morocco	at large
105	Sacramento Municipal Utility District	d	Robert D. Schwermann	muni
106	Sacramento Municipal Utility District	g	Thomas Ingwers	muni
107	Salt River Project Agricultural Improvement and Power District	d	Wendy Weathers, Mark B. Bonsall	other
108	Salt River Project Agricultural Improvement and Power District	t	Steve Cobb	fed
109	Seminole Electric Cooperative, Inc.	g	Lane Mahaffey	muni
110	Southeastern Power Administration	g	Bob Goss	fed
111	Southern California Edison	t	Weston Williams	iou
112	Southern California Edison Co.	g	Thomas Watson	iou
113	Southern Company Services, Inc.	d	Garey Rozier, Mark Crosswhite, Greg Butrus	iou
114	Southern Company Services, Inc.	g	Roman Carter	iou
115	Southern Company Services, Inc.	m	Joel Dison	iou
116	Southern Company Services, Inc.	t	R.D. (Dean) Ulch, John Lucas, Rebecca Martin, James Y. Busbin	iou
117	Southwest Transmission Cooperative, Inc.	t	Larry D. Huff	muni
118	Southwest Power Pool	n	Carl Monroe	n
119	Southwestern Power Administration	t	Stanley L. Mason	fed
120	Sunflower Electric Power Corporation	t	L. Earl Watkins	muni
121	Tenaska, Inc.	g	Scott Helyer	merc
122	Tennessee Valley Authority	d	Ron L. Owens	other
123	Tennessee Valley Authority	g	William F. Irish	fed
124	Tennessee Valley Authority	m	Clyde Harmon	fed
125	Tennessee Valley Authority	t	Mitchell Needham, W. Terry Boston	fed

North American Energy Standards Board Membership List
As of November 30, 2005

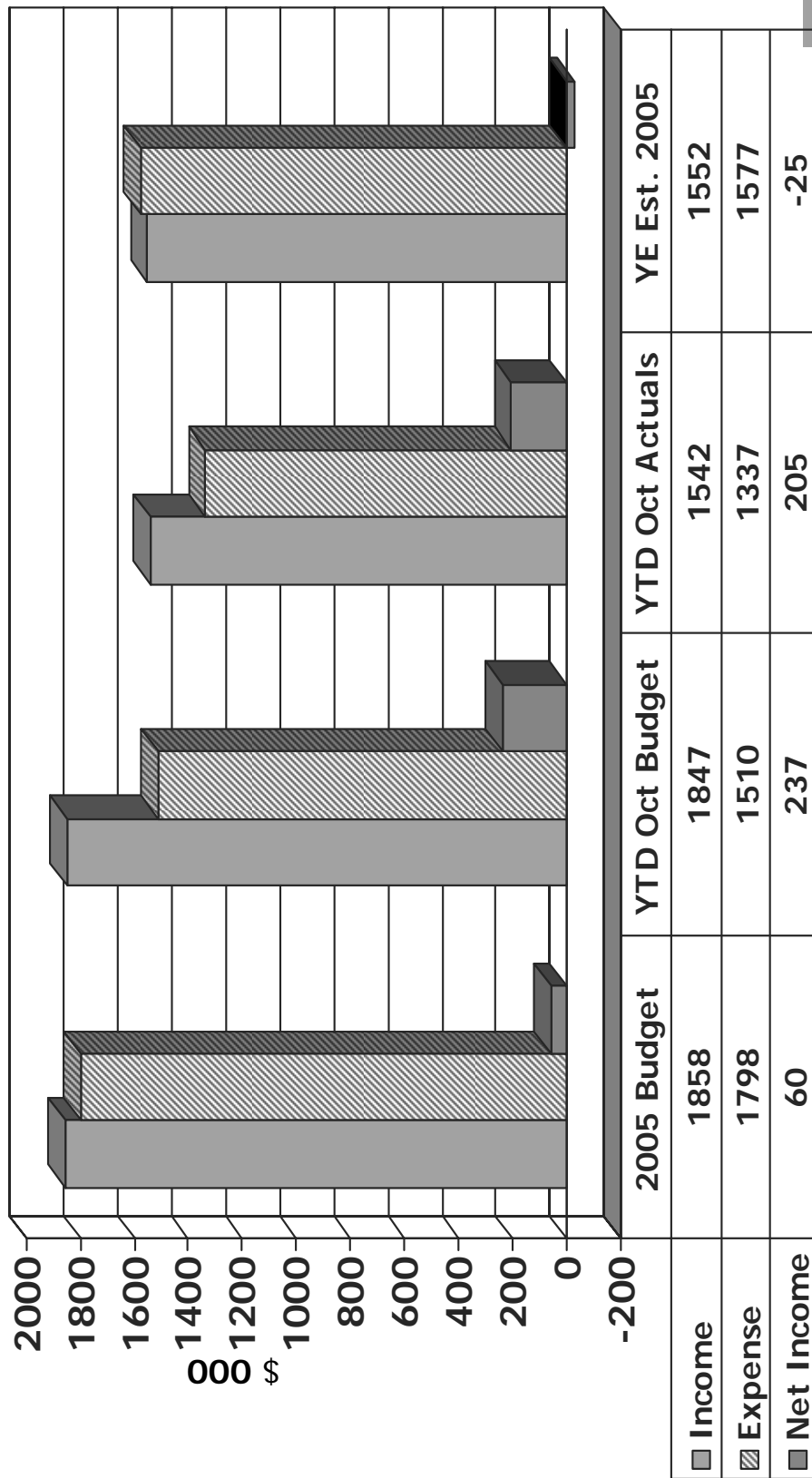
Quadrant	Organization	Segment	Contact	Sub-Segment	
	126	TRANS-ELECT, INC.	t	Paul D. McCoy	itc
	127	Tri-State Generation and Transmission Association, Inc.	t	Bruce Sembrick	muni
	128	TXU Energy	m	Elizabeth Howland, Mike Grim	nio
	129	TXU Electric Delivery	t	Ellis Rankin, Deborah McKeever	iou
	130	UBS Energy LLC	m	Suzanne Calcagno	niou
	131	Vermont Public Power Supply Authority	g	William J. Gallagher	muni
	132	Western Area Power Administration	t	Mark Fidrych	fed
	133	Western Area Power Administration	m	Jeffrey Ackerman	fed
	134	Western Electricity Coordinating Council	t	Michael Wells, Louise McCarren	at large
	135	We Energies (Wisconsin Electric)	d	Linda Horn	iou
	136	We Energies (Wisconsin Electric)	g	James R. Keller	iou
	137	Williams Power Company	g	Ron Mucci	at large
	138	Wisconsin Public Power Inc.	d	Mike Stuart	muni
	139	Wisconsin Public Service Corporation	g	William Bourbonnais, Charles W. Severance, Neal Balu	iou
	140	Xcel Energy Inc.	m	Steven J. Beuning	iou
Retail Gas Quadrant:	1	AGL Resources Inc.	d	Katrina Bond	
	2	Baltimore Gas & Electric Company	d	Phil Precht	
	3	Center Point Energy Minnegasco	su	Andrea Newman	
	4	Commerce Energy Group	s	Greg Lander	
	5	Dominion Retail, Inc.	su	Richard A. Zollars	
	6	Duke Energy Gas Transmission, LLP	su	Richard Kruse, Marcy L. McCain	
	7	Energy Services Group, Inc.	s	George Behr	
	8	Exelon Energy	su	Sheree M. Petrone	
	9	Indiana Office of Utility Consumer Counselor	e	Matthew Parsell	
	10	International LNG Alliance	s	David Sweet	
	11	Latitude Technologies	s	Leigh Spangler	
	12	National Fuel Gas Distribution Corporation	d	Mike Novak	
	13	Niagara Mohawk	d	James Dillon	
	14	Northern Indiana Public Service Company (NiSource, Inc.)	d	Mark T. Maassel	

North American Energy Standards Board Membership List
As of November 30, 2005

Quadrant	Organization	Segment	Contact	Sub-Segment
15	Northwest Industrial Gas Users	e	Paula E. Pyron	
16	Ohio Consumers' Counsel	e	Bruce M. Hayes	
17	Pennsylvania Office of Consumer Advocate	e	Tanya J. McCloskey, Stephen Keene	
18	Peoples Gas System	d	Rachel Gebhardt	
19	Philadelphia Gas Works	d	Joe Stengel, Craig White	
20	Public Service Electric & Gas Company	d	Terrence Moran	
21	R. J. Rudden Associates	s	Richard J. Rudden, Don Sytsma	
22	Sprague Energy Corp.	su	Kathy Fudali	
23	SunGard EnForm Consulting	s	David F. Pfeifer	
24	Systrends	s	Dave Darnell	
25	UBS Energy LLC	su	Suzanne Calcagno	
26	UGI Utilities, Inc.	d	Paul Szykman	
27	Union Gas	d	Greg Tetreault	
28	Wisconsin Public Service Corporation	d	William Bourbonnais, Glen R. Schwalbach, Les Nishida	
29	Xcel Energy	d	Don Basler	

North American Energy Standards Board Board of Directors Meeting – 12-13-05

As of October 2005 Accrual Based Income and Expenses



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

Financial Report October 2005 – Accrual Based

Balance Sheet

Assets

Current Assets	\$409,373.49
Accounts Receivable	\$500,000.00
Fixed Assets	\$19,315.85
Other Assets	\$28,968.65
Total Assets	\$957,657.99

Liability & Equity

Deferred Revenue	\$1,051,875.00
Accounts Payable	\$32,069.60
Retained Earnings	(\$331,458.30)
Net Income	\$205,171.69
Total Liability and Equity	\$957,657.99

Income and Expense

Income	\$1,542,583.19
Expense	\$1,337,411.50
Net Income	\$205,171.69

Income and Expenses to Budget - YTD

2005 YTD Budget for Income	\$1,846,733.32
Income Variance	(\$304,150.13)
2005 YTD Budget for Expenses	\$1,510,028.34
Expenses Variance	(\$336,704.98)
Net Income Variance	(\$32,554.85)

Year End Analysis

2005 Budget	\$1,858,120.00
Revenue YTD	\$1,542,583.19
Expected Revenue November - December	\$10,000.00
Estimated Year End Revenue	\$1,552,583.19
Expenses YTD	\$1,337,411.50
Expected Expenses November - December	\$240,000.00
Estimated Year End Expenses	\$1,577,411.50
Difference - Revenue - Expenses	(\$24,828.31)

North American Energy Standards Board

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CASH BASIS ANALYSIS

Beginning Balance 1-1-05	\$383,113
Total Cash Income	\$1,435,911
Total Costs	\$1,409,652
Ending Balance	\$409,372

ACCOUNTS RECEIVABLE ANALYSIS

Accounts Receivable as of October 2005	\$500,000
Items 90 Days Outstanding	\$30,000
Items 0-60 Days Outstanding	\$470,000
Items Related to 2006 Dues	\$365,000
Items for which credit memos have been issued	\$15,000

CONFERENCE CALLING FEES

Conference Calling Fees Collected YTD October	\$80,600
Portion to be Accrued Across 2005 (\$1000 Fee)	\$75,000
Expected Conference Calling Fees – Nov to Dec	\$750

NAESB Proposed Budget for 2006

	YTD Actuals as of Sept	YE 2005 Estimate	2005 Budget	2006 Budget	Difference
Revenue (Income - Cost of Sales)					
Membership Based	\$1,515,000.02		\$1,805,000.00	\$1,585,000.00	(\$220,000.00)
Non-Dues Revenue	\$31,748.06		\$53,120.00	\$54,100.00	\$2,080.00
Total Revenue	\$1,546,748.08	\$1,552,583.19	\$1,858,120.00	\$1,639,100.00	(\$217,920.00)
Expense					
Total Salaries, Benefits, Taxes	\$651,540.70		\$877,000.00	\$808,985.23	(\$98,014.77)
Office Rents & Parking	\$92,043.43		\$124,000.00	\$124,000.00	\$0.00
Office Expenses	\$48,572.18		\$75,000.00	\$56,500.00	(\$18,500.00)
Telecommunications	\$34,824.68		\$144,000.00	\$60,000.00	(\$84,000.00)
Travel and Meetings	\$218,360.70		\$300,000.00	\$295,000.00	(\$5,000.00)
Publications/Mailings/Printing	\$56,405.35		\$74,000.00	\$79,500.00	\$5,500.00
Outside Services	\$124,220.95		\$190,000.00	\$148,000.00	(\$42,000.00)
Insurance, Taxes, Fees	\$6,873.76		\$8,475.00	\$9,030.00	\$555.00
Capital Expenditures	\$1,176.68		\$5,000.00	\$10,000.00	\$5,000.00
Total Expense	\$1,234,018.43	\$1,577,411.50	\$1,797,475.00	\$1,591,015.23	(\$236,459.77)
Net Income	\$312,729.65	(\$24,828.31)	\$60,645.00	\$48,084.77	\$18,539.77
Expected Expenses in Nov-Dec	\$240,000.00				
October Net Income	\$205,171.69				
YE 2005 Est Net Income	(\$24,828.31)				
Retained Earnings from 2004	(\$331,458.30)				
Expected Retained Earnings 2005	(\$356,286.61)				
Estimated Retained Earnings 2006	(\$308,201.84)				

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
DECEMBER 13, 2005**

TAB 9

MEETING SCHEDULE FOR 2006

This section includes:

- The meeting schedule for 2006.

The material presented is background information for the discussion of agenda items 7 and 8. Board members are asked to raise issues they would like addressed in the March 2006 Board meeting.



North American Energy Standards Board

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Home Page: www.naesb.org

November 23, 2005

TO: NAESB Executive Committee and Interested Industry Participants
FROM: Rae McQuade, NAESB Executive Director
RE: Schedule of 2006 Meetings

Below is the schedule for 2006 meetings for the Executive Committee, Board of Directors and Advisory Council. Unless sponsors are noted for the meetings or the location has already been set as noted below, they will be held in Houston. Should other sponsors volunteer in the next few weeks, these locations may change:

Date	Meeting	Location
February 21-23	Executive Committee Meetings (WEQ, Retail, WGQ)	Houston
May 9-11	Executive Committee Meetings (WEQ, Retail, WGQ)	Washington DC hosted by AGA
August 15-17	Executive Committee Meetings (WEQ, Retail, WGQ)	Colorado Springs hosted by El Paso Western Pipelines
November 14-16	Executive Committee Meetings (WEQ, Retail, WGQ)	Dallas Hosted by TXU
March 23	Board of Directors	Houston
June 22	Board of Directors Meeting & Strategic Planning Session	Houston
September 21	Board of Directors	Houston
December 14	Board of Directors	Houston
February 11	Advisory Council Meeting	Washington D.C. in conjunction with the NARUC Winter meetings