North American Energy Standards Board

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Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org
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NAESB WEQ Executive Committee Meeting -- Tuesday, February 3, 10 am to 4 pm MST
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Attire – Business Casual -- Working buffet lunch will be provided.

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 EXECUTIVE COMMITTEE TERMS – Wholesale Gas Quadrant

PRODUCERS SEGMENT		**TERM END:**
Jim Busch	Director of Energy Policy and Regulation, BP Energy Company	12-31-2010
Pete Frost	Director – Regulatory Affairs, ConocoPhillips Gas and Power Marketing	12-31-2010
Chuck Cook	Manager - Regulatory Affairs, Chevron	12-31-2009
Richard D. Smith	Regulatory & Compliance Manager, Noble Energy, Inc.	12-31-2009
Mike Shepard	General Counsel, Mewbourne Oil Company	12-31-2009
PIPELINE SEGMENT		
Bill Griffith	Consultant, El Paso Natural Gas Company	12-31-2011
Kathryn Burch	Project Manager, Standards and Regulatory, Spectra Energy Transmission	12-31-2011
Dale Davis	Consultant, Williams Gas Pipeline	12-31-2010
Randy Young	Director Regulatory Compliance and Corporate Services, Boardwalk Pipeline Partners, LP	12-31-2009
Kim Van Pelt	Regulatory Compliance Manager, Panhandle Eastern Pipe Line	12-31-2009
LOCAL DISTRIBUTION COMPANY (LDC) SEGMENT		
Rodger Schwecke	Director – Energy Markets and Capacity Products, Sempra Energy - Southern California Gas	12-31-2011
V A C A N C Y		12-31-2011
Paul Buckley	Director of Rates and Regulatory Affairs, Washington Gas	12-31-2010
Mike Novak	Assistant General Manager, National Fuel Gas Distribution	12-31-2009
Craig Colombo	Energy Trader III, Dominion Resources	12-31-2009
END USERS SEGMENT		
Kelly Daly	Partner, Stinson Morrison Hecker, LLP (rep. Arizona Public Service Company)	12-31-2010
Valerie Crockett	Senior Energy Markets & Policy Specialist, Tennessee Valley Authority	12-31-2010
Lori-Lynn C. Pennock	Senior Fuel Supply Analyst, Salt River Project	12-31-2009
Dona Gussow	Manager, Contract Administration, Florida Power and Light	12-31-2009
Tina Burnett	Natural Gas Operations Administrator, The Boeing Company	12-31-2009
SERVICES SEGMENT		
Steve Abbey	Manager of Regulatory Affairs in the Marketing Department of Anadarko	12-31-2010
Lisa Simpkins	Vice President, Energy Policy – Natural Gas, Constellation Energy Commodities Group	12-31-2010
Leigh Spangler	CEO, Latitude Technologies	12-31-2009
Jim Buccigross	Vice President, 8760 Inc.	12-31-2009
Jeff Jarvis	Senior Counsel, EnCana Marketing (USA) Inc.	12-31-2009

EXECUTIVE COMMITTEE OFFICERS: Jim Buccigross is WGQ chairman of the Executive Committee, Mike Novak is WGQ vice chairman; Mike Novak is the RGQ chairman, Ruth Kiselewich is the REQ chairman, Kathy York is the WEQ chairman and (TBA) is the WEQ vice chairman.

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 EXECUTIVE COMMITTEE ALTERNATES – Wholesale Gas Quadrant

END USER SEGMENT	
Paul A. Jones	Senior Marketing Representative, Salt River Project
Art Morris	Gas Originator, Florida Power & Light Company
Kenneth Nordlander	Fuel Procurement, Arizona Public Service Company
Katherine C. Zeitlin	Legal Department, Arizona Public Service Company
DISTRIBUTION SEGMENT	
Rick Ishikawa	Interconnect Account Manager in Capacity Products Group, Southern California Gas Company
Phil Precht	Management Consultant, Pricing and Regulatory Services Department, Baltimore Gas and Electric Company
Donald Petersen	Senior Gas Resource Analyst, Pacific Gas and Electric Company
Jim Blasiak	Specialist Federal Regulatory Affairs, Washington Gas Light Company
George Simmons	FERC Specialist, NiSource Inc.
Scott Butler	Project Manager, Energy Markets Policy Group, Consolidated Edison Company of New York, Inc.
PIPELINE SEGMENT	
Bill Grygar	Vice President, Panhandle Eastern Pipe Line
Scott Hansen	Questar Pipeline Company
Iris King	Director, Technical and Marketing Support, Dominion Transmission, Inc.
Paul Love	Director, Electronic Customer Services, Natural Gas Pipe Line Company of America
Mark Gracey	Consultant, Tennessee Gas Pipeline Company
Christopher Burden	Consultant e-Commerce & Service Delivery, Williams Gas Pipeline
Tom Gwilliam	Iroquois Gas Transmission System
PRODUCER SEGMENT	
David Ogden	Manager, Marketing Administration, Dominion Exploration & Production, Inc.
Rhonda Denton	Regulatory Affairs, BP Energy Company
SERVICES SEGMENT	
Keith Sappenfield	Director, US Regulatory Affairs, Midstream and Marketing, EnCana Oil and Gas (USA) Inc.

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2009 EXECUTIVE COMMITTEE ALTERNATES – Retail Electric Quadrant

DISTRIBUTION SEGMENT	
Keith P. Hock	Director ARES Business Center, Ameren Services
Ripley Newcomb	Manager – Conservation and Load Management Program, Dominion
William J. Welzant	Principal Supplier Services Analyst, Supplier Account Management, Baltimore Gas and Electric
END USER SEGMENT	
SERVICES SEGMENT	
SUPPLIER SEGMENT	

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 EXECUTIVE COMMITTEE ALTERNATES – Wholesale Electric Quadrant

END USER SEGMENT		**SUB-SEGMENT**
Robert Schwermann	Manager – Customer Care, Open Access Technology International, Inc.	At-Large
DISTRIBUTION/LSE SEGMENT		**SUB-SEGMENT**
Gerry Adamski	Vice President of Standards, NERC	At-Large
Lee Hall	Coordination Manager – Power Services, Bonneville Power Administration	Other
GENERATION SEGMENT		**SUB-SEGMENT**
Joel Dison	Project Manager, Southern Company Generation and Energy Marketing	IOU
Lou Oberski	Director – Electric Market Policy, Dominion Resources Services, Inc	IOU
Francis Halpin	Bonneville Power Administration	Fed/State/Prov.
MARKETER/BROKER SEGMENT		**SUB-SEGMENT**
Jeff Ackerman	Manager, CRSP-Energy Mgmt., Western Area Power Administration	Fed/State/Prov
Brenda Anderson	Bonneville Power Administration	Fed/State/Prov
Edison G. Elizeh	PacifiCorp	IOU Affiliated
Valerie Crockett	Energy Markets & Policy Specialist, Tennessee Valley Authority	Fed/State/Prov
TRANSMISSION SEGMENT		**SUB-SEGMENT**
Barbara Rehman	Policy Development & Analysis, Bonneville Power Administration	Fed/State/Prov.
Tim Ponseti	Tennessee Valley Authority	Fed/State/Prov.
Chuck Feagans	Tennessee Valley Authority	Fed/State/Prov.
Bob McKee	American Transmission Company	ITC
Brian Weber	Manager – Transmission Strategy and Policy, PacifiCorp	IOU
Shay Labray	Transmission Strategy Consultant, PacifiCorp	IOU
Jane Daly	Rate & Regulatory Advisor, Arizona Public Service Company	IOU
Marceline Otondo	Regulatory Compliance Advisory, Arizona Public Service Company	IOU
Narinder Saini	Policy Consultant, Entergy Services, Inc.	IOU
J.T. Wood	Southern Company Services	IOU
W. Shannon Black	Market Issues and Standards Processes Manager, Western Electricity Coordinating Council	at large

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INDEPENDENT GRID OPERATORS/PLANNERS SEGMENT		SUB-SEGMENT
Brent Kingsford	Sr. Operations Regulatory Specialist, CAISO	
Paul Wattles	Supervisor Demand Side Programs, Electric Reliability Council of Texas (ERCOT)	
Bill Blevins	Sr. Market Support Analyst, Electric Reliability Council of Texas (ERCOT)	
Robert Coughlin	Principal Scientist Reliability & Operations Compliance, ISO New England, Inc.	
Cheryl Mendrala	Principal Engineer, ISO New England, Inc.	
Brian Pedersen	Manager Transmission Services, Midwest ISO	
Jason Marshall	Technical Manager, Midwest ISO	
Dean Hartung	Manager Real Time Market Operations, PJM Interconnection	
Cathy Wesley	Sr. Analyst, PJM Interconnection, LLC	
Carl Monroe	Sr. Vice President Operations & Chief Operating Officer, Southwest Power Pool	
Greg Campoli	Supervisor – Reliability Compliance and Assessment, New York ISO	
Diana Pommen	Director Interjurisdictional Affairs, Alberta Electric System Operator	
Jimmy Womack	Manager-Tariff Administration, Southwest Power Pool	

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2009 EXECUTIVE COMMITTEE ALTERNATES – Retail Gas Quadrant

DISTRIBUTORS SEGMENT	
Joe Stengel	Manager, Federal Regulatory Affairs, Philadelphia Gas Works
Mike McShane	Program Leader, Gas Choice Programs, Baltimore Gas Electric
END USERS SEGMENT	
SERVICE PROVIDERS SEGMENT	
SUPPLIER SEGMENT	
Paul Cherevka	Project Manager Data Warehouse, Dominion Retail

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2009 EXECUTIVE COMMITTEE TERMS – Retail Electric Quadrant

SUPPLIERS SEGMENT		**TERM END:**
Bill Barkas	Manager of Retail State Government Relations, Dominion Retail, Inc.	12-31-2009
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2010
Jansen Pollock	Manager of Regulatory Affairs, Constellation NewEnergy	12-31-2010
DISTRIBUTORS SEGMENT		
Ruth Kiselewich	Director, Demand Side Management Programs, Baltimore Gas & Electric Company (MAAC NERC Region)	12-31-2009
Patrick Eynon	Supervisor – Retail Access, Ameren Services	12-31-2009
Judy Ray	Industrial Segment Manager – Contract Administrator, Alabama Power Company (SERC NERC Region)	12-31-2010
Mary Edwards	Senior Customer Choice Analyst – Regulation and Competition, Dominion Virginia Power (SERC NERC Region)	12-31-2010
END USERS SEGMENT		
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2010
SERVICE PROVIDERS SEGMENT		
Jim Minneman	Controller, PPL Solutions LLC	12-31-2009
Jennifer Teel	Director – Business Solutions, EC Power	12-31-2009
Susan Munson	ERCOT Retail Market Liaison, Electric Reliability Council of Texas (ERCOT)	12-31-2010
V A C A N C Y		12-31-2010

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 EXECUTIVE COMMITTEE TERMS – Wholesale Electric Quadrant

TRANSMISSION SEGMENT		**TERM END:**	**SUBSEGMENT:**
Patrick McGovern	Manager - System Services, Georgia Transmission Corporation	12-31-2009	Muni/Coop
Wendy D. Weathers	System Operations, Salt River Project	12-31-2010	Fed/State/Prov.
Daryl McGee	Manager – Transmission Services, Southern Company Services	12-31-2010	IOU
Edward Davis	Policy Consultant, Entergy Services, Inc.	12-31-2009	IOU
Mark Hackney	Section Leader of Transmission Services Trading, Arizona Public Service	12-31-2010	at large
Bob Harshbarger	OASIS Trading Manager, Puget Sound Energy	12-31-2009	at large
Michelle Mizumori	Market Interface Manager, Western Electricity Coordinating Council (WECC)	12-31-2009	At-Large
GENERATION SEGMENT			
William J. Gallagher	Special Contracts Chief, Vermont Public Power Supply Authority	12-31-2009	Muni/Coop
Kathy York	Sr. Energy Markets & Policy Specialist, Tennessee Valley Authority	12-31-2010	Fed/State/Prov.
Jalal Babik	Manager – Electric Policy, Dominion Resource Services, Inc.	12-31-2010	IOU
John Ciza	Project Manager Energy Policy and Regulatory Affairs, Southern Company Services	12-31-2009	IOU
Ron Mucci	Consultant, Representing Entegra Power Group LLC	12-31-2010	Merchant
Gary Hinners	Director- West regulatory Issues, Reliant Energy, Inc.	12-31-2009	at large
Neal Balu	Director of Transmission Policy, Wisconsin Public Service Corporation	12-31-2009	at large
MARKETERS/BROKERS SEGMENT			
Mack Thompson	Vice President – Power Supply Services, American Municipal Power – Ohio, Inc.	12-31-2010	Muni/Coop
Belinda Thornton	General Manager - Energy Origination, Tennessee Valley Authority	12-31-2009	Fed/State/Prov.
V A C A N C Y		12-31-2010	Not IOU Affiliated
Mark Mitchell	Manager of Power Marketing Supply and Trading Department, Salt River Project	12-31-2009	at large
John Apperson	Director – Commercial and Trading, PacifiCorp Energy	12-31-2010	IOU
Roy True	Manager of Regulatory and Markets Development, ACES Power Marketing	12-31-2009	at large
Barry Green	Barry Green Consulting (representing Electric Power Supply Association (EPSA))	12-31-2009	at large

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DISTRIBUTION/LOAD SERVING ENTITIES (LSE) SEGMENT		TERM END:	SUBSEGMENT:
Robert Williams	Director of Regulatory Affairs, Florida Municipal Power Agency	12-31-2010	Muni/Coop
V A C A N C Y		12-31-2009	Muni/Coop
Alan Pritchard	Senior Engineer, Duke Energy Corporation	12-31-2010	IOU
Jeffrey C. Mueller	Manager - ERO / RE Policy and Standards Interface, Public Service Electric and Gas Company	12-31-2009	IOU
Robert Martinko	Consultant FERC Compliance, FirstEnergy Service Company	12-31-2010	at large
Syd Berwager	Industry Restructuring Project Manager, Bonneville Power Administration/Power Business Line	12-31-2009	Other
Andy Rodriquez	Manager of Business Practice Coordination, NERC	12-31-2009	At-Large
END USERS SEGMENT			
V A C A N C Y		12-31-2009	at large
Aaron Breidenbaugh	Senior Manager - Regulatory Affairs and Public Policy - New York, EnerNOC, Inc.	12-31-2010	at large
Lou Ann Westerfield	Policy Strategist, Idaho Public Utilities Commission, rep. National Association of Regulatory Utility Commissioners	12-31-2010	Regulator
V A C A N C Y		12-31-2009	at large
V A C A N C Y		12-31-2010	at large
V A C A N C Y		12-31-2009	at large
Paul Sorenson	Director-Central Markets Strategy, Open Access Technology International, Inc.	12-31-2009	At-Large
INDEPENDENT GRID OPERATORS/PLANNERS			
Stu Bresler	General Manager, Market Operations, PJM Interconnection	12-31-2010	
Jim Castle	Manager, Grid Operations, New York Independent System Operator, Inc.	12-31-2010	
Matt Goldberg	Director Reliability & Operations Compliance ISO New England, Inc.	12-31-2010	
Anjali Sheffrin	Director Market and Product Development and Chief Economist, California ISO	12-31-2010	
Joel Mickey	Manager Market Operations Support, Electric Reliability Council of Texas	12-31-2009	
Ed Skiba	Technical Manager, Standards Compliance & Strategy, Midwest ISO	12-31-2009	
Charles Yeung	Executive Director Interregional Affairs, Southwest Power Pool	12-31-2009	

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 EXECUTIVE COMMITTEE TERMS – Retail Gas Quadrant

SUPPLIERS SEGMENT		**TERM END:**
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2009
Richard Zollars	Director, Data and Billing, Dominion Retail, Inc.	12-31-2010
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2009
DISTRIBUTORS SEGMENT		
Dan Jones	Supervisor, Certified Supplier Business Center, Duke Energy	12-31-2009
V A C A N C Y		12-31-2009
Leslie H. Nishida	Manager Gas Regulatory Services, Wisconsin Public Service Corporation	12-31-2009
Michael Novak	Assistant General Manager, National Fuel Gas Distribution Corporation	12-31-2010
V A C A N C Y		12-31-2010
Phil Precht	Management Consultant, Pricing & Regulatory Services Department, Baltimore Gas and Electric Company	12-31-2010
END USERS SEGMENT		
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2009
SERVICE PROVIDERS SEGMENT		
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2010
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2009
V A C A N C Y		12-31-2009

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January 22, 2009

TO: NAESB Quadrant Executive Committee Members, Alternates and Interested Industry Participants

FROM: Rae McQuade, NAESB President

RE: Quadrant Executive Committee Meeting Announcements and Draft Agendas with links to Meeting Materials

NORTH AMERICAN ENERGY STANDARDS BOARD EXECUTIVE COMMITTEE MEETINGS
Hosted by Salt River Project at the PERA Club, 1 East Continental Drive, Tempe, Arizona, 85281
February 3-5, 2009

First, let me thank Lori-Lynn Pennock and Salt River Project for the generosity and commitment to the NAESB organization through hosting this series of meetings. Without such support, it would be very difficult to maintain the NAESB budget and provide various locations around the country to NAESB in-person attendance meetings.

As we have announced at prior Executive Committee meetings, meeting announcements and in other communications, the Executive Committee (EC) will meet in Phoenix/Tempe, AZ on February 3-5, hosted by Salt River Project at the PERA Club, 1 East Continental Drive, Tempe, Arizona, 85281. Below are the meeting arrangements:

Where:	PERA Club, 1 East Continental Drive, Tempe, Arizona, 85281 Meeting Room: Mesquite Hall – 1st floor of the Clubhouse for all EC meetings
Contact:	Veronica Thomason, 713-356-0060
When:	Tuesday, Feb. 3 -- 10:00 a.m. to 4:00 p.m. Mountain Standard Time[1] – Wholesale Electric Quadrant Wednesday, Feb. 4 -- 10:00 a.m. to 4:00 p.m. Mountain Standard Time – Retail Gas/Electric Quadrants Thursday, Feb. 5 -- 10:00 a.m. to 4:00 p.m. Mountain Standard Time – Wholesale Gas Quadrant

If you plan to attend any of the above EC meetings and have not already RSVPed to our office through the other announcements, please do so at your earliest convenience to the NAESB office (naesb@naesb.org) so that proper meeting arrangements can be made by NAESB and our host. Hotel information is posted on the NAESB web site on the EC pages and can be directly accessed from the following link: http://www.naesb.org/pdf4/ec020309ma4.pdf. If you plan to participate by conference call, please contact the NAESB Office (713-356-0060 or naesb@naesb.org) to obtain the calling number and pass code. The EC meetings will be web cast as well. The meeting, conference calling and web casting is open to any interested party.

The materials for the meeting will be emailed to the participants and posted on the web site shortly. In an effort to control costs and be more environmentally aware, we are not printing Executive Committee books any longer although they will be posted in an assembled pdf document for each quadrant meeting, in addition to the links to the native formatted documents provided in the agendas. For agenda items where materials are already available and have been sent to you in prior communications, or posted on the web site, the links to those documents are included in the agenda for your convenience, and to help you prepare for the meetings. The links are formatted in blue underlined text. As the meeting approaches, this agenda with additional links to documents will be provided, along with the pdf assembled books.

Please note that in discussions with the Retail Quadrants EC chairs and vice chairs, it has been determined that all Retail EC meetings for 2009 will be conference call/web casts in recognition of the small number of in-person attendance from the 2008 records, and also in recognition of the reduced travel budgets for 2009 of many of the Retail EC members. However, since NAESB staff will be on location to provide support for the retail EC meetings, any Retail EC participant may choose to join the staff and participate in-person.

[1] Mountain Standard Time this time of year is one hour earlier than Central Time – so 10 am C in Houston would be 9 am MST in Phoenix/Tempe.

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As always, the chair reserves the right to extend the time of the meeting to ensure that agenda items are addressed. The times indicated on the agenda will be followed to ensure that agenda items are allotted appropriate time slots. Should an agenda item conclude earlier than its stated time slot, the remaining time could be allotted to other agenda items at the discretion of the chair.

There are other NAESB subcommittee meetings being held in conjunction with the EC meetings. They are held in various rooms in the PERA Club, and available via conference call and web cast for WEQ ESS/ITS, and upon advance request[2] for Joint IR/Technical. The details are:

- Tue, Feb 3 — WGQ Joint IR/Technical (day one) 9:00 a.m. to 4:00 p.m. MST
  Meeting Room: Big Horn Terrace – labeled "BHT" – South of Clubhouse
- Wed, Feb 4 — WGQ Joint IR/Technical (day two) 9:00 a.m. to 4:00 p.m. MST
  Meeting Room: Big Horn Terrace – labeled "BHT" – South of Clubhouse

  WEQ ESS/ITS (day one) 9:00 a.m. to 4:00 p.m. MST
  Meeting Room: Centennial Conference Center – labeled "Board Room" – West of the Clubhouse
- Thu, Feb 5 — WEQ ESS/ITS (day two) 9:00 a.m. to 3:00 p.m. MST
  Meeting Room: Centennial Conference Center – labeled "Board Room" – West of the Clubhouse

You can access the materials for this meeting from the NAESB web site, at the page specific for the subcommittee noted (WEQ: http://www.naesb.org/weq/default.asp and WGQ: http://www.naesb.org/wgq/default.asp,).

Please feel free to call the NAESB office should you have any questions or comments.

Best Regards, *Rae*

[2] To set up phone call in capability for the WGQ IR/Technical meetings requires notice by January 30, 2009. Web cast will not be available for this meeting.

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NORTH AMERICAN ENERGY STANDARDS BOARD EXECUTIVE COMMITTEE MEETING
WHOLESALE ELECTRIC QUADRANT DRAFT AGENDA
Tuesday, February 3, 2009 – 10:00 am to 4:00 pm MST
Mesquite Hall – 1st floor of the Clubhouse

1. Welcome
   - Antitrust Guidelines
   - Welcome to members and attendees
   - Quorum Establishment: Roll Call of WEQ EC Members and Alternates: http://www.naesb.org/pdf4/ec_terms.pdf (EC) and http://www.naesb.org/pdf4/alt_ec_members.pdf (EC Alt)
   - Adoption of WEQ Agenda (simple majority) http://www.naesb.org/pdf4/ec020309a.doc

2. Wholesale Electric Quadrant Draft Minutes (simple majority to approve)
   - Adoption of the WEQ EC Meeting Minutes

3. Discussion, consideration and vote on recommendation R07007 (Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)): (super-majority vote)
   - Recommendation: http://www.naesb.org/pdf3/weq_2008_api_6m_r07007_rec.doc
   - Comments Provided from SRS: http://www.naesb.org/pdf4/weq_101008_6m_srs.doc

4. Discussion, consideration and vote on recommendation R07020 (Delayed for action at the November 2008 WEQ EC meeting, WEQ Annual Plan Item 6b -- Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control) (super majority vote)
   - Recommendation: http://www.naesb.org/pdf3/weq_2008_api_6b_r07020_rec_clean.doc
   - Recommendation Redlined: http://www.naesb.org/pdf3/weq_2008_api_6b_r07020_rec_redline.doc
   - Comments due Oct. 24, and considered on November 3, 2008:
     C. Feagans, TVA: http://www.naesb.org/pdf4/weq_092308_6b_r07020tva.doc
     W. Franklin, Entergy Services: http://www.naesb.org/pdf4/weq_092308_6b_r07020entergy.pdf
     NAESB SRS: http://www.naesb.org/pdf4/weq_092308_6b_r07020srs.doc
     L. Larson, Otter Tail Power Company: http://www.naesb.org/pdf4/weq_092308_6b_r07020otter_tail.doc
     D. Klempel, Basin Electric Power Cooperative: http://www.naesb.org/pdf4/weq_092308_6b_r07020bepc.doc
     J. Cyrulewski, JDRJC Associates: http://www.naesb.org/pdf4/weq_092308_6b_r07020jdrjc.doc
     E. Davis, Entergy: http://www.naesb.org/pdf4/weq_092308_6b_r07020entergy.doc
     J. Knight, Great River Energy: http://www.naesb.org/pdf4/weq_092308_6b_r07020gre.doc
     D. Koehn, Bonneville Power Administration: http://www.naesb.org/pdf4/weq_092308_6b_r07020bpa.doc
     D. Kimm, MidAmerican Energy Company: http://www.naesb.org/pdf4/weq_092308_6b_r07020mec.doc
     M. Goldberg, ISO New England: http://www.naesb.org/pdf4/weq_092308_6b_r07020isone.doc
     A. Rodriquez, NERC Staff: http://www.naesb.org/pdf4/weq_092308_6b_r07020nerc.doc
     M. Desselle, NAESB Chairman and K. York, NAESB WEQ EC Chairman:
     http://www.naesb.org/pdf4/weq_092308_6b_r07020desselle_york.doc

5. Discussion, consideration and vote on minor correction submitted by Barbara Rehman (simple majority vote):
   - Minor Correction: http://www.naesb.org/pdf4/weq_ec020309w1.doc
   - Minor Correction Process: http://www.naesb.org/misc/MC_Procedure_112108.doc

6. Review, discussion and possible change of reporting relationship of JISWG if action is taken, it would be a simple majority vote) – http://www.naesb.org/pdf2/weq_jiswg_mission.doc

7. Discussion on tools/certification process to support industry compliance of NAESB WEQ standards (if action is taken to modify the 2009 annual plan, a simple majority vote is needed)

8. Review, discuss, identify changes and vote to approve changes to the 2009 Annual Plan to be proposed to the Board of Directors

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NORTH AMERICAN ENERGY STANDARDS BOARD EXECUTIVE COMMITTEE MEETING
WHOLESALE ELECTRIC QUADRANT DRAFT AGENDA
Tuesday, February 3, 2009 – 10:00 am to 4:00 pm MST
Mesquite Hall – 1st floor of the Clubhouse

9. Update on specific issues (no votes or action to be taken unless noted):
   - Order No. 890 Plan: http://www.naesb.org/pdf4/order890_121708_naesb_workplan_clean.doc
   - DSM-EE efforts: http://www.naesb.org/pdf4/weq_2008_api_5a_rec.doc
   - Efforts to resolve rollover rights with FERC input (simple majority vote may be needed to redirect effort back to ESS/ITS) – http://www.naesb.org/pdf4/weq_ec010809w3.doc, http://www.naesb.org/pdf4/weq_ec010809w5.doc, http://www.naesb.org/pdf4/weq_ec010809a1.doc
   - Glossary Efforts

10. Subcommittee Updates and Plan Updates (no votes or action to be taken):
   - Triage Subcommittee
   - Business Practices Subcommittee (BPS)
   - Time Inadvertent Management Task Force
   - Electronic Scheduling (ESS) and Information Technology (ITS) Subcommittees
   - Joint Interchange Scheduling Working Group (JISWG)
   - Standards Review Subcommittee (SRS)

11. Board of Directors, Board Committee and Regulatory Updates (no votes or action to be taken)
   - Board Updates
   - Wholesale Gas and Retail key activities – WGQ Annual Plan, Retail Annual Plan -- http://www.naesb.org/pdf4/draft_wgq_2009_annual_plan.doc, http://www.naesb.org/pdf4/draft_retail_2009_annual_plan.doc
   - Update on Board Retail Structure Review Committee efforts – http://www.naesb.org/pdf4/rsrc011509w2.doc
   - April 1-2, 2009 Workshop Announcement
   - Advisory Council Meeting February 14, 2009
   - NARUC Winter Session – February 15-18, 2009

12. Other Business

Adjourn

Attire – Business Casual

North American Energy Standards Board

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NORTH AMERICAN ENERGY STANDARDS BOARD EXECUTIVE COMMITTEE MEETING
RETAIL QUADRANTS DRAFT AGENDA
Wednesday, February 4, 2009 – 10:00 a.m. to 4:00 p.m. MST
Mesquite Hall – 1st floor of the Clubhouse

1. Welcome
   - Antitrust Guidelines
   - Welcome to members and attendees
   - Quorum Establishment: Roll Call of Retail EC Members and Alternates: http://www.naesb.org/pdf4/ec_terms.pdf (EC) and http://www.naesb.org/pdf4/alt_ec_members.pdf (EC Alt)
   - Adoption of Retail Agenda (simple majority) http://www.naesb.org/pdf4/ec020309a.doc

2. Retail Quadrant Draft Minutes (simple majority to approve)
   - Adoption of the Retail EC Meeting Minutes

3. Discussion, consideration and vote on recommendations for which the comment period ends on January 22, 2009: (super-majority votes for each)
   - Recommendation 2008 Retail Annual Plan Item 2a, Part 2 - Customer Enrollment, Drop and Account Information Change including Using a Registration Agent (Data Dictionaries): http://www.naesb.org/pdf4/2008_retail_api_2a_rec_part2.doc
   - Recommendation 2008 Retail Annual Plan Item 3(iv) and (v), Part 1 - ESI ID Set-up, ESI ID Information Change, and Ad Hoc Historical Usage Using a Registration Agent (Model Business Practices) and Attachment: http://www.naesb.org/pdf4/2008_retail_api_3iv_v_rec_part1.doc, Attachment: http://www.naesb.org/pdf4/2008_retail_api_3iv_v_rec_part1_attach.ppt
   - Recommendation 2008 Retail Annual Plan Item 3(iv) and (v), Part 2 - ESI ID Set-up, ESI ID Information Change, and Ad Hoc Historical Usage Using a Registration Agent (Technical X12 Implementation Guidelines and Data Dictionaries): http://www.naesb.org/pdf4/2008_retail_api_3iv_v_rec_part2.doc

4. Discussion, consideration and vote on minor correction submitted by BPS (simple majority vote):
   - Minor Correction: http://www.naesb.org/pdf4/retail_ec020409w1.doc and attachment http://www.naesb.org/pdf4/retail_ec020409w2.ppt
   - Minor Correction Process: http://www.naesb.org/misc/MC_Procedure_112108.doc

5. Retail Publication Schedule Discussion (no votes to be taken) – http://www.naesb.org/pdf3/update091008w5.doc

6. DSM-EE efforts (no votes to be taken): http://www.naesb.org/pdf4/weq_2008_api_5a_rec.doc (WEQ), http://www.naesb.org/pdf4/dsmee_group2_011509w2.doc (Retail)

7. Subcommittee Updates and Plan Updates – no votes to be taken
   - Triage Subcommittee
   - Business Practices Subcommittee (BPS)
   - Information Requirements Subcommittee (IR)
   - Technical Electronic Implementation Subcommittee (TEIS)
   - Texas Task Force
   - Glossary Subcommittee

8. Review, discuss, identify changes and vote to approve changes to the 2009 Annual Plan to be proposed to the Board of Directors – http://www.naesb.org/pdf4/draft_retail_2009_annual_plan.doc

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NORTH AMERICAN ENERGY STANDARDS BOARD EXECUTIVE COMMITTEE MEETING
RETAIL QUADRANTS DRAFT AGENDA
Wednesday, February 4, 2009 – 10:00 a.m. to 4:00 p.m. MST
Mesquite Hall – 1st floor of the Clubhouse

9. Board of Directors, Board Committee and Regulatory Updates (no votes or action to be taken)
   - Board Updates
   - Wholesale Gas and Electric key activities – WGQ Annual Plan, WEQ Annual Plan -- http://www.naesb.org/pdf4/draft_wgq_2009_annual_plan.doc (WGQ)
   - Update on Board Retail Structure Review Committee efforts – http://www.naesb.org/pdf4/rsrc011509w2.doc April 1-2, 2009 Workshop Announcement
   - Advisory Council Meeting February 14, 2009
   - NARUC Winter Session – February 15-18, 2009

10. Other Business

Adjourn

Attire – Business Casual

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NORTH AMERICAN ENERGY STANDARDS BOARD EXECUTIVE COMMITTEE MEETING
WHOLESALE GAS QUADRANT DRAFT AGENDA
Thursday, February 5, 2009 – 10:00 a.m. to 4:00 p.m. MST
Mesquite Hall – 1st floor of the Clubhouse

1. Welcome
   - Antitrust Guidelines
   - Welcome to members and attendees
   - Quorum Establishment: Roll Call of WGQ EC Members and Alternates: http://www.naesb.org/pdf4/ec_terms.pdf (EC) and http://www.naesb.org/pdf4/alt_ec_members.pdf (EC Alt)
   - Adoption of WGQ Agenda (simple majority) http://www.naesb.org/pdf4/ec020309a.doc

2. WGQ Draft Minutes (simple majority to approve)
   - Adoption of the WGQ EC Meeting Minutes

3. Discussion, consideration and vote on recommendations for which the comment period ended on January 19, 2009 and none were submitted: (super-majority votes for each)
   - Recommendation R06016- "Modify NAESB WGQ Standard No: 4.3.69 to expand the 'Submit' function to include sending records to the TSP for processing from the Matrix to now include the Form as well.": http://www.naesb.org/pdf4/r06016_rec.doc
   - Recommendation R08007- "Modify NAESB WGQ Standard No: 4.3.16 to refer to Appendix C for valid display and download formats.": http://www.naesb.org/pdf4/r08007_rec.doc

4. Update on specific issues – no votes to be taken:
   - Confirmation of Publication Schedule for Version 1.9
   - Use of the Minor Correction Procedure for modifications to coding – http://www.naesb.org/misc/BLANK_REC_FORM_MCC_120508.doc, http://www.naesb.org/misc/MC_Procedure_112108.doc

5. Subcommittee Updates and Plan Updates – no votes to be taken
   - Triage Subcommittee
   - Business Practices Subcommittee (BPS)
   - Information Requirements (IR) Subcommittee
   - Technical Subcommittee
   - Electronic Delivery Mechanism (EDM) Subcommittee
   - Interpretations Subcommittee
   - Contracts Subcommittee

6. Review, discuss, identify changes and vote to approve changes to the 2009 Annual Plan to be proposed to the Board of Directors –

7. Board of Directors, Board Committee and Regulatory Updates (no votes or action to be taken)
   - Board Updates –
   - Wholesale Electric and Retail key activities – WEQ Annual Plan, Retail Annual Plan -- http://www.naesb.org/pdf4/draft_retail_2009_annual_plan.doc (Retail)
   - Update on Board Retail Structure Review Committee efforts – http://www.naesb.org/pdf4/rsrc011509w2.doc
   - April 1-2, 2009 Workshop Announcement
   - Advisory Council Meeting February 14, 2009
   - NARUC Winter Session – February 15-18, 2009

8. Other Business

   Adjourn

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November 19, 2008

TO: NAESB Wholesale Electric Quadrant Executive Committee and Interested Industry Participants

FROM: Jonathan Booe, NAESB Staff Attorney

RE: WEQ Executive Committee Meeting Draft Minutes – November 4, 2008

NORTH AMERICAN ENERGY STANDARDS BOARD
WHOLESALE ELECTRIC QUADRANT (WEQ)
EXECUTIVE COMMITTEE MEETING
Hosted by Dominion – Glen Allen, Virginia
Tuesday, November 4, 2008 – 10:00 am to 4:00 pm Eastern
DRAFT MINUTES

1. Welcome

Ms. York called the meeting to order and welcomed the Wholesale Electric Quadrant (WEQ) Executive Committee (EC) members and other participants. Mr. Booe gave the antitrust guidance and called the roll of the WEQ EC members. Quorum was established. The other participants, both in attendance and on the phone, introduced themselves.

2. Adoption of Wholesale Electric Draft Agenda and Minutes

Wholesale Electric Draft Agenda: Ms. York reviewed the agenda and suggested that the adoption of the August 19, 2008, October 6, 2008, and October 23, 2008 WEQ EC minutes be addressed through notational ballot after the meeting to ensure that ample time is available to address the other items on the agenda. She also suggested that agenda item seven be grouped with the other "no action" items contained in agenda item three. Mr. Skiba asked that a discussion concerning the approval process of the glossary being developed by the subcommittee co-chairs be added to the agenda. Ms. York suggested the discussion be added to agenda item nine. Mr. Rodriquez moved to adopt the agenda as amended and Mr. Harshbarger seconded the motion. The motion passed without opposition.

3. Discussion and consideration of recommendations for standards, comments submitted, and vote on:

2008 WEQ Annual Plan Item 6.i/R06010; 2008 WEQ Annual Plan Item 3.a.vi.3/R05026; 2008 WEQ Annual Plan Item 3.a.i; 2008 WEQ Annual Plan Item 6.j/R07001; 2008 WEQ Annual Plan Item 6.k/R07003; 2008 WEQ Annual Plan Item 6.g/R03031 & R03031 Revised; 2008 WEQ Annual Plan Item 1.g/R03014: Ms. Crockett suggested that the voting process be expedited by grouping the recommendations in agenda item three that received no comments. She moved to adopt the recommendations of no action for 2008 WEQ Annual Plan Items: 6.i/R06010; 3.a.vi.3/R05026; 3.a.i; 6.j/R07001; 6.k/R07003; 6.g/R03031 & R03031 Revised; and 1.g/R03014. Mr. Norris seconded the motion. The motion passed a simple majority vote without opposition.

2008 WEQ Annual Plan Item 1.f: Ms. York reviewed the recommendation for no action and noted that two comments were submitted. Mr. Skiba stated that the Standards Review Subcommittee ("SRS") reviewed the comments submitted by PJM and Southern Company. He noted that Mr. Brown of PJM participated in the SRS review and that Mr. Brown stated that he would address the issues noted in the PJM comments through the appropriate channels at NERC rather than NAESB. Mr. Skiba stated that the SRS suggested that Southern address the issues identified in their comments through a more narrowly tailored standards request. Mr. McGee stated that Southern wants to ensure that only the reliability process is reviewed by NERC and not the business process. Ms. Crockett moved to adopt the recommendation of no action for 2008 WEQ Annual Plan Item 1.f. Mr. Pritchard seconded the motion. The motion passed a simple majority vote without opposition.

2008 WEQ Annual Plan Item 6.b/R07020: Ms. York reviewed the recommendation and noted that the Time and Inadvertent Management Task Force ("TIMTF") worked with members of the NERC Balancing Authority Controls Standards Drafting Team to draft the recommendation before it was approved by the Business Practice

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Subcommittee ("BPS"). She stated that she and Mr. Desselle submitted a comment requesting that the EC consider remanding the recommendation to the TIMTF so that they may have another opportunity to review the recommendation with the NERC Drafting Team to ensure that the revisions to the standards recommended are not incompatible with the related NERC reliability standards. She stated that the NAESB process would allow for any comments submitted as a result of the review to be considered late comments and there would not be a need for a second thirty day formal comment period. A single topic call would be scheduled to adopt the recommendation. Ms. McQuade noted that the review could take place during the next NERC Drafting Team meeting scheduled for November 13-14, 2008. Mr. Skiba stated that the co-chairs of the BPS have agreed that a final review of the recommendation would be beneficial. Mr. Rodriquez stated that he supports another review and that during the meeting the two groups could discuss how to proceed with the related field test. Mr. Davis suggested that the groups also review the comments submitted in response to the recommendation. Mr. Rodriquez noted that the industry is moving towards elimination of time error corrections all together. Mr. Norris moved to delay action on recommendation 2008 WEQ Annual Plan Item 6.b/R07020 and address it in a single topic WEQ EC meeting to be scheduled after the TIMTF and the NERC Drafting Team have and an opportunity to complete a review. Mr. Rodriquez seconded the motion. The motion passed a simple majority vote without opposition.

2008 WEQ Annual Plan Item 1.a.ii: Ms. York reviewed the recommendation and noted that four sets of comments have been submitted. Ms. Crockett moved to adopt the recommendation as drafted and Mr. Rodriquez seconded the motion. Mr. Skiba stated that the comments offered by the SRS suggest a few non-substantive modifications and offered the modifications as a friendly amendment to the motion to adopt the recommendation as drafted. Ms. Crockett and Mr. Rodriquez accepted the modifications recommended in the comments as a friendly amendment. Mr. Feagans reviewed the TVA comments. He stated that the comments suggest that language be added as a last sentence to WEQ-008-3.6.2.1 to clarify that the only redispatch options that may be available are the ones identified and sold as part of the service and that if they are not identified as part of the service they are not available. The participants discussed the additional language proposed by TVA and made modifications. Ms. Crockett and Mr. Rodriquez accepted the following language as a friendly amendment to the motion to adopt the recommendation as drafted:

"The redispatch options that may be available to the Transmission Customer are the redispatch options identified and sold as part of the transmission service."

Next, Mr. Davis reviewed the comments submitted by Entergy, noting that they were intended to be editorial. Mr. Skiba stated that the suggested modifications made to NERC Reliability Standards IRO-006 2.6.1 and 2.7.1 in section 4.d of the recommendation should not be adopted, as they are extracts from the NERC Standards. Mr. Davis withdrew the proposed modifications to section 4.d of the recommendation. Ms. Crockett and Mr. Rodriquez accepted the modifications proposed in the Entergy comments with the exception of those in section 4.d as a friendly amendment to the motion to the adopt the recommendation as drafted.

Mr. McGee reviewed the comments submitted by Southern Company. The Southern Company comments propose that the language "and Flowgates" be added to WEQ-008-3.5.3 so that the standards for TLR level for 4 and TLR level 5 will be consistent. Ms. Crockett and Mr. Rodriquez accepted the modification as a friendly amendment to the motion to adopt the recommendation as drafted.

The participants took a super majority roll call vote on the motion to adopt the recommendation as amended, however there were an insufficient number of votes cast to determine the outcome [V1]. A notational ballot will be distributed to make the determination. A redlined version of the recommendation reflecting the modifications made through friendly amendment can be found on the NAESB website through the following link: http://naesb.org/pdf4/weq_ec110408a11.doc. [A notational ballot was distributed on November 13, 2008 and the motion passed a super majority vote. A record of the notational ballots received is included in the Voting Record below.].

2008 WEQ Annual Plan Item 2.a.iv.3, 3.a.vii, and 6.l: Ms. York reviewed the recommendation and noted that seven sets of comments were submitted. Mr. Martinko moved to adopt the recommendation as drafted and Ms. Wesley seconded the motion. Ms. York asked Mr. Sorenson to facilitate the review of the comments. Mr. Skiba stated that

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the comments submitted by the SRS could be addressed quickly as they did not suggest any modifications to the recommendation. Mr. Sorenson noted that most of the other comments concerning standard WEQ-001-9.7 relate to the conveyance of rollover rights to the redirected path. Ms. Otondo stated that the Electronic Scheduling and Information Technology Subcommittees ("ESS/ITS") struggled with WEQ-001-9.7 and that there were several differing interpretations of the policy statement established in FERC Order No. 890 concerning the conveyance of rollover rights to redirected paths. Ms. Wesley stated that the comments submitted by SPP, PJM, and Midwest ISO related to WEQ-001-9.7 suggest that the language "Confirmed Request to" be added to the first sentence of the standard to modify "Transmission Customer's Redirect". She stated that SPP, PJM, and Midwest ISO would like to modify their comment so that only the word "Confirmed" is added to the first sentence of the standard. Mr. Skiba made a motion that the motion to adopt the recommendation as drafted be amended to include the comments submitted by SPP, PJM, and Midwest ISO, modified so that only the word "Confirmation" is added to standard WEQ-001-9.7. Mr. Rodriquez seconded the motion. The motion passed a simple majority vote. Mr. Green and Mr. Mucci voted in opposition. Mr. Sorenson abstained.

Mr. Harshbarger reviewed the comments submitted by Puget Sound. He stated that the comments submitted by Puget Sound recommend that the language "because that is the path to which it has rights at the end of the service agreement" in WEQ-001-9.7 be redacted, as it is an unnecessary justification for the preceding language. Mr. Rodriquez made a motion that the motion to adopt the recommendation as drafted be amended to include the proposed modification in the Puget Sound comments. Mr. Skiba seconded the motion. The motion passed a simple majority vote. Mr. Green and Mr. Mucci voted in opposition.

Mr. Berwager made a motion to accept the comments submitted by the SRS. Mr. Davis seconded the motion. The motion passed a simple majority vote without opposition.

Mr. McGee reviewed the comments submitted by Southern Company. Mr. McGee stated that Southern Company suggested modifications to WEQ-001-9.5.3, WEQ-001-9.7, and WEQ-001-20.2, as well as changes to WEQ-003 and WEQ-013. Mr. Norris questioned how the proposed additional language to WEQ-001-9.7 would be incorporated in relation to the previous modifications to the standard. Mr. Davis suggested that a second sentence be added to the standard capturing the concept proposed in the Southern Company comments. He offered the following language:

"The availability of rollover rights for Confirmed Redirect is subject to the possibility that the Transmission Provider may not be able to provide rights on the redirected path."

Mr. Rodriquez asked if it is premature to make modifications to WEQ-001-9.7 prior to considering the EPSA comments, which question the validity of the standard. Mr. Pritchard noted that the proposed language is referencing the defined term Unexercised Rollover Rights. Mr. Sorenson stated that if the modification proposed by Southern Company to standard WEQ-001-20.2 is adopted, language in other standards would need to be modified. Mr. Davis made a motion to amend the motion to adopt the recommendation as drafted to include the modifications proposed by Southern Company in their comments, with the modifications suggested by the EC to WEQ-001-9.7. Mr. McGee seconded the motion. Mr. Sorenson suggested that the second sentence in WEQ-001-9.7 drafted by the EC be modified to state:

"The rollover rights conveyed on the redirected path are subject to availability as determined by the Transmission Provider at the time of acceptance of the Redirect on a firm basis."

Mr. Davis and Mr. McGee accepted the modification as a friendly amendment to their motion. Mr. Pritchard asked if rollover rights are still available on the old path, if they are not conveyed to the new path. Mr. McGee responded that the modified WEQ-001-9.7 does not provide a clear answer, and that if it is approved WEQ-001-9.7 would allow for different implementations based upon the Transmission Provider's interpretation. Mr. Davis suggested that language be modified to state:

"The rollover rights associated with the transmission service on the redirected path are subject to availability as determined by the Transmission Provider at the time of acceptance of the Redirect on a firm basis."

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Mr. McGee accepted the modification as a friendly amendment. Mr. Williams stated that rollover rights are not terminated on the original path if the rights are exercised on a Redirect. Mr. Berwager responded that once the rollover rights are exercised they are terminated. Mr. Pritchard suggested that "rollover rights" in the proposed second sentence be changed to "Unexercised Rollover Rights". Mr. Sorenson stated that he does not support that modification. Mr. Skiba made a motion to call the question and the motion passed a simple majority. Mr. Sorenson, Ms. Rehman, and Mr. Balu opposed. The participants took a vote on the motion to amend the motion to adopt the recommendation as drafted to include the modifications proposed by Southern Company in their comments with the modifications suggested to WEQ-001-9.7 by the EC. The motion failed a simple majority vote.

Mr. Green reviewed the comments submitted by EPSA and suggested that the recommendation be remanded to the subcommittee to readdress the customer choice issue presented in the EPSA comments. He stated that the matter could be handled expeditiously at the subcommittee level if proper guidance was provided by the EC. Ms. Otondo requested that if the recommendation is remanded, the EC provide explicit guidance as to how the subcommittee should proceed. She stated that the subcommittee needs to know the EC's position regarding the limitation on rollover rights to a redirected path at the end of term. She also noted that the ESS/ITS is working on several other high priority items. Ms. York stated that NAESB could request that FERC staff attend a single topic meeting to help answer some of the subcommittee's questions. Mr. Gallagher stated that he does not support remanding the recommendation to the subcommittee but would support tabling the motion and requesting FERC staff to provide an interpretation, so that the EC can make a decision at a meeting in the future. Mr. Martinko stated that his motion is currently on the floor and that he supports the recommendation and is ready to vote. Mr. Pritchard stated that there are other standards in the recommendation regarding the accounting of rollover rights that should be addressed as soon as possible. Mr. Green stated that he supports the recommendation with the exception of WEQ-001-9.7. The participants discussed whether WEQ-001-9.7 should be remanded to the subcommittee. Ms. McQuade reminded the participants that the EC is responsible for approving standards and EC members may make any modifications they deem appropriate to recommended standards. Mr. Davis made a motion to amend the motion to accept the recommendation as drafted and remove WEQ-001-9.7 from the recommendation. Mr. Gallagher seconded the motion. The motion passed a simple majority. Ms. York, Ms. Crockett, and Mr. Martinko opposed. Ms. York stated that the EC will table discussion on WEQ-001-9.7 and a task force will be developed to address the issues related to the standard with FERC staff.

Mr. Pritchard made a motion to modify the recommendations request number and title to reflect the removal of WEQ-001-9.7. Mr. McGee seconded the motion. Ms. McQuade stated that NAESB staff will modify the request number and title, making the WEQ-001-9.7 standard part two of the WEQ Annual Plan item. She noted that there is no need for a motion to take that action, as making the modification would be administrative. Mr. Pritchard withdrew his motion.

Mr. Davis reviewed the Entergy comments and withdrew the comments concerning WEQ-001-9.7. He stated that the suggested modifications in the comments are editorial. Mr. Sorenson suggested that the language "is eligible for rollover rights" be removed from WEQ-001-y.1, WEQ-001-y.2, WEQ-001-y.2.1, and WEQ-001-y.2.3. Mr. Pritchard made a motion to amend the motion to adopt the standard as drafted to include the modifications suggested in the Entergy comments, with the exception of those to WEQ-001-9.7 and the modifications suggested by Mr. Sorenson. Mr. McGovern seconded the motion. The motion passed a simple majority vote. Mr. Skiba, Mr. Castle, and Ms. Wesley opposed. Ms. Sheffrin abstained.

Next, Ms. Rehman reviewed the Bonneville Power Administration comments and withdrew the comments concerning WEQ-001-9.7. Mr. Martinko and Ms. Wesley accepted the modifications proposed in the Bonneville Power Administration comments as a friendly amendment to the motion to adopt the recommendation as drafted.

The participants returned to the Southern comments and Mr. Wood reviewed the comments not related to WEQ-001-9.7. Mr. Wood withdrew the proposed modifications to the WEQ-003. Mr. Rodriquez moved to amend the motion to adopt the recommendation as drafted to include the modifications to WEQ-001-9.5.3 and WEQ-001-y.2 as proposed in the Southern Comments. The motion passed a simple majority vote without opposition.

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Ms. York asked if anyone would like to offer any other amendments to the motion adopt the recommendation. None were offered. The participants took a super majority roll call vote on the motion to adopt the recommendation as amended, however there were an insufficient number of votes cast to determine the outcome [V2]. A notational ballot will be distributed to make the determination. A redlined version of the recommendation reflecting the modifications made through friendly amendment can be found on the NAESB website through the following link: http://naesb.org/pdf4/weq_ec110408a13.doc. [A notational ballot was distributed on November 13, 2008 and the motion passed a super majority vote. A record of the notational ballots received is included in the Voting Record below.].

Ms. McQuade asked that the participants interested in volunteering for the Task Force concerning WEQ-001-9.7 to email the NAESB office expressing their interest.

4. Discuss and consider minor corrections to standards and final actions, and vote on:

Mr. Norris made a motion to adopt all minor corrections included in agenda item eight. Ms. Crockett seconded the motion. Ms. Otondo stated that the modifications to Recommendation 2008 WEQ Annual Plan Item 2.a.i.2/2008 WEQ Annual Plan Item 2.a.vii.1 proposed by Bonneville Power Administration should not be addressed through the minor correction process, as they are substantive in nature. Ms. Rehman withdrew the proposed modifications.

Ms. Otondo reviewed the minor corrections submitted by the chairs of the BPS and ESS/ITS in response to the ATC related standards adopted by NERC. She also noted that chairs of the BPS and ESS/ITS will review the NERC CBM standard once it is finalized to determine if any modifications to the NAESB CBM standards will be necessary.

Ms. Rehman reviewed the second set of minor corrections submitted by Bonneville Power Administration. She explained that the page numbers reference the 2008 WEQ Annual Plan Item 2.a.iv.4, 2.a.vi.4 and 2.b.ii.1 recommendation that is currently out for member ratification. Ms. Rager modified the language in the document to more accurately explain the correction. A redlined version of the minor correction reflecting the modifications made by Ms. Rager can be found on the NAESB website through the following link: http://naesb.org/pdf4/weq_ec110408a16.doc.

Mr. Norris modified his motion to adopt all minor corrections in agenda item eight with the exception of the minor correction withdrawn by Bonneville Power Administration. Ms. Crockett accepted the modification. The motion passed without opposition.

5. Update on specific issues

Order No. 890; DSM-EE Efforts; and e-Tariff: Due to time constraints, Ms. York asked the participants to review the updates contained in the meeting materials off line. Mr. True quickly added that the DSM Standards for the WEQ will be reviewed at the December 2, 2008 meeting in Birmingham, Alabama, and if approved could be before the EC at the next meeting in February. A participant asked if NAESB intended to host an e-Tariff class in the West. Ms. McQuade responded that it would depend on the attendance at the meetings in Austin on November 21, 2008 and New Orleans no January 12, 2009.

Glossary Discussion: Mr. Skiba stated that he has discussed removing the definitions contained in each section of the NAESB Standards and creating a single NAESB glossary with each of the active subcommittees, and that the subcommittees have been generally supportive. He stated that some of the definitions are in conflict with the NERC definitions and therefore need to be modified. He asked what the process would be for making these modifications. Ms. McQuade responded that if the modifications are only to the numbering of the definitions then that can be handled administratively by the NAESB office. However, if the modifications are substantively modifying the definition of the terms, then the proposed modifications would have to undergo a thirty day formal comment period. Mr. Skiba asked if every subcommittee would have to approve the modifications. Ms. McQuade responded that they would not have to be approved by the subcommittees.

6. Subcommittee Updates and Plan Updates

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Triage Subcommittee: Ms. York noted that some of the triage items would be discussed during the WEQ 2009 Annual Plan review and asked that the participants review the triage meeting materials off line.

Business Practices Subcommittee: Mr. Skiba quickly reviewed the Business Practice Subcommittee presentation. He reviewed the WEQ Annual Plan items that the subcommittee has completed and the subcommittee's objectives for 2009. He noted that subcommittee completed several items in 2008 that were not included in the WEQ Annual Plan.

Electronic Scheduling (ESS) and Information Technology (ITS) Subcommittees: Mr. Wood reviewed the ESS/ITS presentation. He reviewed the WEQ Annual Plan Items that the subcommittees completed in 2008 and noted that the subcommittee is currently working on the Network Integration Transmission Service ("NITS") Annual Plan items. He stated that the subcommittee has been scheduling conference calls and meetings every two weeks and that the subcommittees would welcome more participation as they develop the NITS standards.

Joint Interchange Scheduling Working Group (JISWG): Mr. Harshbarger provided an update of the activities of the JISWG. He noted that the working group will meet in Houston the next week and will receive an update from the NAESB staff regarding the transfer of the EIR and e-Tag from NERC to NAESB. He stated that the group will also review the informal comments submitted in response to the e-Tag 1.8.1 specification document. On October 9, 2008 the working group reviewed the timing table recommendation that was created in 2007 but tabled contingent upon related NERC Standards that have now been completed. Modifications were made to the timing table and the revised recommendation was submitted for a thirty day formal comment period ending on November 10, 2008.

Standards Review Subcommittee (SRS): Mr. Skiba reviewed the SRS presentation. He stated that 2008 was a rebuilding year and that the subcommittee is now caught up and working effectively. He noted that the SRS has addressed all of their WEQ Annual Plan items and has also worked on some of the provisional items. The subcommittee is scheduled to meet the first Tuesday of every month during 2009.

6. Review, discuss, identify changes and vote to approve changes to the 2008 Annual Plan to be proposed to the Board of Directors and the process for 2009 Annual Plan creation.

Due to time constraints, Ms. McQuade suggested that the participants email proposed modifications and updates to the WEQ 2008 Annual Plan to the NAESB office. She stated that the NAESB office will compile the updates and email the updated plan to the members for approval. Ms. Otondo noted that a line item needs to be added for FERC Order No. 717.

7. Board of Directors, Board Committee and Regulatory Updates

Board Updates: Ms. McQuade reviewed the materials provided for the Board update and policy changes. She noted that at the September 25, 2008 Board of Directors meeting, the Board voted to modify the NAESB Certificate, Bylaws, and Standard Operating Practices, as well as increase membership fees and change the revenue structure. The Board approved a membership fee increase from $5,000 to $6,500, which has not been modified since 1996. The increased revenue from the membership fee adjustment should help address some financial issues. A drop down box reminding users of the NAESB copyright policy is being added to the website, and software that will prohibit users from downloading the standards to multiple computers is currently being negotiated. NAESB is also raising the price of its work product and will now charge non-members $900 for the NAESB standards. This action was proposed in response to extensive research on the price point of work products distributed by other organizations. Ms. McQuade noted that NAESB did not adjust the current government rate.

Ms. Otondo asked how the Certificate and Bylaw changes would have affected the ATC Information List recommendation. She asked if the recommendations failure is still considered a segment block that, even though it did achieve supermajority support. Ms. McQuade responded that once the changes are ratified, at the EC level, each segment will have to be fully populated, meaning all segments seats will have to be filled by a member or alternate, in order for that segment to exercise a segment block. A recommendation is considered blocked by single segment even if it does gain supermajority support, if there is at least forty percent support in every other segment. Ms. McQuade noted that the ATC Information List will be presented to the FERC as failing due to both a segment block and a lack of supermajority support. Mr. Skiba noted that if a segment remains under populated that it can vote

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against a recommendation in a block and not be charged with a segment block, and that a segment that is fully populated could have a variation of votes and still be charged with a segment block if it does not reach the 40% threshold.

Quadrant Action on IGO Segment: Ms. McQuade noted that the issue concerning the creation of the IGO sub-segments has been resolved. The IRC provided NAESB a letter stating that IGO segment would be unable to establish a sub-segment structure that would not be considered arbitrary. To allow this action, the process in 2.4 of the WEQ procedures was invoked and the IGO segment will not be divided into sub-segments.

Wholesale Gas and Retail Activities; Regulatory Updates: Due to time constraints, Ms. York asked the participants to review the updates contained in the meeting materials off line.

10. New Business

Process for Election of 2009 Officers: Ms. McQuade stated that the NAESB office will be asking the organization's officers if they are interested in holding their position in 2009 later in the month. If participants wish to run against the officers or for empty positions they need to give the NAESB office notice as soon as possible.

Mr. Skiba noted that the November 2009 EC meeting is scheduled on Veteran's Day. Ms. McQuade responded that the NAESB office will look into moving the meeting date.

11. Adjourn

Ms. Crockett moved to adjourn the meeting. The meeting was adjourned at 4:11 PM Eastern.

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12. Attendance and Voting Record

November 4, 2008 – WEQ EC Attendance and Voting Record

ATTENDANCE	V1	V2	Motions can be found following the voting record. Y – indicates an affirmative vote, N – indicates a vote in opposition, A – indicates an abstention, a blank cell indicates that the voter was not present when the vote was called, (NB) – indicates that the vote was made through a notational ballot.		
TRANSMISSION SEGMENT					SUBSEGMENT:
In Person	Y	Y	Patrick McGovern	Georgia Transmission Corporation	Muni/Coop
Phone	Y	Y	Barbara Rehman alt. for S. Cobb	Salt River Project	Fed/State/Prov.
In Person	Y	Y	Daryl McGee alt. for D. Ulch	Southern Company Services	IOU
In Person	Y	Y	Edward Davis	Entergy Services, Inc.	IOU
In Person	N	Y	Bob Harshbarger	Puget Sound Energy	at large
Phone		Y	Michelle Mizumori	WECC	At-Large
GENERATION SEGMENT					
Phone	N	Y	William J. Gallagher	Vermont Public Power Supply Authority	Muni/Coop
In Person	Y	Y	Kathy York	Tennessee Valley Authority	Fed/State/Prov.
In Person	Y	Y	Jalal Babik	Dominion Resource Services, Inc.	IOU
	Y(NB)	Y(NB)	John Ciza	Southern Company Services	IOU
Phone	N(NB)	Y	Ron Mucci	Entegra Power Group LLC	Merchant
Phone	N	Y(NB)	Gary Hinners	Reliant Energy, Inc.	at large
Phone	N		Neal Balu	Wisconsin Public Service Corporation	at large
MARKETERS/BROKERS SEGMENT					
In Person	Y	Y	Clay A. Norris	North Carolina Municipal Power Agency #1	Muni/Coop
In Person	Y	Y	Valerie Crockett alt. for B. Thornton	Tennessee Valley Authority	Fed/State/Prov.
	N(NB)	Y(NB)	Ralph Honeycutt	SUEZ Energy Marketing NA, Inc.	Not IOU Affiliated
Phone	Y	Y	Mark Mitchell	Salt River Project	at large
			John Apperson	PacifiCorp Energy	IOU
In Person	Y	Y	Roy True	ACES Power	at large
In Person	N	Y	Barry Green	Electric Power Supply Association (EPSA)	at large

November 4, 2008 – WEQ EC Attendance and Voting Record

DISTRIBUTION/LOAD SERVING ENTITIES (LSE) SEGMENT					SUBSEGMENT:
In Person	Y	Y	Robert Williams	Florida Municipal Power Agency	Muni/Coop
	Y(NB)	N(NB)	W. Shannon Black	Sacramento Municipal Utility District	Muni/Coop
In Person	Y	Y	Alan Pritchard	Duke Energy Corporation	IOU
	Y(NB)	Y(NB)	Jeffrey C. Mueller	Public Service Electric and Gas Company	IOU
In Person	Y	Y	Robert Martinko	FirstEnergy Service Company	at large
In Person	Y	Y	Syd Berwager	Bonneville Power Administration	Other
In Person	N	Y	Andy Rodriquez	NERC	At-Large
END USERS SEGMENT					
	Y(NB)	Y(NB)	Lou Ann Westerfield	Idaho Public Utilities Commission, rep. National Association of Regulatory Utility Commissioners	Regulator
In Person	Y	N	Paul Sorenson	Open Access Technology International, Inc.	At-Large
INDEPENDENT GRID OPERATORS/PLANNERS SEGMENT					
In Person	Y	Y	Cathy Wesley alt. for S. Bresler	PJM Interconnection	
In Person	Y	Y	Jim Castle	New York Independent System Operator, Inc.	
	Y(NB)	Y(NB)	Matt Goldberg	ISO New England, Inc.	
Phone	Y	Y	Anjali Sheffrin	California ISO	
Phone	Y(NB)	Y	Joel Mickey	Electric Reliability Council of Texas	
In Person	N	Y	Ed Skiba	Midwest ISO	
Phone	Y	Y	Charles Yeung	Southwest Power Pool	

TOTALS	Votes possible	Votes Cast		Percentage Affirmative Votes Cast		Reaching the 40% Segment Affirmative Vote Threshold?	
		Super Majority V1	Super Majority V2	V1	V2	V1	V2
TOTAL	36	25 affirmative 9 in opposition 8 ballots received	32 affirmative 2 in opposition 7 ballots received	69%	89%	Motion Passes	Motion Passes

Other Participant Attendance

Participant	Organization	Attendance
Jonathan Booe	NAESB	In Person
Ernie Cardone	New York ISO	Phone
Jack Cashin	EPSA	In Person
Deonne Cunningham	NAESB	Phone
Yarrow Etheredge	Entergy	Phone
Chuck Feagans	TVA	Phone
Shay LaBray	PacifiCorp	Phone
Bill Lohrman	FERC	In Person
Rae McQuade	NAESB	In Person
Abbey Nulph	Bonneville Power Company	Phone
Pat O'Conner	TVA	Phone
Lou Oberski	Dominion	In Person
Katy Onnen	Southwest Power Pool	In Person
Marcie Otondo	Arizona Public Service	In Person
Denise Rager	NAESB	In Person
Barbara Rehman	Bonneville Power Administration	Phone
Dorothy Rull	Preferred Legal	In Person
Narinder Saini	Entergy	In Person
Ramona Sumner	TVA	Phone
Veronica Thomason	NAESB	In Person
Roy True	Aces Power Marketing	In Person
JT Wood	Southern Company	Phone

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January 23, 2009

TO: NAESB Wholesale Electric Quadrant Executive Committee and Interested Industry Participants

FROM: Jonathan Booe, NAESB Staff Attorney

RE: Wholesale Electric Quadrant Executive Committee Conference Call Regarding the Quadrant's 2009 Annual Plan – Draft Minutes – January 23, 2009

NORTH AMERICAN ENERGY STANDARDS BOARD
WHOLESALE ELECTRIC QUADRANT
EXECUTIVE COMMITTEE MEETING
Friday, January 23, 2009 – 2:00 pm to 4:00 pm Central
DRAFT MINUTES

1. Welcome

Ms. York called the meeting to order and welcomed the Wholesale Electric Quadrant (WEQ) Executive Committee (EC) members and other participants. Mr. Booe gave the antitrust guidance and called the roll of the WEQ EC. Quorum was established. Ms. York reviewed the agenda. Mr. Rodriquez moved to adopt the agenda and Mr. Skiba seconded the motion. The motion passed without opposition.

2. Review of Comments and Adoption of 2009 Retail Annual Plan

Ms. York noted that the comments submitted in response to the Proposed 2009 Wholesale Gas Quadrant Annual Plan have been incorporated in the Proposed 2009 Annual Plan with the WEQ Comments Included work paper. The participants reviewed the work paper and addressed all of the submitted comments. Modifications were made to the 2009 WGQ Annual Plan based upon the discussion of the participants. These modifications can be found on the NAESB website through the following hyperlink: hyperlink.

Mr. Rodriquez made a motion to adopt the 2009 WEQ Annual Plan as revised by the WEQ EC. Mr. Harshbarger seconded the motion and the motion passed a simple majority vote without opposition. The adopted 2009 WEQ Annual Plan will be reviewed at the February 3, 2009 WEQ EC meeting.

3. New Business

No new business was discussed

4. Adjourn

The meeting was adjourned by consensus at 4:15 PM Central.

5. Executive Committee Attendance

		SUBSEGMENT:	ATTENDENCE
TRANSMISSION SEGMENT			
Patrick McGovern	Georgia Transmission Corporation	Muni/Coop	
Barbara Rehman for Wendy Weathers	Bonneville Power Administration	Fed/State/Prov.	Present
Daryl McGee	Southern Company Services	IOU	Present
Edward Davis	Entergy Services, Inc.	IOU	Present
Mark Hackney	Arizona Public Service	at large	
Bob Harshbarger	Puget Sound Energy	at large	Present
Michelle Mizumori	WECC	At-Large	Present
GENERATION SEGMENT			

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		SUBSEGMENT:	ATTENDENCE
William J. Gallagher	Vermont Public Power Supply Authority	Muni/Coop	
Kathy York	Tennessee Valley Authority	Fed/State/Prov.	Present
Jalal Babik	Dominion Resource Services, Inc.	IOU	
John Ciza	Southern Company Services	IOU	Present
Ron Mucci	Entegra Power Group LLC	Merchant	
Gary Hinners	Reliant Energy, Inc.	at large	Present
Neal Balu	Wisconsin Public Service Corporation	at large	Present
MARKETERS/BROKERS SEGMENT		SUBSEGMENT:	
Mack Thompson	American Municipal Power	Muni/Coop	
Belinda Thornton	Tennessee Valley Authority	Fed/State/Prov.	
Mark Mitchell	Salt River Project	at large	
John Apperson	PacifiCorp Energy	IOU	
Roy True	ACES Power	at large	
Barry Green	Electric Power Supply Association (EPSA))	at large	Present
DISTRIBUTION/LOAD SERVING ENTITIES (LSE) SEGMENT		SUBSEGMENT:	
Robert Williams	Florida Municipal Power Agency	Muni/Coop	
Alan Pritchard	Duke Energy Corporation	IOU	Present
Jeffrey C. Mueller	Public Service Electric and Gas Company	IOU	
Robert Martinko	FirstEnergy Service Company	at large	Present
Syd Berwager	Bonneville Power Administration	Other	
Andy Rodriquez	NERC	At-Large	Present
END USERS SEGMENT			
Aaron Breidenbaugh	EnerNOC, Inc.		
Lou Ann Westerfield	Idaho Public Utilities Commission, rep. National Association of Regulatory Utility Commissioners	Regulator	
Paul Sorenson	Open Access Technology International, Inc.	At-Large	Present
INDEPENDENT GRID OPERATORS/PLANNERS SEGMENT			
Cathy Wesley for S. Bresler	PJM Interconnection		Present
Jim Castle	New York Independent System Operator, Inc.		Present
Matt Goldberg	ISO New England, Inc.		
Anjali Sheffrin	California ISO		Present
Joel Mickey	Electric Reliability Council of Texas		
Ed Skiba	Midwest ISO		Present
Charles Yeung	Southwest Power Pool		

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: **Puget Sound Energy**
Request No.: **WEQ 2008 AP Item 6.m (R07007)**
Request Title: **Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)**

1. RECOMMENDED ACTION:

____	Accept as requested
X	Accept as modified below
____	Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

X	Change to Existing Practice
____	Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:		**Per Recommendation:**	
____	Initiation	____	Initiation
____	Modification	____	Modification
____	Interpretation	____	Interpretation
____	Withdrawal	____	Withdrawal
____	Principle	____	Principle
____	Definition	____	Definition
X	Business Practice Standard	____	Business Practice Standard
____	Document	____	Document
____	Data Element	____	Data Element
____	Code Value	____	Code Value
____	X12 Implementation Guide	____	X12 Implementation Guide
____	Business Process Documentation	____	Business Process Documentation

3. RECOMMENDATION

SUMMARY:

To address Request R07007, e-Tag timing tables, the JISWG worked with the requestor to simplify and enhance the clarity of the tables. The Timing Table Interchange Timeline with Minimum Reliability-Related Response Times in Appendix D of WEQ 004 Coordinate Interchange ratified under change request R05001 (with Minor Corrections Applied March 20, 2007) will be split into two tables. One table will be applicable to all interconnections other than WECC. The second table will be specific to WECC. These two tables have differences due to the difference in ramp durations and ramp start between the WECC and other interconnections. The tables now also contain a timeline diagram which various industry participants requested. The timing tables,

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

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if approved, should replace the timing tables in the existing Coordinate Interchange standard. The revised timing tables are included below.

At the August 14, 2007 the WEQ Executive Committee (EC) first reviewed the recommendation for R07007. Below is an extract from the meeting minutes/

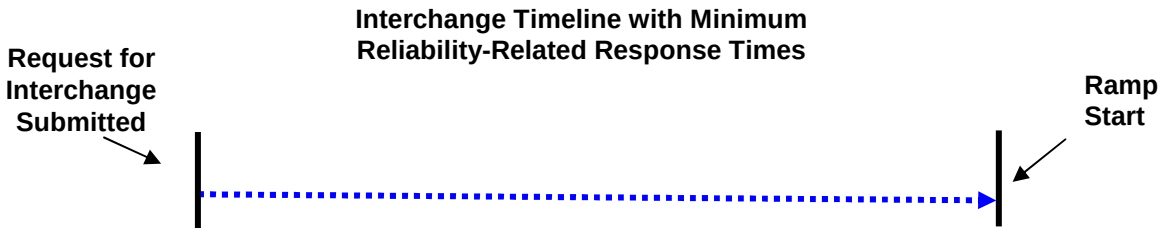
> After further discussion, Mr. Rodriquez requested that Mr. Davis and Mr. Castle withdraw their motion in favor of a new motion to remand the Recommendation for R07007 back to the JISWG to address Mr. Davis' concerns. Mr. Davis and Mr. Castle accepted Mr. Rodriquez' suggestion. Mr. Rodriquez then called the question. Mr. Sorenson requested that the motion be revised to include that the modifications should wait to see what happens in the NERC SAR process and standard process. Mr. Davis and Mr. Castle accepted Mr. Sorenson's suggestion. The motion unanimously passed a simple majority vote.

Since the original recommendation was remanded back to JISWG, the INT-005-3, INT-006-3, and INT-008-3 NERC Standards have been revised and submitted to the NERC Board of Trustees for Approval. The Coordinate Interchange Timing tables in this recommendation reflect the time changes for the GPE, LSE, and PSE Market Assessments so that they are concurrent with the BA and TSP Reliability Assessments.

RECOMMENDED STANDARDS:

Delete the following information from WEQ-004 Appendix D – Commercial Timing Table

Timing Table



RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: **Puget Sound Energy**
Request No.: **WEQ 2008 AP Item 6.m (R07007)**
Request Title: **Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)**

	A	B	C	D	
If Actual Arranged Interchange (RFI) is Submitted	**IA Makes Initial Distribution of Arranged Interchange**	**GPE, LSE, and PSE[1] Conduct Market Assessments[2] IA Verifies Reliability Data Complete**	**IA Compiles and Distributes Status**	**BA Prepares Confirmed Interchange for Implementation**	**Minimum *Total* Reliability Period (Columns A through D)**
≤1 hour prior to ramp start	≤ 1 minute from RFI submission	≤ 10 minutes from Arranged Interchange receipt from IA for all Interconnections except WECC	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start	*15 minutes*
≤20 minutes prior to ramp start	≤ 1 minute from RFI submission	≤ 5 minutes from Arranged Interchange receipt from IA for WECC	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start	*10 minutes*
>20 minutes to ≤1 hour prior to ramp start	≤ 1 minute from RFI submission	≤ 10 minutes from Arranged Interchange receipt from IA for WECC	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start	*15 minutes*

[1] This PSE reference applies to PSE's whose transmission rights are cited on Arranged Interchange.
[2] These Market Assessments take place in concurrence with NERC Reliability Assessments (as found in NERC INT-005-1).

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: **Puget Sound Energy**
Request No.: **WEQ 2008 AP Item 6.m (R07007)**
Request Title: **Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)**

	A	B	C	D	
If **Actual Arranged Interchange (RFI) is Submitted**	**IA Makes Initial Distribution of Arranged Interchange**	**GPE, LSE, and PSE[1] Conduct Market Assessments[2]** **IA Verifies Reliability Data Complete**	**IA Compiles and Distributes Status**	**BA Prepares Confirmed Interchange for Implementation**	**Minimum *Total* Reliability Period** **(Columns A through D)**
>1 hour to < 4 hours prior to ramp start	≤ 1 minute from RFI submission	≤ 20 minutes from Arranged Interchange receipt from IA	≤ 1 minute from receipt of all Reliability Assessments	≥ 39 minutes prior to ramp start	*1 hour plus 1 minute*
≥ 4 hours prior to ramp start	≤ 1 minute from RFI submission	≤ 2 hours from Arranged Interchange receipt from IA	≤ 1 minute from receipt of all Reliability Assessments	≥ 1 hour 58 minutes prior to ramp start	*4 hours*

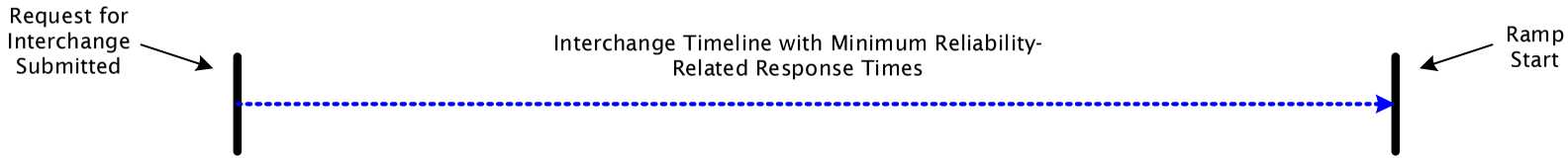
RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: WEQ

Requesters: Puget Sound Energy
Request No.: WEQ 2008 AP Item 6.m (R07007)
Request Title: Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)

Add the following information to WEQ-004 Appendix D – Commercial Timing Table

Timing Requirements for all Interconnections except WECC



		A	B	C	D
If Actual Arranged Interchange (RFI)[3] is Submitted	IA Assigned Time Classification	IA Makes Initial Distribution of Arranged Interchange	GPE, LSE, and PSE [4]Conduct Market Assessments[5]	IA Compiles and Distributes Status	BA Prepares Confirmed Interchange for Implementation
>1 hour after the RFI start time	ATF	≤ 1minute from RFI submission	Entities have up to 2 hours to respond.	≤ 1minute from receipt of all Reliability Assessments	NA
<15 minutes prior to ramp start and ≤1 hour after the RFI start time	Late	≤ 1minute from RFI submission	Entities have up to 10 minutes to respond.	≤ 1minute from receipt of all Reliability Assessments	≤ 3 minutes after receipt of confirmed RFI
<1 hour and ≥ 15 minutes prior to ramp start	On-time	≤ 1minute from RFI submission	≤ 10 minutes from Arranged Interchange receipt from IA	≤1 minute from receipt of all Reliability Assessments	≥3 minutes prior to ramp start
≥1 hour and < 4 hours prior to ramp start	On-time	≤ 1minute from RFI submission	≤ 20 minutes from Arranged Interchange receipt from IA	≤ 1minute from receipt of all Reliability Assessments	≥ 39 minutes prior to ramp start
≥ 4 hours prior to ramp start	On-time	≤ 1minute from RFI submission	≤ 2 hours from Arranged Interchange receipt from IA	≤ 1minute from receipt of all Reliability Assessments	≥ 1 hour 58 minutes prior to ramp start

[3] Time Classifications and deadlines apply to both initial Arranged Interchange submittal and any subsequent modifications to the Arranged Interchange.
[4] This PSE reference applies to PSEs whose transmission rights are cited on Arranged Interchange.
[5] These Market Assessments take place in concurrence with NERC Reliability Assessments (as found in NERC INT-005-3)

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: WEQ

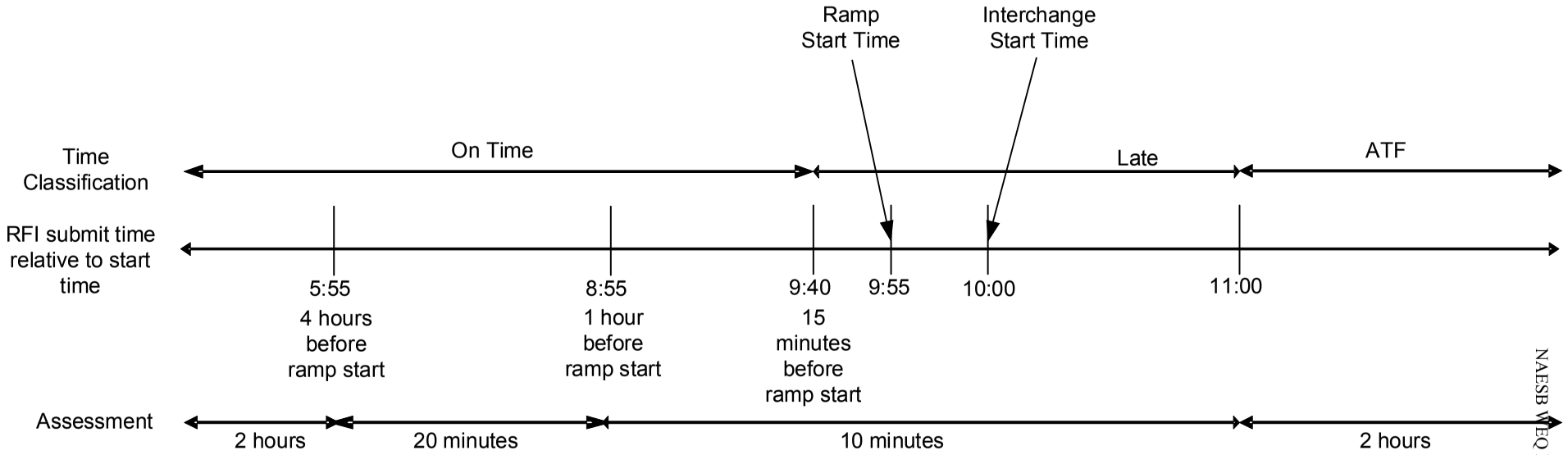
Requesters:	**Puget Sound Energy**
Request No.:	**WEQ 2008 AP Item 6.m (R07007)**
Request Title:	**Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)**

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: WEQ

Requesters: **Puget Sound Energy**
Request No.: **WEQ 2008 AP Item 6.m (R07007)**
Request Title: **Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)**

Example of Timing Requirements for all Interconnections except WECC



RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: WEQ

Requesters: Puget Sound Energy Incorporated
Request No.: R07007
Request Title: Update Coordinate Interchange Timing Table to Reflect Initial Assigned Status

Timing Requirements for WECC

		A	B	C	D
If Actual Arranged Interchange (RFI)[6] is Submitted	IA Assigns Time Classification	IA Makes Initial Distribution of Arranged Interchange	GPE, LSE, and PSE [7]Conduct Market Assessments[8]	IA Compiles and Distributes Status	BA Prepares Confirmed Interchange for Implementation
>1 hour after the start time	ATF	≤ 1minute from RFI submission	Entities have up to 2 hours to respond.	≤ 1minute from receipt of all Reliability Assessments	NA
<10 minutes prior to ramp start and ≤1 hour after the start time	Late	≤ 1minute from RFI submission	Entities have up to 10 minutes to respond.	≤ 1minute from receipt of all Reliability Assessments	≤ 3 minutes after receipt of confirmed RFI
10 minutes prior to ramp start	On-time	≤ 1 minute from RFI submission	≤ 5 minutes from Aranged Interchange receipt from IA	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start
11 minutes prior to ramp start	On-time	≤ 1 minute from RFI submission	≤ 6 minutes from Aranged Interchange receipt from IA	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start
12 minutes prior to ramp start	On-time	≤ 1 minute from RFI submission	≤ 7 minutes from Aranged Interchange receipt from IA	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start
13 minutes prior to ramp start	On-time	≤ 1 minute from RFI submission	≤ 8 minutes from Aranged Interchange receipt from IA	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start
14 minutes prior to ramp start	On-time	≤ 1 minute from RFI submission	≤ 9 minutes from Aranged Interchange receipt from IA	≤ 1 minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start
<1 hour and ≥ 15 minutes prior to ramp start	On-time	≤ 1minute from RFI submission	≤ 10 minutes from Arranged Interchange receipt from IA	≤ 1minute from receipt of all Reliability Assessments	≥ 3 minutes prior to ramp start
≥1 hour and < 4 hours prior to ramp start	On-time	≤ 1minute from RFI submission	≤ 20 minutes from Arranged Interchange receipt from IA	≤ 1minute from receipt of all Reliability Assessments	≥ 39 minutes prior to ramp start
≥ 4 hours prior to ramp start	On-time	≤ 1minute from RFI submission	≤ 2 hours from Arranged Interchange receipt from IA	≤ 1minute from receipt of all Reliability Assessments	≥ 1 hour 58 minutes prior to ramp start
Submitted before 10:00 PPT with start time ≥ 00:00 PPT of following day	On-time	≤ 1minute from RFI submission	By 12:00 PPT of day the Arranged Interchange was received by the IA	≤ 1minute from receipt of all Reliability Assessments	≥ 1 hour 58 minutes prior to ramp start

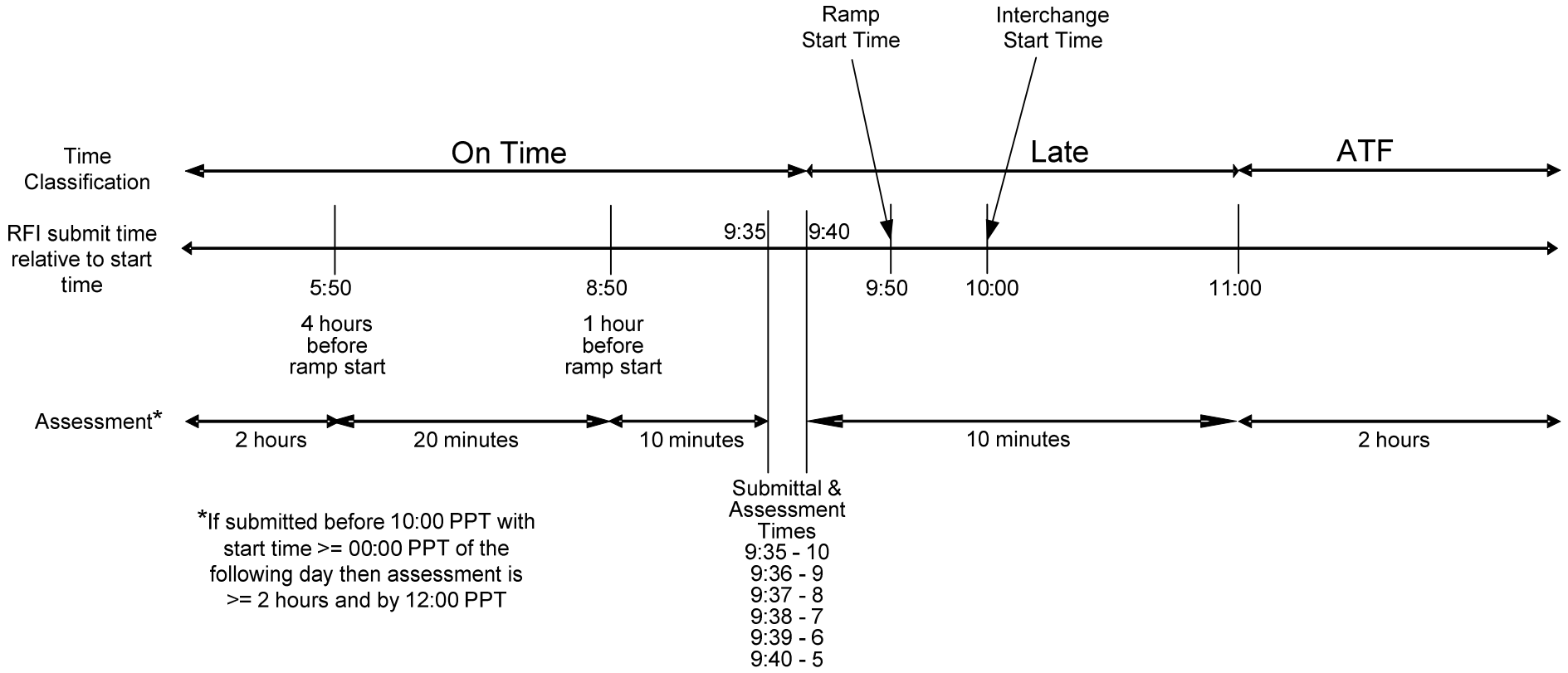
[6] Time Classifications and deadlines apply to both initial Arranged Interchange submittal and any subsequent modifications to the Arranged Interchange.
[7] This PSE reference applies to PSEs whose transmission rights are cited on Arranged Interchange.
[8] These Market Assessments take place in concurrence with NERC Reliability Assessments (as found in NERC INT-005-3)

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: WEQ

Requesters: Puget Sound Energy Incorporated
Request No.: R07007
Request Title: Update Coordinate Interchange Timing Table to Reflect Initial Assigned Status

Example of Timing Requirements for WECC



RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: Puget Sound Energy Incorporated
Request No.: R07007
Request Title: Update Coordinate Interchange Timing Table to Reflect Initial Assigned Status

4. SUPPORTING DOCUMENTATION

a. Description of Request:

Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI):

- Include designation of request status based on start and submittal times.
- Include assess times for After-The-Fact (ATF) requests.

Include a WECC preschedule late (Pre-Late) submittal definition

b. Description of Recommendation:

After review of this Request and in consultation with the WECC, the JISWG recommends that the Pre-late category is not necessary. The JISWG recommends that the tables set forth in this recommendation be adopted to replace the existing timing tables in the Timing Table Interchange Timeline with Minimum Reliability-Related Response Times in Appendix D of WEQ 004 Coordinate Interchange documented in Version 002.0 of the NAESB Business Practices.

c. Business Purpose:

Provide a clear definition of what RFIs are assigned on their initial status: On Time, Late, or After the Fact.

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

Simplify timing rules, clarify the effects of the timing tables on each entity, incorporate desired changes from industry participants, and provide a clear definition of the initial status that should be assigned to an RFI as per the request.

The timing tables are being updated so that the timing requirements of the GPE, PSE, and LSE Market Assessments are consistent with the timing requirements for the BA and TSP Reliability Assessements documented in INT-005-3.

Standards Request:

R07007 Update the Timing Table to Reflect the Categories (On-time, Late, After-the-fact, and Pre-late) used in the latest E-Tag Specification with respect to receipt of an Arranged Interchange (RFI)

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: Puget Sound Energy Incorporated
Request No.: R07007
Request Title: Update Coordinate Interchange Timing Table to Reflect Initial Assigned Status

Supporting Meeting Minutes:

- JISWG Meeting, May 15-18, 2007: Draft Minutes
- JISWG Conference Call, June 6, 2007: Final Minutes
- Joint ESS/ITS and JISWG Conference Call, June 14, 2007: Draft Minutes
- JISWG Conference Call, June 25, 2007: Draft Minutes
- ESS/ITS Meeting, June 26-27, 2007: Final Minutes
- WEQ Executive Committee Meeting, August 14, 2007: Final Minutes
- JISWG Conference Call, October 9, 2008: (unavailable – DC)

Corresponding NERC Standard to be approved by the NERC Board of Trustees:

- INT-005-3 Interchange Authority Distributes Arranged Interchange

FORMAL COMMENTS

Quadrant:	Wholesale Electric Quadrant
Recommendation:	2008 AP Item 6.m (R07007) (Update the Timing Table to Reflect the Categories (On-time, Late, After-the-Fact, and Pre-late) used in E-Tag Specifications with respect to RFI)
Submitted By:	Standards Review Subcommittee
Date:	November 7, 2008

Under the Standards Review Subcommittee Scope of Work, which was approved by the SRS on March 6, 2008, the SRS agreed to review recommendations and if subcommittee deemed appropriate, they would submit advisory comments to the Executive Committee for consideration. As stated in the Scope of Work these comments are "not intended to change the scope of the Business Practices or recommendation, but to provide consistency and uniformity across all WEQ Business Practices."

The SRS is requesting the Executive Committee consider the following advisory comments in their review of this recommendation:

Foot Note #s	Since Timing Table on page 3 and 4 of the recommendation will be deleted from WEQ-004 Appendix D and will be replaced by the separate Tables one applicable to all interconnections except WECC and the other applicable to WECC, SRS recommends that the Foot Note numbers on the new tables should start with 1 rather than 3.
ATF	SRS recommends that the term After-the-Fact be used rather than an abbreviation "ATF" in both timing tables as ATF is not a defined term in the Standard.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Dear Wholesale Electric Quadrant Members and Interested Industry Participants –

For the attached recommendation for standards that are linked to NERC standards development for FERC Order No. 693, specifically those dealing with time error and inadvertent interchange payback, our subcommittee has accepted these proposed standards and are asking you to comment on them in a formal comment period. They are also asking the WEQ Executive Committee to consider this recommendation and comments that are submitted during the formal comment period, and vote on this recommendation.

The subcommittee understands that NERC is considering the elimination of Time Error Corrections, and that the proposed standards may be unnecessary if NERC should identify that course of action.. However, at this time, whether that path will be chosen is uncertain. In light of this, the subcommittee believes it is prudent to present this standard for consideration. Should NERC choose to eliminate Time Error Correction, it may be appropriate for this Business Practice to be retired.

The subcommittee also understands that the proposed standards include references to NERC reliability standards related to Inadvertent Payback that are currently under revision. The subcommittee does not expect that this recommendation will require significant rework by the subcommittee once NERC adopts its related reliability standards.

The subcommittee's chairs along with the chair of the Time and Inadvertent Management Task Force will review the final NERC actions and will identify if any changes are needed to recommendations that have already been processed through commenting and EC consideration. If changes are needed, a determination will be made whether the changes can be processed as minor actions, or for more substantive changes, the standards modification process will be used.

We are taking these steps and offering this recommendation for your comment and for EC consideration for vote rather than waiting until NERC completes its full process because:

(1) NERC has not determined if or when they would eliminate of Time Error Corrections.
(2) The tools developed by the business practice support balancing authorities compliance to the existing NERC standards.
(3) Allowing the business practices to undergo a field test will provide signals to the NERC and NAESB drafting teams that they are on the right track.
(4) Submitting the recommendations now to the industry and to the WEQ EC will provide the necessary signals from the industry through formal comments and through EC actions. If corrective action is needed, NAESB would have the opportunity to further coordinate with NERC.

Please note that the subcommittee and its Time and Inadvertent Management Task Force have worked diligently on this recommendation and that all steps outlined conform with NAESB operating procedures. We appreciate your consideration and your comments.

With Best Regards,

Jim Busbin, Co-Chair, NAESB Business Practices Subcommittee
Ed Skiba, Co-Chair, NAESB Business Practices Subcommittee

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

1. RECOMMENDED ACTION:

___Accept as requested
_X_Accept as modified below
___Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X_Change to Existing Practice
___Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:

___Initiation
_X_Modification
___Interpretation
___Withdrawal

___Principle
___Definition
___Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

Per Recommendation:

___Initiation
_X_Modification
___Interpretation
___Withdrawal

___Principle
___Definition
___Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

3. RECOMMENDATION

SUMMARY:

Standards Request R07020 was submitted to have NAESB develop additional time error correction and indavertent payback options. At the June 4, 2008 BPS meeting Time and Inadvertent Management Task Force was created to address R07020. The Task Force met on three separate occassions on created:

- Time Error Correction Inititiation (Method 2) for WEQ-006
- Bilateral Payback (Method 2) for WEQ-007
- Unilateral Payback (Method 2) for WEQ-007

RECOMMENDED STANDARDS:

Changes to WEQ-006

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Purpose

Interconnection frequency is normally scheduled at 60.00 Hz and controlled to that value. The control is imperfect and over time the frequency will average slightly above or below 60.00 Hz resulting in electromechanical clocks developing an error relative to true time. This Standard specifies the procedures to be used for reducing the error to within acceptable limits of true time.

006-0.2 RESERVED

006-4 **TIME ERROR CORRECTION INITIATION (METHOD 1)**

Time Error Corrections should start and end on the hour or half-hour, and notice should be given at least one hour before the Time Error Correction is to start or stop. Time Error Corrections shall last at least one hour, unless terminated by a Reliability Coordinator. Time Error Corrections for fast time shall not be initiated between 0400-1100 Central Time except in the Western Interconnection. All Balancing Authorities within an Interconnection shall make all Time Error Corrections directed by the Interconnection Time Monitor for its Interconnection. All Balancing Authorities within an Interconnection shall make Time Error Corrections at the same rate. Each Interconnection Time Monitor shall monitor Time Error and make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	*Initiation*		*Termination*		*Offset*
	East	**West**	**West**	**East**	
Slow	–10	-5	±0.5	–6	+0.02 Hz
Fast	+10	+5	±0.5	+6	-0.02 Hz

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

006-5 TIME ERROR CORRECTION INITIATION (METHOD 2)

The Interconnection Time Monitor may choose Method 2 to reduce the number of Time Error Corrections. If Time Error is beyond ±30 seconds at 22:00 Central Prevailing Time, the Interconnection Time Monitor will initiate a 24 hour correction starting at 00:00. The Interconnection Time Monitor shall make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	*Initiation*	*Termination*	*Offset*
Slow	-30 @ 22:00 to start at 00:00	00:00 next day	+0.02 Hz
Fast	+30 @ 22:00 to start at 00:00	00:00 next day	-0.02 Hz

006-7 TIME ERROR CORRECTION OFFSET

Each Balancing Authority, when requested, shall participate in a Time Error Correction by one of the following two methods:

006-8 INTERCONNECTION TIME ERROR NOTIFICATION

On the first day of each month, the Interconnection Time Monitor shall issue a notification of Time Error accurate to within 0.01 second to all Reliability Coordinators within the Interconnection to assure uniform calibration of time standards.

006-9 WESTERN INTERCONNECTION TIME ERROR NOTIFICATION

Within the Western Interconnection, the Interconnection Time Monitor shall provide the accumulated Time Error (accurate to within 0.001 second) to all Balancing Authorities on a daily basis at 1400 PDT/PST using the WECCNet. The alphabetic designator shall accompany Time Error notification if a Time Error Correction is in progress.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

006-10 After the premature termination of a manual Time Error Correction, a slow Time Error Correction can be reinstated after the frequency has returned to 60.00 Hz or above for a period of ten minutes. A fast Time Error Correction can be reinitiated after the frequency has returned to 60.00 Hz or lower for a period of ten minutes. At least one hour shall elapse between the termination and re-initiation notices.

006-11 **TIME ERROR CORRECTION ON RECONNECTION**

When one or more Balancing Authorities have been separated from the Interconnection, upon reconnection, they shall adjust their Time Error devices to coincide with the Time Error of the Interconnection Time Monitor. The Balancing Authorities shall notify the Interconnection Time Monitor they are ready to receive the necessary adjustment to Time Error as soon as possible after reconnection.

Changes to WEQ-007

007-1.1.1 **Bilateral Payback (Method 1)**

Inadvertent Interchange accumulations may be paid back via an Interchange Schedule with another Balancing Authority.

007-1.1.1.1 Opposite Balances

The source Balancing Authority Area and sink Balancing Authority Area should have Inadvertent Interchange accumulations in the opposite direction, unless transferring inadvertent to another party to facilitate the reduction of inadvertent balances.

007-1.1.1.2 Payback Terms

The terms of the Inadvertent Interchange payback shall be agreed upon by all involved Balancing Authorities and Transmission Service Providers.

007-1.1.2 **Bilateral Payback (Method 2)**

Balancing Authorities may choose to financially settle part or all of their Inadvertent Interchange accumulations.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: WEQ BPS Subcommittee
Request No.: 2008 WEQ AP Item 6.b
Request Title: Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)

007-1.1.2.1 Opposite Balances

The source Balancing Authority Area and sink Balancing Authority Area should have Inadvertent Interchange accumulations in the opposite direction, unless transferring inadvertent to another party to facilitate the reduction of inadvertent balances.

007-1.1.2.2 Payback Terms

The terms of the Inadvertent Interchange payback shall be agreed upon by the settling Balancing Authorities.

007-1.1.2.3 Accounting and Reporting

The settling transaction in a given month will be accounted for as an after-the-fact schedule in the last on-peak hour of the month for on-peak Inadvertent Interchange and the last off-peak hour of the month for off-peak Inadvertent Interchange. The Balancing Authorities will jointly report to NERC the settled on-peak and off-peak MWh.

007-1.1.3 **Unilateral Payback (Method 1)**

Inadvertent Interchange accumulations may be paid back unilaterally controlling to a target of non-zero ACE. Controlling to a non-zero ACE ensures that the unilateral payback is accounted for in the CPS calculations. The unilateral payback control offset is limited to Balancing Authority's L_{10} limit and shall not burden the Interconnection.

007-1.1.4 **Unilateral Payback (Method 2)**

A Balancing Authority may alternatively perform a unilateral payback to assist in correcting Time Error. Such payback may only be accomplished whenever the Balancing Authority's Inadvertent Interchange Balance and Time Error have the same sign. Method 2 unilateral Inadvertent payback must end if a Time Error Correction is initiated. Payback Method 2 may be accomplished by either of the following methods:

007-1.1.4.1 An offset of scheduled frequency of +0.02 Hz.

007-1.1.4.2 An offset of the Net Interchange Scheduled value of the ACE equation of 5MW or 20% of the Balancing Authority Bias, whichever is greater.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

007-2 **OTHER PAYBACK METHODS**

Upon agreement by all Regions within an Interconnection, other methods of Inadvertent Interchange payback may be utilized.

4. SUPPORTING DOCUMENTATION

a. Description of Request:

The purpose of this standard is to provide time correction and inadvertent interchange management business practices that will help NERC address the concerns raised by the FERC (*Mandatory Reliability Standards for the Bulk-Power System Docket No. RM06-16-000; Order No. 693).*

- Specifically, this Business Practice would address concerns raised in the sections of the order dealing with BAL-004, BAL-005 and BAL-006:Number of frequency excursions. Over 40% of the identified frequency excursions happened during Time Error Corrections (TEC), where the TEC magnifies the deviation from 60Hz. This business practice would result in fewer hours in TEC, which should result in fewer frequency excursions.
- BAL-004: Number and efficiency of TEC. Performing a clock-day TEC will reduce confusion about start and stop times and would enable a simple measurement on the efficiency of each correction.
- BAL-006: Accumulation of large Inadvertent balances. This business practice provides two additional tools to allow Balancing Authorities to pay back or recover Inadvertent Interchange. The unilateral payback option will also result in fewer TECs.

The scope of the proposed practices is intended to be very focused.

Time Error Correction Practices

First, the practices would accommodate and have no impact on the Western Interconnection's Automatic Time Error Correction (WATEC) procedure for the Western Interconnection.

The practices would still allow current manual TEC practices and would also allow an alternate manual TEC procedure. The alternate procedure would expand the time window and reduce the frequency offset such that TECs are implemented if Time Error exceeds ± 30 seconds (East) at 22:00 Central Prevailing Time. If this threshold is reached, a TEC is implemented at midnight (2 hours later) with a

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: WEQ BPS Subcommittee
Request No.: 2008 WEQ AP Item 6.b
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scheduled frequency offset of ±0.02Hz and run for a full clock day (unless stopped for reliability reasons).

Inadvertent Management

There are two components to the Inadvertent Management practices.

Unilateral Payback Correcting Time Error: In addition to current procedures, allow unilateral payback via one of the following two methods whenever the BA Inadvertent Interchange Balance and Time Error have the same sign:

- An offset of scheduled frequency of ±0.02 Hz, or
- If the scheduled frequency setting cannot be offset, a Net Interchange Schedule (MW) equal to 5MW or 20% of the BA Bias (whichever is greater).

This unilateral Inadvertent payback ends when the time error is zero or has changed signs, the accumulation of inadvertent interchange has been corrected to zero, or a scheduled time error correction begins, which takes precedence over offsetting frequency schedule to pay back inadvertent.

Financial Settlement: Allowing financial settlement of Inadvertent Interchange prevents a second flow of energy to correct an unscheduled flow of energy in previous hours. The terms of the financial inadvertent settlement remain private, the parties and amount of Inadvertent Interchange would be reported to NERC.

Terms and mechanisms for settlement of Inadvertent Interchange are not part of the scope of this proposal.

b. Description of Recommendation:

See proposed standards changes listed under Section 3 Recommended Standards.

c. Business Purpose:

Develop a NAESB Time and Inadvertent Management Business Practice that provides additional Inadvertent Payback options and improved Time Control.

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

Notes:

- The changes to WEQ-006 are based on the assumption that the WEQ membership has ratified 2008 WEQ Annual Plan Item 6.a Review/revise WEQ 006 to remove/revise mandatory requirements for Interconnection Time Monitor (R07019)

Supporting Documentation:

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

- R07020 Time and Inadvertent Management Business Practice
- Time and Inadvertent Management Business Practice Presentation, provided to the Business Practices Subcommittee June 4, 2008
- Time and Inadvertent Management Business Practices FAQ, dated August 16, 2008
- Time and Inadvertent Management Business Practices Implementation Plan (Best Case) dated September 19, 2008
- Meeting Minutes
  - BPS June 4, 2008
  - BPS July 29, 2008 NAESB to add link
  - BPS September 22, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force July 14, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force July 24, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force August 15, 2008 NAESB to add link

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Dear Wholesale Electric Quadrant Members and Interested Industry Participants –

For the attached recommendation for standards that are linked to NERC standards development for FERC Order No. 693, specifically those dealing with time error and inadvertent interchange payback, our subcommittee has accepted these proposed standards and are asking you to comment on them in a formal comment period. They are also asking the WEQ Executive Committee to consider this recommendation and comments that are submitted during the formal comment period, and vote on this recommendation.

The subcommittee understands that NERC is considering the elimination of Time Error Corrections, and that the proposed standards may be unnecessary if NERC should identify that course of action.. However, at this time, whether that path will be chosen is uncertain. In light of this, the subcommittee believes it is prudent to present this standard for consideration. Should NERC choose to eliminate Time Error Correction, it may be appropriate for this Business Practice to be retired.

The subcommittee also understands that the proposed standards include references to NERC reliability standards related to Inadvertent Payback that are currently under revision. The subcommittee does not expect that this recommendation will require significant rework by the subcommittee once NERC adopts its related reliability standards.

The subcommittee's chairs along with the chair of the Time and Inadvertent Management Task Force will review the final NERC actions and will identify if any changes are needed to recommendations that have already been processed through commenting and EC consideration. If changes are needed, a determination will be made whether the changes can be processed as minor actions, or for more substantive changes, the standards modification process will be used.

We are taking these steps and offering this recommendation for your comment and for EC consideration for vote rather than waiting until NERC completes its full process because:

(1) NERC has not determined if or when they would eliminate of Time Error Corrections.
(2) The tools developed by the business practice support balancing authorities compliance to the existing NERC standards.
(3) Allowing the business practices to undergo a field test will provide signals to the NERC and NAESB drafting teams that they are on the right track.
(4) Submitting the recommendations now to the industry and to the WEQ EC will provide the necessary signals from the industry through formal comments and through EC actions. If corrective action is needed, NAESB would have the opportunity to further coordinate with NERC.

Please note that the subcommittee and its Time and Inadvertent Management Task Force have worked diligently on this recommendation and that all steps outlined conform with NAESB operating procedures. We appreciate your consideration and your comments.

With Best Regards,

Jim Busbin, Co-Chair, NAESB Business Practices Subcommittee
Ed Skiba, Co-Chair, NAESB Business Practices Subcommittee

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

1. RECOMMENDED ACTION:

___Accept as requested
_X_Accept as modified below
___Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X_Change to Existing Practice
___Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:

___Initiation
_X_Modification
___Interpretation
___Withdrawal

___Principle
___Definition
___Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

Per Recommendation:

___Initiation
_X_Modification
___Interpretation
___Withdrawal

___Principle
___Definition
___Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

3. RECOMMENDATION

SUMMARY:

Standards Request R07020 was submitted to have NAESB develop additional time error correction and indavertent payback options. At the June 4, 2008 BPS meeting Time and Inadvertent Management Task Force was created to address R07020. The Task Force met on three separate occassions on created:

- Time Error Correction Inititiation (Method 2) for WEQ-006
- Bilateral Payback (Method 2) for WEQ-007
- Unilateral Payback (Method 2) for WEQ-007

RECOMMENDED STANDARDS:

Changes to WEQ-006

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Purpose

Interconnection frequency is normally scheduled at 60.00 Hz and controlled to that value. The control is imperfect and over time the frequency will average slightly above or below 60.00 Hz resulting in electromechanical ~~electric~~ clocks developing an error relative to true time. This Standard specifies the procedures to be used for reducing the error to within acceptable limits of true time.

006-0.2 ~~**Balancing Authority Area (BAA)** - An electrical system bounded by interconnection (tie-line) metering and telemetry, where the Balancing Authority controls (either directly or by contract) generation to maintain its Interchange Schedule with other Balancing Authority Areas and contributes to frequency regulation of the Interconnection.~~RESERVED

006-4 **TIME ERROR CORRECTION INITIATION (METHOD 1)**

Time ~~e~~Error C~~c~~orrections should start and end on the hour or half-hour, and notice should be given at least one hour before the T~~t~~ime E~~e~~rror C~~c~~orrection is to start or stop. Time Error C~~c~~orrections shall last at least one hour, unless terminated by a Reliability Coordinator. Time Error C~~c~~orrections for fast time shall not be initiated between 0400-1100 Central Time except ~~for~~ in the Western Interconnection. All Balancing Authorities within an Interconnection shall make all Time Error ~~c~~Corrections directed by the Interconnection Time Monitor for its Interconnection. All Balancing Authorities within an Interconnection shall make Time Error Corrections at the same rate. Each Interconnection Time Monitor shall monitor Time Error and make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	*Initiation*		*Termination*		*Offset*
	East	West	West	East	
Slow	–10	-5	±0.5	–6	+0.02 Hz
Fast	+10	+5	±0.5	+6	-0.02 Hz

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

006-5 TIME ERROR CORRECTION INITIATION (METHOD 2)~~INTERCONNECTION TIME MONITORING~~

The Interconnection Time Monitor may choose Method 2 to reduce the number of Time Error Corrections. If Time Error is beyond +30 seconds at 22:00 Central Prevailing Time, the Interconnection Time Monitor will initiate a 24 hour correction starting at 00:00. The Interconnection Time Monitor shall make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	*Initiation*	*Termination*	*Offset*
Slow	-30 @ 22:00 to start at 00:00	00:00 next day	+0.02 Hz
Fast	+30 @ 22:00 to start at 00:00	00:00 next day	-0.02 Hz

~~Each Interconnection Time Monitor shall monitor time error and make a reasonable effort to initiate or terminate corrective action orders according to the following table:~~

~~Time (seconds)~~	~~*Initiation*~~		~~*Termination*~~	
	~~East~~	~~West~~	~~East~~	~~West~~
~~**Slow**~~	~~-10~~	~~-5~~	~~-6~~	~~±0.5~~
~~**Fast**~~	~~+10~~	~~+5~~	~~+6~~	~~±0.5~~

006-7 TIME ERROR CORRECTION OFFSET

Each Balancing Authority, when requested, shall participate in a Time Error Correction by one of the following two methods:

006-8 INTERCONNECTION TIME ERROR NOTIFICATION

On the first day of each month, the Interconnection Time Monitor shall issue a notification of ~~t~~Time ~~e~~Error accurate to within 0.01 second to all Reliability

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
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Coordinators within the Interconnection to assure uniform calibration of time standards.

006-9 **WESTERN INTERCONNECTION TIME ERROR NOTIFICATION**

Within the Western Interconnection, the Interconnection Time Monitor shall provide the accumulated ~~t~~Time ~~e~~Error (accurate to within 0.001 second) to all Balancing Authorities on a daily basis at 1400 PDT/PST using the WECCNet. The alphabetic designator shall accompany T~~t~~ime E~~e~~rror notification if a T~~t~~ime E~~e~~rror ~~c~~Correction is in progress.

006-10 After the premature termination of a manual ~~t~~Time Error ~~c~~Correction, a slow ~~t~~Time Error ~~c~~Correction can be reinstated after the frequency has returned to 60.00 Hz or above for a period of ten minutes. A fast ~~t~~Time Error ~~c~~Correction can be reinitiated after the frequency has returned to 60.00 Hz or lower for a period of ten minutes. At least one hour shall elapse between the termination and re-initiation notices.

006-11 **TIME ERROR CORRECTION ON RECONNECTION**

When one or more Balancing Authorities have been separated from the Interconnection, upon reconnection, they shall adjust their T~~t~~ime E~~e~~rror devices to coincide with the ~~t~~Time ~~e~~Error of the Interconnection Time Monitor. The Balancing Authorities shall notify the Interconnection Time Monitor they are ready to receive the necessary adjustment to ~~t~~Time ~~e~~Error as soon as possible after reconnection.

Changes to WEQ-007

007-1.1.1 **Bilateral ~~p~~Payback (Method 1)**

Inadvertent Interchange accumulations may be paid back via an Interchange Schedule with another Balancing Authority.

007-1.1.1.1 Opposite ~~b~~Balances

The source Balancing Authority Area and sink Balancing Authority Area ~~must~~ should have Inadvertent Interchange accumulations in the opposite direction.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

unless transferring inadvertent to another party to facilitate the reduction of inadvertent balances.

007-1.1.1.2 Payback Tterms

The terms of the Inadvertent Interchange payback shall be agreed upon by all involved Balancing Authorities and Transmission Service Providers.

007-1.1.2 Bilateral Payback (Method 2)

Balancing Authorities may choose to financially settle part or all of their Inadvertent Interchange accumulations.

007-1.1.2.1 Opposite Balances

The source Balancing Authority Area and sink Balancing Authority Area should have Inadvertent Interchange accumulations in the opposite direction, unless transferring inadvertent to another party to facilitate the reduction of inadvertent balances.

007-1.1.2.2 Payback Terms

The terms of the Inadvertent Interchange payback shall be agreed upon by the settling Balancing Authorities.

007-1.1.2.3 Accounting and Reporting

The settling transaction in a given month will be accounted for as an after-the-fact schedule in the last on-peak hour of the month for on-peak Inadvertent Interchange and the last off-peak hour of the month for off-peak Inadvertent Interchange. The Balancing Authorities will jointly report to NERC the settled on-peak and off-peak MWh.

007-1.1.32 Unilateral Ppayback (Method 1)

Inadvertent Interchange accumulations may be paid back unilaterally controlling to a target of non-zero ACE. Controlling to a non-zero ACE ensures that the unilateral payback is accounted for in the CPS calculations. The unilateral payback control offset is limited to Balancing Authority's L_{10} limit and shall not burden the Interconnection.

007-1.1.4 Unilateral Payback (Method 2)

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

A Balancing Authority may alternatively perform a unilateral payback to assist in correcting Time Error. Such payback may only be accomplished whenever the Balancing Authority's Inadvertent Interchange Balance and Time Error have the same sign. Method 2 unilateral Inadvertent payback must end if a Time Error Correction is initiated. Payback Method 2 may be accomplished by either of the following methods:

007-1.1.4.1 An offset of scheduled frequency of +0.02 Hz.

007-1.1.4.2 An offset of the Net Interchange Scheduled value of the ACE equation of 5MW or 20% of the Balancing Authority Bias, whichever is greater.

007-2 **OTHER PAYBACK METHODS**

Upon agreement by all Regions within an Interconnection, other methods of Inadvertent Interchange payback may be utilized.

4. SUPPORTING DOCUMENTATION

a. Description of Request:

The purpose of this standard is to provide time correction and inadvertent interchange management business practices that will help NERC address the concerns raised by the FERC (*Mandatory Reliability Standards for the Bulk-Power System Docket No. RM06-16-000; Order No. 693).*

- Specifically, this Business Practice would address concerns raised in the sections of the order dealing with BAL-004, BAL-005 and BAL-006:Number of frequency excursions. Over 40% of the identified frequency excursions happened during Time Error Corrections (TEC), where the TEC magnifies the deviation from 60Hz. This business practice would result in fewer hours in TEC, which should result in fewer frequency excursions.
- BAL-004: Number and efficiency of TEC. Performing a clock-day TEC will reduce confusion about start and stop times and would enable a simple measurement on the efficiency of each correction.
- BAL-006: Accumulation of large Inadvertent balances. This business practice provides two additional tools to allow Balancing Authorities to pay back or recover Inadvertent Interchange. The unilateral payback option will also result in fewer TECs.

The scope of the proposed practices is intended to be very focused.

Time Error Correction Practices

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: WEQ BPS Subcommittee
Request No.: 2008 WEQ AP Item 6.b
Request Title: Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)

First, the practices would accommodate and have no impact on the Western Interconnection's Automatic Time Error Correction (WATEC) procedure for the Western Interconnection.

The practices would still allow current manual TEC practices and would also allow an alternate manual TEC procedure. The alternate procedure would expand the time window and reduce the frequency offset such that TECs are implemented if Time Error exceeds ± 30 seconds (East) at 22:00 Central Prevailing Time. If this threshold is reached, a TEC is implemented at midnight (2 hours later) with a scheduled frequency offset of ±0.02Hz and run for a full clock day (unless stopped for reliability reasons).

Inadvertent Management

There are two components to the Inadvertent Management practices.

Unilateral Payback Correcting Time Error: In addition to current procedures, allow unilateral payback via one of the following two methods whenever the BA Inadvertent Interchange Balance and Time Error have the same sign:

- An offset of scheduled frequency of ±0.02 Hz, or
- If the scheduled frequency setting cannot be offset, a Net Interchange Schedule (MW) equal to 5MW or 20% of the BA Bias (whichever is greater).

This unilateral Inadvertent payback ends when the time error is zero or has changed signs, the accumulation of inadvertent interchange has been corrected to zero, or a scheduled time error correction begins, which takes precedence over offsetting frequency schedule to pay back inadvertent.

Financial Settlement: Allowing financial settlement of Inadvertent Interchange prevents a second flow of energy to correct an unscheduled flow of energy in previous hours. The terms of the financial inadvertent settlement remain private, the parties and amount of Inadvertent Interchange would be reported to NERC.

Terms and mechanisms for settlement of Inadvertent Interchange are not part of the scope of this proposal.

b. Description of Recommendation:

See proposed standards changes listed under Section 3 Recommended Standards.

c. Business Purpose:

Develop a NAESB Time and Inadvertent Management Business Practice that provides additional Inadvertent Payback options and improved Time Control.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant:	**WEQ**
Requesters:	**WEQ BPS Subcommittee**
Request No.:	**2008 WEQ AP Item 6.b**
Request Title:	**Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

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

Notes:

- The changes to WEQ-006 are based on the assumption that the WEQ membership has ratified 2008 WEQ Annual Plan Item 6.a Review/revise WEQ 006 to remove/revise mandatory requirements for Interconnection Time Monitor (R07019)

Supporting Documentation:

- R07020 Time and Inadvertent Management Business Practice
- Time and Inadvertent Management Business Practice Presentation, provided to the Business Practices Subcommittee June 4, 2008
- Time and Inadvertent Management Business Practices FAQ, dated August 16, 2008
- Time and Inadvertent Management Business Practices Implementation Plan (Best Case) dated September 19, 2008
- Meeting Minutes
  - BPS June 4, 2008
  - BPS July 29, 2008 NAESB to add link
  - BPS September 22, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force July 14, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force July 24, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force August 15, 2008 NAESB to add link

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Dear Wholesale Electric Quadrant Members and Interested Industry Participants –

For the attached recommendation for standards that are linked to NERC standards development for FERC Order No. 693, specifically those dealing with time error and inadvertent interchange payback, our subcommittee has accepted these proposed standards and are asking you to comment on them in a formal comment period. They are also asking the WEQ Executive Committee to consider this recommendation and comments that are submitted during the formal comment period, and vote on this recommendation.

The subcommittee understands that NERC is considering the elimination of Time Error Corrections, and that the proposed standards may be unnecessary if NERC should identify that course of action.. However, at this time, whether that path will be chosen is uncertain. In light of this, the subcommittee believes it is prudent to present this standard for consideration. Should NERC choose to eliminate Time Error Correction, it may be appropriate for this Business Practice to be retired.

The subcommittee also understands that the proposed standards include references to NERC reliability standards related to Inadvertent Payback that are currently under revision. The subcommittee does not expect that this recommendation will require significant rework by the subcommittee once NERC adopts its related reliability standards.

The subcommittee's chairs along with the chair of the Time and Inadvertent Management Task Force will review the final NERC actions and will identify if any changes are needed to recommendations that have already been processed through commenting and EC consideration. If changes are needed, a determination will be made whether the changes can be processed as minor actions, or for more substantive changes, the standards modification process will be used.

We are taking these steps and offering this recommendation for your comment and for EC consideration for vote rather than waiting until NERC completes its full process because:

(1) NERC has not determined if or when they would eliminate of Time Error Corrections.
(2) The tools developed by the business practice support balancing authorities compliance to the existing NERC standards.
(3) Allowing the business practices to undergo a field test will provide signals to the NERC and NAESB drafting teams that they are on the right track.
(4) Submitting the recommendations now to the industry and to the WEQ EC will provide the necessary signals from the industry through formal comments and through EC actions. If corrective action is needed, NAESB would have the opportunity to further coordinate with NERC.

Please note that the subcommittee and its Time and Inadvertent Management Task Force have worked diligently on this recommendation and that all steps outlined conform with NAESB operating procedures. We appreciate your consideration and your comments.

With Best Regards,

Jim Busbin, Co-Chair, NAESB Business Practices Subcommittee
Ed Skiba, Co-Chair, NAESB Business Practices Subcommittee

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

1. RECOMMENDED ACTION:

___Accept as requested
_X_Accept as modified below
___Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X_Change to Existing Practice
___Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

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

3. RECOMMENDATION

SUMMARY:

Standards Request R07020 was submitted to have NAESB develop additional time error correction and indavertent payback options. At the June 4, 2008 BPS meeting Time and Inadvertent Management Task Force was created to address R07020. The Task Force met on three separate occassions on created:

- Time Error Correction Inititiation (Method 2) for WEQ-006
- Bilateral Payback (Method 2) for WEQ-007
- Unilateral Payback (Method 2) for WEQ-007

RECOMMENDED STANDARDS:

Changes to WEQ-006

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Purpose

Interconnection frequency is normally scheduled at 60.00 Hz and controlled to that value. The control is imperfect and over time the frequency will average slightly above or below 60.00 Hz resulting in electromechanical ~~electric~~ clocks developing an error relative to true time. This Standard specifies the procedures to be used for reducing the error to within acceptable limits of true time.

006-0.2 ~~**Balancing Authority Area (BAA)** - An electrical system bounded by interconnection (tie-line) metering and telemetry, where the Balancing Authority controls (either directly or by contract) generation to maintain its Interchange Schedule with other Balancing Authority Areas and contributes to frequency regulation of the Interconnection.~~RESERVED

006-4 **TIME ERROR CORRECTION INITIATION (METHOD 1)**

Time ~~e~~Error C~~c~~orrections should start and end on the hour or half-hour, and notice should be given at least one hour before the T~~t~~ime E~~e~~rror C~~c~~orrection is to start or stop. Time Error C~~c~~orrections shall last at least one hour, unless terminated by a Reliability Coordinator. Time Error C~~c~~orrections for fast time shall not be initiated between 0400-1100 Central Time except ~~for~~ in the Western Interconnection. All Balancing Authorities within an Interconnection shall make all Time Error ~~c~~Corrections directed by the Interconnection Time Monitor for its Interconnection. All Balancing Authorities within an Interconnection shall make Time Error Corrections at the same rate. Each Interconnection Time Monitor shall monitor Time Error and make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	Initiation		Termination		Maximum Offset (1)
	East	West	West	East	
Slow	–10	-5	±0.5	–6	+0.02 Hz
Fast	+10	+5	±0.5	+6	-0.02 Hz

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

006-5 TIME ERROR CORRECTION INITIATION (METHOD 2)~~INTERCONNECTION TIME MONITORING~~

The Interconnection Time Monitor may choose Method 2 to reduce the number of Time Error Corrections. If Time Error is beyond +30 seconds at 22:00 Central Prevailing Time, the Interconnection Time Monitor will initiate a 24 hour correction starting at 00:00. The Interconnection Time Monitor shall make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	*Initiation*	*Termination*	*Maximum Offset* (1)
Slow	-30 @ 22:00 to start at 00:00	00:00 next day	+0.02 Hz
Fast	+30 @ 22:00 to start at 00:00	00:00 next day	-0.02 Hz

~~Each Interconnection Time Monitor shall monitor time error and make a reasonable effort to initiate or terminate corrective action orders according to the following table:~~

~~Time (seconds)~~	~~*Initiation*~~		~~*Termination*~~	
	~~East~~	~~West~~	~~East~~	~~West~~
~~**Slow**~~	~~-10~~	~~-5~~	~~-6~~	~~±0.5~~
~~**Fast**~~	~~+10~~	~~+5~~	~~+6~~	~~±0.5~~

006-7 TIME ERROR CORRECTION OFFSET

Each Balancing Authority, when requested, shall participate in a Time Error Correction by one of the following two methods:

006-8 INTERCONNECTION TIME ERROR NOTIFICATION

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

On the first day of each month, the Interconnection Time Monitor shall issue a notification of ŧTime ɵError accurate to within 0.01 second to all Reliability Coordinators within the Interconnection to assure uniform calibration of time standards.

006-9 **WESTERN INTERCONNECTION TIME ERROR NOTIFICATION**

Within the Western Interconnection, the Interconnection Time Monitor shall provide the accumulated ŧTime ɵError (accurate to within 0.001 second) to all Balancing Authorities on a daily basis at 1400 PDT/PST using the WECCNet. The alphabetic designator shall accompany Tŧime Eɵrror notification if a Tŧime Eɵrror ɵCorrection is in progress.

006-10 After the premature termination of a manual ŧTime Error ɵCorrection, a slow ŧTime Error ɵCorrection can be reinstated after the frequency has returned to 60.00 Hz or above for a period of ten minutes. A fast ŧTime Error ɵCorrection can be reinitiated after the frequency has returned to 60.00 Hz or lower for a period of ten minutes. At least one hour shall elapse between the termination and re-initiation notices.

006-11 **TIME ERROR CORRECTION ON RECONNECTION**

When one or more Balancing Authorities have been separated from the Interconnection, upon reconnection, they shall adjust their Tŧime Eɵrror devices to coincide with the ŧTime ɵError of the Interconnection Time Monitor. The Balancing Authorities shall notify the Interconnection Time Monitor they are ready to receive the necessary adjustment to ŧTime ɵError as soon as possible after reconnection.

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(1) Pending a successful Time and Inadvertent Management field trial and subsequent reliability standard approvals, the Interconnection Time Monitor shall have the discretion to choose any increment of offset frequency , up to and including the Maximum Offset frequency, deemed necessary to effect Time Error Correction.

Changes to WEQ-007

007-1.1.1 **Bilateral ɒPayback (Method 1)**

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
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Inadvertent Interchange accumulations may be paid back via an Interchange Schedule with another Balancing Authority.

007-1.1.1.1 Opposite ~~b~~Balances

The source Balancing Authority Area and sink Balancing Authority Area ~~must~~ should have Inadvertent Interchange accumulations in the opposite direction, unless transferring inadvertent to another party to facilitate the reduction of inadvertent balances.

007-1.1.1.2 Payback T~~t~~erms

The terms of the Inadvertent Interchange payback shall be agreed upon by all involved Balancing Authorities and Transmission Service Providers.

007-1.1.2 Bilateral Payback (Method 2)

Balancing Authorities may choose to financially settle part or all of their Inadvertent Interchange accumulations.

007-1.1.2.1 Opposite Balances

The source Balancing Authority Area and sink Balancing Authority Area should have Inadvertent Interchange accumulations in the opposite direction, unless transferring inadvertent to another party to facilitate the reduction of inadvertent balances.

007-1.1.2.2 Payback Terms

The terms of the Inadvertent Interchange payback shall be agreed upon by the settling Balancing Authorities.

007-1.1.2.3 Accounting and Reporting

The settling transaction in a given month will be accounted for as an after-the-fact schedule in the last on-peak hour of the month for on-peak Inadvertent Interchange and the last off-peak hour of the month for off-peak Inadvertent Interchange. The Balancing Authorities will jointly report to NERC the settled on-peak and off-peak MWh.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
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007-1.1.~~3~~2 Unilateral P~~p~~ayback (Method 1)

Inadvertent Interchange accumulations may be paid back unilaterally controlling to a target of non-zero ACE. Controlling to a non-zero ACE ensures that the unilateral payback is accounted for in the CPS calculations. The unilateral payback control offset is limited to Balancing Authority's L_{10} limit and shall not burden the Interconnection.

007-1.1.4 Unilateral Payback (Method 2)

~~A Balancing Authority may alternatively perform a unilateral payback to assist in correcting Time Error. Such payback may only be accomplished~~Method 2 may only be utilized —whenever the Balancing Authority's Inadvertent Interchange Balance and Time Error have the same sign. Method 2 unilateral Inadvertent payback must end if a Time Error Correction is initiated. Payback Method 2 may be accomplished by either of the following methods:

007-1.1.4.1 An offset of scheduled frequency of +0.02 Hz. in the ACE equation used for control (but not NERC reporting). This will result in a non-zero reporting ACE. A non-zero ACE ensures that the unilateral payback is accounted for in the CPS calculations.

007-1.1.4.2 An offset of the Net Interchange Scheduled value of the control ACE equation (but not NERC reporting ACE) of 5MW or 20% of the Balancing Authority Bias, whichever is greater. This will result in a non-zero reporting ACE. A non-zero ACE ensures that the unilateral payback is accounted for in the CPS calculations.

007-2 OTHER PAYBACK METHODS

Upon agreement by all Regions within an Interconnection, other methods of Inadvertent Interchange payback may be utilized.

4. SUPPORTING DOCUMENTATION

a. Description of Request:

The purpose of this standard is to provide time correction and inadvertent interchange management business practices that will help NERC address the concerns raised by the FERC (*Mandatory Reliability Standards for the Bulk-Power System Docket No. RM06-16-000; Order No. 693).*

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

Requesters: WEQ BPS Subcommittee
Request No.: 2008 WEQ AP Item 6.b
Request Title: Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)

- Specifically, this Business Practice would address concerns raised in the sections of the order dealing with BAL-004, BAL-005 and BAL-006:Number of frequency excursions. Over 40% of the identified frequency excursions happened during Time Error Corrections (TEC), where the TEC magnifies the deviation from 60Hz. This business practice would result in fewer hours in TEC, which should result in fewer frequency excursions.
- BAL-004: Number and efficiency of TEC. Performing a clock-day TEC will reduce confusion about start and stop times and would enable a simple measurement on the efficiency of each correction.
- BAL-006: Accumulation of large Inadvertent balances. This business practice provides two additional tools to allow Balancing Authorities to pay back or recover Inadvertent Interchange. The unilateral payback option will also result in fewer TECs.

The scope of the proposed practices is intended to be very focused.

Time Error Correction Practices

First, the practices would accommodate and have no impact on the Western Interconnection's Automatic Time Error Correction (WATEC) procedure for the Western Interconnection.

The practices would still allow current manual TEC practices and would also allow an alternate manual TEC procedure. The alternate procedure would expand the time window and reduce the frequency offset such that TECs are implemented if Time Error exceeds ± 30 seconds (East) at 22:00 Central Prevailing Time. If this threshold is reached, a TEC is implemented at midnight (2 hours later) with a scheduled frequency offset of ±0.02Hz and run for a full clock day (unless stopped for reliability reasons).

Inadvertent Management

There are two components to the Inadvertent Management practices.

Unilateral Payback Correcting Time Error: In addition to current procedures, allow unilateral payback via one of the following two methods whenever the BA Inadvertent Interchange Balance and Time Error have the same sign:

- An offset of scheduled frequency of ±0.02 Hz, or
- If the scheduled frequency setting cannot be offset, a Net Interchange Schedule (MW) equal to 5MW or 20% of the BA Bias (whichever is greater).

This unilateral Inadvertent payback ends when the time error is zero or has changed signs, the accumulation of inadvertent interchange has been corrected to zero, or a

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

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scheduled time error correction begins, which takes precedence over offsetting frequency schedule to pay back inadvertent.

Financial Settlement: Allowing financial settlement of Inadvertent Interchange prevents a second flow of energy to correct an unscheduled flow of energy in previous hours. The terms of the financial inadvertent settlement remain private, the parties and amount of Inadvertent Interchange would be reported to NERC.

Terms and mechanisms for settlement of Inadvertent Interchange are not part of the scope of this proposal.

b. Description of Recommendation:

See proposed standards changes listed under Section 3 Recommended Standards.

c. Business Purpose:

Develop a NAESB Time and Inadvertent Management Business Practice that provides additional Inadvertent Payback options and improved Time Control.

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

Notes:

- The changes to WEQ-006 are based on the assumption that the WEQ membership has ratified 2008 WEQ Annual Plan Item 6.a Review/revise WEQ 006 to remove/revise mandatory requirements for Interconnection Time Monitor (R07019)

Supporting Documentation:

- R07020 Time and Inadvertent Management Business Practice
- Time and Inadvertent Management Business Practice Presentation, provided to the Business Practices Subcommittee June 4, 2008
- Time and Inadvertent Management Business Practices FAQ, dated August 16, 2008
- Time and Inadvertent Management Business Practices Implementation Plan (Best Case) dated September 19, 2008
- Meeting Minutes
  - BPS June 4, 2008
  - BPS July 29, 2008 NAESB to add link

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

- BPS September 22, 2008 NAESB to add link
- Time and Inadvertent Management Task Force July 14, 2008 NAESB to add link
- Time and Inadvertent Management Task Force July 24, 2008 NAESB to add link
- Time and Inadvertent Management Task Force August 15, 2008 NAESB to add link

Formal Comments to the NAESB Business Practices Subcommittee for Proposed Changes to WEQ-006 and WEQ-007 Submitted by the Tennessee Valley Authority

Proposed Changes to WEQ-006 - Manual Time Error Correction

Method 2, a 24 hour duration time error correction, is proposed as an option in lieu of the existing NAESB business practice (Method 1) for the time error correction. TVA recommends guidelines be developed and included on how the Time Monitor will make the decision to forgo initiation of time error correction according to the table as shown in Method 1 or defer to the table in Method 2.

Proposed Changes to WEQ-007 - Inadvertent Interchange Payback

Unilateral payback (Method 2) allows unilateral payback only when the Balancing Authority's Inadvertent Interchange Balance and the Time Error have the same sign. For the Eastern Interconnection the vast majority of time error corrections have been for fast time correction. Therefore this proposal if adopted would be discriminatory and would favor those Balancing Authorities in the Eastern Interconnection who over-generated, created a positive balance, and contributed to the positive time error. Those Balancing Authorities who under-generated and did not contribute to a fast time error would not be able to utilize Method 2. When one Balancing Authority, as allowed in Method 2, changes its scheduled frequency by 0.02 hertz, or adjusts its net interchange schedules the greater of 20 percent of the Balancing Authority's frequency bias or 5 MW; other Balancing Authorities within the Interconnection whose scheduled frequency remains at 60 hertz will provide through their frequency bias MW contributions to maintain the Interconnection to its frequency schedule of 60 hertz. This method will not reduce the time error of the Interconnection and should not be proposed as an assist to correct time error. Time error can be corrected only if the frequency of the Interconnection is maintained at a frequency other than 60 hertz for a period of time. For example, if an Interconnection frequency was maintained at 59.98 hertz for one hour, the time error would be corrected 1.2 seconds. In addition, proposed Unilateral Payback (Method 2), unlike existing (Method 1), would not require this unilateral payback to be limited to the Balancing Authority's L_{10} limit nor would it require this unilateral payback to be properly accounted for in the CPS calculations and subsequent reporting required by NERC. Adoption of this proposed Unilateral Payback (Method 2) would allow Balancing Authorities to over- or under-generate without impact to their CPS2 bound. There is no prohibition that would prevent the simultaneous unbounded over- or under-generation by several large Balancing Authorities who choose to use Method 2 over a 24 hour period. TVA does not support the adoption of Unilateral Payback (Method 2).

William Franklin
Entergy Services, Inc
System Planning & Operations (SPO)
Generation & Marketing
10055 Grogans Mill Rd
The Woodlands, TX 77380
281-297-3594

NAESB WEQ Business Practices Subcommittee
Time & Inadvertent Management Task Force:

Please see Entergy (SPO) formal comments in response to the proposed changes to WEQ-006 and WEQ-007.

Feel free to contact me if you have any questions about our comments. Thank you for the opportunity to provide comments.

Regards,
Will Franklin

WEQ-006:
The suggestion that Method 2 will reduce the number of TEC is not necessarily true since the time spent in each TEC is longer.

TECs place the interconnection closer to operating limits and equipment trip set points, thus inherently TECs reduce reliability. One could contend that TECs should be entirely eliminated unless there is a true business need to perform them. If there is a valid business need, NAESB should identify that business need and the impact to reliability should be analyzed by NERC and if determined to be needed, appropriate limits on TECs should be established.

Instead of proposing "Method 2", why not propose the suspension of TECs altogether?

Time Error Correction Initiation Method 2 states that a 24 hr TEC will be applied with no termination value for TE. This means that the TE would continue, even if TE went negative. (Note that many systems are programmed to terminate TEC if TE is in a direction not congruent with the TEC). Recommend defining a TE termination criteria for TEC.
Also, the initiation criteria of +/- 30 seconds seems arbitrary (as is the criteria in Method 1). What is the business justification for 30 seconds vs. 5 or 10?

WEQ-007
Bilateral Payback Method 2: The concept of financial settlement of inadvertent is beneficial to reliability in that physical transfer of energy is no longer needed and thus those flows (especially unilateral payback) would not impact the interconnection.

To whom at NERC will BAs report the settled amounts?

Unilateral Payback Method 2:
This method appears to be a more restrictive variation of Method 1. I can't understand why any BA would elect to use Method 2 when they could use Method 1.
The statement to "to assist in correcting time error..." is not necessary as the purpose of this is to reduce inadvertent. TEC is accomplished through the process in WEQ-006.
Why does this have only a + 0.02 Hz offset as a mode of payback?
What is meant by "an Interchange Schedule of 5 MW…" Who would this Interchange Schedule be with?
Additionally, this method is biased towards those who have a positive balance (since TE has been typically positive over the last several years).

FORMAL COMMENTS

Quadrant:	Wholesale Electric Quadrant
Recommendation:	2008 WEQ AP Item 6.b Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)
Submitted By:	Standards Review Subcommittee
Date:	October 22, 2008

Under the Standards Review Subcommittee Scope of Work, which was approved by the SRS on March 6, 2008, the SRS agreed to review recommendations and if subcommittee deemed appropriate, they would submit advisory comments to the Executive Committee for consideration. As stated in the Scope of Work these comments are "not intended to change the scope of the Business Practices or recommendation, but to provide consistency and uniformity across all WEQ Business Practices."

The SRS is requesting the Executive Committee consider the following advisory comments in their review of this recommendation:

3. RECOMMENDATION SUMMARY:

In 4th line believe line should read "Force met on three separate occasions and created:". Currently have the word "on".

In 1st bullet misspelling. Should be "Initiation" instead of "Inititiation".

Comments Submitted by L. Larson, Otter Tail Power Company

-----Original Message-----
From: LLarson@otpco.com
Sent: Thursday, October 23, 2008 2:37 PM
To: naesbmail@naesb.org
Subject: RE: NAESB Request for Formal Comments on WEQ Recommendations - Due October 24, 2008

Otter Tail supports the changes proposed for time error correction in WEQ-006 and for inadvertent interchange payback in WEQ-007.

Larry
Lawrence R Larson, P E
Principal Engineer, Delivery Operations System Operations
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496

Confidentiality Notice: This e-mail may include confidential or privileged information. If this is not intended for your use, please destroy immediately and contact the sender of this message.

-----Original Message-----
From: naesbmail@naesb.org [mailto:naesbmail@naesb.org]
Sent: Tuesday, September 23, 2008 1:53 PM
To: Larson, Larry
Subject: NAESB Request for Formal Comments on WEQ Recommendations - Due October 24, 2008

via email and posting

TO: NAESB Wholesale Electric Quadrant (WEQ) Members and Interested Industry Participants

FROM: Jonathan Booe, NAESB Staff Attorney

RE: Request for Formal Comments on WEQ Recommendations WEQ 2008 Annual Plan Items 6.i/R06010, 6.b/R07020 and 1.a.ii

DATE: September 23, 2008

Dear NAESB WEQ Members and Interested Industry Participants,

An industry formal comment period begins today, September 23, 2008, and ends on October 24, 2008 for three Wholesale Electric Quadrant recommendations voted out of the Business Practice Subcommittee on September 22, 2008:

Recommendations:
2008 WEQ Annual Plan Item 6.i/R06010 - "Modify the timing chart for the Western Interconnection in WEQ BPS-006 to an initiation of manual time error at +/- 5 seconds" - NO ACTION TO BE TAKEN:
http://naesb.org/pdf3/weq_2008_api_6i_r06010_rec.doc

2008 WEQ Annual Plan Item 6.b/R07020 - "Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control"
(clean): http://naesb.org/pdf3/weq_2008_api_6b_r07020_rec_clean.doc
(redline): http://naesb.org/pdf3/weq_2008_api_6b_r07020_rec_redline.doc

Comments Submitted by L. Larson, Otter Tail Power Company

2008 WEQ Annual Plan Item 1.a.ii - "Continuous Support of TLR Procedure in Alignment with NERC Efforts on Phase II and Phase III"
(clean): http://naesb.org/pdf3/weq_2008_api_1aii_rec_clean.doc
(redline): http://naesb.org/pdf3/weq_2008_api_1aii_rec_redline.doc

All interested parties, regardless of membership status within NAESB are eligible to submit comments for consideration. The Wholesale Electric Quadrant Executive Committee will review the recommendations and consider them for vote during an upcoming Executive Committee meeting.
The Executive Committee will review all submitted comments.

All comments received by the NAESB office by the end of business, October 24, 2008, will be posted on the Home Page (WEQ Request Page):
http://www.naesb.org/weq_request.asp and forwarded to the WEQ Executive Committee members for their consideration. If you have difficulty downloading the recommendations, please call the NAESB office at (713) 356-0060.
Best Regards,

Jonathan Booe
NAESB

cc: Rae McQuade, President

To change your contact information, or to modify your subscription(s) with the North American Energy Standard Board (NAESB) mail system click the link below or copy and paste it into the address bar of your web browser.

http://www.naesb.org/listserv/mail/listmanager.asp

NAESB, 1301 Fannin Street, Suite 2350, Houston, TX 77002

Comments Submitted by D. Klempel, Basin Electric Power Cooperative

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From: Dan Klempel
Sent: Thursday, October 23, 2008 3:33 PM
To: naesb@naesb.org
Subject: NAESB Business Practice WEQ-006 & WEQ-007

Please register my support for the referenced business practices.

Thanks,

Dan Klempel
Manager, Transmission Compliance
Basin Electric Power Cooperative
dklempel@bepc.com

Comments Submitted by J. Cyrulewski, JDRJC Associates

From: Jdrjcassociates
Sent: Friday, October 24, 2008 11:10 AM
To: naesb@naesb.org
Subject: 2008 WEQ Annual Plan Item 6.b/R07020

I am proposing the following wording revision:

007-1.1.4 Unilateral Payback (Method 2)
Suggest rewording second sentence to read "Such payback may only be accomplished whenever the Interconnection Time Error and Balancing Authority's Inadvertent Interchange Balance have the same sign." Time Error always pertains to an Interconnection.

Thank you for the consideration.

Jim

Jim Cyrulewski, P.E.
JDRJC Associates
1120 East Long Lake Road Suite 205
Troy, Michigan 48085

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant:	**WEQ**
Requesters:	**WEQ BPS Subcommittee**
Request No.:	**2008 WEQ AP Item 6.b**
Request Title:	**Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Entergy Formal Comments

Ed Davis

Entergy Services

10-24-08

Dear Wholesale Electric Quadrant Members and Interested Industry Participants –

For the attached recommendation for standards that are linked to NERC standards development for FERC Order No. 693, specifically those dealing with time error and inadvertent interchange payback, our subcommittee has accepted these proposed standards and are asking you to comment on them in a formal comment period. They are also asking the WEQ Executive Committee to consider this recommendation and comments that are submitted during the formal comment period, and vote on this recommendation.

The subcommittee understands that NERC is considering the elimination of Time Error Corrections, and that the proposed standards may be unnecessary if NERC should identify that course of action.. However, at this time, whether that path will be chosen is uncertain. In light of this, the subcommittee believes it is prudent to present this standard for consideration. Should NERC choose to eliminate Time Error Correction, it may be appropriate for this Business Practice to be retired.

The subcommittee also understands that the proposed standards include references to NERC reliability standards related to Inadvertent Payback that are currently under revision. The subcommittee does not expect that this recommendation will require significant rework by the subcommittee once NERC adopts its related reliability standards.

The subcommittee's chairs along with the chair of the Time and Inadvertent Management Task Force will review the final NERC actions and will identify if any changes are needed to recommendations that have already been processed through commenting and EC consideration. If changes are needed, a determination will be made whether the changes can be processed as minor actions, or for more substantive changes, the standards modification process will be used.

We are taking these steps and offering this recommendation for your comment and for EC consideration for vote rather than waiting until NERC completes its full process because:

(1) NERC has not determined if or when they would eliminate of Time Error Corrections.
(2) The tools developed by the business practice support balancing authorities compliance to the existing NERC standards.

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant:	**WEQ**
Requesters:	**WEQ BPS Subcommittee**
Request No.:	**2008 WEQ AP Item 6.b**
Request Title:	**Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

(3) Allowing the business practices to undergo a field test will provide signals to the NERC and NAESB drafting teams that they are on the right track.

(4) Submitting the recommendations now to the industry and to the WEQ EC will provide the necessary signals from the industry through formal comments and through EC actions. If corrective action is needed, NAESB would have the opportunity to further coordinate with NERC.

Please note that the subcommittee and its Time and Inadvertent Management Task Force have worked diligently on this recommendation and that all steps outlined conform with NAESB operating procedures. We appreciate your consideration and your comments.

With Best Regards,

Jim Busbin, Co-Chair, NAESB Business Practices Subcommittee
Ed Skiba, Co-Chair, NAESB Business Practices Subcommittee

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

1. RECOMMENDED ACTION:

___Accept as requested
_X_Accept as modified below
___Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

_X_Change to Existing Practice
___Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:

___Initiation
_X_Modification
___Interpretation
___Withdrawal

___Principle
___Definition
___Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

Per Recommendation:

___Initiation
_X_Modification
___Interpretation
___Withdrawal

___Principle
___Definition
___Business Practice Standard
___Document
___Data Element
___Code Value
___X12 Implementation Guide
___Business Process Documentation

3. RECOMMENDATION

SUMMARY:

Standards Request R07020 was submitted to have NAESB develop additional time error correction and indavertent payback options. At the June 4, 2008 BPS meeting Time and Inadvertent Management Task Force was created to address R07020. The Task Force met on three separate occassions ~~on~~ create~~d~~ing:

- Time Error Correction Inititiation (Method 2) for WEQ-006
- Bilateral Payback (Method 2) for WEQ-007
- Unilateral Payback (Method 2) for WEQ-007

RECOMMENDED STANDARDS:

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Changes to WEQ-006

Purpose

Interconnection frequency is normally scheduled at 60.00 Hz and controlled to that value; however, ~~. T~~the control is imperfect and, over time, the frequency will average slightly above or below 60.00 Hz resulting in electromechanical clocks developing an error relative to true time. This Standard specifies the procedures to be used for reducing the error to within acceptable limits of true time.

006-0.2 RESERVED

006-4 **TIME ERROR CORRECTION INITIATION (METHOD 1)**

Time Error Corrections should start and end on the hour or half-hour, and notice should be given at least one hour before the Time Error Correction is to start or stop. Time Error Corrections shall last at least one hour, unless terminated by a Reliability Coordinator. Time Error Corrections for fast time shall not be initiated between 0400-1100 Central Time except in the Western Interconnection. All Balancing Authorities within an Interconnection shall make all Time Error Corrections directed by the Interconnection Time Monitor for its Interconnection. All Balancing Authorities within an Interconnection shall make Time Error Corrections at the same rate. Each Interconnection Time Monitor shall monitor Time Error and make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	*Initiation*		*Termination*		*Offset*
	East	West	West	East	
Slow	–10	-5	±0.5	–6	+0.02 Hz
Fast	+10	+5	±0.5	+6	-0.02 Hz

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

006-5 **TIME ERROR CORRECTION INITIATION (METHOD 2)**

The Interconnection Time Monitor may choose Method 2 to reduce the number of Time Error Corrections. If the Time Error is beyond ±30 seconds at 22:00 Central Prevailing Time, the Interconnection Time Monitor will initiate a 24 hour correction starting at 00:00. The Interconnection Time Monitor shall make a reasonable effort to initiate or terminate corrective action orders according to the following table:

Time Error (seconds)	*Initiation*	*Termination*	*Offset*
Slow	-30 @ 22:00 to start at 00:00	00:00 next day	+0.02 Hz
Fast	+30 @ 22:00 to start at 00:00	00:00 next day	-0.02 Hz

006-7 **TIME ERROR CORRECTION OFFSET**

Each Balancing Authority, when requested, shall participate in a Time Error Correction by one of the following two methods:

006-8 **INTERCONNECTION TIME ERROR NOTIFICATION**

On the first day of each month, the Interconnection Time Monitor shall issue a notification of Time Error accurate to within 0.01 second to all Reliability Coordinators within the Interconnection to assure uniform calibration of time standards.

006-9 **WESTERN INTERCONNECTION TIME ERROR NOTIFICATION**

Within the Western Interconnection, the Interconnection Time Monitor shall provide the accumulated Time Error (accurate to within 0.001 second) to all Balancing Authorities on a daily basis at 1400 PDT/PST using the WECCNet. The alphabetic designator shall accompany Time Error notification if a Time Error Correction is in progress.

006-10 After the premature termination of a manual Time Error Correction, a slow Time Error Correction can be reinstated after the frequency has

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant:	**WEQ**
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Request No.:	**2008 WEQ AP Item 6.b**
Request Title:	**Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

returned to 60.00 Hz or above for a period of ten minutes. A fast Time Error Correction can be reinitiated after the frequency has returned to 60.00 Hz or lower for a period of ten minutes. At least one hour shall elapse between the termination and re-initiation notices.

006-11 **TIME ERROR CORRECTION ON RECONNECTION**

When one or more Balancing Authorities have been separated from the Interconnection, upon reconnection, they shall adjust their Time Error devices to coincide with the Time Error of the Interconnection Time Monitor. The Balancing Authorities shall notify the Interconnection Time Monitor that they are ready to receive the necessary adjustment to Time Error as soon as possible after reconnection.

Changes to WEQ-007

007-1.1.1 **Bilateral Payback (Method 1)**

Inadvertent Interchange accumulations may be paid back via an Interchange Schedule with another Balancing Authority.

007-1.1.1.1 Opposite Balances

The source Balancing Authority Area and sink Balancing Authority Area should have Inadvertent Interchange accumulations in the opposite direction, unless transferring inadvertent energy to another party to facilitate the reduction of inadvertent balances.

007-1.1.1.2 Payback Terms

The terms of the Inadvertent Interchange payback shall be agreed upon by all involved Balancing Authorities and Transmission Service Providers.

007-1.1.2 **Bilateral Payback (Method 2)**

Balancing Authorities may choose to financially settle part or all of their Inadvertent Interchange accumulations.

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
Request No.: **2008 WEQ AP Item 6.b**
Request Title: **Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

007-1.1.2.1 Opposite Balances

The source Balancing Authority Area and sink Balancing Authority Area should have Inadvertent Interchange accumulations in the opposite direction, unless transferring inadvertent energy to another party to facilitate the reduction of inadvertent balances.

007-1.1.2.2 Payback Terms

The terms of the Inadvertent Interchange payback shall be agreed upon by the settling Balancing Authorities.

007-1.1.2.3 Accounting and Reporting

The settling transaction in a given month will be accounted for as an after-the-fact schedule in the last on-peak hour of the month for on-peak Inadvertent Interchange and the last off-peak hour of the month for off-peak Inadvertent Interchange. The Balancing Authorities will jointly report to NERC the settled on-peak and off-peak MWh.

007-1.1.3 **Unilateral Payback (Method 1)**

Inadvertent Interchange accumulations may be paid back unilaterally, controlling to a target of non-zero ACE. Controlling to a non-zero ACE ensures that the unilateral payback is accounted for in the CPS calculations. The unilateral payback control offset is limited to Balancing Authority's L_{10} limit and shall not burden the Interconnection.

007-1.1.4 **Unilateral Payback (Method 2)**

A Balancing Authority may alternatively perform a unilateral payback to assist in correcting a Time Error. Such payback may only be accomplished whenever the Balancing Authority's Inadvertent Interchange Balance and Time Error have the same sign. Method 2, ~~u~~Unilateral Inadvertent P~~p~~ayback, must end if a Time Error Correction is initiated. Payback Method 2 may be accomplished by either of the following methods:

007-1.1.4.1 An offset of scheduled frequency of +0.02 Hz.

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant:	**WEQ**
Requesters:	**WEQ BPS Subcommittee**
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007-1.1.4.2 An offset of the Net Interchange Schedule~~d~~ value of the ACE equation of 5MW or 20% of the Balancing Authority ~~-~~Bias, whichever is greater.

007-2 **OTHER PAYBACK METHODS**

Upon agreement by all Regions within an Interconnection, other methods of Inadvertent Interchange payback may be utilized.

4. SUPPORTING DOCUMENTATION

a. Description of Request:

The purpose of this standard is to provide T~~t~~ime Error ~~e~~Correction (TEC) and I~~i~~nadvertent I~~i~~nterchange management business practices that will help NERC address the concerns raised by the FERC (*Mandatory Reliability Standards for the Bulk-Power System Docket No. RM06-16-000; Order No. 693).*

- Specifically, this Business Practice would address concerns raised in the sections of the order dealing with BAL-004, BAL-005 and BAL-006: Number of frequency excursions. Over 40% of the identified frequency excursions happened during ~~Time Error Corrections~~ ~~(~~TEC~~)~~s, where the TEC magnifies the deviation from 60Hz. This business practice would result in fewer hours in TEC, which should result in fewer frequency excursions.
- BAL-004: Number and efficiency of TEC. Performing a clock-day TEC will reduce confusion about start and stop times and would enable a simple measurement on the efficiency of each correction.
- BAL-006: Accumulation of large Inadvertent Interchange balances. This business practice provides two additional tools to allow Balancing Authorities to pay back or recover Inadvertent Interchange.
- The U~~u~~nilateral payback option will also result in fewer TECs.

The scope of the proposed practices is intended to be very focused.

Time Error Correction Practices

First, the practices would accommodate and have no impact on the Western Interconnection's Automatic Time Error Correction (WATEC) procedure for the Western Interconnection.

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant: **WEQ**

Requesters: **WEQ BPS Subcommittee**
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The practices would still allow current manual TEC practices and would also allow an alternate manual TEC procedure. The alternate procedure would expand the time window and reduce the frequency offset such that TECs are implemented if Time Error exceeds ± 30 seconds (East) at 22:00 Central Prevailing Time. If this threshold is reached, a TEC is implemented at midnight (2 hours later) with a scheduled frequency offset of ±0.02Hz and run for a full clock day (unless stopped for reliability reasons).

Inadvertent Management

There are two components to the Inadvertent Management practices.

Unilateral Payback Correcting Time Error: In addition to current procedures, allow unilateral payback via one of the following two methods whenever the Balancing Authority (BA) Inadvertent Interchange Balance and Time Error have the same sign:

- An offset of scheduled frequency of ±0.02 Hz, or
- If the scheduled frequency setting cannot be offset, a Net Interchange Schedule (MW) equal to 5MW or 20% of the BA Bias (whichever is greater).

This Uunilateral Inadvertent payback ends when the tTime eError is zero or has changed signs, the accumulation of Iinadvertent Iinterchange has been corrected to zero, or a scheduled ~~time error correction~~TEC begins, which takes precedence over offsetting frequency scheduled to pay back Iinadvertent Interchange.

Financial Settlement: Allowing financial settlement of Inadvertent Interchange prevents a second flow of energy to correct an unscheduled flow of energy in previous hours. The terms of the financial inadvertent settlement remain private,; however, ~~-~~the parties and amount of Inadvertent Interchange would be reported to NERC.

Terms and mechanisms for settlement of Inadvertent Interchange are not part of the scope of this proposal.

b. Description of Recommendation:

See proposed standards changes listed under Section 3 Recommended Standards.

c. Business Purpose:

Comments Submitted by E. Davis, Entergy Services

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE

For Quadrant:	**WEQ**
Requesters:	**WEQ BPS Subcommittee**
Request No.:	**2008 WEQ AP Item 6.b**
Request Title:	**Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control (R07020)**

Develop a NAESB Time Error Correction and Inadvertent Management Business Practice that provides additional Inadvertent Payback options and improved Time Control.

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

Notes:

- The changes to WEQ-006 are based on the assumption that the WEQ membership has ratified 2008 WEQ Annual Plan Item 6.a Review/revise WEQ 006 to remove/revise mandatory requirements for Interconnection Time Monitor (R07019)

Supporting Documentation:

- R07020 Time and Inadvertent Management Business Practice
- Time and Inadvertent Management Business Practice Presentation, provided to the Business Practices Subcommittee June 4, 2008
- Time and Inadvertent Management Business Practices FAQ, dated August 16, 2008
- Time and Inadvertent Management Business Practices Implementation Plan (Best Case) dated September 19, 2008
- Meeting Minutes
  - BPS June 4, 2008
  - BPS July 29, 2008 NAESB to add link
  - BPS September 22, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force July 14, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force July 24, 2008 NAESB to add link
  - Time and Inadvertent Management Task Force August 15, 2008 NAESB to add link

Comments Submitted by J. Knight, Great River Energy

From: Knight, Joseph GRE/ER
Sent: Friday, October 24, 2008 2:47 PM
To: naesb@naesb.org
Subject: Comments on WEQ-006 and WEQ-007

I would like to offer the following comments on proposed business practices WEQ-006 and WEQ-007.

WEQ-006:
Overall I am in favor of this proposed business practice. That said, I find the language in Requirement 006-4 (TIME ERROR CORRECTION INITIATION (METHOD 1)) somewhat curious. The drafters of this requirement appear to mix suggestions with requirements and it comes across as being somewhat inconsistent. If this is in fact a requirement, I suggest using "shall" throughout the requirement versus mixing "should" and "shall".

WEQ-007
I am in favor of this proposed business practice as well. I like how the drafting team has given the applicable entities the option of in-kind as well as financial repayment. I offer the following comment on Requirement 007-1.1.2; Bilateral payback (Method 2). It would seem to me that when two BAs choose to financially settle an inadvertent balance, the price the repaying company should be required to pay should be equal to the price that the energy was on the day that they accumulated the inadvertent energy versus whatever the price may be on the day that they choose to repay. I believe that repaying at the same value as was accumulated would ultimately prove to be more equitable. This would seem to run parallel to the in-kind repayment practices of "if you accumulate it On-Peak you repay it On-Peak".

Thank you for the opportunity to comment.

Joe Knight
Compliance Specialist
Great River Energy
17845 Hwy 10
Elk River, MN 55330

Comments Submitted by D. Koehn, Bonneville Power Administration

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From: Koehn,Denise E - TGP-DITT-2
Sent: Friday, October 24, 2008 2:07 PM
To: naesbmail@naesb.org
Cc: Kelley,Rod - SR-7; Halpin,Francis J - PGST-5; McManus,Bart - TOT-DITT2; Chung,Robin L - PGST-5; Koehn,Denise E - TGP-DITT-2; Tuck,Brian A - TOT-DITT2; Jones,Lorissa J - TG-DITT-2; Rehman,Barbara M - TSPP-TPP-2; Simpson,Troy D - TSST-DITT-1
Subject: BPA Comments on NAESB Request for Formal Comments on WEQ Recommendations - Due October 24, 2008

Hello,

Bonneville Power has the following comments regarding the WEQ Recommendations for the NAESB Business Practice.

The NAESB Business Practice accommodates the WECC ATEC procedure as is, and will not impact BAL-004-WECC-01 Automatic Time Error Correction. It points out only one difference between WECC and the other two interconnections, which is that WECC can call on manual time error corrections at any time, we do not disallow them for fast time error corrections between 0400 and 1100 central. However, there is another major difference in that WECC does not allow bilateral inadvertent interchange transactions.

Thanks for the opportunity to comment.

Denise Koehn, Compliance Specialist
Transmission Reliability Program - TGP/DITT-2
Bonneville Power Administration

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----Original Message-----
From: naesbmail@naesb.org [mailto:naesbmail@naesb.org]
Sent: Tuesday, September 23, 2008 11:53 AM
To: Kelley,Rod - SR-7
Subject: NAESB Request for Formal Comments on WEQ Recommendations - Due October 24, 2008

via email and posting

TO: NAESB Wholesale Electric Quadrant (WEQ) Members and Interested Industry Participants

FROM: Jonathan Booe, NAESB Staff Attorney

RE: Request for Formal Comments on WEQ Recommendations WEQ 2008 Annual Plan Items 6.i/R06010, 6.b/R07020 and 1.a.ii

DATE: September 23, 2008

Comments Submitted by D. Koehn, Bonneville Power Administration

Dear NAESB WEQ Members and Interested Industry Participants,

An industry formal comment period begins today, September 23, 2008, and ends on October 24, 2008 for three Wholesale Electric Quadrant recommendations voted out of the Business Practice Subcommittee on September 22, 2008:

Recommendations:
2008 WEQ Annual Plan Item 6.i/R06010 – "Modify the timing chart for the Western Interconnection in WEQ BPS-006 to an initiation of manual time error at +/- 5 seconds" – NO ACTION TO BE TAKEN:
http://naesb.org/pdf3/weq_2008_api_6i_r06010_rec.doc

2008 WEQ Annual Plan Item 6.b/R07020 – "Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control"

(clean): http://naesb.org/pdf3/weq_2008_api_6b_r07020_rec_clean.doc
(redline): http://naesb.org/pdf3/weq_2008_api_6b_r07020_rec_redline.doc

2008 WEQ Annual Plan Item 1.a.ii – "Continuous Support of TLR Procedure in Alignment with NERC Efforts on Phase II and Phase III"

(clean): http://naesb.org/pdf3/weq_2008_api_1aii_rec_clean.doc
(redline): http://naesb.org/pdf3/weq_2008_api_1aii_rec_redline.doc

All interested parties, regardless of membership status within NAESB are eligible to submit comments for consideration. The Wholesale Electric Quadrant Executive Committee will review the recommendations and consider them for vote during an upcoming Executive Committee meeting. The Executive Committee will review all submitted comments.

All comments received by the NAESB office by the end of business, October 24, 2008, will be posted on the Home Page (WEQ Request Page): http://www.naesb.org/weq_request.asp and forwarded to the WEQ Executive Committee members for their consideration. If you have difficulty downloading the recommendations, please call the NAESB office at (713) 356-0060.

Best Regards,

Jonathan Booe
NAESB

cc: Rae McQuade, President

To change your contact information, or to modify your subscription(s) with the North American Energy Standard Board (NAESB) mail system click the link below or copy and paste it into the address bar of your web browser.

http://www.naesb.org/listserv/mail/listmanager.asp

NAESB, 1301 Fannin Street, Suite 2350, Houston, TX 77002

Comments Submitted by D. Kimm, MidAmerican Energy

MidAmerican Energy Comments On:

WEQ 2008 ANNUAL PLAN 6(b)/R07020

NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control

MidAmerican Energy offers the following comments on the above-referenced NAESB Business Practice Standard. We commend the subcommittee for much of the difficult work it has done to produce a draft standard.

MidAmerican Energy is very supportive of the option to payback inadvertent energy financially - Bilateral Payback (Method 2). This is something that makes it easier to exchange inadvertent without worrying about the hassles of transmission and scheduling and it can, in no way, cause reliability issues.

In closing, MidAmerican would like thank you for all of the effort spend on this standard and hopes you will seriously consider our comments.

ISO new england

memo

To: naesb@naesb.org

From: Michael Potishnak, Principal Engineer
Matthew F. Goldberg, Director, Reliability & Operations Compliance

CC: Terry Bilke

Date: October 24, 2008

Subject: Time Error Correction

We provide these comments to express our support for the current proposal to expand the allowable time error to 30 seconds.

Recognizing, for now, the value in continuing to perform Time Error Correction[1], our preference, though, is that the period of time in which TEC takes place should be allowed in all hours of the day, only if the frequency is bounded at 59.99Hz and at 60.01Hz (as was originally proposed). Alternatively, if the frequency is bounded at 59.98 and at 60.02Hz (as is now proposed), our preference would be to keep the same hours of prohibited operation (e.g., avoid morning start-up hours) as exist today.

We support the additional options offered for the payback of inadvertent energy.

Please do not hesitate to contact us (mpotishnak@iso-ne.com; mgoldberg@iso-ne.com) if you have questions.

[1] We're supportive of **NERC's Balancing and Controls Standard Drafting Team** completing ongoing research as to value of TEC and whether any industrial processes are materially affected by time errors.

ISO New England Inc.
One Sullivan Road, Holyoke, MA 01040-2841
www.iso-ne.com **T** 413 5XX XXXX **F** 413 5XX XXXX

The following comments are being submitted by the North American Electric Reliability Corporation (NERC) on behalf of the following:

Andy Rodriquez
NERC Manager of Business Practice Coordination
Coordinator, NERC Balancing Authority Controls Standards Drafting Team
Gerry Adamski
NERC Vice-President of Standards
Scott Henry,
Duke Energy Vice President, Electric Systems Operations
Chairman, NERC Standards Committee
Allen Mosher
American Public Power Association
Senior Director of Policy Analysis and Reliability
Vice-Chairman, NERC Standards Committee

We appreciate the opportunity to comment on this Recommendation.

The NERC Balancing Authority Controls Standards Drafting Team (BACSDT) has expressed concerns that the changes proposed in NAESB Request 2008 WEQ AP Item 6.b may have reliability impacts that have not yet been fully considered. The BACSDT has requested that the executive management of NERC and NAESB consider whether joint development of this request and the concurrent NERC standards effort is appropriate. NERC and NAESB executive management have expressed their support for such coordination, believing it to be prudent and proper.

Note that it is not our intent to call into question previous decisions made regarding the "version zero" standards and business practices. However, we believe that with regard to the subject matter of this Recommendation, there are not necessarily clear demarcations between reliability and business practice interests. It is our intent that as our standards mature, we exercise appropriate due diligence to ensure neither NERC nor NAESB efforts have adverse consequences on each other's organizations.

Accordingly, we suggest that this Recommendation be temporarily remanded back to the Business Practices Subcommittee, and that the NERC BACSDT and NAESB Time and Inadvertent Management Task Force be given the opportunity to conduct a joint meeting to review this item and make any necessary changes to ensure that the business practices and the reliability standards are not inconsistent. We believe that it should be possible to accomplish this review within a reasonably short amount of time, and note that the BACSDT currently has a meeting scheduled for November 13-14 in Austin, Texas, which could be used to accommodate this joint meeting.

North American Energy Standards Board

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October 27, 2008

TO: Members of the Wholesale Electric Quadrant Executive Committee

FROM: Michael Desselle, NAESB Chairman and Kathy York, NAESB WEQ Executive Committee Chair

RE: Comments on 2008 WEQ Annual Plan Item 6b/R07020

Dear WEQ Executive Committee Members,

We have been requested to implement a portion of the NAESB/NERC joint development process for the specific standard *"2008 WEQ Annual Plan Item 6.b/R07020 – Develop a NAESB time and inadvertent management business practice that provides additional inadvertent payback options and improved time control"* in order to ensure that, as this standard has evolved at NAESB, our revision is not incompatible with NERC's related reliability standard. While we understand that our process is nearing completion to finalize NAESB's version 2.1 release of the NAESB WEQ business practices, of which this recommendation would be included, should it be adopted - a small delay to consider the matter would appear to be reasonable.

Accordingly, as Chairman and Executive Committee Chair, respectively, we request that you consider remanding the recommendation back to the Time and Inadvertent Management Task Force for the limited purpose of reviewing the recommendation with NERC to determine that it is not incompatible with existing related NERC reliability standards. If the EC determines that this recommended action is appropriate, we also request that you provide direction to the Task Force that it be done expeditiously, and that the recommendation and any revisions be brought back to the Executive Committee at its next scheduled meeting.

We commend the Time and Inadvertent Management Task Force for acting in a deliberate, timely and proper manner to bring this current recommendation forward, and in no circumstance should our suggestions be viewed as opposition to the recommendation before you today, or indeed as any criticism of the work completed by the Task Force. Rather, we wish to ensure that the EC is satisfied that there are no inadvertent and substantive effects upon NERC's existing reliability standards when it takes final action consistent with NAESB's standards development process.

With best regards for a successful EC meeting,

M.D. Desselle

Michael D. Desselle

Chairman, NAESB

Kathy York

Kathy York

NAESB WEQ Executive Committee Chair

To: NAESB Office; WEQ Executive Committee Chairs

From: Barbara Rehman, Bonneville Power Administrative

Subject: Minor Correction to NAESB WEQ Version 002.0 Publication

Date: December 1, 2008

During a review of the NAESB WEQ Version 002.0 publication, it was determined a minor correction should be applied to the last paragraph of WEQ-013-2.6.8.2 as follows:

WEQ-013.2.6.8.2 recommended change (redlined):
On confirmation of the ~~FULL_TRANSFER~~ PART_TRANSFER, the IMPACTED attribute will be incremented for each of the Original Transmission Customer's reservations referenced by the REASSIGNED_REF Data Elements and the resulting impacts on each REASSIGNED_REF's reserved capacity will be viewable with the ***reduction*** template.

WEQ-013.2.6.8.2 recommended change (clean):
On confirmation of the PART_TRANSFER, the IMPACTED attribute will be incremented for each of the Original Transmission Customer's reservations referenced by the REASSIGNED_REF Data Elements and the resulting impacts on each REASSIGNED_REF's reserved capacity will be viewable with the ***reduction*** template.

Thank you for your consideration.

North American Energy Standards Board

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January 22, 2009

RE: Excerpt of 11-21-08 Naesb Operating Practices – Minor Corrections

Minor Clarifications and Corrections to Standards

Minor clarifications and corrections to existing standards include: (a) clarifications or corrections made by a regulatory agency to standards that are of a jurisdictional nature, or by the American National Standards Institute or its successor; (b) clarifications or corrections to the format, appearance, or descriptions of standards in standards documentation; (c) clarifications or corrections to add code values to tables; and (d) clarifications and corrections that do not materially change a standard.

Any request for a minor clarification or correction to an existing standard should be submitted in writing to the executive director. This request shall include a description of the minor clarification or correction and the reason the clarification or correction should be implemented.

1. Processing of Requests

The executive director shall promptly notify the EC and any appropriate subcommittee(s) of the receipt of the request. The members of the applicable quadrant's EC shall promptly determine whether the request meets the definition of a minor clarification or correction. Through the decision of the vice chair of the applicable quadrant, this determination may be delegated to one of the quadrant's subcommittees, with the concurrence of the subcommittee chair, in which case the subcommittee shall make a prompt decision.

If the request is determined to meet the definition of minor clarification or correction, the applicable quadrant's EC, with input from any subcommittee(s) to which the request has been forwarded, shall act on the request within one month of its receipt. A meeting to discuss the request is not required; the decision may be made by notational vote. A simple majority of the votes received shall determine the outcome. The members of the applicable quadrant's EC shall be given at least three working days to consider and vote on the request.

2. Public Notice

The results of the vote on the request for a minor clarification or correction shall be posted on the NAESB website and the members of the applicable quadrant shall be notified of the request by e-mail. If the request has been approved by the applicable quadrant's EC, the notification shall include a brief description of the request, the contact name and number of the requester so that further information can be obtained, and the proposed effective date of the clarification or correction. The proposed effective date of the minor clarification or correction shall normally be one month from the date of the public notice. Any interested party shall have an opportunity to comment on the request, and the comments shall be posted on the NAESB website. The comment period is two weeks.

3. Final Disposition of Approved Requests

If no comments are received on an approved request, the standard shall be clarified or corrected as specified in the approved request on the effective date proposed. If comments are received, they shall be forwarded to the members of the applicable quadrant's EC for consideration. Each comment requires a public written response from the applicable quadrant's EC. The applicable quadrant's EC shall determine whether changes are necessary as a result of the comments. Members of the applicable quadrant's EC shall be given three working days to consider the comments and determine the outcome, which shall be decided by a simple majority of the votes received. A meeting to discuss the request is not required; the decision may be made by notational vote. The standard shall be clarified or corrected in accordance with the outcome of the vote, effective with the completion of voting, and notice thereof shall be posted on the NAESB website.

NERC/NAESB Joint Interchange Scheduling Working Group
Mission and Scope
Approved by the WEQ Executive Committee on June 20,2005

Purpose

The Joint Interchange Scheduling Working Group (JISWG) will address joint issues within the scope of the NAESB Wholesale Electric Quadrant (WEQ) Information Technology Subcommittee (ITS) and the NERC Interchange Subcommittee (IS) due to the interdependency of commercial and reliability activities between NAESB and NERC.

Scope of Activities

The JISWG will work on items assigned by the NAESB WEQ EC and NERC IS, including but not limited to:

- Coordinating the development of technical standards and communication protocols including aspects of Open Access Same-Time Information Systems (OASIS), e-tagging and coordination of interchange, in support of NERC standards and NAESB business practices.
- Developing application security standards for OASIS and NERC e-tagging.
- Serving as a common point of contact for all industry organizations to propose additions and enhancements to the Transmission Services Information Network (TSIN) Registry
- Developing and revising System Requirements Documents as required to specify system functional requirements.
- Managing the development, implementation, and oversight of technical projects as assigned by the NAESB WEQ ITS and NERC Transaction Information System Working Group (TISWG) or as appropriate within the JISWG scope.

Reporting

The JISWG takes direction and ultimately reports to the NAESB WEQ Executive Committee and the NERC Interchange Subcommittee. The assignments delegated to the JISWG shall proceed through the appropriate NAESB and NERC processes – i.e. all assignments shall come from the NAESB WEQ EC and/or the NERC IS and take the form of requests for standards developments, Standards Authorization Requests, and/or approved project plans.

The JISWG shall work closely with all industry organizations that require or rely on the TSIN Registry, OASIS and e-tagging (e.g., ISO/RTO Council, NERC IDCWG, NERC IS, NAESB WEQ ITS).

Leadership, Membership and Conducting Business

Co-chairs will lead the JISWG – one chair to represent NERC and one chair to represent NAESB WEQ. Membership and meeting attendance is open to any industry participant regardless of affiliation. NERC and NAESB staffs and the JISWG co-chairs will work jointly on meeting agendas and the scheduling of meetings.

Meetings

The JISWG will conduct meetings as necessary. All meeting announcements, agendas, working papers, etc., will be distributed via e-mail and posted for public notice on the NAESB and NERC websites.

North American Energy Standards Board

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Home Page: www.naesb.org

January 23, 2009

TO: NAESB Wholesale Electric Quadrant EC Members and Interested Industry Participants

FROM: Rae McQuade

RE: 2009 Annual Plan for the Wholesale Electric Quadrant

Dear Wholesale Electric Quadrant EC Members and Interested Parties,

The Wholesale Electric Quadrant Executive Committee met on January 23 and voted unanimously to support the attached 2009 annual plan. The WEQ EC will have another opportunity to modify this plan on February 3 before it is forwarded to the Board for its consideration and approval.

Many thanks go to all who contributed to this document. We look forward to hearing from you on February 3 at the upcoming WEQ EC meeting. Should you have any questions or need additional information, do not hesitate to contact the NAESB office at 713-356-0060 or vthomason@naesb.org.

Best Regards,

Rae

Rae McQuade
President, NAESB

North American Energy Standards Board
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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 WEQ Annual Plan Approved by the WEQ EC on January 23, 2009

	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) using the NERC/NAESB Coordination Joint Standards Development Process as appropriate. Current NAESB activities underway to develop business practice standards that are supportive of this annual plan item are:		
a)	Develop business practices to support Coordinate Interchange – R05020 "Include a guideline for rounding schedules with partial MWh's in the coordinate interchange business practice WEQ BPS-002-000" the rounding standard recommendation Status: Underway	3rd Q, 2009	JISWG
b)	Continuous support of TLR Procedure in alignment with NERC efforts on TLR Phase II and Phase III development.		
i)	Parallel Flow Visualization/Mitigation for Reliability Coordinators in the Eastern Interconnection. Note: Activity is dependent on NERC approval of SAR expected in 2nd Q, 2009. Upon approval of the SAR and NAESB action on this item, consideration should be given to provisional item 4. Status: Not Started	4th Q, 2009	BPS
ii)	Update WEQ-008 Appendix D to include the Market Flow Threshold Percentage recommended by NERC working group/task force Status: Not Started (dependent on successful field test - expected Oct. 2009) Upon receipt of recommendation, completion date may be adjusted.	4th Q, 2009	BPS
c)	Conduct analysis as to whether standards can be developed which outline a standardized process for the coordination and execution of emergency energy schedules. These would be complementary standards to EOP-002-2 Requirements R4 and R6 (SRS Analysis of EOP-002-2 R4 & R6) Status: Completed and as a result item (3)(a)(viii) has been added to the plan	1st Q, 2009	JISWG
d)	Time Error and Inadvertent (BAL-004 and BAL-006) Coordination with NERC Status: Not Started (upon initiation of this item by NAESB. a completion date will be determined)	2009	TIMTF
e)	DCS and AGC (BAL-002 and BAL-005) Coordination with NERC Status Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2009	BPS
f)	Develop complementary standards that align with NERC Project 2008-01 Voltage and Reactive Control Status: Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2009	BPS

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NORTH AMERICAN ENERGY STANDARDS BOARD

2009 WEQ Annual Plan Approved by the WEQ EC on January 23, 2009

	Item Description	Completion[1]	Assignment[2]
2	**Develop business practice standards in support of the FERC RM05-25-000 and RM05-17-000 (OATT Reform)**		
a)	Develop version 2 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 as determined by the final order.		
	Status: Underway		
	Development is using joint standards development process with NERC. Request R050004 was expanded to include the Order No. 890 (Docket Nos. RM05-25-000 and RM05-17-000) and Order No. 890-A (Docket Nos. RM05-17-001, 002 and RM05-25-001, 002), "Preventing Undue Discrimination and Preference in Transmission Services", issued April 11, 2007).		
i)	Group 3: Network Service On OASIS		
1.	Use of OASIS to Make Electronic Requests to Designate and Terminate Network Resource	3rd Q, 2009	ESS/ITS
	Status: Underway		
2.	Ability to Query Requests to Designate and Terminate Network Resources and Allow for Queries of All Information Provided with Designation Requests	3rd Q, 2009	ESS/ITS
	Status: Underway		
3.	Masking of Designated Network Resource Operating Restrictions and Generating Cost Information	3rd Q, 2009	ESS/ITS
	Status: Underway		
4.	Procedural Requirements for Submitting Designations over new OASIS Functionality	3rd Q, 2009	ESS/ITS
	Status: Underway		
5.	Specify How Designated Network Service Informational Postings are Posted on OASIS	3rd Q, 2009	ESS/ITS
	Status: Underway		
6.	Develop standards for the treatment of OASIS Requests when the Customer Fails to Provide the Necessary Attestation	3rd Q, 2009	ESS/ITS
	Status: Underway		
7.	Procedural Requirements for Submitting Both Temporary and Indefinite Terminations of Network Resources	3rd Q, 2009	ESS/ITS
	Status: Underway		
8.	Procedures for Submitting and Processing Requests for Concomitant Evaluations of Transmission Requests and Temporary Terminations	3rd Q, 2009	ESS/ITS
	Status: Underway		
ii)	Group 4: Pre-Emption; Request No. R05019; and Revisions to Standard 9.7		

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 WEQ Annual Plan Approved by the WEQ EC on January 23, 2009

Item Description	Completion[1]	Assignment[2]
1. Pre-Emption Status: Not Started	4th Q, 2009	ESS/ITS
2. Request No. R05019 Status: Not Started	4th Q, 2009	ESS/ITS
3. Modify WEQ-001-9.7 Rollover Rights for Redirect on a Firm Basis Status: Underway	1st Q, 2009	EC Task Force, ESS/ITS
iii) Group 5: Paragraph 1377		
1. Paragraph 1377 Status: Not Started	4th Q, 2009	ESS/ITS
2. Re-Bid Of Partial Service across Multiple Transmission Providers' Systems Status: Not Started	4th Q, 2009	ESS/ITS
iv) Group 6: Miscellaneous (Paragraphs 1390 and 1627 of Order 890)		
1. Paragraph 1390 of Order 890 Status: Not Started	4th Q, 2009	ESS/ITS
2. Paragraphs 1627 of Order 890 Status: Not Started	4th Q, 2009	ESS/ITS
3. Redispatch Cost Posting to allow for posting of third party offers of planning redispatch services. Status: Not Started	4th Q, 2009	ESS/ITS
b) Develop the needed business practices as companion to the NERC standards for ATC related efforts		
i) Develop standards to support existing Request No. R05004.		
1. The processing of transmission service requests, which use TTC/ATC/AFC, in coordination with NERC changes to MOD 001 where the allocation of flowgate capability based on historical Network Native Load impacts the evaluation of transmission service requests, requiring the posting of those allocation values in conjunction with queries of service offerings on OASIS Status: Underway	3rd Q, 2009	ESS/ITS
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:		

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 WEQ Annual Plan Approved by the WEQ EC on January 23, 2009

	Item Description	Completion[1]	Assignment[2]
i)	Network Services: Determine and develop needed business practice standards or other support is needed to support use of OASIS for Network Service transactions (R04006E). (Related to AP 2(a)(iii)) Status: Underway	3rd Q, 2009	ESS/ITS
ii)	Registry (TSIN): Determine and develop needed business practice standards to support the registry functions currently supported by NERC (R04037, R06027).		
	1) Work with the NAESB counsel to develop a confidentiality agreement, (R07013) Status: Underway	2nd Q, 2009	BPS
	2) Transition the TSIN Registry from NERC to NAESB as the enhanced Electric Industry Registry (EIR), (R06027). Status: Underway	4th Q, 2009	NAESB/NERC Administration, JISWG
iii)	Document procedures used to implement the displacement/interruption terms of the Pro Forma tariff (R05019). Status: Not Started	4th Q, 2009	ESS/ITS
iv)	Make remaining incremental enhancements to OASIS as an outgrowth of the NAESB March 29, 2005 conference on the future of OASIS (R05026). Scoping statement completed by SRS and assignments made to BPS and ESS/ITS.		
	1) Eliminate Masking of TSR tag source and sink when requested status is denied, withdrawn refused, displaced, invalid, declined, annulled or retracted Status: Not Started	4th Q, 2009	ESS/ITS
	2) Initiate standard that eliminates the disparity of posting "sensitive" information. This standard should also include procedures of user certification that allows access to this class of information. Status: Underway (upon further development of this item by NAESB, a completion date will be determined)	2010	ESS/ITS
	3) Enhance the TSR result postings to allow showing of (i) limiting transmission elements and (ii) available generation dispatch options that would allow acceptance of reservation request. Status: Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2010	ESS/ITS
v)	Develop, coordinate inoperability testing, and implement e-Tag version 1.8.1 Status: Underway	4th Q, 2009	JISWG
vi)	Transition e-Tag Specification and schema to NAESB Status: Underway	1st Q, 2009	JISWG

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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 WEQ Annual Plan Approved by the WEQ EC on January 23, 2009

		Item Description	Completion[1]	Assignment[2]
	vii)	Review and correct the WEQ-004 Coordinate interchange Business Practice Standard as noted during the development of the e-Tag 1.8 development process. Status: Underway	4th Q, 2009	JISWG
	viii)	Review and correct WEQ-004 Coordinate Interchange Business Practice Standard as needed based on activities in NERC Project 2008-12, Coordinate Interchange Standards Revisions and supporting EOP-002-2 R4 and R6. [note: this is a new item] Status: Not started – dependent on NERC activity (upon initiation of this item by NAESB, a completion date will be determined)	2010	JISWG
b)		Develop and/or maintain standard communication protocols and cyber-security business practices as needed.		
	i)	Develop PKI certification program for e-Tag and OASIS Status: Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2009	Board Cert. Prgm Comm
	ii)	Develop PKI standards for OASIS. Status: Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2009	ESS/ITS
	iii)	Develop PKI Standards for e-tagging (Develop Implementation Plan). Status: Underway (upon further development of this item by NAESB, a completion date will be determined) eTagging items are linked to the transition of the Registry from NERC to NAESB.	2nd Q, 2009	JISWG
c)		Develop needed business practice standards for organization/company codes for NAESB standards – and address current issues on the use of DUNs numbers. Status: Underway (upon further development of this item by NAESB, a completion date will be determined) Common code usage is linked to the transition of the Registry from NERC to NAESB	2009	NAESB Staff with WEQ support
d)		Develop business practice standards in support of FERC Order No. 717 Status: Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2009	BPS

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NORTH AMERICAN ENERGY STANDARDS BOARD

2009 WEQ Annual Plan Approved by the WEQ EC on January 23, 2009

	Item Description	Completion[1]	Assignment[2]
4	**Review and develop business practices standards to Demand Response, Demand Side Management and Energy Efficiency Programs** Review and develop needed model business practices for a standardized method for quantifying benefits, savings, cost avoidance and/or the reduction in energy demand and usage derived from the implementation of demand side management and energy efficiency programs. This effort will include demand side response, energy efficiency programs and metering, including the 'curtailment service provider' program.		
a)	Develop matrix and business practice standards for measurement and verification for demand response programs in ISO/RTO footprint areas. Status: Completed (examples still to be provided)	4th Q, 2008	WEQ Section of the Joint WEQ/REQ DSM Subcommittee
b)	Develop preamble for business practice standards for measurement and verification for demand response and energy efficiency programs. Status: Underway	2nd Q, 2009	Joint WEQ/Retail DSM-EE Subcommittee
c)	Develop glossary for business practice standards Status: Underway	2nd Q, 2009	Joint WEQ/Retail DSM-EE Subcommittee
d)	Support retail development of matrix and model business practice standards for measurement and verification for demand response programs Status: Underway	2nd Q, 2009	Retail Section of Joint WEQ/Retail DSM-EE Subcommittee
e)	Develop business practice standards to measure and verify energy reductions that are made to comply with a Renewable Portfolio Standard that included energy efficiency or a stand-alone Energy Efficiency Portfolio Standard. Status: Not Started (Scope to be initiated in 2nd Q, 2009, after which a completion date will be set)	Phase 2	WEQ Section/Joint WEQ/Retail DSM-EE Subcommittee
f)	Develop business practice standards to factor Demand Control and Energy Efficiency programs into reliability / supply decisions at the wholesale level for generation and transmission planning and operations in ISO/RTO footprint areas. Status: Not Started (Scope to be initiated in 2nd Q, 2009, after which a completion date will be set)	Phase 2	WEQ Section/Joint WEQ/Retail DSM-EE Subcommittee
g)	Develop business practice standards for cap and trade programs for green house gas Status: Not Started (Scope to be initiated in 2nd Q, 2009 at the earliest. Upon conclusion of the scoping statement it will be determined whether NAESB standards development is appropriate)	Phase 2	Joint WEQ/Retail DSM-EE Subcommittee

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	Item Description	Completion[1]	Assignment[2]
6	**Maintain existing body of Version 2 standards**		
a)	Make consistency changes to Version 1.0 standards as directed by the WEQ Leadership Committee on December 12, 2007 (R08001 – BPS, ESS/ITS, R08002 - ESS/ITS, R08003 - ESS/ITS - BPS, R08004, R08005 - ESS/ITS)		
	1) OASIS Consistency Changes (R08001, R08002, R08003, R08005) Status: Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2009	ESS/ITS
	2) Gas / Electric Communication Consistency Changes (R08004) Status: Underway	2nd Q, 2009	BPS
b)	Modify NAESB definitions to address internal inconsistencies and inconsistencies with the NERC glossary. Revise existing NAESB glossary/definition of terms to be applicable to entire set of WEQ Business Practices. (http://www.naesb.org/pdf3/weq_ec051308w3.doc) Status: Underway Subcommittee co-chairs are developing WEQ-000 Definition of Terms/Acronyms to replace definitions being included in each NAESB Business Practice.	2nd Q, 2009	BPS/ESS/ITS/SRS Co-chairs
c)	Develop standards to allow for registered Market Operators to request changes to the Market Level profile of Implemented Interchange (R06006) Status: Complete	1st Q, 2009	JISWG
d)	Consistent with ¶51 of FERC Order No. 890-A, add AFC and TFC values to the "System_Attribute" data element of the NAESB Standard WEQ-003: OASIS S&CP Data Dictionaries. (R08011) Status: Not Started This Standards Request was assigned to the ESS/ITS in May 2008.	3rd Q, 2009	ESS/ITS
e)	Provide for Enhanced Granularity for Public Utilities in Identifying Critical Operational Flow Orders. (R08020) Status: Not Started. This Standards Request was assigned to the BPS in August 2008 (upon initiation of this item by NAESB, a completion date will be determined)	2009	BPS jointly with WGQ BPS
f)	Synchronize Bidding Credit Requirements for FTR, TCC and CRR (R08025) Posting of collateral is an important issue for financial marketers. Most financial marketers and smaller entities are required to post cash for FTR transactions, while most utilities post unsecured credit. Therefore, the timing for posting collateral is especially crucial to financial marketers. There are two posting periods for FTRs: 1. The Bidding Requirement: Credit must be posted with FTR bids and these monies are held until bids are cleared. 2. The Holding Requirement: After bids are cleared and FTRs awarded, collateral is required for the amount of time the FTR is active. Status: Not Started (upon initiation of this item by NAESB, a completion date will be determined)	2009	SRS (Scoping)

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NORTH AMERICAN ENERGY STANDARDS BOARD

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PROVISIONAL ITEMS

1 Develop and or modify business practices related to support of NERC effort on the NERC Resources and Transmission Adequacy (Project 2009-05 Resource Adequacy Assessment).

2 Develop business practices for allocating capacity among requests received during a submittal window Order 890-A (Docket Nos. RM05-17-001, 002 and RM05-25-001, 002 - Paragraph 805).

3 Determine any needed NAESB action in support of the Interchange Distribution Calculator (IDC) and develop any necessary standards.

4 Prepare recommendations for future path for TLR (equity concerns) in concert with NERC, which may include alternative congestion management procedures[3]. Work on this activity is dependent on completing 2009 WEQ Annual Plan 1.c.i (Parallel Flow Visualization/Mitigation for Reliability Coordinators in the Eastern Interconnection).

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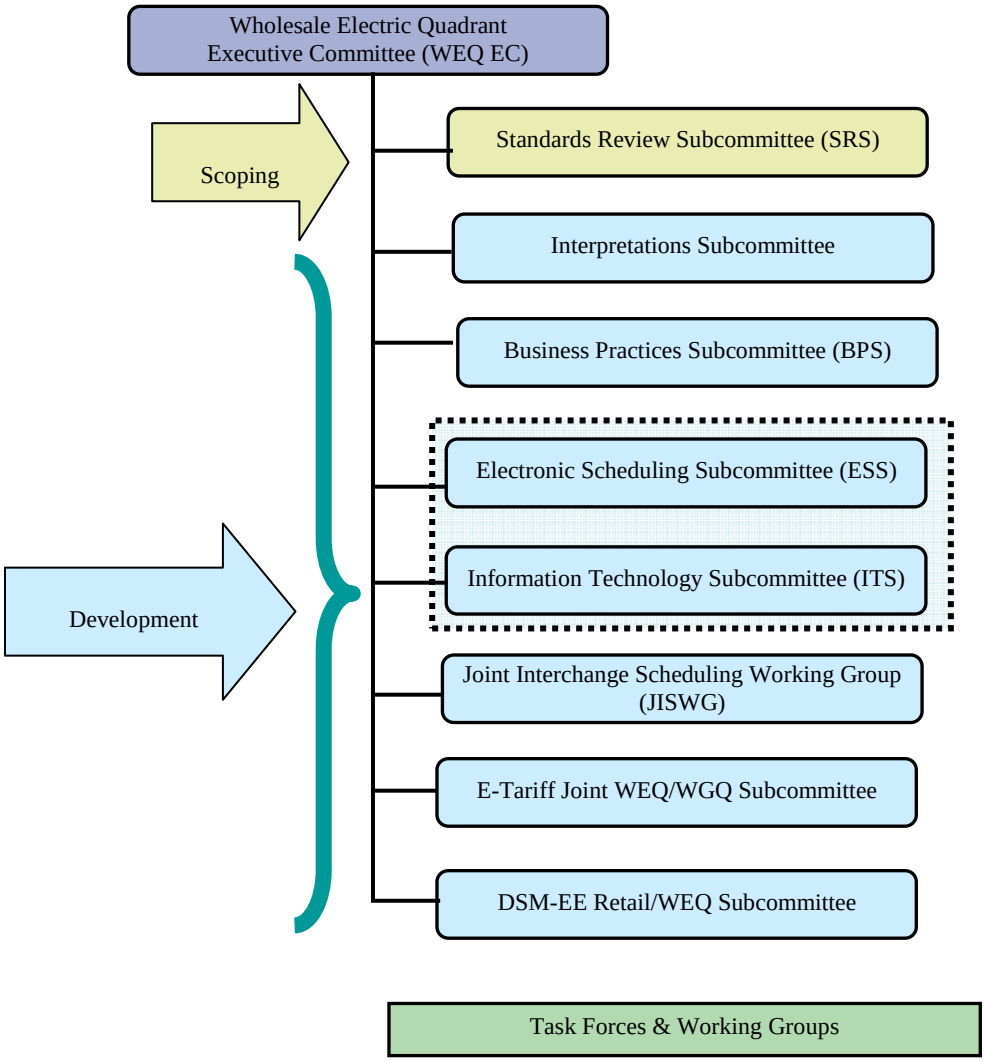

NAESB WEQ EC and Subcommittee Leadership:
Executive Committee: Kathy York (WEQ EC Chair) and TBA (WEQ EC Vice Chair)
Standards Review Subcommittee: Narinder Saini, Ed Skiba
Interpretations Subcommittee: Robert Schwermann
Business Practices Subcommittee & Task Forces: Jim Busbin (TLR), Ed Skiba
Electronic Scheduling Subcommittee/Information Technology Subcommittee & Task Forces: Paul Sorenson, J.T. Wood, Marcie Otondo
Joint Interchange Scheduling Working Group (JISWG): Bob Harshbarger (NAESB), Jim Hansen (NERC)
e-Tariff Joint WEQ/WGQ Subcommittee (e-Tariff): Jane Daly (WEQ), Keith Sappenfield (WGQ)
DSM-EE Joint Retail/WEQ Subcommittee: Ruth Kiselewich and David Koogler (Retail), Roy True and Paul Wattles (WEQ)

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End Notes WEQ 2009 Annual Plan:

[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 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] For additional information, please see comments submitted by PJM and MISO for this Annual Plan Item: http://www.naesb.org/pdf3/weq_aplan102907w1.pdf.

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Status[1]	Cite	Order 890 Work Plan			
		Action Item/Work Plan	**Action Item Home**	**Target Dates**	**Status**
ATC GROUP ASSIGNMENTS (ESS/ITS and BPS)					
✔	243, 244, 246	Business Practice Standards complementary to NERC Reliability Standards for **Existing Transmission Commitment (ETC)** to create a "consistent approach for determining the amount of transfer capability a transmission provider may set aside for its native load and other committed uses", including the elements of ETC for full implementation of the NERC MOD-001 reliability standard* Paragraphs 243, 244, and 246 will require coordination with the NERC Order 890 reliability standards development *Posting requirements for ETC assigned to ESS/ITS (see 2008 AP 2(a)(vi)(4) and Order 890 WP, Group 6) **Order 890-A:** 63. The Commission also found that inclusion of all requests for transmission service in ETC would likely overstate usage of the system and understate ATC. The Commission therefore found that reservations that have the same point of receipt (POR) (generator) but different point of delivery (POD) (load), for the same time frame, should not be modeled in the ETC calculation simultaneously if their combined reserved transmission capacity exceeds the generator's nameplate capacity at the POR. The Commission directed public utilities, working through NERC, to develop requirements in MOD-001 that lay out clear instructions on how these reservations should be modeled. The Commission also concluded that some elements of ETC are candidates for business practices instead of reliability standards and directed public utilities, working through NAESB, to develop business practices necessary for full implementation of the MOD-001 reliability standard. 151. We decline to impose additional posting requirements regarding ETC uses, as requested by EPSA and Powerex. In Order No. 890, the Commission required transmission providers to make available all data used to calculate ATC for constrained paths and any system planning studies or specific network impact studies performed for customers. This would include information regarding ETC uses, including grandfathered agreements, that affect ATC calculations or study results. EPSA and Powerex fail to demonstrate that it is necessary to require the posting of additional information regarding ETC uses to verify the accuracy of the transmission provider's ATC calculations. We note in response to Powerex that, if any new service taken upon expiration of a pre-Order No. 888 contract, the terms and conditions of the transmission provider's OATT would apply.	WEQ 2008 Annual Plan Item 2(b)(ii)(1)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter , 2008 WEQ EC VOTE: 3rd Quarter, 2008 RATIFICATION: 3rd Quarter, 2008	The NAESB ESS/ITS and BPS are working to draft complementary business practices to the NERC MOD028, MOD029, and MOD030, which includes ETC. The NERC team has determined that there is not a need for explicit posting of ETC values; the ESS/ITS and BPS supports the decision. ESS/ITS/BPS will look at the NERC MODs to determine if additional business practices are needed for ETC components. Recommendation was voted out of subcommittee on June 17, 2008. Formal comment period closed on July 21, 2008. Approved by WEQ EC August 19, 2008. Ratified by the membership on 9/22/2008.

[1] Status is defined as: ✔ - Complete, C – formal commenting period, I – in progress of standards development underway in subcommittee, NS – development not started.

Status[1]	Cite	Order 890 Work Plan			
		Action Item/Work Plan	**Action Item Home**	**Target Dates**	**Status**
✔	293	• Business practice standards for accounting for **counterflows**. These standards will be included in the ATC business practice standards (Paragraph 293 will require coordination with the NERC Order 890 reliability standards development)	WEQ 2008 Annual Plan Item 2(b)(ii)(2)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 3rd Quarter, 2008 RATIFICATION: 3rd Quarter 2008	The ESS/ITS and BPS have created a list of items that are considered post-backs to be used in the creation of post back requirements. NERC has requested that NAESB practices address post-back requirements. (8/16/07) On March 11-12, 2008, the ESS/ITS and BPS passed motions to define high level concepts for counterflows and post backs. Draft standards are being developed by sub-teams. Subcommittee voted recommendation for counterflows and Postbacks out of subcommittee on May 15, 2008. Formal comment period closed on June 23, 2008. Approved by WEQ EC August 19, 2008. Ratified by the membership on 9/22/2008.
✔	257	**Capacity Benefit Margin (CBM) Business Practices** • Business practice standards to set forth "how the CBM value shall be determined, allocated across transmission paths, and used" and how transmission providers will "reflect the set-aside of transfer capability as CBM in the development of the rate for point-to-point transmission service." (Paragraph 257 will require coordination with the NERC Order 890 reliability standards development) **Order 890-A:** 68. The Commission directed public utilities, working through NERC and NAESB, to develop clear standards and business practices for how the CBM value is determined,	WEQ 2008 Annual Plan Item 2(b)(iii)(1)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 3rd Quarter, 2008 WEQ EC VOTE: 4th	The ESS/ITS and BPS have begun identifying complementary business practices to NERC MOD004. The ESS/ITS and BPS have identified the NAESB business practice standards that may be needed to address CBM, including

Status[1]	Cite	Order 890 Work Plan			
		Action Item/Work Plan	**Action Item Home**	**Target Dates**	**Status**
		allocated across transmission paths and flowgates, and used. To ensure that CBM is used for its intended purpose, the Commission provided that CBM shall only be used to allow an LSE to meet its generation reliability criteria. The Commission rejected requests to allow CBM to be used to meet reserve-sharing needs, explaining that TRM is the appropriate category for that purpose. Public utilities were directed to work with NAESB to develop an OASIS mechanism that will allow for auditing of CBM usage. 83. The Commission did not mandate a particular methodology for allocating CBM over transmission paths and flowgates in Order No. 890. We therefore reject Southern's argument that development of a consistent methodology for calculating CBM would be harmful to LSEs because reserve needs vary from area to area. While we expect the NERC and NAESB process to produce a consistent and transparent process for setting aside and allocating CBM based on LSE requests, we decline to prescribe a specific method for how CBM should be obtained or allocated or otherwise determine the amount of capacity that the transmission provider has to set aside in response to requests from multiple LSEs.		Quarter, 2008 RATIFICATION: 4th Quarter, 2008	where the CBM value shall be posted; how to allocate priority use of CBM; how to allocate the amount of CBM; the ability to audit CBM usage; a new request type on OASIS to distinguish a CBM reservation; and for the posting of CBM on the OASIS systemdata template. The joint subcommittee has determined no additional standards need to be developed for this work plan item. Recommendation voted out of subcommittee on July 30th. Formal Comment period closes September 5, 2008. Approved by WEQ EC November 7, 2008. Ratified by the membership on December 15, 2008.
✔	262	• Business practice standards that include an OASIS mechanism to "allow for auditing of CBM usage." (Paragraph 262 does not require coordination with the NERC Order 890 reliability standards development) **Order 890-A:** 68. The Commission directed public utilities, working through NERC and NAESB, to develop clear standards and business practices for how the CBM value is determined, allocated across transmission paths and flowgates, and used. To ensure that CBM is used for its intended purpose, the Commission provided that CBM shall only be used to allow an LSE to meet its generation reliability criteria. The Commission rejected requests to allow CBM to be used to meet reserve-sharing needs, explaining that TRM is the appropriate category for that purpose. Public utilities were directed to work with	WEQ 2008 Annual Plan Item 2(b)(iii)(2)	FORMAL COMMENT: 3rd Quarter, 2008 WEQ EC VOTE: 4th Quarter, 2008 RATIFICATION: 4th Quarter, 2008	The ESS/ITS and BPS are continuing to evaluate and review the templates and practices for CBM, including auditing of CBM usage. 8/16/07 If we are using existing templates and the existing templates have corresponding "Audit Templates", additional

Status[1]	Cite	Order 890 Work Plan			
		Action Item/Work Plan	**Action Item Home**	**Target Dates**	**Status**
		NAESB to develop an OASIS mechanism that will allow for auditing of CBM usage.			work may not be needed. The joint subcommittee is working with JISWG on this annual plan item. Changes are expected to be required for WEQ 001, 002, 003, 004, and 013. Recommendation voted out of subcommittee on July 30th. Formal Comment period closes September 5, 2008. Approved by WEQ EC November 7, 2008. Ratified by the membersship on December 15, 2008.
✔		• Any additional business practice standards needed to complement the NERC CBM reliability standards (MOD004) created as a result of this effort. (This item is a catchall section in case there are areas where business practices are needed as a result of the NERC CBM reliability standards. This item will require coordination with the NERC Order 890 reliability standards development).	WEQ 2008 Annual Plan Item 2(b)(iii)(3)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 3rd Quarter, 2008 WEQ EC VOTE: 4th Quarter, 2008 RATIFICATION: 4th Quarter,, 2008	The ESS/ITS and BPS have begun identifying complementary business practices to NERC MOD004. The joint subcommittee has determined no additional standards need to be developed for this work plan item. Recommendation voted out of subcommittee on July 30th. Formal Comment period closes September 5, 2008. Approved by WEQ EC November 7, 2008. Ratified by the membership on December 15, 2008.

Status[1]	Cite	Order 890 Work Plan			
		Action Item/Work Plan	**Action Item Home**	**Target Dates**	**Status**
✔	272	• Transmission Reliability Margin (TRM): Business Practice Standards to complement the NERC reliability standards for TRM (Paragraph 272 will require coordination with the NERC Order 890 reliability standards development)	WEQ 2008 Annual Plan Item 2(b)(iv) (1)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: N/A	The ESS/ITS and BPS have begun identifying complementary business practices to NERC MOD008. The ESS/ITS and BPS are continuing to evaluate and review the templates and practices for TRM, 8/16/07 The ESS/ITS and BPS determined no additional standards needed to be developed for this item and voted for the co-chairs to develop recommendation and post formal comments 3/31/08. Recommendation posted for 30-day formal comment period on April 8th. The recommendation was voted out of the EC on May 13.
✔	273	• The TRM business practice standards will include specification of the appropriate uses of TRM and when transmission providers may set aside TRM (Paragraph 273 will require coordination with the NERC Order 890 reliability standards development) **Order 890-A:** 94. The Commission clarifies that NERC was not directed to identify an actual number or a particular methodology to include in the TRM standards, MOD-008-0 and MOD-009-0. The Commission's intent was to require NERC and NAESB to include consistent criteria and guidelines in the calculation and uses of TRM by transmission providers. Likewise, in response to Southern's concern regarding flexibility to use something other than the ratings reduction method discussed in Order No. 890, we clarify that the ratings reduction method is only an example of a simple method that could be used. Our intent is not to prohibit a transmission provider from using a more sophisticated method, so long as it is consistent with the reliability standards developed	WEQ 2008 Annual Plan Item 2(b)(iv)(2)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: N/A	The ESS/ITS and BPS have begun identifying complementary business practices to NERC MOD008. The ESS/ITS and BPS are continuing to evaluate and review the templates and practices for TRM, 8/16/07 The ESS/ITS and BPS determined no additional standards needed to be developed for this item and voted for the co-chairs to

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		Action Item/Work Plan	**Action Item Home**	**Target Dates**	**Status**
		by NERC.			develop recommendation and post formal comments 3/31/08. Recommendation posted for 30-day formal comment period on April 8th. The recommendation was voted out of the EC on May 13.
✔		• Any additional business practice standards needed to complement the NERC TRM reliability standards (MOD008) created as a result of this effort (This item is a catchall section in case there are areas where business practices are needed as a result of the NERC TRM reliability standards. This item will require coordination with the NERC Order 890 reliability standards development).	WEQ 2008 Annual Plan Item 2(b)(iv)(3)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: N/A	The ESS/ITS and BPS have begun identifying complementary business practices to NERC MOD008. The ESS/ITS and BPS are continuing to evaluate and review the templates and practices for TRM, 8/16/07 The ESS/ITS and BPS determined no additional standards needed to be developed for this item and voted for the co-chairs to develop recommendation and post formal comments 3/31/08. Recommendation posted for 30-day formal comment period on April 8th. The recommendation was voted out of the EC on May 13.
✔	301	Business Practice Standards for ATC and AFC Calculation Methodologies to complement the NERC reliability standards created for ATC and AFC Methodologies (NERC MOD001 (Available Transfer Capability); NERC MOD028 (Network Response Available Transfer Capability); NERC MOD029 (Rated System Path Available Transfer		**These dates are dependent on NERC deliverables and may be changed if NERC**	The ESS/ITS and BPS has drafted several sets of language and is in the process of coordinating

Status[1]	Cite	Order 890 Work Plan			
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		Capability); and NERC MOD030 (Flowgate Network Response Available Transfer Capability)): • Business practice standards to address the frequency and posting requirements for all ATC components that are complementary to the related NERC reliability standards (Paragraph 301 will require coordination with the NERC Order 890 reliability standards development) **Order 890-A:** 53. We clarify in response to NorthWestern that TRM may be used to accommodate the procurement of ancillary services used to provide service under the pro forma OATT. We deny as premature EPSA's and Williams' requests for clarification regarding the realtime determination and posting of ATC and AFC values, as well as posting of utilization of transmission provider's own system ETC. In Order No. 890, the Commission required an exchange of the data both for short and long-term ATC/AFC calculation that will increase the accuracy of ATC calculations.[33] The Commission also required that ATC be recalculated by all transmission providers on a consistent time interval, and in a manner that closely reflects the actual topology of the system, load forecast, interchange schedules, transmission reservations, facility ratings, and other necessary data, and that NERC/NAESB revise the related reliability standard and business practices accordingly.[34] EPSA and William should address their concerns through the NERC and NAESB processes implementing these requirements. 60. Order No. 890 requires NERC and NAESB to develop a single set of ATC-related standards that will apply to all transmission providers, including RTOs and ISOs. We understand that the NERC ATC standard drafting team includes representatives from various industry sectors, including RTOs/ISOs, and we encourage NYISO to participate in the standard development process to provide NERC an opportunity to address its concerns. To the extent NYISO feels its concerns are not address in this process, it should bring the issue to the Commission's attention on review of the resulting reliability standards. 101. The Commission directed public utilities, working through NERC and NAESB, to revise reliability standard MOD-001 to require ATC to be recalculated by all transmission providers on a consistent time interval and in a manner that closely reflects the actual topology of the system, e.g., generation and transmission outages, load forecast, interchange schedules, transmission reservations, facility ratings, and other necessary data. The Commission stated that this process must also consider whether ATC should be calculated more frequently for constrained facilities. 104.The Commission agrees with Powerex that the standards adopted through the NERC and NAESB processes should serve as minimum or "no less frequent than" requirements to recalculate ATC. Transmission providers also must update their ATC calculation	WEQ 2008 Annual Plan Item 2(b)(v)(1)	**timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 3rd Quarter, 2008 RATIFICATION: N/A	alignment with the NERC ATC Drafting Team. The ESS/ITS and BPS are drafting documents that will facilitate agreement on concepts/scope. The ESS/ITS and BPS determined no additional standards needed to be developed for this item and voted for the co-chairs to develop recommendation and post formal comments 4/16/08. Recommendation posted for 30-day formal comment period on April 23rd. Approved by WEQ EC August 19, 2008.

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		when they receive substantial and material changes in data, such as updated load forecasts, changes in topology and dispatch patterns, which may be more frequent than the NERC and NAESB standards would otherwise require. In the absence of substantial and material changes in data, transmission providers are not required to update ATC on a more frequent basis than the minimum frequency that the NERC and NAESB standards require, once implemented. The Commission will consider the adequacy of the time frame for ATC updates on review of these standards. 148. In Order No. 890, the Commission required transmission providers to make available, upon request, all data used to calculate ATC, TTC, CBM and TRM for any constrained posted path. We believe that this adequately addresses Constellation's request for access to modeling data used by the transmission provider. Specifically, we expect transmission providers to make available, upon request and subject to appropriate confidentiality protections and CEII requirements, the following modeling data: (1) load flow base cases and generation dispatch methodology; (2) contingency, subsystem, monitoring, change files and accompanying auxiliary files; (3) transient and dynamic stability simulation data and reports on flowgates which are not thermally limited; (4) list of transactions used to update the base case for transmission service request study; (5) special protection systems and operating guides, and specific description as to how they are modeled; (6) model configuration settings; (7) dates and capacities of new and retiring generation; (8) new and retired generation included in the model for future years; (9) production cost models (including assumptions, settings, study results, input data, etc.), subject to reasonable and applicable generator confidentiality limitations; (10) searchable transmission maps, including PowerWorld or PSSE diagrams; (11) OASIS names to Common Names table and PTI bus numbers; and, (12) flowgate and interface limits including limit category (thermal, steady state or transient, voltage or angular). We decline, however, to require the transmission provider to post this information on OASIS, as Constellation suggests. We conclude that making this information available on request provides sufficient transparency for customers without unduly burdening the transmission provider. 149. With regard to the modeling support information sought by Constellation, we believe much of this information should already be stated in each transmission provider's Attachment C. In Order No. 890, the Commission required each transmission provider to set forth in the Attachment C to its OATT the ATC calculation methodology used by the transmission provider. To the extent necessary, we clarify that the step-by-step modeling study methodology and criteria for adding or eliminating flowgates (permanent and temporary) is part of the ATC methodology that must be stated in the transmission provider's Attachment C. We direct any transmission provider that has failed to include this information in its Attachment C to include that information as part of the compliance filing directed in section II.C. If the transmission provider has already			

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Status[1]	Cite	Order 890 Work Plan			
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		satisfied this obligation in a previous compliance filing, it should refer to that filing instead. 150. We deny as premature Constellation's request to require OASIS postings of additional model benchmarking and forecasting data/TSR study audit data. Such information would be utilized in the process of updating and benchmarking models to actual events, which is the subject of ongoing efforts to modify relevant reliability standards from the MOD and facilities design, connections and maintenance (FAC) groups. 152. We deny TDU Systems' request to require transmission providers to grant customers access to proprietary modeling software used to calculate ATC values. The Commission believes at this time that the requirements of Order No. 890 are sufficient to achieve the Commission's transparency goals without further requiring the disclosure of proprietary software.			

Status[1]	Cite	Order 890 Work Plan			
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✔	310	• Business practice standards for data exchange for ATC modeling complementary to the related NERC reliability standards including any OASIS posting requirements to achieve the data exchange (Paragraph 310 will require coordination with the NERC Order 890 reliability standards development)	WEQ 2008 Annual Plan Item 2(b)(v)(2)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: N/A	NERC will be addressing data exchange standards and will identify any new OASIS posting requirements or template query requirements which are needed in order to facilitate data exchange for ATC modeling On March 13, 2008 the ESS/ITS and BPS determined the work associated to this item has been completed by NERC and recommended no further action be taken by NAESB. Recommendation posted for 30-day formal comment period on March 17th. The recommendation was voted out of the EC on May 13.
✔	369	• Business practice standards that will set forth how transmission providers will post "explanations of the reason for a change in monthly and yearly ATC values on a constrained path." The standards will include a requirement that the transmission provider post the reason for the change in a narrative form. The posted information will include "the (1) specific events which gave rise to the change and (2) new values for ATC on that path (as opposed to all points on the network)." (Paragraph 369 will not require coordination with the NERC Order 890 reliability standards development) Although not specified in the WEQ 2008 AP, it is expected that this standard will also contain requirements associated with annotations when ATC remains at zero for six months or longer. **Order 890-A:** 124. We believe that E.ON U.S. overestimates the burden of complying with this requirement. Since TTC standardization is ongoing, it is impossible to identify with	WEQ 2008 Annual Plan Item 2(b)(v)(3)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: 2nd Quarter, 2008	Voted out of subcommittee for formal comment on February 13, 2008. Approved by the EC via notational ballot on April 14th. Membership ratification completed on May 16th.

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		precision the steps that will need to be taken to comply with the posting requirement. The appropriate forum to raise concerns regarding the burden of particular TTC calculation requirements is in the NAESB standards development process. In any event, we would expect that the posting of narratives for changes in monthly and yearly ATC values as a result of a 10 percent change in TTC will be triggered mainly by topology changes resulting from transmission lines and generator in-service status, as well as new facilities additions, that are reported on OASIS. 125. We clarify in response to Southern that transmission providers do not need to list each and every circumstance or occurrence that impacts TTC values from the previous month or year and, instead, may list the primary events that give rise to the update. Again, we expect that TTC changes will generally result from topology changes and, therefore, the primary reasons for an update would be changes in schedules of transmission or generation additions, prolonged outages, or changes in maintenance schedules causing a TTC change of 10 percent. We agree with Southern that the transmission provider should post these narrative explanations on OASIS via a template and data element that is to be defined by NAESB. We direct transmission providers, working through NAESB, to develop the OASIS functionality necessary for such postings. Pending completion of this work by NAESB, we direct transmission providers to post these narrative explanations as comments on OASIS.			
✔	413	• Business practice standards for posting on OASIS of the "underlying load forecast assumptions for all ATC calculations" (Paragraph 413 will not require coordination with the NERC Order 890 reliability standards development) **Order 890-B:** 35. We clarify, however, that the Commission intended for transmission providers to post the underlying factors used to make load forecasts that have a significant impact on calculations, such as temperature forecasts, not all economic and other data that underlies each and every daily load forecast. Transmission providers must post a description of their load forecast method including how economic and weather assumptions are used in load forecasting. The Commission's intent is to increase transparency in the transmission provider's process of forecasting, providing assurance to customers that loads are consistently being forecast using methodologies which are not subject to daily manipulation to favor affiliates.	WEQ 2008 Annual Plan Item 2(b)(v)(4)	**These dates are dependent on NERC providing responses to questions forwarded to NERC by the BPS/ESS/ITS.** FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: 2nd Quarter, 2008	Voted out of subcommittee for formal comment on March 10, 2008. Approved by the EC via notational ballot on April 23rd. Recommendation was posted for membership ratification on June 23rd. Membership ratification completed on July 23rd.
✔	405	• Business practice standards for posting on OASIS of the "actual daily peak load for the prior day." (Paragraph 405 will not require coordination with the NERC Order 890 reliability standards development)	WEQ 2008 Annual Plan Item 2(b)(v)(5)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: 2nd	Voted out of subcommittee for formal comment on March 10, 2008. Approved by the EC via notational ballot on April

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				Quarter, 2008	23rd. Recommendation posted for Membership Ratification on June 23rd. Membership ratification completed on July 23rd.
✔		• Business practice standards to complement NERC reliability standards for Transfer Capability in response to new NERC Supplemental SAR: Revisions to Existing Standards MOD001-MOD009, FAC12-13 (This item was added as a result of the Supplemental SAR NERC created in case additional business practices are needed as a result of the work on this SAR by NERC. It does not have a cite in Order 890. This item will require coordination with the NERC Order 890 reliability standards development).	WEQ 2008 Annual Plan Item 2 (b)(vi)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 3rd Quarter, 2008 RATIFICATION: N/A	The ESS/ITS and BPS is in the process of coordinating alignment with the NERC ATC Drafting Team. On May 1, 2008, the subcommittee determined no additional standards were required for this work plan item. Posted for formal comments on May 5, 2008. Approved by WEQ EC August 19, 2008.
✔		• Business practice standards to set forth the procedure for input on TTC and ATC methodologies and values. (During the Order 890 NERC and NAESB joint standards development effort, it was determined that the standards contained in MOD003 should be business practice standards instead of reliability standards. NERC has requested that NAESB adopt the standards as business practices via correspondence to Ms. McQuade, NAESB President.) This item will require coordination with the NERC Order 890 reliability standards development because the language to address this item is contained within a draft standard that addresses items that are dependent on NERC deliverables, i.e., the requirements to create an "ATC Information Link" on OASIS. There is no Order 890 cite for this item.	WEQ 2008 Annual Plan Item 2 (b)(vii)	**These dates are dependent on NERC deliverables and may be changed if NERC timelines for Order 890 are changed**: FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: 2nd Quarter, 2008	Voted out of subcommittee for formal comment on March 13, 2008. Approved by the EC via notational ballot on May 2, 2008. Membership ratification period closes June 27, 2008. Recommendation was ratified by the membership on June 27, 2008.
✔		Develop any additional business practice standards to support transparency reporting and related functions that may be required as a result of the final order.	WEQ 2008 Annual Plan Item 2(c)	FORMAL COMMENT: 3rd Quarter, 2008 WEQ EC VOTE: 4th Quarter, 2008	The ESS/ITS and BPS continue to review the need for additional business practice standards.

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				RATIFICATION: N/A	The ATC information list was posted for informal comment on January 22, 2008. 05-13-2008 - The BPS/ESS/ITS was directed by the EC to suspend activity on this item. ATC Information List has been assigned to a task force of the EC. Voted out of EC task force for formal comment period ending September 17, 2008. No action recommendation approved by WEQ EC on October 6, 2008.
✔		Modify WEQ-001 to reflect in the definition of certain ancillary services that such ancillary services may be provided by non-generation resources such as demand resources. (http://www.naesb.org/pdf3/weq_ec051308w2.doc)	WEQ 2008 Annual Plan Item 6(d)	FORMAL COMMENT: 3rd Quarter, 2008 WEQ EC VOTE: 3rd Quarter, 2008 RATIFICATION: 3rd Quarter, 2008	Commissioner Wellinghoff letter Draft recommendation posted for informal comments on June17, 2008 Recommendation was voted out of subcommittee on July 9th. Formal Comment period closes on August 11th. Approved by WEQ EC August 19, 2008. Ratified by the membership on 9/22/2008.

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ESS/ITS ASSIGNMENTS					
		GROUP 0: RESALES			
✔	815, FN 496	The OASIS business practices developed to align the existing NAESB standards with Order 890 will include the requirement that "all sales or assignments of capacity be conducted or otherwise posted on the transmission provider's OASIS on or before the date the reassigned service commences." The OASIS business practices will also conform to Footnote 496 of Order 890. The business practices will include the requirement that the assignee "execute a service agreement directly with the transmission provider." In addition, the business practices will include the requirement that the assignee pay "the transmission provider for service at the negotiated rate and the transmission provider will bill or credit the assignor with any the difference between the negotiated rate and the assignor's original rate. **Order 890-A:** 394. Reforms to the rules governing reassignments and associated reporting obligations also increase our regulatory oversight of the secondary market, allowing the Commission to effectively monitor that market for any attempts to exercise market power. All reassignments must now be conducted through or otherwise posted on OASIS and assignees must execute service agreements prior to the date on which service commences. Transmission providers must provide information regarding reassignments in their EQRs. As noted above, Commission staff will also closely monitor the quarterly reassignment-related data submitted by transmission providers and prepare a report on staff's findings for the Commission's consideration. The Commission takes seriously the possibility that resellers may attempt to exercise market power in the secondary market for transmission capacity. We continue to believe, however, that the regulatory protections in place and our increased oversight of this market will limit the potential for market power abuse during the period in which the price cap is lifted. There is no need for particularized market power studies regarding secondary transmission capacity, as suggested by TAPS. 408. As noted above, the Commission required in Order No. 890 that all sales or assignments of capacity be conducted through or otherwise posted on the transmission provider's OASIS on or before the date the reassignment commences. The Commission thus eliminated the ability of transmission customers to assign transmission rights to another party with subsequent notification to the transmission provider. The Commission also directed transmission providers, working through NAESB, to develop appropriate OASIS functionality to allow such postings. Transmission providers were not required to implement this new OASIS functionality or any related business	WEQ 2007 Annual Plan Item 2(a)(i)	FORMAL COMMENT: Posted for formal comment April 5, 2007 with comments due on May 4, 2007. WEQ EC VOTE: The WEQ Executive Committee adopted a revised recommendation during the May 8, 2007 WEQ EC meeting. RATIFICATION: The recommendation, as revised by the WEQ Executive Committee was posted for member ratification on June 22, 2007 with ballots due on July 23, 2007. The ratification results are posted on the NAESB website.	Completed. The final action is posted on the NAESB WEQ Final Actions page: 2007 WEQ Annual Plan Item 2 Final Action - Recommendation for Revision to Final Action R04006D to align the Resales Standards with Order 890 The Subcommittee believes the final action conforms with Order 890-A.

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		practices until NAESB develops appropriate standards. 422. The Commission affirms the decision in Order No. 890 to require assignees to execute a service agreement with the transmission provider governing reassignments of transmission capacity prior to scheduling use of that capacity. We provide clarification of this requirement, however, in response to the concerns raised by petitioners. In Order No. 890, the Commission required that all reassignments be accomplished by the assignee executing a service agreement with the transmission provider that will govern the provision of reassigned service. The Commission did not intend to impose contracting obligations that are more onerous than the acquisition of primary transmission capacity, which may be accomplished through execution of a service agreement followed by scheduling on OASIS. We clarify that it is equally sufficient for an assignee to execute a service agreement governing its reassignments of capacity generally and to complete a particular assignment through the OASIS. However, as with reservations of primary transmission capacity, there remains a threshold requirement to execute a service agreement with the transmission provider in order to commit the assignee to abide by the terms and conditions of the transmission provider's OATT governing the reassignment of transmission service. 423. It would not be appropriate to relieve assignees of the obligation to execute a service agreement with the transmission provider since such agreements establish the necessary contractual relationship between the assignee and the transmission provider. As we explain above, sales of reassigned capacity now take place under the transmission provider's OATT and, thus, there must be a contractual relationship between these parties. This does not mean, however, that all of the terms and conditions of a particular assignment must be stated in the service agreement. Like short-term firm and non-firm reservations of primary capacity, the transmission provider and assignee may rely on OASIS to provide information regarding the reseller, quantity, and price associated with a particular reassignment of service. This information would then become part of the binding agreement between the transmission provider and assignee governing the assignment, just as confirmation of short-term firm and non-firm transactions on OASIS constitute binding contractual commitments. Because execution of a service agreement with the transmission provider governing reassignments of capacity is a threshold requirement for an assignee wishing to accomplish a particular reassignment on OASIS, Bonneville's concern regarding the failure of an assignee to return its service agreement is misplaced. The assignee in that instance would have no right to schedule a reassignment on OASIS since it has not first executed the appropriate service agreement with the transmission provider. 424. Some of the confusion regarding these contracting requirements may have been caused by the Commission's reference in section 23.1 of the revised pro forma OATT to			

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		a service agreement "that will govern the provision of reassigned service," which could be interpreted to refer to transaction-by-transaction service agreements for reassignments. Inclusion of the words "Long-Term Firm" in both the title of the form of service agreement and the attached specifications in the new Attachment A-1 to the pro forma OATT adopted in Order No. 890 may have added to the confusion by potentially implying that use of the service agreement is limited to long-term firm point-to-point transactions instead of also applying to short-term firm point-to-point and non-firm point-to-point reassignments, as intended by the Commission. We revise section 23.1 of the pro forma OATT and the title of Attachment A-1 to make clear that use of the form of service agreement for reassigned capacity, and associated posting of schedules and transaction information on OASIS, should be similar to the use of such agreements for primary capacity. 425. The execution of a service agreement by the assignee does not itself terminate the reseller's service agreement, as EEI argues. The reseller's service agreement remains in place, granting the reseller scheduling rights for the reserved capacity and obligating the reseller to pay for that reservation. During the term of the assignment, the reseller will continue to be billed under its agreement with the transmission provider. The assignment of service simply transfers to the assignee some or all of the reseller's scheduling rights for the period of the reassignment and, in return, obligates the assignee to pay the transmission provider the negotiated rate. In order to prevent over-recovery by the transmission provider, the transmission provider must therefore credit the reseller the reassignment rate, which leaves the reseller with the net difference between the resale rate and the reseller's original rate. If the assignee defaults and fails to pay for the reassigned capacity, the transmission provider should reverse the credit to the reseller to reflect the lack of payment by the assignee. 426. We disagree that these billing requirements are unduly burdensome. While it is true that the transmission provider may be required to bill at different rates, that is already the case under the pro forma OATT. Transmission providers are permitted to offer discounts from the rates stated in their OATT, provided they offer such discounts to all eligible customers. Offering discounts thus creates different rates for different customers depending on when they negotiate service. The transmission provider therefore should already have mechanisms in place to bill customers based on rates other than those stated in its OATT. In any event, the need to bill assignees directly for reassignments is inextricably linked to the decision to require that all reassignment transactions take place pursuant to the rate on file in the transmission provider's OATT, rather than bilateral agreements between customers. We therefore do not intend for the discount rule or the price ceilings otherwise stated in the transmission provider's OATT to apply to reassignments of capacity. We have revised schedules 7 and 8 of the pro			

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		forma OATT accordingly. 427. We clarify that, to the extent necessary, the costs incurred by the transmission provider to account and bill for reassignments of transmission capacity should be included in the transmission provider's cost of service, just like accounting and billing costs for any other service under the transmission provider's OATT. We decline MidAmerican's request to prohibit further assignments of reassigned capacity. Order No. 888 allowed for multiple reassignments under the pro forma OATT and MidAmerican does not justify departing from this practice. Just as the original transmission customer may find that it has excess capacity it can reassign, so may an assignee. Denying the assignee's right to further assign its scheduling rights would inhibit customers who value the capacity most from accessing it and thereby contradict the Commission goal of creating a competitive secondary market for transmission capacity. 428. With regard to OASIS modifications necessary to allow for the reassignment of transmission capacity, the Commission in Order No. 890 already directed transmission providers working through NAESB to develop appropriate OASIS functionality to allow for reassignment-related postings. We understand that this work is on-going and expect any necessary modifications to NAESB's business practices that are necessary to reflect our rulings in this order will be adopted prior to the submission of those standards for Commission review. In the interim, transmission providers should identify in their business practices any procedures necessary to accomplish the reassignment of capacity by their customers.			
		GROUP 1: ANNOTATIONS FOR ATC; LOAD FORECAST AND ACTUAL LOAD; RE-BID OF PARTIAL SERVICE; PRECONFIRMATION PRIORITY; and CONDITIONAL FIRM			
		Conditional Firm, Annotations For ATC; Load Forecast And Actual Load; Re-Bid Of Partial Service; And Preconfirmation Priority S&CP Requirements	WEQ 2008 Annual Plan Item 2(a)(i)(1)	FORMAL COMMENT: Sent during the 3rd Quarter 2007. WEQ EC VOTE: EC notational ballot due January 16, 2008. RATIFICATION: The ratification of the Recommendation will be completed during 1st Quarter 2008.	**Split into individual items – see below**
✔	1078	**Conditional Firm:** In Paragraph 1078 of Order 890, the Commission directed transmission providers to "assign short-term firm service to conditional firm customers as the service becomes available." The Commission also directed transmission providers to work with NAESB to "develop the appropriate communications protocols to implement this attribute of conditional firm service." NAESB will develop OASIS	WEQ 2008 Annual Plan Item 2(a)(i)(2)	FORMAL COMMENT: 3rd Quarter, 2008 WEQ EC VOTE: 3rd Quarter, 2008 RATIFICATION: 3rd Quarter, 2008	Initial working paper of draft requirements to be posted in April 2008. On April 4, 2008, the

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		business practices (to complement the OASIS S&CPs developed in 2008 AP item 2(a)(i)(1))that will implement the ability to assign short-term firm service to conditional firm customers. Development of communication protocols for conditional firm including tracking mechanism and regional variation. Need to review the tagging rules related to the use of conditional firm. **Order 890-A:** 566. During non-conditional periods, conditional firm service is subject to pro rata curtailment consistent with curtailment of any other long-term firm service. During the hours or specific system conditions when conditional firm service is conditional, conditional firm service share the same curtailment priority as secondary network service. In such circumstances, transmission providers will be allowed to curtail only for reliability reasons and conditional firm customers during conditional curtailment hours will be curtailed only after all point-to-point non-firm customers have been curtailed. If the customer selects the annual hourly cap option, the transmission provider will have the flexibility to conditionally curtail the customer for any reliability reason during those hours, including but not limited to, the system condition(s) identified in the system impact study. 567. The Commission provided that short-term firm service reserved prior to the reservation of conditional firm service will maintain priority over conditional firm service in the periods when conditional firm service is conditional, i.e., when specified system conditions exist or conditional curtailment hours apply. Transmission providers were directed to work with NAESB to develop the appropriate communications protocol to allow for automatic assignment of short-term firm point-to-point service to conditional firm customers to the extent short-term service becomes available. Transmission providers need not implement this requirement until NAESB develops appropriate communications protocols. 569. Finally, the Commission recognized that there may be some regional variation in the way transmission providers approach the provision of conditional firm service beyond the minimum attributes that established in Order No. 890. The Commission directed transmission providers located in the same region to coordinate among themselves to develop business practices for implementation of the conditional firm service. In order to allow time for this regional coordination, the Commission directed transmission providers to implement these mechanisms and business practices within 180 days after the publication of this Final Rule in the Federal Register, or October 11, 2007. 585. We also agree with MidAmerican that a transmission provider's waiver of a			ESS/ITS voted to send this recommendation out for informal comments due April 11, 2008. Voted out of subcommittee for formal comment on June 24, 2008. Recommendation posted for 30-day formal comment period on June 25th. Approved by WEQ EC on August 8, 2008 Ratified by the membership on 9/25/2008.

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		reassessment for conditional firm or planning redispatch service does not constitute a waiver of all reassessments for the duration of the service, unless explicitly agreed to by the transmission provider. We reiterate, however, that only one reassessment may be performed in each two-year period of service. We also affirm that any waiver must be granted for similarly situated service, which would include conditional firm or planning redispatch service that is limited because of the same constraints or general system limitations. Such a waiver would be an act of discretion that must be posted on OASIS. Waiver of the reassessment presents an opportunity for discrimination among classes of customers on the part of the transmission provider and posting will provide eligible customers with an indicator of how often conditions or redispatch requirements have been reassessed. Transmission providers are directed to develop uniform OASIS posting standards, in coordination with NAESB, for transmission providers to post information regarding waivers of the biennial reassessment for planning redispatch and conditional firm service.			
✔	369	**Annotations for ATC:** OASIS Business Practice Standards (to complement the OASIS S&CPs developed in 2008 AP item 2(a)(i)(1)) that will "require that the transmission provider post a brief, but specific, narrative explanation of the reason for a change in monthly and yearly ATC values on a constrained path." The posting requirements will include posting of "(1) specific events which gave rise to the change and (2) new values for ATC on that path (as opposed to all points on the network)."	WEQ 2008 Annual Plan Item 2(a)(i)(3)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: 2nd Quarter, 2008	Assigned to BPS/ESS/ITS (see above BPS/ESS/ITS item that reference WEQ 2008 AP Item 2(b)(v)(3)). Voted out of subcommittee for formal comment on February 13, 2008. Approved by the EC via notational ballot on April 14th. Membership ratification to be completed by May 16th. Ratified by the membership on 5/16/2008.
✔	416	**Load Forecast and Actual Load:** OASIS Business Practice Standards (to complement the OASIS S&CPs developed in 2008 AP item 2(a)(i)(1)) for the posting of "load forecasts and actual daily peak load for both system-wide load (including native load) and native load." **Order 890-B:** 35. We clarify, however, that the Commission intended for transmission providers to post the underlying factors used to make load forecasts that have a significant impact on calculations, such as temperature forecasts, not all economic and other data that	WEQ 2008 Annual Plan Item 2(a)(i)(4)	FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 2nd Quarter, 2008 RATIFICATION: 2nd Quarter, 2008	Assigned to BPS/ESS/ITS (see above BPS/ESS/ITS item that reference WEQ 2008 AP Items 2(b)(v)(4) and (5)). Voted out of subcommittee for formal comment on March 10, 2008.

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		underlies each and every daily load forecast. Transmission providers must post a description of their load forecast method including how economic and weather assumptions are used in load forecasting. The Commission's intent is to increase transparency in the transmission provider's process of forecasting, providing assurance to customers that loads are consistently being forecast using methodologies which are not subject to daily manipulation to favor affiliates.			Approved by the EC via notational ballot on April 23rd. Membership ratification completed on July 23rd.
✔	1378	**Re-bid of Partial Service:** OASIS Business practice standards (to complement the OASIS S&CPs developed in 2008 AP item 2(a)(i)(1)) for re-bid of partial service across a single Transmission Provider's system.	WEQ 2008 Annual Plan Item 2(a)(i)(5)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 1st Quarter, 2008 RATIFICATION: 1st Quarter, 2008	Voted out of subcommittee for formal comment on 2/12/2008. WEQ EC adopted the recommendation on May 13. Membership ratification to be completed by June 23rd. Recommendation was ratified by the membership on June 23rd
✔	1392, 1401	**Pre-confirmation Priority:** Development of OASIS business practice standards (to complement the OASIS S&CPs developed in 2008 AP item 2(a)(i)(1)) to prohibit "transmission customers from changing a request into a pre-confirmed request and requiring OASIS platforms to be accessible on non-Windows/Explorer computers." **Pre-confirmation Priority:** Development of OASIS Business Practice Standards and OASIS S&CPs so that "pre-confirmed non-firm point-to-point transmission service requests and short-term firm point-to-point transmission service requests" have priority though "longer duration requests for transmission service will continue to have priority over shorter duration requests for transmission service." The standards will be written such that pre-confirmation will serve as a "tie-breaker" when the requests are of equal duration.	WEQ 2008 Annual Plan Item 2(a)(i)(6)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 1st Quarter, 2008 RATIFICATION: 1st Quarter, 2008	Voted out of subcommittee for formal comment on 2/12/2008. WEQ EC adopted the recommendation on May 13. Membership ratification to be completed by June 23rd. Recommendation was ratified by the membership on June 23rd.
✔		Appendix C – OASIS Exemptions	WEQ 2008 Annual Plan Item 2(a)(i)(7)	FORMAL COMMENT: **Voted out of subcommittee 12/17/2007. Formal Comment period 12/19/2007 through 1/19/2008.** WEQ EC VOTE: Approved February 4, 2008 RATIFICATION: Ratification	Ratified by the membership on 3/13/2008.

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				period to close 3/13/2008	
		GROUP 2: METRICS; REDISPATCH COST POSTING			
✔	413	**Metrics:** Business Practice standards s to "post on OASIS metrics related to the provision of transmission service under the OATT" including the posting of: • "the number of affiliate versus non-affiliate requests for transmission service that have been rejected"; • "the number for affiliate versus non-affiliate requests for transmission service that have been made"; These standards will also set forth in the above referenced posting requirements the length of the service request and the type of the service requested.	WEQ 2008 Annual Plan Item 2(a)(ii)(1)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 1st Quarter, 2008 RATIFICATION: 1st Quarter, 2008	Voted out of subcommittee for formal comment on 2/12/2008. WEQ EC adopted the recommendation on May 13. Membership ratification to be completed by June 23rd. Recommendation was ratified by the membership on June 23rd
✔	1318	**Metrics:** OASIS business practice standards to implement the standard performance (planning study) metrics set forth in Order 890, Paragraphs 1308-1317.	WEQ 2008 Annual Plan Item 2(a)(ii)(2)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 1st Quarter, 2008 RATIFICATION: 1st Quarter, 2008	Voted out of subcommittee for formal comment on 2/12/2008. WEQ EC adopted the recommendation on May 13. Membership ratification to be completed by June 23rd. Recommendation was ratified by the membership on June 23rd
✔	1162	**Redispatch Cost Posting:** Business practices for redispatch cost postings: • The posting of redispatch information will also include the posting of each transmission provider's "monthly average cost of redispatch for each internal congested transmission facility or interface over which it provides redispatch service using planning redispatch or reliability redispatch under the pro forma OATT." • The business practice standards for redispatch cost postings will also include functionality for transmission providers to post "a high and low redispatch for the month" each internal congested transmission facility or interface over which it provides redispatch service.	WEQ 2008 Annual Plan Item 2(a)(ii)(3)	FORMAL COMMENT: 1st Quarter, 2008 WEQ EC VOTE: 1st Quarter, 2008 RATIFICATION: 1st Quarter, 2008	Voted out of subcommittee for formal comment on 2/12/2008. WEQ EC adopted the recommendation on May 13. Membership ratification to be completed by June 23rd. Recommendation was ratified by the membership

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		Order 890-A: 621. Transmission providers must post internal constraint or interface data for the month if any planning redispatch or reliability redispatch is provided during the month, regardless of whether the transmission customer is required to reimburse the transmission provider for those exact costs. Thus, if the transmission customer pays for planning redispatch pursuant to a negotiated fixed rate, the transmission provider is required to post and calculate the monthly average redispatch costs and the high and low costs in the month even though the transmission provider will bill the customer the fixed rate. The same posting requirement applies if the customer is paying a monthly "higher of" rate. The Commission concluded that the relevant reliability redispatch costs for posting purposes are those costs the transmission provider invoices network customers based on a load ratio share pursuant to section 33.3 of the pro forma OATT. The transmission provider must post this data on OASIS as soon as practical after the end of each month, but no later than when it sends invoices to transmission customers for redispatch-related services. The Commission directed transmission providers to work in conjunction with NAESB to develop this new OASIS functionality and any necessary business practice standards.			on June 23rd
		GROUP 3: NETWORK SERVICE ON OASIS			
I	385	Development of OASIS business practice standards and OASIS S&CPs for "transmission providers and network customers to use OASIS to request designation of new network resources and to terminate designation of network resources." Shall be posted on OASIS for 90 days and available for audit for a 5 year period.	WEQ 2008 Annual Plan Item 2(a)(iii)(1) See also WEQ 2008 Annual Plan item 3(a)(ii)	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions continued 4th Quarter 2008.
I	385	The standards will include the ability to electronically query requests to designate and terminate network resources and will require development of OASIS templates and to allow for queries of all information provided with designation requests. **Order 890-B:** 209. We also conclude that concerns regarding the ability to verify or monitor the buyer's decision to designate a purchase of system power as a network resource are overstated in light of the clarification that the buyer and seller must be on the same transmission system. In Order No. 890, the Commission directed transmission providers, working through NERC, to develop OASIS functionality for the designation of network resources and for queries of information provided with designation requests. Parties to a sale of system power on the same transmission system will therefore have	WEQ 2008 Annual Plan Item 2(a)(iii)(2) See also WEQ 2008 Annual Plan item 3(a)(ii)	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions continued 4th Quarter 2008.

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		ready access to the treatment of the resource. Sellers also may rely on commitments made by the buyer to designate the purchase as a network resource.			
I	1477	The standards will include the ability to mask information "about operating restrictions and generating cost on OASIS"	WEQ 2008 Annual Plan Item 2(a)(iii)(3) See also WEQ 2008 Annual Plan item 3(a)(ii)	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions continued 4th Quarter 2008.
I	1477	Development of OASIS business practice standards and OASIS S&CPs that describe the procedural requirements for submitting designations over any new OASIS functionality. **Order 890-A:** 919. The Commission clarifies, in response to South Carolina E&G's request, that the language in paragraph 1521 of Order No. 890 is only meant to be a paraphrase of the more detailed attestation to be provided in the pro forma OATT itself. A network customer designating network resources should submit an attestation using the language set forth in sections 29.2(viii) and 30.2 of the pro forma OATT, as amended in Order No. 890, not the language of the preamble. A network customer is not permitted to merely reference the applicable section of the pro forma OATT when completing the attestation requirement. If the OASIS customer comment section does not currently allow enough space for a network customer to provide its attestation, transmission providers should modify, in coordination with NAESB, OASIS functionality to accommodate the full attestation. In the interim, the transmission provider should identify alternate means, such as by telefax or e-mail, for the network customer to provide the attestation.	WEQ 2008 Annual Plan Item 2(a)(iii)(4) See also WEQ 2008 Annual Plan item 3(a)(ii)	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions continued 4th Quarter 2008.
I	1504	Development of OASIS business practice standards and OASIS S&CPs to specify how designated network service informational postings are posted on OASIS . Develop details of how the view, download, and query requirements for information posted regarding network resource designations informational postings.	WEQ 2008 Annual Plan Item 2(a)(iii)(5) See also WEQ 2008 Annual Plan item 3(a)(ii)	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009RATIFICATION: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions continued 4th Quarter 2008.
I	1532	Development of OASIS business practice standards and OASIS S&CPs to set forth the "treatment of OASIS requests when the customer fails to provide the necessary attestation," when submitting a request to designate a new network resource.	WEQ 2008 Annual Plan Item 2(a)(iii)(6)	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions

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		Attestation: Formatting of attestation information that will be provided on OASIS. **Order 890-B:** 182. The Commission grants rehearing to more accurately state the requirement to provide an attestation supporting the designation of network resources pursuant to sections 29.2(viii) and 30.2 of the pro forma OATT. In order to designate a network resource, section 30.7 of the Order No. 888 pro forma OATT required each network customer to demonstrate that (i) it owns or has committed to purchase generation pursuant to an executed contract or (ii) execution of a contract is contingent upon the availability of transmission service in order to designate a generating resource. In Order No. 890, the Commission adopted the attestation requirement as the means by which the network customer can make this demonstration, revising sections 29.2 and 30.2 accordingly. We affirm this requirement, consistent with the network customer's obligations under section 30.7, and grant rehearing of the Commission's statements in this proceeding indicating that the attestation can instead be submitted at the time a resource designation is confirmed, rather than requested. 183. We disagree with NRECA and TDU Systems that a customer submitting an attestation pursuant to section 29.2(viii) or 30.2 of the pro forma OATT must commit to purchase the resources for which designation is requested irrespective of the outcome of the network service request. Consistent with section 30.7, a network customer may attest that execution of a contract is contingent upon the availability of transmission service under Part III of the pro forma OATT. Network customers are therefore not required to commit to purchasing a resource prior to submitting a request to designate that resource.	See also WEQ 2008 Annual Plan item 3(a)(ii)	RATIFICATION: 2nd Quarter, 2009	continued 4th Quarter 2008.
I	1541	Development of OASIS business practice standards and OASIS S&CPs to describe "the procedural requirements for submitting both temporary and indefinite terminations of network resources, to allow network customers to provide all required information for such terminations." These business practice standards will include the functionality set forth in Order 890, Paragraph 1541.	WEQ 2008 Annual Plan Item 2(a)(iii)(7) See also WEQ 2008 Annual Plan item 3(a)(ii)	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions continued 4th Quarter 2008.
I	1541	Development of OASIS business practice standards and OASIS S&CPs to describe "the procedures for submitting and processing requests for concomitant evaluations of transmission requests and temporary terminations. **Order 890-B:** 188. In Order No. 890, the Commission directed transmission providers to evaluate as a single request a request for temporary undesignation and related requests for	WEQ 2008 Annual Plan Item 2(a)(iii)(8) See also WEQ 2008 Annual Plan item	FORMAL COMMENT: 1st Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009RATIFICATION: 2nd Quarter, 2009	Concept Paper posted 11/7/2007. Concepts discussions continued 4th Quarter 2008.

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		transmission service. Transmission providers were therefore directed to develop, working through NAESB, business practices allowing for electronic identification of related transmission service requests to be evaluated concomitantly with the request for temporary undesignation. This was appropriate in light of the Commission's decision to allow network customers to temporarily undesignate their network resources without forfeiting the right to use the resource at a specified point in the future, provided they pair the temporary undesignation with a request to redesignate the resource. 189. We find that similar procedures for permanent undesignations of network resources are unnecessary given the transmission provider's obligation to consider clustering transmission service requests at the request of customers. If a network customer or the transmission provider's merchant function wishes for the transmission provider to take into consideration the effect of a request to terminate a network resource on a concomitant request to designate another network resource, it may request the transmission provider to cluster the requests. As TranServ acknowledges, this will not alter the priority of the network customer or the transmission provider's merchant function with regard to any ATC that may be made available by undesignating the network resource.	3(a)(ii)		
		GROUP 4: PRE-EMPTION; REQUEST R05019; and REVISIONS TO STANDARD 9.7			
N S	1407	**Pre-emption:** Revise OASIS business practice standards and OASIS S&CPs so that "a new pre-confirmed request for transmission service would preempt a request of equal duration that has been accepted by the transmission provider but not yet confirmed by the transmission customer." It is the expectation that the business practice standards to address preemption will be developed in conjunction with NAESB Request No. R05019 to modify OASIS standards and OASIS S&CPs to clearly document the procedures used to implement the displacement/interruption terms of the Pro Forma tariff. This is consistent with NAESB Standard WEQ 001-4.25. **Order 890-A:** 814. The Commission affirms the decision in Order No. 890 not to change the "first-come, first served" nature of the reservation process and the right of first refusal. These policies have worked well in the past and, as we explain in Order No. 890, benefit transmission providers and customers alike by facilitating the administration of the reservation process and removing confusion about how to comply. 815. We disagree with Duke and TranServ that the right of first refusal policies should be revised based on complex hypotheticals involving the preemption of multiple short-term reservations. The complexities pointed to by these commenters do not by themselves warrant changing the right of first refusal rule. Even though we recognize	WEQ 2008 Annual Plan Item 2(a)(iv)(1)	**REQUEST FOR RECONSIDERATION PENDING AT FERC MAY IMPACT TARGET DATES.** FORMAL COMMENT:2nd Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Not Started

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		the potential for complexities to arise under the right of first refusal rule, we believe them to be relatively limited. In the off-chance that multiple eligible customers with short-term reservations choose to exercise their right of first refusal for the same capacity simultaneously, the Commission believes that they should have a right to do so. 816. We therefore decline to expand upon the language of the pro forma OATT to account for every factual scenario that could arise under sections 13.2 and 14.2 of the pro forma OATT. Sections 13.2 and 14.2 of the pro forma OATT set forth adequate guidance for transmission providers to fairly administer competing requests, including the priorities for determining which reservations or requests trump one another as well as the timeframes for eligible customers to respond to competing requests. As noted above, we recognize that certain unique cases can present difficult allocation issues, but conclude that these extreme cases arise infrequently in the normal course of business. In the vast majority of cases, we believe the right of first refusal rules are efficient and easy to administer without further amending the governing tariff language, as Bonneville and Southern suggest. 817. To the extent necessary, the Commission clarifies that a "competing request" under sections 13.2 and 14.2 of the pro forma OATT may include a transmission service request that overlaps with only part of another existing transmission service reservation since both requests cannot be granted simultaneously. Accordingly, a "competing request" for purposes of sections 13.2 and 14.2 may also include a transmission service request for which transmission capacity cannot be accommodated without preempting one or more existing transmission reservations of parts thereof. 818. In response to TranServ and Duke, we clarify that sections 13.2 and 14.2 allow an eligible customer to retain its original reservation by matching the competing service request's cost or duration terms exactly or by exceeding one or more of the terms of a competing transmission service request. Since any "match" by an eligible customer in response to a potentially preempting request, by definition, either exceeds the costs, duration or both of the eligible customer's original reservation, we do not believe eligible customers opting to match a competing request have a strong incentive, if any, to "match" a competing request with terms that exceed the competing request. Nevertheless, we do not see any harm resulting from a match that exceeds the exact terms of a competing request and therefore believe it would not be appropriate to preclude the ability of eligible customers to make such a request. 819. With regard to reassignments of capacity in the secondary market, we clarify that the associated right of first refusal under sections 13.2 and 14.2 of the pro forma OATT to match a competing transmission service request applies to the primary transmission service, not the reassignment of scheduling rights. Using TranServ's example, the reassignment of one day of a customer's weekly service would not cause the assignor or			

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		the assignee to match a competing three day request for service since the initial one week reservation already exceeded the competing request. The fact that one day of service has been reassigned does not alter the assignor's entitlement to use service for the remaining week reserved. **Order 890-B:** 161. The Commission declines to address in this rulemaking proceeding how transmission providers should resolve complicated and fact-specific scenarios such as the cascading rights of first refusal described by Duke. Sections 13.2 and 14.2 of the pro forma OATT provide adequate guidance for transmission providers to fairly administer the vast majority of competing requests, including priorities for determining which reservations or requests trump one another as well as the timeframes for eligible customers to respond to competing requests. As the Commission explained in Order No. 890-A, we expect that more complex circumstances such as those suggested by Duke will be relatively limited and, therefore, are best addressed on a case-by-case basis. Transmission providers remain free, however, to develop through the NAESB process standard procedures for processing complicated request scenarios.			
N S		**NAESB Request No. R05019:** During the work to address FERC Order 890, the ESS/ITS will also use the opportunity to modify OASIS standards and S&CP to clearly document the procedures used to implement the displacement/interruption terms of the Pro Forma tariff as requested in NAESB Request No. R05019	WEQ 2008 Annual Plan Item 2(a)(iv)(2) R05019	**REQUEST FOR RECONSIDERATION PENDING AT FERC MAY IMPACT TARGET DATES.** FORMAL COMMENT: 2nd Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Not Started
C	1269	**Revisions to Standard 001-9.7:** NAESB will continue to work to revise NAESB WEQ business practice standard WEQ 001-9.7 (which addresses rollover rights for Redirected transmission service) to be consistent with the Commission's policies. **Order 890-A:** 697. Pursuant to Section 22 of the pro forma OATT, a transmission customer taking firm point-to-point service may modify its receipt and delivery points, i.e., redirect its service, on either a non-firm or firm basis. In Order No. 676, the Commission adopted the "Standards for Business Practices and Communication Protocols for Public Utilities" developed by the NAESB's Wholesale Electric Quadrant (WEQ). The WEQ standards include standards addressing requirements for redirects on both a firm and non-firm basis, all of which were incorporated by reference into the Commission's regulations	WEQ 2008 Annual Plan Item 2(a)(iv)(3)	FORMAL COMMENT: 3rd Quarter, 2008 WEQ EC VOTE:1st Quarter, 2009 RATIFICATION: 1st Quarter, 2009	On February 11-12, 2008, the ESS/ITS voted to send this recommendation out for informal comments due March 25, 2008. November 4, 2008 WEQ EC Task Force created

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		except for WEQ Standard 001-9.7, which addressed the impact of redirects on the rollover rights of a long-term transmission customer. Order No. 676 directed the WEQ to reconsider WEQ Standard 001-9.7 and develop a revised standard consistent with Commission policy. 698. In Order No. 890, the Commission affirmed reliance on the NAESB process to develop business practices implementing the Commission's redirect policy. The Commission also determined that the reforms adopted in Order No. 676, in combination with the OATT-related reforms adopted in this proceeding, were adequate to ensure that transmission providers do not engage in undue discrimination when a customer seeks to modify its receipt and delivery points on a firm basis. With respect to the effect of redirects on rollover rights, the Commission affirmed its policy allowing a redirect of firm, long-term service to retain rollover rights, even if the redirect is requested for a shorter period. The Commission concluded that a transmission customer should not have to choose between maintaining its rollover rights and redirecting on a firm basis. The Commission noted, however, that any change to a delivery point would be treated as a new request for service for purposes of determining availability of capacity. As a result, a redirect right does not grant the customer access to system capacity or queue position different from other customers submitting new requests for service. The Commission also provided guidance regarding the processing of, and pricing for, redirected service. 700. If the Commission decides to maintain rollover rights for redirects, MISO proposes the following limitations and requests the Commission to direct NAESB to draft its business practices accordingly. First, MISO suggests that the primary path agreement should have a term of at least five years for any rollover rights to attach. Second, MISO requests that any redirect must be for firm service for one year or longer. If the redirect is for a shorter period, MISO contends that the rollover rights should remain with the original path. Third, MISO requests redirected service to terminate on the same date as the parent service so as to maintain the timing for execution of rollover rights. Finally, MISO suggests that in order to execute a rollover right the redirected service must be requested and granted prior to the one-year deadline for the customer to request rollovers along the original path. 702. TranServ also requests clarification regarding the requirement for the rollover right to follow the redirect, regardless of the duration of the redirect. TranServ questions whether a redirect of a long-term firm service reservation for one day qualifies that customer for rollover rights on the redirected service points. TranServ suggests that the Commission instead restrict rollover rights on redirected service points to redirects of five years or longer and further require that the redirect be co-terminus with the original request being redirected. TranServ argues that more guidance regarding implementation			

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		of the rollover and redirect policies will facilitate the NAESB standards development process. 704. The Commission denies petitioners' requests to amend the rights of rollover customers to redirect their service. Under section 22.2 of the pro forma OATT, a request for a firm redirect must be treated like a request for new transmission service. As a new request for service, each redirect request is subject to the availability of capacity and subject to the possibility that the transmission provider may not be able to provide rollover rights on the new redirected path. The transmission provider is required to offer rollover rights to a customer requesting a firm redirect only if rollover rights are available on the redirected path, i.e., to the extent not restricted based on reasonable forecasts of native load growth or preexisting contracts that commence in the future. 705. As the Commission explained in Order No. 890, rollover rights follow the redirect regardless of the duration of the redirect. A transmission customer making a firm redirect request does not convert its original long-term firm transmission service agreement into two short-term service agreements, nor does it lose its rollover rights under its long-term firm transmission service agreement. At the same time, a customer can exercise its rollover right only at the end of the contract. Thus, if a customer with rollover rights chooses to redirect its capacity for less than the full remaining term of the contract, absent some further request to redirect, the original path will automatically be reinstated and rollover rights would remain on only the original path. By contrast, if the customer chooses to redirect its capacity until the end of its contract, the customer would have rollover rights along only the redirected path, and only to the extent not restricted based on native load growth or future contracts along the redirected path. 706. We therefore reject requests to restrict rollover rights to longer-term redirects. A long-term transmission customer may request multiple, successive redirects for firm service. This discretion is limited by the fact that each successive request is treated as a new request for service in accordance with section 17 of the pro forma OATT. Each request is therefore subject to the availability of capacity and subject to the possibility that the transmission provider may not be able to provide rollover rights on the new, redirected path. If the customer has not been granted rollover rights for a redirect that extends to the end of its contract, the redirected service will terminate on the same date as the parent service. 707. We also reiterate that a customer cannot exercise any rollover rights unless it first has provided the appropriate notice to the transmission provider. If a customer requests and is granted a rollover right prior to the relevant notice deadline (60 days for pre-Order No. 890 agreements or one year for all others) and subsequently requests and is granted a redirect for firm service for the remainder of the contract term (i.e., within the notice period), the new reservation governs the rights at the new receipt and delivery points and			

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		the customer can obtain rollover rights with respect to the redirected capacity to the extent rollover rights are available for the redirected points. If, however, a customer fails to request a rollover right prior to the relevant notice deadline, the customer forfeits rollover rights along the current or any redirected path. 708. We clarify, to the extent necessary, that transfer capability is not freed up for earlier queued service requests until a redirect has been granted. A redirect request must be evaluated in accordance with section 17 of the pro forma OATT using the same system assumptions and analysis applicable to any other new request for service, including whether sufficient ATC exists to accommodate the request. If there is insufficient ATC to offer service to customers in the queue, and an existing customer requests redirected service, any increase in ATC along the original path is contingent upon the acceptance and confirmation of the redirect. It cannot be assumed at the time of a redirect request that the transmission provider will grant the request.			
		GROUP 5: PARAGRAPH 1377			
NS	1377	NAESB will develop business practice standards to facilitate the coordination of requests across multiple transmission systems using the principles set forth in Paragraph 1377 of Order 890. Develop S&CPs related to coordination of request across multiple transmission systems. **Order 890-A:** 762. The Commission also required transmission providers working through NAESB to develop business practice standards to better coordinate transmission requests across multiple transmission systems. In order to provide guidance to NAESB, the Commission articulated the principles that should govern processing across multiple systems. The Commission further required transmission providers working through NAESB to develop business practice standards to allow a transmission customer to rebid a counteroffer of partial service so the transmission customer can take the same quantity of service for linked transmission service requests across multiple systems. The Commission explained that the transmission customer should not be required to take the same quantity of service across consecutive transmission service requests and, instead, it should simply have the option to do so. 766. The Commission affirms the decision in Order No. 890 to rely on the NAESB process to develop business practices to govern the processing of transmission requests across multiple transmission systems. We decline to dictate at this time, beyond those principles outlined in Order No. 890, the particular practices that must be implemented. It is more appropriate to allow transmission providers working through NAESB, in the first instance, to consider how best to ensure coordination across multiple systems. It is	WEQ 2008 Annual Plan Item 2(a)(v)(1)	FORMAL COMMENT: 2nd Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Not Started

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		also appropriate to give NAESB an open timeframe to develop these standards since they must be broad enough to account for the complexities of coordinating multi-system transmission service requests.			
N S	1378	**Re-bid of Partial Service:** OASIS Business practice standards for re-bid of partial service across multiple Transmission Providers' systems. NAESB will develop business practice standards to "allow a transmission customer to rebid a counteroffer of partial service so the transmission customer is allowed to take the same quantity of service across all linked transmission service requests.	WEQ 2008 Annual Plan Item 2(a)(v)(2)	FORMAL COMMENT: 2nd Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Not Started
		GROUP 6: MISCELLANEOUS			
N S	1390	NAESB plans to review the existing business functions set forth in the NAESB WEQ standards to determine if changes should be made to address Paragraph 1390 of Order 890. FERC: OATT is sufficient to allow a Transmission Provider to manage situations where the Transmission Customer modifies its application for service to the point that the request is "meaningfully different" than initial request. ESS/ITS: need to review if this has any impact on business functions.	WEQ 2008 Annual Plan Item 2(a)(vi)(1)	FORMAL COMMENT: 2nd Quarter, 2009WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Not Started
N S	1627	Development of OASIS business practice standards and OASIS S&CPs for "the posting of additional curtailment information on OASIS" via a "detailed template for the posting of additional information on OASIS regarding firm transmission curtailments. Posting of curtailment information on OASIS: develop a detailed template for the posting of additional information on OASIS regarding firm transmission curtailments. **Order 890-A:** 973. The Commission did not propose in the NOPR, or adopt in Order No. 890, any changes to the terms and conditions under which a transmission provider may curtail service to maintain reliable operation of the grid, as set forth in sections 13.6 and 14.7 for point-to-point service and section 33 for network service. The Commission did, however, conclude that the posting of additional curtailment information is necessary to provide transparency and allow customers to determine whether they have been treated in the same manner as other transmission system users, including customers of the transmission provider. Accordingly, the Commission required transmission providers, working through NAESB, to develop a detailed template for the posting of additional information on OASIS regarding firm transmission curtailments, including all circumstances and events contributing to the need for a firm service curtailment, specific	WEQ 2008 Annual Plan Item 2(a)(vi)(2)	FORMAL COMMENT: 2nd Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Not Started

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		services and customers curtailed (including the transmission provider's own retail loads), and the duration of the curtailment.			
	1005	**Redispatch Cost Posting:** Business practices for redispatch cost postings: The business practice standards for redispatch cost postings will include OASIS business practices and any needed additions or revisions to the OASIS Standards & Communication Protocols (S&CPs) to allow for posting of third party offers of planning redispatch services. The business practice standards developed for redispatch cost postings may affect the existing NAESB business practice standards for Transmission Loading Relief. (moved from Group 2) **Order 890-A:** 568. Transmission providers also were directed to work with customers to facilitate the use of third party generation, where available, in provision of planning redispatch. To facilitate provision of redispatch service by third parties, the Commission further directed transmission providers, working through NAESB, to modify their OASIS sites and develop any necessary business practices to allow for posting of third party offers to provide planning redispatch. Again, transmission providers were not required to implement the new OASIS functionality and any related business practices until NAESB develops appropriate standards. **Order 890-B:** 131. In Order No. 890, the Commission directed transmission providers to modify their OASIS sites to allow for posting of third-party offers for planning redispatch and to work with NAESB to develop the OASIS functionality and any necessary business practice standards to allow for third-party planning redispatch. The Commission noted that provision of third party planning redispatch required coordination between the customer, transmission provider and reliability coordinator, but determined that the customer bears the burden to ensure that the necessary contractual and technical arrangements are in place to maintain reliability.	WEQ 2008 Annual Plan Item 2(a)(vi)(3)	FORMAL COMMENT: 2nd Quarter, 2009 WEQ EC VOTE: 2nd Quarter, 2009 RATIFICATION: 2nd Quarter, 2009	Not Started
✔	243-244	**Posting of ETC:** OASIS business practice standards and S&CPs necessary to implement the Business Practice Standards developed to complement NERC Reliability Standards for **Existing Transmission Commitment (ETC)** to create a "consistent approach for determining the amount of transfer capability a transmission provider may set aside for its native load and other committed uses", including the elements of ETC for full implementation of the NERC MOD-001 reliability standard. (moved from Group 1)* *Requirements for a "consistent approach for determining the amount of transfer capability a transmission provider may set aside for its native load and other committed	WEQ 2008 Annual Plan Item 2(a)(vi)(4) and 2(a)(iv)(4)	FORMAL COMMENT: 2nd Quarter, 2008 WEQ EC VOTE: 3rd Quarter, 2008 RATIFICATION: 3rd Quarter, 2008	Started May 15, 2008. Task has been reassigned to BPS/ESS/ITS. Recommendation was voted out of subcommittee on June 17, 2008. Formal comment period closes on July 21, 2008.

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		uses" is assigned to BPS/ESS/ITS (see above BPS/ESS/ITS item that references WEQ 2008 AP Items 2(b)(ii)(2)).			Approved by WEQ EC August 19, 2008. Ratified by the membership on 9/22/2008.
		GROUP 7: Tagging for Conditional Firm Service, Submittal Windows			
✔	Order 890-A, paragraph 592	**Tagging for CFS:** Within 180 days of Order 890-A publication, develop tracking capabilities and business practices for tagging for implementation of conditional firm service. **Order 890-A:** 592. We agree with petitioners that the NAESB rules regarding tagging do not allow a transmission provider to change the tag of a transmission customer. That is why, in Order No. 890, the Commission directed transmission providers to coordinate with other transmission providers in their regions to develop their own business practices to implement the tagging and tracking of conditional firm service. Upon consideration of petitioners' concerns, we grant rehearing to require transmission providers, in coordination with NERC and NAESB, to develop within 180 days of publication of this order in the Federal Register a consistent set of tracking capabilities and business practices for tagging for implementation of conditional firm service. We agree with petitioners that a consistent set of practices followed by the industry will reduce transmission provider discretion and bring uniformity in implementing conditional firm service. In the interim, the existing business practices of each transmission provider for tracking and tagging conditional firm service shall remain in effect.	WEQ 2008 Annual Plan Item 2(a)(vii)(1)	FORMAL COMMENT: 3rd Quarter 2008 WEQ EC VOTE: 3rd Quarter 2008 RATIFICATION: 3rd Quarter 2008	Assigned to the ESS/ITS. Order 890-A publications date: January 16, 2008. On April 4, 2008, the ESS/ITS voted to send this recommendation out for informal comments due April 11, 2008. Recommendation posted for 30-day formal comment period on June 25th. Approved by WEQ EC on August 8, 2008. Ratified by the membership on 9/25/2008.
N S	Order 890-A, paragraph 805	**Submittal Windows:** Standardized practices for allocating capacity among requests received during a submittal window. **Order 890-A:** 805. The Commission recognizes that developing methods to allocate capacity among requests received during a submittal window may require detailed procedures, particularly when transmission requests received simultaneously exceed available capacity. As the Commission explained in Order No. 890, however, we believe that each transmission provider is in the best position to develop allocation procedures that are suitable for its system. This does not preclude transmission providers from working through NAESB to develop standardized practices, as suggested by Southern. For example, as we pointed out in Order No. 890, allocation methods such as that used by PJM to allocate monthly firm point-to-point transmission service could provide useful guidance in developing general allocation procedures.	WEQ 2008 Annual Plan Provisional Item 7	FORMAL COMMENT: WEQ EC VOTE: RATIFICATION:	No date assigned for completion.

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RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

December 2, 2008
Requesters:DSM-EE Subcommittee
Request No.: 2008 AP Item 5(a)
Review and develop business practice standards to support DR and DSM-EE programs

Proposed Standards approved by the subcommittee on December 2, 2008

1. RECOMMENDED ACTION:

X	Accept as requested
	Accept as modified below
	Decline

EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:

X	Change to Existing Practice
	Status Quo

2. TYPE OF DEVELOPMENT/MAINTENANCE

Per Request:		**Per Recommendation:**	
X	Initiation	X	Initiation
X	Modification	X	Modification
	Interpretation		Interpretation
	Withdrawal		Withdrawal
X	Principle	X	Principle
X	Definition	X	Definition
X	Business Practice Standard	X	Business Practice Standard
X	Document	X	Document
	Data Element		Data Element
	Code Value		Code Value
	X12 Implementation Guide		X12 Implementation Guide
X	Business Process Documentation	X	Business Process Documentation

3. RECOMMENDATION

SUMMARY:

The standards support the measurement and verfication characteristics of Demand Response progams administered for application in the wholesale market and may be the subject of individual tariffs filed with and approved by the Federal Energy Regulatory Commission.

RECOMMENDED STANDARDS:

DISCLAIMER: This document contains draft information on standards for wholesale electricity Demand Response products and services in markets administered by Independent System Operators and Regional Transmission Organizations (hereinafter referred to as "System Operator"). The information contained within this draft is not intended to replace applicable tariff, market rules, operating procedures, protocols or manuals, for wholesale Demand Response, and in the event of a conflict, the latter documents shall have precedence over these standards.

Contact information: Eric Winkler, Ph.D., ISO New England, 413-540-4513, ewinkler@iso-ne.com

WEQ-015 Business Practices for Wholesale Electricity Demand Response Programs - Please see attached documentation.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

December 2, 2008
Requesters:DSM-EE Subcommittee
Request No.: 2008 AP Item 5(a)
Review and develop business practice standards to support DR and DSM-EE programs

Proposed Standards approved by the subcommittee on December 2, 2008

4. SUPPORTING DOCUMENTATION

a. Description of Request:

Develop business practices to support demand side management and energy efficiency programs in the wholesale and retail electric markets.

b. Description of Recommendation:

For the first phase, develop business practices to support the measurement and verification aspects of the wholesale market demand response programs.

c. Business Purpose:

The business practices may be used by the administrators of wholesale demand response programs to add market transparency and understanding in the application of the measurement and verification characteristics of those programs.

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

- **April 11, 2007:** Several representatives of the NAESB WEQ, REQ, and RGQ as well as representatives of the US Department of Energy, US Environmental Protection Agency, FERC, and other industry experts met at the Department of Energy offices in Washington, D.C. to discuss the NAESB effort to draft business practices for Demand Side Management and Energy Efficiency. Ongoing Energy Efficiency and DSM projects and programs by other groups (such as NAPEE) were reviewed by the meeting attendees. The following resolution outlines the scope of the initial effort by NAESB to draft business practice standards for these topics: It was decided that NAESB should begin its standards development focus on measurement and verification of energy savings and peak demand reduction from both a wholesale and retail electric market perspective. A future schedule of meetings for DSM and Energy Efficiency should be posted on the NAESB website shortly.
- **May 24, 2007:** 75 NAESB members, FERC, DOE, EEI, ISO and State regulatory personnel, experts in DSM and energy markets participants (22% more than the first meeting) met in person and by conference telephone at NAESB headquarters in Houston to refine the scope of Phase 1 activities, agreeing on a specific list of tasks and assigning subgroups of volunteers to work on each task. At this meeting, no less than 28 individuals spoke to the group.
- **June 18, 2007:**. 51 NAESB members, FERC, DOE, EEI, ISO and State regulatory personnel, experts in DSM and energy markets participants met in person and by conference telephone at BGE offices in Baltimore to further refine the scope of Phase 1 activities by reviewing the initial task list and revising it with more detailed deliverable requirements and dates, and with identification of base documents to support completing each task.
- **July 26, 2007:** 46 NAESB members, FERC, DOE, EEI, ISO and State regulatory personnel, experts in DSM and energy markets participants met in person and by conference telephone at AGA offices in Washington DC to present deliverables of existing demand response measurement and verification protocols and a list of 41 possible topics and subtopics for NAESB model

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business practices. The task force reviewed all 41 possibilities, deciding whether to draft MBPs and which ones can be grouped together.

- **September 14, 2007:** The results of the meeting including possible standards text were sent out for comment including notes, considerations and possible standards text. Comments were requested on each of the nine standards development areas including whether the remarks were directed to wholesale or retail markets, pre program evaluation or post implementation evaluation, or to DSM or EE projects.
- **September 25, 2007:** A DSM-EE meeting was held in Austin, Texas hosted by ERCOT. The purpose of the meeting was to review the comments, determine the level of progress made towards the task list and determine if adjustments to the task, focus or schedule were needed. When reviewing the comments it was determined to focus in five areas specific to demand response programs, and develop business practice standards that would prove helpful – (1) DR programs administered by ISOs and RTOS in the wholesale markets, (2) DR programs administered by utilities in wholesale markets, (3) DR programs administered by utilities in the retail markets, (4) a glossary to support the DR programs, and (5) a preamble to put the business practice standards in context. To focus on the DR programs, each of the three areas outlined will develop a matrix that describes the aspects of the DR programs in effect today, planned, or has been in effect in the past.
- **November 6, 2007:** Several of the NAESB leadership met with Commissioners Kerr and Ervin of NC to gain further understanding of expectations for DSM-EE NAESB activity for electricity for the retail markets.
- **November 11, 2007**: NAESB participated in a panel on DSM-EE at the NARUC Annual Meeting in Anaheim.
- **November 30, 2007:** Meeting hosted by Dominion in Richmond. During the meeting, each of the five groups described the progress made and plans to date. Drafts of the three matrices were reviewed, as was a draft glossary and outline for the preamble. It is possible that the two wholesale matrices will be combined. The calendar for 2008 was also set. The next meeting is scheduled for January 23 in Baltimore hosted by BGE.
- **December 3, 2007:** A meeting was held with Commissioner Mason of Ohio to gain further understanding of expectations for DSM-EE NAESB activity for natural gas for the retail markets.
- **January 23, 2008:** The group met in Baltimore to review progress on the two matrices, the preamble and the glossary. The wholesale matrix for DR programs administered by ISOs and RTOs was reviewed. Data is being placed in five separate categories -Initial Testing and Auditing, Ongoing Testing and Auditing, Triggering; Construction, Statistical Analysis, Performance and Baselines. The matrix for retail DR programs is lagging but several companies have provided or agreed to provide data – including BGE, Dominion, ConEd, Alabama Power and ComVerge. Procedures for how to collect the data was discussed with both interviews online and distributed surveys discussed. Both the preamble and glossary while first drafts are available are dependent on the work of the matrices and cannot be further developed until after more progress has been made on the matrices.
- **March 28, 2008:** The group met in Houston to review progress on the two matrices. The wholesale matrix for DR programs administered by ISOs and RTOs was reviewed. The matrix had

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expanded significantly to provide for more comparability for responses. 45 DR programs have been identified and the data is now being verified. A template for the type of standards to be expected from this effort was reviewed. The retail matrix now has additional data and several interviews were conducted online, with the conclusion that it is the preferred way to gather data. The retail group is to set up a face-to-face meeting in May to review the matrix and make changes before sending it out to utilities for interviews.

- **May 30, 2008** – The group met in Holyoke to continue review progress on the two matrices. The wholesale matrix for DR programs administered by ISOs and RTOs was reviewed. The matrix had expanded significantly to provide for more comparability for responses. With the 45 DR programs identified, the group is now consolidating the data to higher levels from the more specific items collected. With the consolidation, the business practices should be drafted. The outline for the business practices has been prepared. The retail matrix now has contributions from 11 DR programs and the matrix structure is being validated against flow charts of the programs. Once the matrix structure is validated, online interviews will be held. It was determined to concentrate on dispatchable DR programs first.
- **July 30, 2008** –The group met in Carmel, Indiana hosted by ACES Power to review the progress made in the two efforts. With the 45 DR programs identified, the wholesale group has consolidated the data to higher levels and draft language is being developed around four product types, energy, capacity, regulation and reserves which incorporate information from various ISO/RTOs, as well as other entities. For the retail effort, the group is relying on work from AEIC regarding process flow and applying that flow to DR programs in place. From the flows, draft standards are being prepared. Once the draft standards are prepared, efforts will being to collect through interviews information from other utilities, geographically diverse and administering programs different from those already documented. Through the interviews it is expected that we would validate both the matrix and the draft standards. The retail group is initially focusing on dispatchable DR programs. Coordination is also underway with NERC on the development of a DR survey and with the AEIC. Work will soon begin with both groups to include the glossary and the preamble text.
- **October 3, 2008** –The group met in Austin, Texas hosted by ERCOT to review prorgess made in development of M&V standards for retail and wholesale DR programs. A recommendation of business practice standards for the wholesale market was reviewed by the group. After discussion, it was the intent that the recommendation be distributed for a two week informal comment period. The comments would be discussed at the December meeting including any suggested changes. After discussion on December 2, the recommendation will either be voted out of subcommittee and would proceed to a formal comment period and Executive Committee consideration, or the recommendation would continue to be modified by the subcommittee through another round of informal comments. For retail, the subgroup has collected detailed data on some DR programs underway. After review of the wholesale effort, it was discussed that the retail subgroup would hold a two day session to determine whether to proceed at the level defined in the wholesale recommendation, or proceed to define more prescriptive standards.
- **December 2, 2008** – The group met in Birmingham hosted by Alabama Power to review comments and vote on the recommendation for Wholesale Electric Quadrant standards for M&V characteristics for DR products and services. After considerable discussion, and several votes to

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amend the recommendation the recommendation with the amendments put forward by the ISOs and RTOs and three separate amendments addressing titling, applicability, and additional specificity for the definition of Baseline, the motion to adopt the revised recommendation was approved with significant support.with 86.5 percent approval by balanced vote. All WEQ segments were present and voting. The revised recommendation will go out for a thirty day comment period and is now considered a work product of the WEQ EC. The abbreviated update report was given for the Retail market effort. The Retail group plans to use the WEQ revised recommendation as a foundation for their work.

e. Additional Background documentation

- DSM-EE NAESB page for meetings and materials: http://www.naesb.org/dsm-ee.asp
- Presentation of the wholesale recommendation given on October 3: ISO presentation - http://www.naesb.org/pdf3/dsmee100308w7.pdf
- Presentation on the NAESB process to be used – given on October 3: http://www.naesb.org/pdf3/dsmee100308w8.pdf

[At a later time a supporting document with clarifying information will be provided as a Technical Implementation Business Practice]

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Business Practices for a Framework for Measurement and Verification of Wholesale Electricity Demand Response

Introduction

1. Measurement and Verification Standards

These Measurement and Verification (M&V) standards are intended to facilitate Demand Response in wholesale electricity markets by providing a common framework for the following:

- Transparency: accessible and understandable M&V requirements for Demand Response products;
- Accountability: criteria that will enable the System Operator to accurately measure performance of Demand Response resources; and
- Consistency: standards applicable across all wholesale electricity markets.

2. Applicability of Measurement and Verification Standards:

ISO/RTO Administered Markets

These standards are applicable only to Independent System Operator-Regional Transmission Organization administered markets in North America. The standards reflect business practices applicable to measurement and verification of wholesale market Demand Response services including the following four product/service categories[1]:

Energy Service

A type of Demand Response service in which Demand Resources are compensated based solely on Demand reduction performance during a Demand Response event.

Capacity Service

A type of Demand Response service in which Demand Resources are obligated over a defined period of time to be available to provide Demand Response upon deployment by the System Operator.

Reserve Service

A type of Demand Response service in which Demand Resources are obligated to be available to provide Demand reduction upon deployment by the System Operator, based on reserve capacity requirements that are established to meet applicable reliability standards.

[1] The terms Product(s) or Service(s) may be used interchangably in these standards.

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Regulation Service

A type of Demand Response service in which a Demand Resource increases and decreases Load in response to real-time signals from the System Operator. Demand Resources providing Regulation Service are subject to dispatch continuously during a commitment period. Demand Resources providing Regulation Service automatically respond to changes in grid frequency (similar to the governor action on a generator), and also are subject to continuous dispatch based on instructions from the System Operator (similar to Automatic Generation Control). Provision of Regulation Service does not correlate to Demand Response Event timelines, deadlines and durations.

These standards establish Demand Response M&V criteria. They do not establish requirements related to the compensation, design, operation, or use of Demand Response services. In these regards, System Operators are not required to offer these Services and may not currently offer each of these Services. Terms that are capitalized in these standards have the meanings ascribed to them in the Definitions of Terms section.

For purposes of these Measurement and Verification standards, Demand Response does not include Measurement and Verification of energy efficiency or permanent Load reduction.

Tariff Conflict and NERC Standards:

In the event of a conflict between these business practices and the System Operator's Tariffs, market rules, operating procedures, protocols or manuals, the Tariff, market rules, operating procedures, protocols or manuals shall have precedence. Terms defined in the Definition of Terms do not modify or supersede market rule or tariff definitions that apply to the compensation, design, operation, or use of Demand Response services. Additionally, all entities supplying Demand Response Services shall comply with applicable NERC reliability standards.

Non-ISO/RTO Markets:

These standards do not apply in markets administered by non-ISO/RTOs. Wholesale Demand Response standards applicable to non- ISO/RTO markets will be developed when required.

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3. Overview of the Standards

These M&V standards establish criteria for the use of equipment, technology, and procedures to quantify the Demand Reduction Value delivered. Standards developed may include commonalities among product types. The following outline of standards is applicable to the four Demand Response product categories.

General	Advance Notification
	Deployment Time
	Reduction Deadline
	Release/Recall
	Normal Operations
	Demand Resource Availability Measurement
	Aggregation
	Transparency of Requirements
Telemetry	Telemetry Requirement
	Telemetry Accuracy
	Telemetry Interval
	Other Telemetry Measurements
	Communication Protocol
	Governor Control Equivalent
	On-Site Generation Telemetry Requirement
After-The-Fact Metering	After-the-Fact Metering Requirement
	Meter Accuracy
	Details of Meter/Equipment Standards
	Meter Data Reporting Deadline
	Meter Data Reporting Interval
	Clock / Time Accuracy
	Validating, Editing & Estimating (VEE) Method
	On-Site Generation Meter Requirement
Performance Evaluation	Rules for Performance Evaluation

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Performance Evaluation Methodology

For each Demand Response service, a performance evaluation methodology is used to determine the Demand Reduction Value provided by a Demand Resource. The standards include descriptions of acceptable Baselines and alternative performance measurements that are appropriate for each of the four types of Demand Response services. The table below provides an outline of the applicable criteria for performance evaluation methodologies.

Baseline Information	Baseline Window
	Calculation Type
	Sampling Precision and Accuracy
	Exclusion Rules
	Baseline Adjustments
	Adjustment Window
Event Information	Use of Real-Time Telemetry
	Use of After-The-Fact Metering
	Performance Window
	Measurement Type
Special Processing	Highly-Variable Load Logic
	On-Site Generation Requirements

These standards do not specify detailed characteristics of performance evaluation methodologies, but rather provide a framework that may be used to develop performance evaluation methodologies for specific Demand Response services. This approach is believed to be most appropriate at this time as development of performance evalaution methodologies and baseline calculations continues to mature. The following methodology types are applicable to wholesale Demand Response Services:

Maximum Base Load: A performance evaluation methodology based solely on a Demand Resource's ability to reduce to a specified level of electricity demand, regardless of its electricity consumption or demand at Deployment.

Meter Before / Meter After: A performance evaluation methodology where electricity consumption or demand over a prescribed period of time prior to Deployment is compared to similar readings during the Sustained Response Period.

Baseline Type-I: A Baseline performance evaluation methodology based on a Demand Resource's historical interval meter data which may also include other variables such as weather and calendar data.

Baseline Type-II: A Baseline performance evaluation methodology that uses statistical sampling to estimate the electricity consumption of an Aggregated Demand Resource where interval metering is not available on the entire population.

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Metering Generator Output: A performance evaluation methodology, used when a generation asset is located behind the Demand Resource's revenue meter, in which the Demand Reduction Value is based on the output of the generation asset.

Performance Evaluation Type	Valid For Service Type			
	Energy	Capacity	Reserves	Regulation
Maximum Base Load	✓	✓	✓	
Meter Before / Meter After	✓	✓	✓	✓
Baseline Type-I	✓	✓	✓	
Baseline Type-II	✓	✓	✓	
Metering Generator Output	✓	✓	✓	✓

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Definition of Terms

DEMAND RESPONSE EVENT TERMS

Illustration of Timing of a Demand Response Event

The illustration below represents the terms for timing events and time durations applicable to the charactersitics of a Demand Response Event. The definitions of the ten elements in the illustration are the basis for describing the Timing of a Demand Response Event. The applicablity of these elements to a Demand Response Service is dependent on the Service type. The System Operator shall specify whether any or all of the elements illustrated in the Timing Demand Response Event figure are applicable. In some cases, some elements will not be applicable; the inclusion of the elements establish a requirement for said elements.

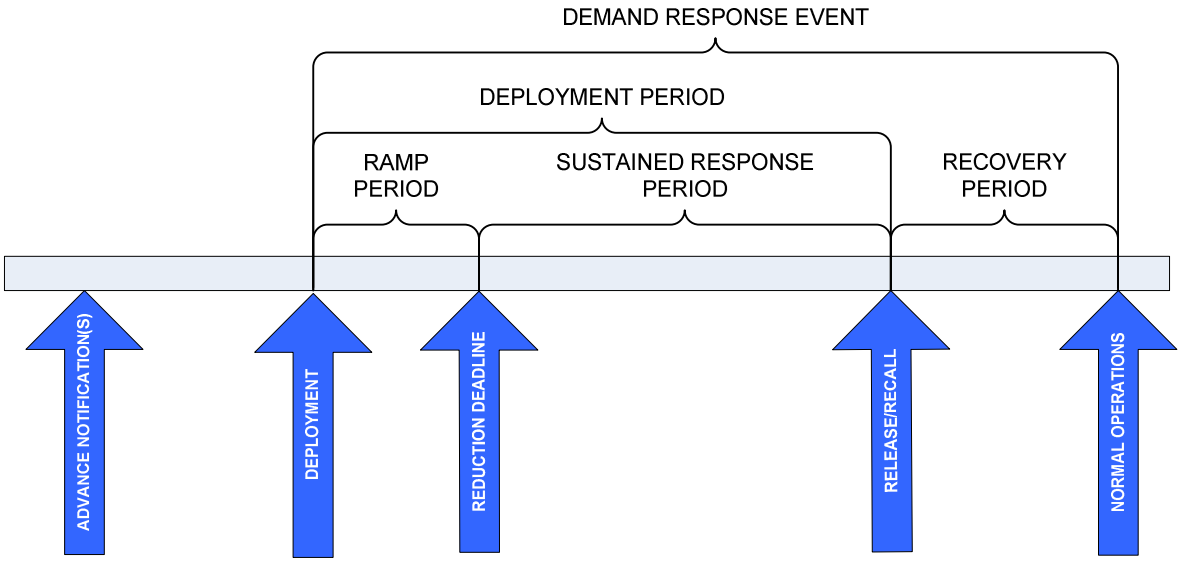

Figure 1. Timing of a Demand Response Event

The following terms refer to the above Figure 1.

Advance Notification(s)

One or more communications to Demand Resources of an impending Demand Response Event in advance of the actual event.

Demand Response Event

The time periods, deadlines and transitions during which Demand Resources perform. The System Operator shall specify the duration and applicability of a Demand Response Event. All deadlines, time periods and transitions may not be not applicable to all Demand Response products or services.

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Deployment

The time at which a Demand Resource begins reducing Demand on the system in response to an instruction.

Deployment Period

The time in a Demand Response Event beginning with the Deployment and ending with the Release/Recall.

Normal Operations

The time following Release/Recall at which a System Operator may require a Demand Resource to have returned its Load consumption to normal levels, and to be available again for Deployment.

Ramp Period

The time between Deployment and Reduction Deadline, representing the period of time over which a Demand Resource is expected to achieve its change in Demand.

Recovery Period

The time between Release/Recall and Normal Operations, representing the window over which Demand Resources are required to return to their normal Load .

Reduction Deadline

The time at the end of the Ramp Period when a Demand Resource is required to have met its Demand Reduction Value obligation.

Release/Recall

The time when a System Operator or Demand Response Provider notifies a Demand Resource that the Deployment Period has ended or will end.

Sustained Response Period

The time between Reduction Deadline and Release/Recall, representing the window over which a Demand Resource is required to maintain its reduced net consumption of electricity.

GENERAL TERMS

Adjustment Window

The period of time prior to a Demand Response Event used for calculating a Baseline adjustment.

After-the-Fact Metering

Interval meter data separate from Telemetry that is used to measure Demand Response. May not apply to Demand Resources under BaselineType II (Non-Interval Meter).

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Aggregated Demand Resource

A group of independent Load facilities that provide Demand Response services as a single Demand Resource.

Baseline

A Baseline is an estimate of the electricity that would have been consumed by a Demand Resource in the absence of a Demand Response Event. The Baseline is compared to the actual metered electricity consumption during the Demand Response Event to determine the Demand Reduction Value. Depending on the type of Demand Response product or service, Baseline calculations may be performed in real-time or after-the-fact. The System Operator may offer multiple Baseline models and may assign a Demand Resource to a model based on the characteristics of the Demand Resource's Load or allow the Demand Resource to choose a performance evaluation model consistent with its load characteristics from a predefined list. A baseline model is the simple or complex mathematical relationship found to exist between Baseline Window demand readings and Independent Variables. A baseline model is used to derive the Baseline Adjustments which are part of the Baseline, which in turn is used to compute the Demand Reduction Value. Independent variable is a parameter that is expected to change regularly and have a measureable impact on demand. Figure 2. below illustrates the concept of Baseline relative to a Demand Response Event.

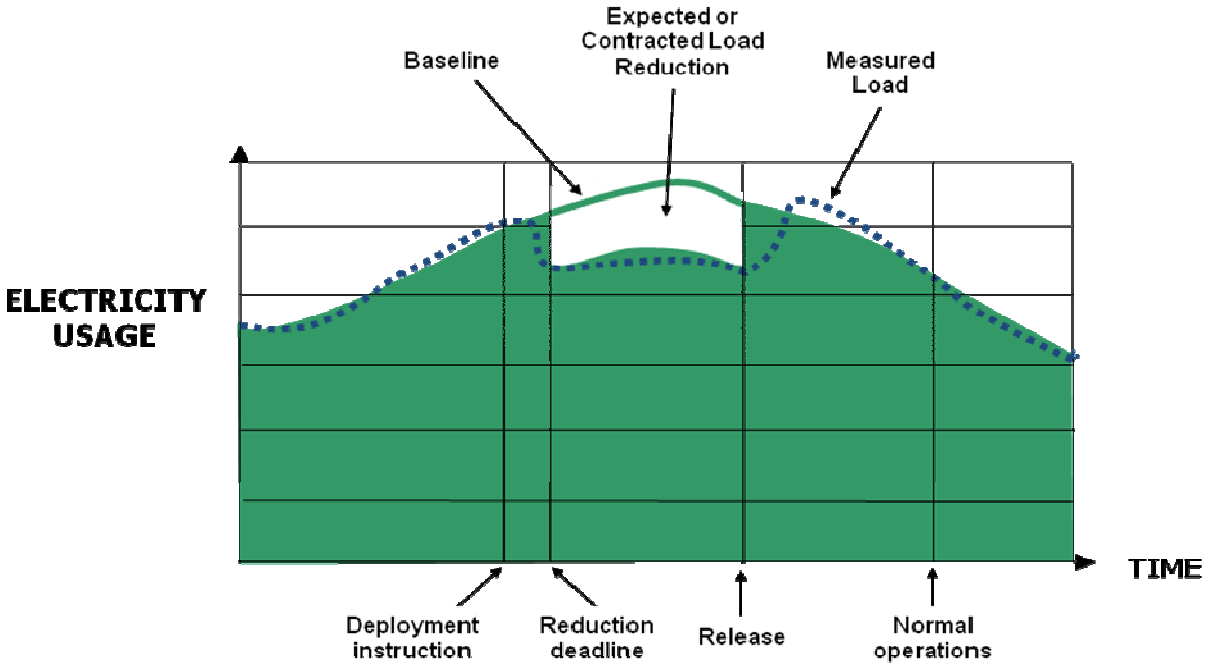

Figure 2. Illustration of Baseline Concept.

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Baseline Adjustment

An adjustment that modifies the Baseline to reflect actual conditions immediately prior to or during a Demand Response Event to provide a better estimate of the energy the Demand Resource would have consumed but for the Demand Response Event. The adjustments may include but are not limited to weather conditions, near real time event facility Load, current Demand Resource operational information, or other parameters based on the System Operator's requirements.

Baseline Type-I (Interval Metered)

A Baseline performance evaluation methodology based on a Demand Resource's historical interval meter data which may also include other variables such as weather and calendar data.

Baseline Type-II (Non-Interval Metered)

A Baseline performance evaluation methodology that uses statistical sampling to estimate the electricity consumption of an Aggregated Demand Resource where interval metering is not available on the entire population.

Baseline Window

The window of time preceding and optionally following, a Demand Response Event over which the electricity consumption data is collected for the purpose of establishing a Baseline. The applicability of this term is limited to Meter Before/Meter After, and Baseline Type-I and Type-II.

Capacity Service

A type of Demand Response service in which Demand Resources are obligated over a defined period of time to be available to provide Demand Response upon deployment by the System Operator.

Demand Response Provider

The entity that is responsible for delivering Demand reductions from Demand Resources and is compensated for providing such Demand Response products in accordance as specified by the System Operator.

Demand

The rate at which electric energy is delivered to or by a system or part of a system, generally expressed in kilowatts or megawatts, at a given instant or averaged over any designated interval of time; and the rate at which energy is being used by the customer (NERC Definition).

Demand Reduction Value

Quantity of reduced electrical consumption by a Demand Resource, expressed as MW or MWh.

Demand Resource

A Load or aggregation of Loads capable of measurably and verifiably providing Demand Response.

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Demand Response

A temporary change in electricity consumption by a Demand Resource in response to market or reliability conditions. For purposes of these standards, Demand Response does not include energy efficiency or permanent Load reduction.

Energy Service

A type of Demand Response service in which Demand Resources are compensated solely based on their performance during a Demand Response Event.

Highly-Variable Load

A Load with a fluctuating or unpredictable electricity consumption pattern.

Load

An end-use device or customer that receives power from the electric system (NERC Definition).

Maximum Base Load

A performance evaluation methodology based solely on a Demand Resource's ability to reduce to a specified level of electricity Demand, regardless of its electricity consumption or Demand at Deployment.

Meter Before / Meter After

A performance evaluation methodology where electricity Demand over a prescribed period of time prior to Deployment is compared to similar readings during the Sustained Response Period.

Meter Data Recording Interval

The time between electricity meter consumption recordings.

Meter Data Reporting Deadline

The maximum allowed time from the end of a Demand Response Event (Normal Operations) to the time when meter data is required to be submitted for performance evaluation and settlement. The Meter Data Reporting Deadline may be either relative (a number of hours/days after Normal Operations) or fixed (a fixed calendar time, such as end-of-month).

Metering Generator Output

A performance evaluation methodology, used when a generation asset is located behind the Demand Resource's revenue meter, in which the Demand Reduction Value is based on the output of the generation asset.

Performance Window

The period of time in a Demand Response Event analyzed by the System Operator to measure and verify the Demand Reduction Value for a Demand Resource.

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Ramp Rate

The rate, expressed in megawatts per minute, that a generator changes its output. (NERC Definition) Demand Resource ramp rate is the rate, expressed in megawatts per minute, that a Demand Resource changes its Load.

Regulation Service

A type of Demand Response service in which a Demand Resource increases and decreases Load in response to real-time signals from the System Operator. Demand Resources providing Regulation Service are subject to dispatch continuously during a commitment period. Provision of Regulation Service does not correlate to Demand Response Event timelines, deadlines and durations as depicted in Figure 1.

Reserve Service

A type of Demand Response service in which Demand Resources are obligated to be available to provide Demand reduction upon deployment by the System Operator, based on reserve capacity requirements that are established to meet applicable reliability standards.

System Operator

A System Operator is a Balancing Authority, Transmission Operator, or Reliability Coordinator whose responsibility is to monitor and control an electric system in real time (based on NERC definition). The System Operator is responsible for initiating Advance Notifications, Deployment, and Release/Recall instructions.

Telemetry

Real-time continuous communication between a Demand Resource or Demand Response Provider and the System Operator.

Telemetry Interval

The time unit between communications between a Demand Resource or Demand Response Provider and a System Operator.

Validation, Editing and Estimation

The process of taking raw meter data and performing validation and, as necessary, editing and estimation of corrupt or missing data, to create validated data. (VEE guidelines are published in the Edison Electric Institute's Uniform Business Practices for Unbundled Electricity Metering, Volume Two, Published 12/05/00, http://www.naesb.org/REQ/req_form.asp)

Business Practice Requirements:

Provision of Wholesale Electric Demand Response Energy Products

Applicability

The Standard applies to any entity that administers wholesale Demand Response Energy Products.

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Purpose

The purpose of this Standard is to ensure that participants in wholesale electric markets in which these Products are administered receive uniform access to information that will enable them to participate in said markets.

015-1.0 GENERAL

- **Advance Notification**

  The System Operator shall specify any requirements for the Advance Notification instruction.

- **Deployment Time**

  The System Operator shall specify the time at which Demand Resources must begin reducing Demand on the system.

- **Reduction Deadline**

  The System Operator shall specify the Reduction Deadline.

- **Release/Recall**

  The System Operator shall specify the time at which Demand Resources shall be instructed to begin restoring Load.

- **Normal Operations**

  The System Operator shall specify Normal Operations.

- **Demand Resource Availability Measurement**

  Not applicable to Energy Service unless otherwise specified by the System Operator.

- **Aggregation**

  The System Operator shall specify any requirements for aggregated Demand.

- **Transparency of Requirements**

  Any specific requirements shall be defined in a System Operator's tariff, market rules, operating procedures, protocols or manuals and shall be posted in a publicly accessible location.

015-1.1 TELEMETRY

- **Telemetry Requirement**

  The System Operator shall specify any requirements for real-time Telemetry, including, but not limited to: the use of real-time Telemetry, the entity or entities responsible for installing and maintaining Telemetry equipment and collecting and communicating Telemetry data.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

December 2, 2008
Requesters:DSM-EE Subcommittee
Request No.: 2008 AP Item 5(a)
Review and develop business practice standards to support DR and DSM-EE programs

Proposed Standards approved by the subcommittee on December 2, 2008

- **On-Site Generation Telemetry**

  If on-site generation is present behind the primary Telemetry point, real-time Telemetry data shall be required to measure performance of the generator unless otherwise specified by the System Operator.

- **Telemetry Accuracy**

  The System Operator shall specify the accuracy of the real-time Demand measurement to be expressed as a percentage of full scale, not to exceed 3.0% .

- **Telemetry Interval**

  The System Operator shall specify the Telemetry Interval at a value not to exceed 5 minutes.

- **Other Telemetry Measurements**

  The System Operator shall specify any additional Telemetry data requirements.

- **Communication Protocol**

  The System Operator shall specify the Telemetry communication protocol.

- **Governor Control Equivalent**

  Not applicable to Energy Service unless otherwise specified by the System Operator.

015-1.2 AFTER-THE-FACT METERING

- **After-the-Fact Metering Requirement**

  After-the-Fact Metering is required unless otherwise specified by the System Operator.

- **Meter Accuracy**

  The System Operator shall specify the accuracy of the After-the-Fact Metering not to exceed 3% of full scale.

- **Details of Meter/Equipment Standards**

  Meter/Equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.

- **Meter Data Reporting Deadline**

  The System Operator shall specify the Meter Data Reporting Deadline.

- **Meter Data Reporting Interval**

  The System Operator shall specify the Meter Data Reporting Interval at a value not to exceed 1 hour.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

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Proposed Standards approved by the subcommittee on December 2, 2008

- **Clock / Time Accuracy**

  The System Operator shall specify the clock and time accuracy. Clock and time meter/equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.

- **Validating, Editing & Estimating (VEE) Method**

  The System Operator shall specify VEE requirements.

- **On-Site Generation Meter Requirement**

  The System Operator shall specify additional metering requirements if on-site generation is present behind the primary metering point.

015-1.3 PERFORMANCE EVALUATION

- **Rules for Performance Evaluation**

  Performance shall be evaluated through the use of one of the following methods unless otherwise specified by the System Operator:
  - Maximum Base Load
  - Meter Before / Meter After
  - Baseline Type-I
  - Baseline Type-II
  - Metering Generator Output

Business Practice Requirements:

Provision of Wholesale Electric Demand Response Capacity Products

Applicability

The Standard applies to any entity that administers the wholesale Demand Response Capacity Products.

Purpose

The purpose of this Standard is to ensure that participants in wholesale electric markets in which these Products are administered receive uniform access to information that will enable them to participate in said markets.

015-1.4 GENERAL

- **Advance Notification**

  The System Operator shall specify any requirements for the Advance Notification instruction.

- **Deployment Time**

  The System Operator shall specify the time at which Demand Resources must begin reducing Demand on the system.

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For Quadrant: WEQ

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Proposed Standards approved by the subcommittee on December 2, 2008

- **Reduction Deadline**

  The System Operator shall specify the Reduction Deadline.

- **Release/Recall**

  The System Operator shall specify the time at which Demand Resources shall be instructed to begin restoring Load.

- **Normal Operations**

  The System Operator shall specify Normal Operations.

- **Demand Resource Availability Measurement**

  The System Operator shall specify any requirements for measuring the capability of a Demand Resource to meet its obligation.

- **Aggregation**

  The System Operator shall specify any requirements for aggregated Demand Resources.

- **Transparency of Requirements**

  Any specific requirements shall be defined in a System Operator's tariff, market rules, operating procedures, protocols or manuals and shall be posted in a publicly accessible location.

015-1.5 TELEMETRY

- **Telemetry Requirement**

  The System Operator shall specify any requirements for real-time Telemetry, including, but not limited to: the use of real-time Telemetry, the entity or entities responsible for installing and maintaining Telemetry equipment and collecting and communicating Telemetry data.

- **On-Site Generation Telemetry**

  If on-site generation is present behind the primary Telemetry point, real-time Telemetry data shall be required to measure performance of the generator unless otherwise specified by the System Operator.

- **Telemetry Accuracy**

  The System Operator shall specify the accuracy of the real-time Demand measurement to be expressed as a percentage of full scale, not to exceed 3.0% .

- **Telemetry Interval**

  The System Operator shall specify the Telemetry Interval at a value not to exceed 5 minutes.

- **Other Telemetry Measurements**

  The System Operator shall specify any additional Telemetry data requirements.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

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Proposed Standards approved by the subcommittee on December 2, 2008

- **Communication Protocol**

  The System Operator shall specify the Telemetry communication protocol.

- **Governor Control Equivalent**

  Not applicable to Capacity Service unless otherwise specified by the System Operator.

015-1.6 AFTER-THE-FACT METERING

- **After-the-Fact Metering Requirement**

  After-the-fact Metering is required unless otherwise specified by the System Operator.

- **Meter Accuracy**

  The System Operator shall specify the accuracy of the After-the-Fact Metering not to exceed 3% of full scale.

- **Details of Meter/Equipment Standards**

  Meter/Equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.

- **Meter Data Reporting Deadline**

  The System Operator shall specify the Meter Data Reporting Deadline.

- **Meter Data Reporting Interval**

  The System Operator shall specify the Meter Data Reporting Interval at a value not to exceed 1 hour.

- **Clock / Time Accuracy**

  The System Operator shall specify the clock and time accuracy. Clock and time meter/equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.

- **Validating, Editing & Estimating (VEE) Method**

  The System Operator shall specify VEE requirements.

- **On-Site Generation Meter Requirement**

  The System Operator shall specify additional metering requirements if on-site generation is present behind the primary metering point.

015-1.7 PERFORMANCE EVALUATION

- **Rules for Performance Evaluation**

  Performance shall be evaluated through the use of one of the following methods unless otherwise specified by the System Operator:

  - Maximum Base Load
  - Meter Before / Meter After

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

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Proposed Standards approved by the subcommittee on December 2, 2008

- Baseline Type-I
- Baseline Type-II
- Metering Generator Output

Business Practice Requirements:

Provision of Wholesale Electric Demand Response Reserve Products

Applicability

The Standard applies to any entity that administers the wholesale Demand Response Reserve Products.

Purpose

The purpose of this Standard is to ensure that participants in wholesale electric markets in which these Products are administered receive uniform access to information that will enable them to participate in said markets.

015-1.8 GENERAL

- **Advance Notification**

  The System Operator shall specify any requirements for the Advance Notification instruction.

- **Deployment Time**

  The System Operator shall specify the time at which Demand Resources must begin reducing Demand on the system.

- **Reduction Deadline**

  The System Operator shall specify the Reduction Deadline.

- **Release/Recall**

  The System Operator shall specify the time at which Demand Resources shall be instructed to begin restoring Load.

- **Normal Operations**

  The System Operator shall specify Normal Operations.

- **Demand Resource Availability Measurement**

  The System Operator shall specify any requirements for measuring the capability of a Demand Resource to meet its obligation.

- **Aggregation**

  The System Operator shall specify any requirements for Aggregated Demand Resources.

- **Transparency of Requirements**

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
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Proposed Standards approved by the subcommittee on December 2, 2008

Any specific requirements shall be defined in a System Operator's tariff, market rules, operating procedures, protocols or manuals and shall be posted in a publicly accessible location.

015-1.9 TELEMETRY

- **Telemetry Requirement**
- The System Operator shall specify any requirements for real-time Telemetry, including, but not limited to: the use of real-time Telemetry, the entity or entities responsible for installing and maintaining Telemetry equipment and collecting and communicating Telemetry data
- .**On-Site Generation Telemetry**

  If on-site generation is present behind the primary telemetry point, real-time Telemetry data shall be required to measure performance of the generator unless otherwise specified by the System Operator.
- **Telemetry Accuracy**

  The System Operator shall specify the accuracy of the real-time Demand measurement to be expressed as a percentage of full scale, not to exceed 3.0% .
- **Telemetry Interval**

  The System Operator shall specify the Telemetry Interval at a value not to exceed 5 minutes.
- **Other Telemetry Measurements**

  The System Operator shall specify any additional Telemetry data requirements.
- **Communication Protocol**

  The System Operator shall specify the Telemetry communication protocol.
- **Governor Control Equivalent**

  Not applicable to Reserve Service unless otherwise specified by the System Operator.

015-1.10 AFTER-THE-FACT METERING

- **After-the-Fact Metering Requirement**

  After-the-fact Metering is required unless otherwise specified by the System Operator.
- **Meter Accuracy**

  The System Operator shall specify the accuracy of the After-the-Fact Metering not to exceed 3% of full scale.
- **Details of Meter/Equipment Standards**

  Meter/Equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.
- **Meter Data Reporting Deadline**

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
For Quadrant: WEQ

December 2, 2008
Requesters:DSM-EE Subcommittee
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Proposed Standards approved by the subcommittee on December 2, 2008

The System Operator shall specify the Meter Data Reporting Deadline.

- **Meter Data Reporting Interval**

  The System Operator shall specify the Meter Data Reporting Interval at a value not to exceed 1 hour.

- **Clock / Time Accuracy**

  The System Operator shall specify the clock and time accuracy. Clock and time meter/equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.

- **Validating, Editing & Estimating (VEE) Method**

  The System Operator shall specify VEE requirements.

- **On-Site Generation Meter Requirement**

  The System Operator shall specify additional metering requirements if on-site generation is present behind the primary metering point.

015-1.11 PERFORMANCE EVALUATION

- **Rules for Performance Evaluation**

  Performance shall be evaluated through the use of one of the following methods unless otherwise specified by the System Operator:
  - Maximum Base Load
  - Meter Before / Meter After
  - Baseline Type-I
  - Baseline Type-II
  - Metering Generator Output

Business Practice Requirements:

Provision of Wholesale Electric Demand Response Regulation Products

Applicability

The Standard applies to any entity that administers the wholesale Demand Response Regulation Products.

Purpose

The purpose of this Standard is to ensure that participants in wholesale electric markets in which these Products are administered receive uniform access to information that will enable them to participate in said markets.

RECOMMENDATION TO NAESB EXECUTIVE COMMITTEE
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Proposed Standards approved by the subcommittee on December 2, 2008

015-1.12 GENERAL

- **Advance Notification**

  Not applicable to Regulation Service unless otherwise specified by the System Operator.

- **Deployment Time**

  Not applicable to Regulation Service unless otherwise specified by the System Operator.

- **Reduction Deadline**

  Not applicable to Regulation Service unless otherwise specified by the System Operator.

- **Release/Recall**

  Not applicable to Regulation Service unless otherwise specified by the System Operator.

- **Normal Operations**

  Not applicable to Regulation Service unless otherwise specified by the System Operator.

- **Demand Resource Availability Measurement**

  Not applicable to Regulation Service unless otherwise specified by the System Operator.

- **Aggregation**

  The System Operator shall specify any requirements for aggregated Demand Resources.

- **Transparency of Requirements**

  Any specific requirements shall be defined in a System Operator's tariff, market rules, operating procedures, protocols or manuals and shall be posted in a publicly accessible location.

015-1.13 TELEMETRY

- **Telemetry Requirement**

  The System Operator shall specify any requirements for real-time Telemetry, including, but not limited to: the use of real-time Telemetry, the entity or entities responsible for installing and maintaining Telemetry equipment and collecting and communicating Telemetry data.

- **On-Site Generation Telemetry**

  If on-site generation is present behind the primary Ttelemetry point, real-time Telemetry data shall be required to measure performance of the generator unless otherwise specified by the System Operator.

- **Telemetry Accuracy**

  The System Operator shall specify the accuracy of the real-time Demand measurement to be expressed as a percentage of full scale, not to exceed 3.0% .

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Proposed Standards approved by the subcommittee on December 2, 2008

- **Telemetry Interval**

  The System Operator shall specify the Telemetry Interval at a value not to exceed 5 minutes.

- **Other Telemetry Measurements**

  The System Operator shall specify any additional Telemetry data requirements.

- **Communication Protocol**

  The System Operator shall specify the Telemetry communication protocol.

- **Governor Control Equivalent**

  Demand Resources providing Regulation Service shall automatically respond to grid frequency deviations, similar to governor action provided by generation resources, unless otherwise specified by the System Operator.

015-1.14 AFTER-THE-FACT METERING

- **After-the-Fact Metering Requirement**

  After-the-fact Metering is required unless otherwise specified by the System Operator.

- **Meter Accuracy**

  The System Operator shall specify the accuracy of the After-the-Fact Metering not to exceed 3% of full scale.

- **Details of Meter/Equipment Standards**

  Meter/Equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.

- **Meter Data Reporting Deadline**

  The System Operator shall specify the Meter Data Reporting Deadline.

- **Meter Data Reporting Interval**

  The System Operator shall specify the Meter Data Reporting Interval at a value not to exceed 1 hour.

- **Clock / Time Accuracy**

  The System Operator shall specify the clock and time accuracy. Clock and time meter/equipment standards shall meet or exceed industry standards equivalent to ANSI C12 unless otherwise specified by the System Operator.

- **Validating, Editing & Estimating (VEE) Method**

  The System Operator shall specify VEE requirements.

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Proposed Standards approved by the subcommittee on December 2, 2008

- **On-Site Generation Meter Requirement**

  The System Operator shall specify additional metering requirements if on-site generation is present behind the primary metering point.

015-1.15 PERFORMANCE EVALUATION

- **Rules for Performance Evaluation**

  Performance shall be evaluated using telemetry data and additionally through the use of one of the following methods unless otherwise specified by the System Operator:

  - Meter Before / Meter After
  - Metering Generator Output

Business Practice Requirements

Maximum Base Load Evaluation

015-1.16 BASELINE INFORMATION

There are no Baseline calculations defined for Maximum Base Load evaluations. The Maximum Base Load Evaluation methodology shall be associated with a demand reduction obligation compared to the Demand Resource's average Load or as specified by the System Operator.

015-1.17 EVENT INFORMATION

- **Use of Real-Time Telemetry**

  The System Operator shall specify if real-time Telemetry data is to be used to measure performance.

- **Use of After-The-Fact Metering**

  After-the-fact metering shall be used to measure performance, unless otherwise specified by the System Operator.

- **Performance Window**

  The Performance Window shall be the Sustained Response Period (Reduction Deadline through Release/Recall) unless otherwise specified by the System Operator.

- **Measurement Type**

  During the Performance Window, the Demand Resource must maintain its electricity consumption at or below the Maximum Base Load. The criteria used to evaluate performance shall be one of the following unless otherwise specified by the System Operator:

  a) Peak Demand
  b) Average Demand

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015-1.18 SPECIAL PROCESSING

The System Operator shall specify any special processing rules.

Business Practice Requirements

Meter Before / Meter After

015-1.19 BASELINE INFORMATION

- **Baseline Window**

  The System Operator shall specify the Baseline Window.

- **Calculation Type**

  During the Baseline Window, the energy consumption or Demand of the Demand Resource shall be evaluated using one of the following measurements unless otherwise specified by the System Operator:

  a) Instantaneous
  b) Maximum
  c) Average

- **Sampling Precision and Accuracy**

  Sampling is not permitted for this performance evaluation type, unless otherwise specified by the System Operator.

- **Exclusion Rules**

  The System Operator shall specify any exclusion rules.

- **Baseline Adjustments**

  The System Operator shall specify any event-day adjustments.

- **Adjustment Window**

  No Adjustment Window is used for this model unless otherwise specified by the System Operator.

015-1.20 EVENT INFORMATION

- **Use of real-time Telemetry**

  The System Operator shall specify if real-time Telemetry data is to be used to measure performance.

- **Use of After-The-Fact Metering**

  After-the-fact metering shall be used to measure performance, unless otherwise specified by the System Operator.

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Proposed Standards approved by the subcommittee on December 2, 2008

- **Performance Window**

  The Performance Window shall be the Sustained Response Period (Reduction Deadline through Release/Recall) unless otherwise specified by the System Operator.

- **Measurement Type**

  During the Performance Window, the Demand Resource shall be evaluated using one of the following measurements unless otherwise specified by the System Operator:
  a) Instantaneous
  b) Maximum
  c) Average

015-1.21 SPECIAL PROCESSING

- **Highly-Variable Load Logic**

  The System Operator shall specify any performance evaluation requirements for Highly-Variable Loads.

- **On-Site Generation Requirements**

  The System Operator shall specify any performance evaluation requirements for on-site generation.

Business Practice Requirements

Baseline Type-I (Interval Meter)

015-1.22 BASELINE INFORMATION

- **Baseline Window**

  The System Operator shall specify the Baseline Window.

- **Calculation Type**

  The System Operator shall specify the method of developing the Baseline value using, but not limited to, the following calculation types:
  a) Maximum
  b) Average
  c) Regression

- **Sampling Precision and Accuracy**

  Sampling is not permitted for this Performance Evaluation type, unless otherwise specified by the System Operator.

- **Exclusion Rules**

  The System Operator shall specify any rules for excluding data from the Baseline Window. Exclusion rules may be based on, but are not limited to the following:
  a) Historical Demand Response Events
  b) Testing/Audit Periods

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c) Calendar data
d) Outages
e) Weather emergencies or force majeure events
f) Usage threshold
g) Known, discrete load additions or reductions that have occurred during the Baseline Window

- **Baseline Adjustments**

  The System Operator shall specify any rules for Baseline Adjustments. Adjustment rules may be based on, but are not limited to the following:
  a) Temperature
  b) Humidity
  c) Calendar data
  d) Sunrise/Sunset time
  e) Event day operating conditions

- **Adjustment Window**

  The System Operator shall specify the Adjustment Window.

015-1.23 EVENT INFORMATION

- **Use of Real-Time Telemetry**

  The System Operator shall specify if real-time Telemetry data is to be used to measure performance.

- **Use of After-The-Fact Metering**

  After-the-fact metering shall be used to measure performance, unless otherwise specified by the System Operator.

- **Performance Window**

  The System Operator shall specify the Performance Window.

- **Measurement Type**

  During the Performance Window, the Demand Resource shall be evaluated using one of the following measurements unless otherwise specified by the System Operator:
  a) Maximum
  b) Average
  c) Regression

015-1.24 SPECIAL PROCESSING

- **Highly-Variable Load Logic**

  The System Operator may specify performance evaluation requirements for Highly-Variable Loads.

- **On-Site Generation Requirements**

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The System Operator may specify performance evaluation requirements for on-site generation.

Business Practice Requirements

Baseline Type-II (Non-Interval Meter)

015-1.25 BASELINE INFORMATION

- **Baseline Window**

  The System Operator shall specify the Baseline Window.

- **Calculation Type**

  The System Operator shall specify the method of developing the Baseline value using, but not limited to, the following calculation types:
  a) Maximum
  b) Average
  c) Regression

- **Sampling Precision and Accuracy**

  The System Operator shall specify sampling precision and accuracy requirements.

- **Exclusion Rules**

  The System Operator shall specify any rules for excluding data from the Baseline Window. Exclusion rules may be based on, but are not limited to the following:
  a) Historical Demand Response Events
  b) Testing/Audit Periods
  c) Calendar data
  d) Outages
  e) Weather emergencies or force majeure events
  f) Usage threshold
  g) Known, discrete load additions or reductions that have occurred during the Baseline Window

- **Baseline Adjustments**

  The System Operator shall specify any rules for Baseline Adjustments. Adjustment rules may be based on, but are not limited to the following:
  a) Temperature
  b) Humidity
  c) Calendar data
  d) Sunrise/Sunset time
  e) Event day operating conditions

- **Adjustment Window**

  The System Operator shall specify the Adjustment Window.

015-1.26 EVENT INFORMATION

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Proposed Standards approved by the subcommittee on December 2, 2008

- **Use of Real-Time Telemetry**

  The System Operator shall specify if real-time Telemetry data is to be used to measure performance.

- **Use of After-The-Fact Metering**

  After-the-fact metering or other energy measurement technology shall be used to measure performance, as a supplement to real-time Telemetry unless otherwise specified by the System Operator.

- **Performance Window**

  The System Operator shall specify the Performance Window.

- **Measurement Type**

  During the Performance Window, the Demand Resource shall be evaluated using one of the following measurements unless otherwise specified by the System Operator:
  a) Maximum
  b) Average
  c) Regression

015-1.27 SPECIAL PROCESSING

The System Operator shall specify any special processing rules.

Business Practice Requirements

Metering Generator Output

015-1.28 BASELINE INFORMATION

The System Operator shall specify Baseline calculations for Metering Generator Output.

015-1.29 EVENT INFORMATION

- **Use of Real-Time Telemetry**

  The System Operator shall specify if real-time Telemetry data is to be used to measure performance.

- **Use of After-The-Fact Metering**

  After-the-fact metering on the generator and optionally on the associated Load shall be used to measure performance unless otherwise specified by the System Operator.

- **Performance Window**

  The System Operator shall specify the Performance Window.

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- **Measurement Type**

  During the Performance Window, the Demand Resource shall be evaluated using the total measured generation output unless otherwise specified by the System Operator.

015-1.30 SPECIAL PROCESSING

The System Operator shall specify any special processing rules.

Discussion Items for Meeting with FERC Staff on
Rollover (Renewal) of Firm Redirects

Background and Summary:

The questions below resulted from the difficulty the NAESB subcommittee was having in interpreting the Commission's Orders with respect to the rollover rights available to a transmission customer when the transmission customer wishes to use a redirected path at the time of renewal of a reservation.

The rollover rights on a redirect path was addressed by the Commission in Orders 676-C, 890 and Order 890-A. The two key references for this discussion are paragraph 1280 of Order 890, paragraph 702 of Order 890-A, and paragraph 707 of Order 890-A. The questions below arise from the subcommittee's attempt to address implementation of the Orders and the various interpretations of these requirements by the industry.

A primary area of difficulty has been whether the Commission's Orders preclude development of a standard that allows transmission customers the ability to choose, when requesting and/or confirming a firm redirect, the path on which they will have rollover rights. One reading of the Orders would suggest that there is no choice for the transmission customer—that its renewal can only be on the path which it happens to be using at the time its contract ends. In many circumstances, where the transmission customer is expecting to rollover its transmission service, the end of the term of the contract is just one more day in a long term commercial transaction. For valid commercial reasons, the transmission customer might wish to:

- redirect to end of term and rollover on the redirected path,
- redirect to end of term and then revert to the parent path,
- redirect for a few weeks or months beyond the end of term and then revert to the parent path.

The questions posed to Commission staff are intended to provide, for the subcommittee members, a better understanding of the options available to a transmission customer in these scenarios so that an appropriate NAESB standard can be drafted where industry consensus is reached.

An additional primary area of difficulty has been in understanding: 1) the Commission's definition of the term "rollover rights", as it could be read to imply either "all of the rollover rights capacity (both exercised and unexercised)" or "only unexercised rollover rights capacity" when a firm redirect to end of term is confirmed and 2) how the rollover rights transfer to the redirect (i.e., removal from the parent reservation and given to the redirect).

Notes regarding specific examples provided to assist in the discussion:

1) *The questions are asked in a way that suggests only one firm redirect. In reality, the transmission reservation may be redirected on a firm basis several times.*
2) *In all examples short-hand language is used. It is assumed that the parent reservation qualifies for rollover rights, any limitation on rollover rights is consistent with FERC policy, all redirects are on a firm basis, all redirects are to the end of the parent reservation and all renewal requests are submitted in a timely manner.*
3) *When an example includes a section* "What MW of rollover rights are available?", *the example not only demonstrates the question referenced, the example also demonstrates Question B.*

Question A

Is it the intent of Commission Orders for NAESB to develop a standard that precludes transmission customers the ability (when requesting a firm redirect with an end time coincident with the parent reservation end time) to indicate to the transmission provider the transmission customer's choice of path (the original [parent] path or the redirect path) for rollover rights.

i. If so, is the transmission provider required to hold ATC/AFC on both paths until the transmission customer selects an option? If they should not hold ATC/AFC on both paths, what rules should be applied?

ii. If not, what options, if any, should be available to the transmission customer to continue to have rollover rights on the parent path (see question B and C below)?

Examples for Question A:

Example A-1:

- Parent reservation
  i. 100 MW capacity granted
  ii. 100 MW of rollover rights
- Redirect reservation
  i. 100 MW capacity granted
  ii. 0 MW of rollover rights would be available

What MW of rollover rights are available?

- The parent reservation?
  - Before the renewal deadline
  - After the renewal deadline
  - Before a renewal is submitted
  - After a renewal is submitted
  - Before a renewal is confirmed
  - After a renewal is confirmed
- The redirect reservation?
  - Before the renewal deadline
  - After the renewal deadline
  - Before a renewal is submitted
  - After a renewal is submitted
  - Before a renewal is confirmed
  - After a renewal is confirmed

Example A-2:

Can FERC Staff provide an example of how a transmission customer can redirect over a period that bridges the end of the current contract and the start of the renewal agreement, yet goes back to the parent path at some point in the future?

--------- parent path --|-- redirect path --|-- redirect path --|-- parent path ----------
↑
end of current contract

Question B

How does the timing of the redirect request impact the process?

i. If the redirect request is before or after the renewal deadline?

ii. If the redirect request is before or after submittal of the renewal request (on the parent reservation)?

iii. If the redirect request is before or after confirmation of the renewal request (on the parent reservation)?

iv. Given the renewal deadline is approaching, what options, if any, should be available to transmission customers in situations where the transmission customer is waiting for the results of the System Impact Study that will identify if and how much capacity would be available for rollover on a redirect path?

Examples for Question B:

Example B-1:

Scenario for Example B-1:
Transmission customer has a contract with the following characteristics:

- a long term firm contract with rollover rights expiring on Dec 31, 2010
- the deadline for exercising those rights is Dec 31, 2009
- the contract is to be redirected for the period July 1, 2010 to Dec. 31, 2010

What would be the transmission customer's rollover rights on the parent path and on the redirect path if:

B-1-A: The transmission customer requests rollover on the existing path prior to requesting the redirect for the period July-December 2010?

B-1-B: The transmission customer requests rollover rights on the existing path after requesting the redirect for the period July-December 2010?

B-1-C: The transmission customer requests the rollover on the redirected path with on-going rollover rights on Oct 1, 2009, but as of Dec. 31, 2009 the results of the study concerning the on-going rollover rights on the redirected path are not available?

Example B-2:

In instances where the transmission customer has exercised their rollover rights on the initial path (has a confirmed renewal reservation) and the transmission customer subsequently requests a firm redirect to the end of the initial term of the agreement, does the confirmed renewal reservation stay on the original path or does it move to the redirected path?

Question C

Are short-term firm redirects of a long-term firm reservation considered with attributes of short-term firm redirects with rollover rights or are they considered with attributes of long-term firm redirects with rollover rights?

i. Are firm redirects with a term of less than one year considered to be Short-Term Firm Point-To-Point Transmission Service as defined under the *pro forma* OATT?

ii. Are firm redirects with a term of one year or more considered to be Long-Term Firm Point-To-Point Transmission Service as defined under the *pro forma* OATT?

iii. Does firm redirect need to be for a term of 5 years (1 year if the Transmission provider does not yet have an accepted Attachment K to their OATT) in order to qualify for rollover rights on the redirected path?

Notes:

WEQ-001-9.1.3 A request for Redirect on a Firm basis shall be queued and evaluated in the same manner (i.e. same service priority) as any other Firm Point to Point request, subject to the other requirements of this standard.

WEQ-001-9.3.1 A request for Redirect on a Firm basis must be submitted, and is subject to all request timing requirements consistent with a reservation for Firm service of similar duration.

WEQ-001-9.3.2 A request for Redirect on a Firm basis must represent an established Firm Point-to-Point Service Increment (e.g. Daily, Monthly, etc.) offered by the transmission provider.

Example C-1:

- Parent reservation
  i. 100 MW capacity granted
  ii. 100 MW of rollover rights
  iii. 5 year (60 month) contract term
  iv. Months 1 through 59, the transmission customer redirects
  v. 1 year prior to the termination of the parent reservation the transmission customer submits and confirms a renewal request on the parent path
- Redirect
  i. 13 months prior to the end of the parent reservation term (Month 47), for the last month (Month 60), the transmission customer redirects 100 MW of Short-Term Firm Monthly Point-to-Point Transmission Service
  ii. If applicable, 100 MW of rollover rights could be available

Does the transmission customer have rollover rights on the parent path, the redirect path, or both?

Example C-2:

- Parent reservation
    i. 100 MW capacity granted
    ii. 100 MW of rollover rights
    iii. 5 year (60 month) contract term
    iv. Months 1 through 59, the transmission customer redirects
    v. 1 year prior to the termination of the parent reservation the transmission customer submits and confirms a renewal request on the parent path
- Redirect
    i. 6 months prior to the end of the parent reservation term (Month 54), for the last month (Month 60), the transmission customer redirects 100 MW of Short-Term Firm Monthly Point-to-Point Transmission Service
    ii. If applicable, 100 MW of rollover rights could be available

Does the transmission customer have rollover rights on the parent path, the redirect path, or both?

Question D

What is the quantity of MW available for renewal on the parent or redirected path?

i. Is it limited by the capacity granted on the parent reservation, which may be more than the rollover rights granted?

ii. Is it limited by the MW of rollover rights granted on the parent reservation (*e.g.*, if the rollover rights have been limited by load growth)?

iii. Is it limited by the capacity granted on the redirect?

iv. Is it limited by the MW of rollover rights granted on the renewal reservation?

v. Is it the highest of i through iv? The lowest? If it is neither the highest or lowest, what is the criteria for determining the value?

vi. If during the initial evaluation of the parent reservation rollover was "denied" or "limited to 0 MW". Does the parent reservation have rollover rights that can be applied to the redirected path?

vii. Should any special considerations be given for partial (less than 100% of the MW of the parent reservation) redirects? If so, what special consideration should be given?

viii. Should any special considerations be given for partial (less than 100% of the MW of the parent reservation) renewals? If so, what special consideration should be given?

Examples for Question D:

Example D-1:

If a renewal for only part of the rollover rights has been submitted and confirmed, are there remaining rollover rights on the parent reservation and are there remaining rollover rights available for a redirect?

- Parent reservation
  i. 100 MW capacity granted
  ii. 100 MW of rollover rights
- Renewal on parent reservation submitted and confirmed
  i. 60 MW capacity granted
- Redirect reservation
  i. 40 MW capacity granted
  ii. 40 MW of rollover rights could be available

What MW of rollover rights are available?

- The parent reservation?
  - Before the renewal deadline
  - After the renewal deadline

        - Before a renewal is submitted
        - After a renewal is submitted
        - Before a renewal is confirmed
        - After a renewal is confirmed
- The redirect reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed

Example D-2:

Is the rollover rights capacity of a redirect limited by the rollover rights capacity of the parent?

- Parent reservation
    i. 100 MW capacity granted
    ii. 70 MW of rollover rights
- Redirect reservation
    i. 100 MW capacity granted
    ii. 100 MW of rollover rights would be available

What MW of rollover rights are available?

- The parent reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed
- The redirect reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed

Example D-3:

What is the total rollover rights capacity if redirect rollover rights capacity is less than the parent rollover rights capacity?

- Parent reservation
    i. 100 MW capacity granted
    ii. 100 MW of rollover rights

- Redirect reservation
    i. 100 MW capacity granted
    ii. 80 MW of rollover rights would be available

What MW of rollover rights are available?

- The parent reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed
- The redirect reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed

Example D-4:

What rollover rights capacity is available if both the parent and the redirect rollover rights capacity has been or would be, respectively, limited?

- Parent reservation
    i. 100 MW capacity granted
    ii. 70 MW of rollover rights
- Redirect reservation
    i. 100 MW capacity granted
    ii. 80 MW of rollover rights would be available

What MW of rollover rights are available?

- The parent reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed

- The redirect reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed

Example D-5:

Does a parent reservation with rollover rights that have been limited to 0 MW have rollover rights capacity to convey to a redirect?

- Parent reservation
    i. 100 MW capacity granted
    ii. 0 MW of rollover rights
- Redirect reservation
    i. 100 MW capacity granted
    ii. 100 MW of rollover rights would be available

What MW of rollover rights are available?

- The parent reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed
- The redirect reservation?
    - Before the renewal deadline
    - After the renewal deadline
    - Before a renewal is submitted
    - After a renewal is submitted
    - Before a renewal is confirmed
    - After a renewal is confirmed

Question E

Paragraph 704 of Order 890-A included the following:

> *As a new request for service, each redirect request is subject to the availability of capacity and subject to the possibility that the transmission provider may not be able to provide rollover rights on the new redirected path.*

Which, if either, of the following could be considered the correct interpretation given the Commission's conclusions?

E-1 The magnitude (MW) of rollover rights associated with a reservation is set once for the original reservation path, if requested by the customer. Part of the rollover right MW value can be redirected to a new path if they are available on that new path, otherwise the magnitude of the rollover right MW remains on the original path, irrespective of how many MWs of the original transmission service capacity is redirected. Does the customer get to choose the magnitude of the rollover rights that will be transferred to the redirected path, or the magnitude that will remain with the original path, irrespective of the capacity of the Redirected service? (This concept would convert an original TS capacity of 100 MWs and 65 MWs of rollover rights to the original path TS capacity being ZERO with 60 MWs of rollover rights on that original path, after the customer obtains a redirect of 100 MWs on a second path with 5 MWs of rollover rights on that second path.)

E-2 The magnitude (MW) of rollover rights associated with a reservation is set for the original reservation path. Then, the magnitude (MW) of the rollover rights on the redirected path is associated with the TS capacity granted on that redirected path, if the customer requests rollover rights on the new path. Redirected TS capacity on the new path requires a new evaluation of rollover rights on that new path. The magnitude (MW) of the rollover rights associated with that redirected capacity is dependent on the new path. Separately, the magnitude of the rollover rights for the original path is decremented based on the magnitude of the TS capacity redirected. (This concept would convert an original TS capacity of 100 MWs and 65 MWs of rollover rights to the original path TS capacity being ZERO with ZERO MWs of rollover rights on that original path, after the customer obtains a redirect of 100 MWs on a second path with 5 MWs of rollover rights on that second path.)

If neither E-1 or E-2 are the correct interpretation, please provide guidance on how the reference in Paragraph 704 of Order 890-A should be interpreted.

Redirects and Rollover Rights:
FERC Staff's Interpretation of the OATT

1. Eligibility for rollover rights follows the redirect if the redirect is for the remaining term of the contract (*i.e.*, not paired with a redirect back to the original path), although the transmission provider may restrict rollover rights on the redirected path if necessary to serve reasonably forecasted native load growth or preexisting contracts that commence in the future. *See* Order No. 890 at P 1280, 1286; Order No. 890-A at P 705; Order No. 676 at P 51, 57-59.

2. Renewal on a particular path does not limit the customer's rights associated with subsequent redirects. *See* Order No. 890-A at P 707.

3. Failure to renew a reservation by the renewal deadline date waives all rollover rights for the reservation. *See* Order No. 890-A at P 707.

4. Partial renewal reduces the eligibility for rollover rights to the amount renewed. *Cf.* Order No. 890-A at P 707.

5. Restrictions on rollover rights stated in a service agreement do not follow a redirect. *See* Order No. 676 at P 51, 59; Order No. 890-A at P 704, 706.

6. Granting rollover rights on a redirected path does not affect the ability of the customer to redirect, subject to availability, back to the original or another path. *See* Order No. 676 at P 59.

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via email

TO: Posting on the NAESB WEQ-EC Page
FROM: Deonne Cunningham, NAESB Staff Attorney
RE: Notes from WEQ Executive Committee (EC) Task Force Session on Rollover Rights of Redirects – January 8, 2009
DATE: January 26, 2009

Dear WEQ Distribution List and Interested Parties,

The notes below and work papers referenced serve as the record for the conference call held on January 8, 2009.

AGENDA TOPIC	RESULTS OF DISCUSSION	
Administrative:	The conference call/web cast began at 2:10pm C. The participants were welcomed to the call.	
Attendees:	Roy True, ACES Power Marketing	Patrick McGovern, Georgia Transmission
	Ren Henry, AESO	Ross Kovacs, Georgia Transmission
	Pedro Lagos, AESO	Jerry Tang, MEAG
	Marcie Otondo, APS	Marie Knox, Midwest ISO
	Syd Berwager, BPA	Ed Skiba, Midwest ISO
	Rodeck Kelley, BPA	Deonne Cunningham, NAESB
	Barbara Rehman, BPA	Rae McQuade, NAESB
	Alan Pritchard, Duke Energy	Denise Rager, NAESB
	Ron Mucci, Entegra	Paul Sorenson, OATI
	Christina Bigelow, Entergy	John Apperson, PacifiCorp
	Ed Davis, Entergy	Cathy Wesley, PJM
	Narinder Saini, Entergy	Daryl McGee, Southern
	John Cohen, FERC	JT Wood, Southern
	Mason Emnett, FERC	Charles Yeung, SPP
	Michael Goldenberg, FERC	Kathy York, TVA
	Ryan Irwin, FERC	Rose Pysh, UI
	Bill Lohrman, FERC	Bill Gallagher, Vermont Public Power
		Michelle Mizumori, WECC
Agenda:	• Administrative: Welcome to members and attendees • Review of Redirects and Rollover Rights: FERC Staff's Interpretation of OATT • Questions • Adjourn	
Review of Redirects	• Mr. Emnett noted that FERC received and reviewed the revised version of the Rollover Rights of Redirects Discussion Items. He further noted that FERC Staff drafted a document that contained their interpretation of the OATT with respect to Redirects and Rollover Rights. This document contains general guidelines and rules for rollover rights of redirects. Mr. Emnett further noted that FERC Staff is solely giving their views and opinion on FERC policy and is not speaking on behalf of the Commission on these specific matters. • Mr. Emnett reviewed the FERC Staff's Interpretation of the OATT: Redirects and Rollover	

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AGENDA TOPIC	RESULTS OF DISCUSSION
	Rights. In regards to the first rule, he explained that if a customer seeks to redirect service a new path, it is communicating that the need for rollover rights on the parent path no longer exists. The WEQ EC task force inquired as to what happens to the parent reservation when there is a redirect that occurs at the end of contract term. It is the FERC staff's view that rollover rights follow the redirect and thus, would be on the redirected path. Mr. Emnett noted that the NAESB business practice could provide flexibility if a customer wanted to revert back to the original path and maintain rollover rights. He stated that redirects should be treated as a request for transmission service (a new reservation) and should be studied accordingly. A request for a redirect of transmission rights through the end of a reservation should be treated as a request for redirect of rollover rights associated with that reservation, even if the rollover rights associated with the parent path had already been exercised and thus converted to a new, separate transmission reservation. • As it relates to the second rule, FERC staff determined that a renewal on a particular path does not limit the customer's rights associated with subsequent redirects. Mr. Emnett stated the redirect is studied similar to a new request for service. • With respect to the third rule, FERC staff clarified that failure to renew a reservation by the renewal deadline date waives all rollover rights for the reservation. Mr. Emnett explained that renewal occurs when the customer notifies the transmission provider (TP) of its intent to exercise its rights and the TP has the ability to provide those rights before the deadline. If the request for renewal of service is not made before the deadline, the customer has no ongoing rights on the redirected path. • In review of the fourth rule, FERC staff concluded that a partial renewal reduces the eligibility for rollover rights to the amount renewed. Mr. Emnett stated that if the customer voluntarily requests a partial renewal, only the partial amount of MWs renewed will have the rollover rights. He noted that the reduced portion may be rolled over to the extent that MWs are available. • The fifth rule states that restrictions on rollover rights stated in a service agreement do not follow a redirect. FERC staff agreed that eligibility of rollover rights is tied to the terms of the service agreement and relates to the TP's ability to provide rollover rights on a specified path. Mr. Emnett stated that a restriction on the original path is not relevant to a restriction on the redirected path. • In regards to the sixth rule, FERC staff determined that the granting rollover rights on a redirected path does not affect customer's ability to redirect, subject to availability, back to original path and redirected path. FERC staff agreed that subsequent redirects are considered like any other reservation. The granting of rollover rights does not affect the customer's ability to redirect negatively or positively.
Questions	• Speakers from the WEQ EC task force asked FERC staff question in regards to Redirects and Rollover Rights: FERC Staff's Interpretation of the OATT. With respect to the fourth rule, Ms. Otondo questioned whether a partial renewal (requested six months in advance) would be limited to the partial MWs on the redirected path. FERC Staff responded that a customer is required to provide notice of a partial renewal based on the terms of the service agreement. Mr. Emnett stated that a customer must provide notice of partial renewal of service no less than one year of the expiration date of the service agreement. • Mr. Davis inquired as to how rollover rights are granted, if the MW value allocated to remain on the original path is less than the MW value on the redirected path (a partial

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AGENDA TOPIC	RESULTS OF DISCUSSION

quantity redirect of a 100 MW reservation with rollover rights of 60 MW on the parent reservation). After extensive discussion, FERC staff provided a separate response in regards to Mr. Davis' question. In summary, FERC staff determined that a customer should be eligible to receive up to 100 MW of rollover rights for that reservation if redirected, subject to availability on the redirect path. The rest of the response is available for viewing via the following link: http://www.naesb.org/pdf4/weq_ec010809a1.doc.

- Ms. Wesley questioned if the redirects of rollover rights could be analyzed without the original reservation going to the end of the service agreement and if a different outcome could be achieved. FERC staff responded that if a customer requests to redirect service to another path, the service agreement has not ended, and the customer changes its mind regarding the redirect, the rollover rights would still exist undisturbed on the original path.
- Mr. Berwager presented the following hypothetical: A customer has rollover rights of a 100 MW reservation and prior to the deadline it applies for renewal of service but then chooses to redirect the rollover rights. The renewal of service on the original path is subsequently granted. Mr. Emnett responded that the TP would have the opportunity to study whether the rollover rights would need to be restricted until the end of the contract term. Ms. Otondo clarified that if a renewal notice is provided for a parent reservation, a new reservation is created with the new service agreement. She noted that the rollover rights on the parent reservation are decremented by the rollover rights attached to the new service agreement. Mr. Pritchard expressed the need for clarification in regards this issue. After extensive discussion, the FERC staff provided the following response: If customer has 100 MW on a parent reservation, provides notice for renewal and subsequently redirects, the service agreement has been modified and is now applicable to only the redirected path. The transmission customer would not be allowed to "double dip."
- Mr. Davis presented the following hypothetical: A customer has requested rollover rights on the parent reservation which were later granted. Subsequently, the customer request 15 days before the end of the contract to redirect service to another path. He inquired as to how resolve this particular issue. Mr. Emnett stated that a TP has the right to study to restrict service. If the customer has not provided the TP with adequate time, the customer is at risk to not having rollover rights readily available. Mr. Emnett noted that the request to redirect service for the remainder of the contract term would be granted but rollover rights would not be readily available to the customer.
- As it relates to the fourth rule, FERC staff explained that paragraph 707 of FERC Order No. 890-A states when a customer should provide notice for renewal of service. If a customer wants to exercise a partial renewal and does not meet the deadline, the customer is forfeiting rights to the MWs that were not renewed. Mr. Emnett stated that NAESB may adopt business practice standards to provide for flexibility for instances in which a customer opts out of rollover rights for a redirected path. Ms. Otondo presented the following hypothetical: A customer has a 100 MW parent reservation and rollover rights were exercised for a service agreement with a term of five years. She inquired as to whether the customer would be able to redirect on a path that would not have rollover rights and abrogate a new contract. Mr. Emnett responded that once a customer renews, it has committed to a new term of service and the MW value could be affected for the new term of service. He further responded that a redirect is a request to modify the agreement and the TP could respond by restricting service or accepting service entirely. Mr. Goldenberg noted that this instance would not abrogate the contract.
- Ms. Otondo suggested that the WEQ EC task force send the recommendation back to the

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AGENDA TOPIC	RESULTS OF DISCUSSION
	WEQ Electronic Scheduling and Information Scheduling subcommittees (ESS/ITS) so that optionality can be considered with respect to this issue. She noted that if the subcommittee determines that optionality is appropriate, it would dramatically change the recommendation. The rest of the participants agreed with this assessment. Mr. Goldenberg stated that the subcommittee should consider building flexibility in the recommendation by considering secondary firm rights without the need to operate between various service agreements. Ms. McQuade will inform the WEQ EC as to the task force's decision to send the recommendation to the ESS/ITS for additional consideration on the issue of optionality.
Adjourn:	The meeting adjourned at 3:12p.m. C.
Action Items:	• Ms. McQuade will inform the WEQ EC as to the task force's decision to send the recommendation to the ESS/ITS for additional consideration on the issue of optionality.
Materials referenced in the meeting or amended in the meeting :	Announcement : http://www.naesb.org/pdf4/weq_ec010809announcement.doc 2008 WEQ Annual Plan Items 2.a.iv.3, 3.a.vii, 6.l (Part 2 Recommendation): http://www.naesb.org/pdf4/weq_ec010809w1.doc Rollover of Redirects Discussion Items (Revised) : http://www.naesb.org/pdf4/weq_ec010809w3.doc Redirects and Rollover Rights : FERC Staff's Interpretation of OATT : http://www.naesb.org/pdf4/weq_ec010809w5.doc FERC Staff Response on Rollover Rights – Follow-Up to 1-8-09 NAESB Conference Call : http://www.naesb.org/pdf4/weq_ec010809a1.doc

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via posting and email

TO:	NAESB WEQ Executive Committee Members, Alternates and Attendees of the WEQ EC Task Force Call on Rollover Rights
cc:	Mason Emnett, Ryan Irwin, Bill Lohrman, Michael Goldenberg, John Cohen, Deonne Cunningham
FROM:	Rae McQuade
RE:	FERC Staff Follow-up Response
DATE:	January 13, 2009

Dear All,

Below please find the follow-up response provided by FERC staff after our session, held on Thursday, January 8. The notes from the meeting should be posted shortly, and this document will be posted as an attachment to those notes. Many thanks go to those who participated, helped to craft the work papers, and special thanks go to the FERC staff for making themselves available to better understand this difficult issue. With Best Regards, Rae

Rae -

Following up on our call yesterday, we have the following to offer regarding Ed's hypothetical of a partial quantity redirect of a 100 MW reservation with rollover rights of 60 MW on the parent reservation. We are of the opinion that a customer should be eligible to receive up to 100 MW of rollover rights for that reservation if it redirected, subject to availability on the redirect path.

Consistent with the above, if the customer redirected 50 MW to a new path for the remainder of the contract term, and retained 50 MW on the parent path, the customer would have 50 MW of rollover rights on the parent path and, subject to availability, up to 50 MW of rollover rights on the redirected path. The amount of rollover rights available on the parent path would be within the original limitation stated in the service agreement, and the amount of rollover rights on the redirected path would not be restricted by that limitation (although a separate limitation may apply depending on the results of the transmission provider's study). The aggregate rollover rights would be 100 MW, equal to the amount for which the customer is eligible under the contract. That is, a customer signing, and paying for, a contract for 100 MW of the appropriate length is eligible to receive 100 MW of rollover rights for that contract. The only reason those rights were limited for the parent path is because capacity was not available on that path. If capacity is available on an alternative path, the customer should be entitled to receive rollover rights up to the amount associated with its contract.

Similarly, if the customer redirected 30 MW to a new path for the remainder of the contract term, and retained 70 MW on the parent path, the customer would still have only 60 MW of rollover rights on the parent reservation and, subject to availability, up to 30 MW on the redirected path. The aggregate rollover rights would be up to 90 MW, less than the amount for which the customer is eligible due to the restriction stated in the contract.

Please forward this as appropriate to the participants on yesterday's call. Thanks again for the opportunity to consider and discuss the issues the EC is working through, and let us know if there's anything else we can do to be of assistance.

Mason

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January 26, 2009

NAESB Wholesale Electric Quadrant Executive Committee

Subject: JISWG Recommendation on Transitioning the e-Tag Specification to NAESB

During the January 14-15, 2009 NERC-NAESB Joint Interchange Scheduling Working Group (JISWG) meeting, the working group discussed the transition of the Electronic Tagging Functional Specification and corresponding XML schema definition. The JISWG acknowledged that the senior managements of both NERC and NAESB have agreed to transition the Specifications and Schema from NERC to NAESB.

The JISWG made and approved the following motion:

> Regarding the NAESB 2009 Annual Plan item 3(a)(vi), Transition of e-Tag Specification and schema to NAESB, the JISWG proposes the Electronic Tagging Functional Specification and corresponding XML schema definition continue to be maintained in their current form by NAESB. The JISWG believes it is inappropriate to include the specification and schema in NAESB Business Practice Standards. However, the maintenance of these documents needs structure and process, JISWG does not see the need to file these two documents with FERC.

The JISWG will continue to work with the NERC and NAESB staff, the NAESB WEQ EC, and the industry to complete the transition of the Electronic Tagging Functional Specification and corresponding XML schema definition from NERC to NAESB.

Sincerely,

Robert Harshbarger
JISWG, NAESB Co-chair

James Hansen
JISWG, NERC Co-chair

Cc: Rae McQuade
Lynn Constantini
Andy Rodriquez
Joint Interchange Scheduling Working Group
e-Tag Vendors

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January 27, 2009

TO: NAESB Board Members, Posting for Interested Industry Participants

FROM: Deonne Cunningham, Meeting Administrator / Project Manager

RE: Draft Minutes from the NAESB Board of Directors Meeting – December 18, 2008

NORTH AMERICAN ENERGY STANDARDS BOARD
NAESB BOARD OF DIRECTORS MEETING
December 18, 2008 – Hilton Houston North Hotel - Houston, TX
Draft Minutes

1. Administration and Welcome

Ms. Crockett welcomed the Board members and guests in the room and on the phone. Mr. Boswell read the antitrust guidelines. Ms. Cunningham read the roster of the names and quorum was established.

The Board members reviewed the draft agenda. Mr. Lucas moved to adopt the agenda. The motion was seconded by Mr. Oberski and the agenda was adopted as written. The Board members reviewed the draft minutes from the September 25, 2008 meeting. Mr. Smead moved to adopt the draft minutes and the motion was seconded by Mr. Templeton. The motion passed without objection. The final minutes are available for viewing via the following link: http://naesb.org/pdf4/bd092508fm.doc.

2. Membership and Financial Report

Membership Report: Ms. McQuade reviewed the membership report. The membership profile reflects a 10 member loss from year end 2007 to present day. In total, there have been 16 new membership and 29 resignations from all four quadrants. With the further development of the DSM-EE efforts and other key projects plus changes in the fees charged to new members, a net gain in membership is expected to occur in 2009.

Financial Report for 2008: Ms. McQuade provided an account of the financial report and financial chart. The meeting statistics show the number of meeting held by conference call, in person and the number of hours allocated for these meeting for 2008. The report also lists the number of products sold, a month-by-month accounting of membership, and membership changes by segments and quadrants. In reviewing the balance sheet, it shows an increase in expenses which are directly related to the increase in the number of meetings held. Nonetheless, the balance sheet dictates a negative net income of over $100,000 due to loss of 10 memberships rather than a net gain of 20 membership (a swing of thirty memberships -- $150,000)..

Presentation of 2009 Budget Proposal for Vote for Adoption: The Board reviewed the Budget Proposal for 2009. Ms. McQuade indicated that the $200,000 swing in revenues for 2009 represents 40% of the amount that will be realized in 2010. It is expected that there will be an increase in revenue resulting from the membership dues increases and the affects of less expenses by the organization. It is further expected that NAESB will recognize the full impact of the membership dues increase and is forecasted have positive retained earnings for 2010-2011. Ms. Barry questioned whether the change in membership occurred because of the membership dues increase. Ms. McQuade responded that those memberships that chose not to renew did so to reduce cost and this determination was made before the Board voted on the increase in membership dues. She indicated that membership dues reminders have been to those that must renew in January 2009. Mr. Lucas moved to approve the 2009 Budget Proposal. The motion was seconded by Mr. Templeton. The motion was approved with no opposition or further discussion.

3. Reports from Board Committees

Resources Committee: Mr. Brown provided a review of the progress of the Resources Committee. He indicated that the organization has net increase of 22 members since 2008, but saw a decline in 2009 of 10 members, which

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brought the previously noted gain of 32 members in 2008 to 22 net as of YE 2009. He noted that an increase in participation with Board members to reach out to trade association for leadership opportunities should yield additional memberships. He further noted that there have been many new participants involved in the DSM-EE meetings, which will continue to be an opportunity to gain members. During the November 2008 NARUC meeting, the group made a membership presentation which received positive reception from the participants. The group will make a similar presentation during the February 2009 NARUC meeting in Washington, DC. Board members were encouraged to identify additional contacts within those companies and firms. During the September 2008 meeting, the Resources Committee presented a challenge to Board members to increase membership within the quadrants. A prize would be awarded to the quadrants that gained the most members. For YE 2009, the WGQ was the winner of the challenge and Mr. Hebenstreit accepted the award on its behalf.

Retail Restructuring Considerations: Mr. Minneman provided an update on the Retail Restructuring Considerations. At the request of the NAESB Board of Directors, the Retail Structure Review Committee met on December 10, 2008 to discuss the future of the Retail Quadrants. During this meeting, the participants discussed five potential solutions to the membership issues faced by both the Retail Gas and Retail Electric Quadrants. These solutions included: (1) merging the Retail Gas and Retail Electric Quadrants, (2) merging the Retail Quadrants and the Wholesale Quadrants, (3) indefinitely discontinuing the work of the Retail Quadrants or significantly restricting the work that will be undertaken by the Retail Quadrants, (4) dissolving the Retail Quadrants, or (5) continuing the existing structure for 2009-2010. The Committee recommended that the Retail Quadrants focus development work on the emerging areas of energy efficiency and demand side management. As a result the current segment structure should be modified. The current segment structure of the Quadrants was appropriate for development of model business practices for customer choice and competition but is no longer appropriate given the shifting focus of the Quadrants' work. The Quadrants could be restructured so that current members, including those holding Retail Board and Executive Committee seats, would be minimally affected, and more accurately represent the current Retail market activities. This course of action would be presented to the Board at its next meeting.

Mr. Kruse stated that the Retail quadrant appears to lack participation given the Committee's perception that work remains to be completed. Mr. Minneman responded that the market has not been one that has maintained membership but the quadrant has seen an increase in participation due to the DSM-EE efforts. Mr. Lawson questioned whether the Retail quadrant would receive enough of a gain in membership that will allow them to continue operation as noted in the NAESB governance documents. Mr. Desselle moved to accept the report and the recommendation from the Committee. Mr. Burks seconded the motion. During the discussion of the motion, Mr. Kruse addressed his concern that the Retail quadrant does not reflect the consensus of the industry. Mr. Boswell explained that this action pertaining to the Retail quadrant will allow it to continue to operate and exist until a final decision can be determined by the Board during the March 2009 meeting. He noted that this decision will allow the Retail quadrant to continue its work with the DSM-EE efforts in developing a recommendation to be fully staffed by the March 2009 meeting. The motion passed with no opposition.

Managing Committee: Ms. Crockett provided a brief update on the activities of the Managing Committee. She indicated that Committee met via conference call on December 10, 2008 to review the proposed 2009 budget. After review and discussion, a motion was made by Mr. Templeton and seconded by Ms. Crockett to approve the 2009 budget as presented. The 2009 budget was unanimously approved.

4. Updates on specific efforts

WEQ: Ms. York provided an update on the activities related to FERC Order No. 890, coordination with NERC, ATC deliverable deadlines, OASIS change progress, NAESB filing of Version 2 with FERC. She noted that the 17 ATC-related efforts have been completed and filed with FERC. She further noted that the CBM recommendation was recently ratified and will be filed with Version 2.1 during the 1st quarter of 2009.

During the November 2008 WEQ EC meeting, the EC could not reach a consensus in regards to modifications to 2008 WEQ Annual Plan Item 2.a.iv, 3.a.vii., and 6.l. A section, WEQ-001-9.7 was pulled from the recommendation and the WEQ EC assigned a task force to review this section pertaining to rollover of redirects on a firm basis. The

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WEQ EC task force will meet with FERC staff in early January 2009. Since the last Board meeting, there have been 27 meetings in total between the WEQ EC and subcommittees combined.

WGQ: Mr. Buccigross provided a brief update on the capacity release price indexing technical implementation and progress report on FERC Order No. 712. He indicated that the technical implementation for capacity release price indexing was on schedule and will be completed by first quarter 2009. He stated the publication of Version 1.9 with technical implementations is scheduled to be completed by second quarter 2009.

WEQ and Retail: DSM/EE efforts: Mr. True reviewed the DSM/EE efforts. Since the last Board meeting, the subcommittee has held two meetings to finalize the Wholesale demand response program measurement and verification proposed business practice standards. Ms. McQuade noted that the recommendation received 15 sets of comments that contributed 90 distinct comments related to specific areas of the recommendation. She further noted that the recommendation received only three negative votes at the subcommittee level. During the December 2, 2008 meeting, the Wholesale DSM-MV recommendation was voted out of the subcommittee and is out for a 30-day formal comment period. The deadline for industry comments to be received by the NAESB has been extended to January 12, 2009 due to the upcoming Holiday break. A WEQ EC Single Topic call to review the recommendation has been scheduled for January 14, 2009. The WEQ EC will meet on January 27, 2009 for a possible vote on the recommendation.

In regards to the Retail DSM/EE efforts, the subcommittee determined that the recommendation would be fashioned after the characteristics of the Wholesale demand response program measurement and verification proposed business practice standards. The group is currently drafting a white paper that will specifically outline the Retail market efforts. The group is scheduled to meet January 15, 2009 and has several other meeting arranged to reach the goal of drafting a recommendation.

Retail: Progress on next publication: Ms. McKeever provided a brief update on the progress of the next Retail publication. She indicated that the group is currently working on the centralized process for the Texas Registration Agent model. The group has completed work on all technical guidelines and process loads including switch move in, move outs, drops, and ad hoc historical usage requests. She stated that the group will meet the publication deadline for first quarter 2009.

5. Executive Committee Reports

Review of WGQ Annual Plan: Mr. Buccigross reviewed the 2008 WGQ Annual Plan. He indicated that there carry-over items listed on the plan as it relates to FERC Order No. 698. He noted that the addition of 2008 WGQ Annual Plan Item 10, which was added as result of FERC action. He further noted that the WGQ EC will schedule a conference call for January 2009 for a possible vote on this recommendation. Mr. Sappenfield noted that the status for 2008 WGQ Annual Plan 3.a is underway. This change was approved by the Board and the Annual Plan was subsequently modified to reflect this revision. The approved revisions are available for viewing via the following link: http://naesb.org/pdf4/bd121808a2.doc.

Review of Retail Annual Plan: Ms. Kiselewich provided a brief review of the 2008 Retail Annual Plan. There was no discussion regarding the changes that were completion date related. The approved version of the Plan is available for viewing via the following link: http://naesb.org/pdf4/bd121808a3.doc.

Review of WEQ Annual Plan: Ms. York reviewed possible modifications to the 2008 WEQ Annual Plan. In regards to Item 1, she noted that five of the listed items have been completed and three items will continue to the 2009 WEQ Annual Plan. She further noted that the subcommittees have worked diligently on all of the FERC Order No. 890 items. In regards to the OASIS-related items, 14 Annual Plan items will carry-over to the 2009 WEQ Annual Plan. Ms. York indicated that as it relates to DSM-EE, 8 items are set for completion for January 2009 and these items may require further clarification and granularity. In relation to Section 6 of the 2008 WEQ Annual Plan, 6 items will continue forward to the 2009 WEQ Annual Plan. Mr. Burke moved to approve the revisions to the Annual Plan. Mr. Lucas seconded the motion. The motion unanimously passed with no further discussion. The approved version of the 2008 WEQ Annual Plan is available for viewing via the following link: http://naesb.org/pdf4/bd121808a1.doc.

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2009 Plan Development: The comments for the 2009 Annual Plans are due to January 16, 2009. The WGQ, Retail, and WEQ have scheduled meetings the week of January 21-23, 2009 to approve the 2009 plans. Subsequently, the plans will be submitted to the Board for approval by a simple majority vote.

6. Plan for March 2009 Board Meeting

Members and participants were encouraged to contact Ms. McQuade and Mr. Desselle if they would like to include items on the agenda for the March 2009 Board meeting.

7. Old and New

Liaisons with external groups: FERC, NARUC, NERC, Other groups: Ms. McQuade stated that in earlier in the month, she, along with Ms. Crockett and Mr. Desselle, met with FERC Commissioners to discuss NAESB efforts. The Commission is pleased of NAESB's progress with Order 890 and DSM-EE efforts. During the November NARUC meeting, Ms. McQuade made a presentation as it relates to the DSM-EE efforts. She noted that NAESB will continue to work closely in coordination with NERC in regards to Order 890 efforts. She further noted that NAESB must involve NARUC and state commissioner staff with respect to the Retail Restructuring issue.

The dates for next year's board meetings have been scheduled. They will be held on March 26, June 25, September 24 and December 10 at the Houston – Marriott IAH.

8. Adjourn

Mr. Templeton moved to adjourn the meeting. Mr. True seconded the motion. The meeting adjourned at 10:59a.m. Central on December 18, 2008.

9. Board Attendance and Voting Record (Vacancies Omitted)

		ATTENDANCE
WGQ PRODUCERS SEGMENT		
Jay Ellzey	Vice President Commercial Operations, Chevron Natural Gas	
William T. Benham	Vice President – Regulatory Affairs, BP Energy Company	
Keith Sappenfield	Regional Director – US Regulatory Affairs, EnCana Oil & Gas (USA) Inc.	In Person
Marty Patterson	Vice President – Commercial Operations, Foothills Energy Ventures LLC	
Pete Frost	Director - Regulatory Affairs, ConocoPhillips Gas and Power Marketing	
WGQ PIPELINE SEGMENT		
Cathie Legge	Manager – Customer Service, Alliance Pipeline LP	In Person
Bill Grygar	Vice President, Panhandle Eastern Pipe Line	In Person
Susanna B. Barry	Vice President – Commercial Operations, Tennessee Gas Pipeline Company	In Person
Anne Bomar	Vice President, Dominion	In Person
Richard Kruse	Senior Vice President, Spectra Energy Transmission	In Person
WGQ LOCAL DISTRIBUTION COMPANY (LDC) SEGMENT		
Clifton Olson	Vice President of Supply and Transmission, Energy East Corporation	On Phone
Adrian Chapman	Vice President, Regulatory Affairs & Energy Acquisition, Washington Gas	In Person
Carlos Thillet	Manager, Gas Supply & Transportation, PECO Energy Co.	On Phone
Mike Novak	Asst. General Manager, National Fuel Gas Distribution Corporation	
Lee Stewart	Senior Vice President, Gas Transmission, Southern California Gas Company	On Phone
WGQ END USERS SEGMENT		
Valerie Crockett	Senior Energy & Policy Specialist, Tennessee Valley Authority	In Person
Timothy W. Gerrish	Director of Origination-Energy Marketing and Trading, Florida Power & Light	
Tina Burnett	Natural Gas Resources Administrator, The Boeing Co.	
Lori-Lynn C. Pennock	Senior Fuel Supply Analyst, Salt River Project	In Person
Jim Templeton	Principal, Comprehensive Energy Services	In Person

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			ATTENDANCE
WGQ SERVICES SEGMENT			
John Bretz	Vice President - Gas Marketing, Anadarko Energy Services Company		In Person
Rusty Braziel	Managing Director, Bentek Energy, LLC		
Jim Buccigross	Vice President Energy Industry Practice, 8760 Inc.		On Phone
Bill Hebenstreit	Marketing Manager, Goodrich Petroleum Company, LLC		In Person
REQ SUPPLIERS SEGMENT			
Robert K. Koger	President, North Carolina Advanced Energy Corporation		In Person
REQ DISTRIBUTORS SEGMENT			
David Koogler	Director – State Regulation, Dominion Virginia Power (SERC NERC Region)		In Person
Dennis Derricks	Director Regulatory Policy and Analysis, Wisconsin Public Service Corporation		On Phone
Ruth Kiselewich	Director, Conservation Programs, Baltimore Gas & Electric Company (MAAC NERC Region)		On Phone
Debbie McKeever	Market Advocate, Oncor		In Person
REQ END USERS SEGMENT			
Sonny Popowsky	Consumer Advocate, Pennsylvania Office of Consumer Advocate		
REQ SERVICE PROVIDERS SEGMENT			
Jim Minneman	Controller, PPL Solutions LLC		On Phone
David Pickles	Vice President, ICF International		
J Cade Burks	President, EC Power		In Person
WEQ TRANSMISSION SEGMENT		**SUB SEG:**	
Dan Klempel	Director Transmission Regulatory Compliance, Basin Electric Power Cooperative	Muni/Coop	On Phone
Chuck Feagans	Senior Manager, Reliability Policy, Tennessee Valley Authority	Fed/State/Prov.	On Phone
John E. Lucas	Director - Transmission Policy and Services, Southern Company Transmission	IOU	In Person
Jerry Smith	Alliance/Partnership Manager, Arizona Public Service Co.	IOU	In Person
Jill Horswell	Director Transmission, Southern California Edison	at large	On Phone
Terri Grabiak	Director – FERC and RTO Internal Affairs, Allegheny Energy, Inc.	at large	
Michelle Mizumori	Market Interface Manager, Western Electricity Coordinating Council (WECC)	At-Large	On Phone
WEQ GENERATION SEGMENT			
Curtis Winterfeld	Vice President of Power Marketing, Deseret Generation & Transmission Cooperative	Muni/Coop	
Belinda Thornton	General Manager - Energy Origination, Tennessee Valley Authority	Fed/State/Prov.	
Lou Oberski	Director – Electric Market Policy, Dominion Resources Services, Inc.	IOU	In Person
Charles W. Severance	Manager – Supply & Wholesale Services, Wisconsin Public Service Corporation	IOU	In Person
Ron Mucci	Consultant, Representing Entegra Power Group LLC	Merchant	In Person
Gloria Ogenyi	Vice President Energy Policy, Conectiv Energy Supply, Inc.	Merchant	
Shah Hossain	Senior Regulatory Specialist, Westar Energy, Inc.	at large	
WEQ MARKETERS/BROKERS SEGMENT			
Roy True	Manager of Regulatory and Markets Development, ACES Power Marketing	Muni/Coop	In Person
Jeff Ackerman	Manager, Colorado River Storage Project Energy Management and Marketing Office, Western Area Power Administration	Fed/State/Prov.	In Person
Jack Cashin	Senior Manager of Policy, Electric Power Supply Association (EPSA)	at large	
Sam Forrest	Vice President, Energy Marketing and Trading, Florida Power & Light	IOU	
R. Scott Brown	Vice President and Director, Exelon Generation Power Team	IOU	On Phone
Rick Smead	Director, Navigant Consulting, Inc.	At-Large	In Person

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			ATTENDANCE
WEQ DISTRIBUTION/LOAD SERVING ENTITIES (LSE) SEGMENT			
Arthur G. Fusco	Vice President and General Counsel, Central Electric Power Cooperative Inc.	Muni/Coop	In Person
Barry R. Lawson	Manager-Power Delivery, National Rural Electric Cooperative Association	Muni/Coop	In Person
Frank Johnson	Senior Vice President Electric Transmission and Distribution, Consumers Energy	IOU	
Thomas Burgess	Director – FERC Compliance, FirstEnergy Service Company	at large	In Person
Joe Hartsoe	Managing Director – Federal Policy, American Electric Power Service Corp.	at large	On Phone
Bruce Ellsworth	New York State Reliability Council	At-Large	In Person
WEQ END USERS SEGMENT			
Thomas G. Dvorsky	Director of the Office of Electricity, Gas, and Water at the New York State Department of Public Service	Regulator	
Michehl Gent	Open Access Technology International, Inc.	At-Large	In Person
WEQ INDEPENDENT GRID OPERATORS/PLANNERS			
Michael Desselle	Vice President Process Integrity, Southwest Power Pool		On Phone
Kent Saathoff	Vice President of System Operations, ERCOT		
Kevin Kirby	Vice President Market Operations, ISO New England, Inc.		On Phone
Rana Mukerji	Vice President Market Structures, New York Independent System Operator, Inc. (NYISO)		
Andy Ott	Senior Vice President Marketing, PJM Interconnection		On Phone
Bill Phillips	Vice President Standards Compliance & Strategy, Midwest ISO (MISO)		On Phone
Don Tench	Director Planning & Assessments, Independent Electricity System Operator (IESO)		
RGQ DISTRIBUTORS SEGMENT			
Alonzo Weaver	Vice President of Engineering and Operations, Memphis Light, Gas & Water Division (APGA)		In Person
Ralph Cleveland	Senior Vice President – Engineering and Operations, AGL Resources, Inc.		In Person
SERVICE PROVIDERS SEGMENT			
Leigh Spangler	President, Latitude Technologies Inc.		In Person
Dave Darnell	President & CEO, Systrends USA		
Greg Lander	President, Capacity Center		

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 subsegments for a given segment.

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

End Use (also in another segment)

Federal/State/Provincial

IOU – Investor Owned Utility or IOU Affiliated

ITC – Independent Transmission Company

Large Industrials (not in other segments)

Merchant

Muni/Coop – Municipals, Cooperatives

Not IOU Affiliated

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

Regulator

Residential/Commercial

End Use (Self Generation)

The numbers of seats within each segment that are allotted to sub-segments are controlled through the WEQ Procedures.

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10. Other Attendance

Name	Organization	Attendance
Jonathan Booe	NAESB	In Person
Bill Boswell	NAESB	In Person
John Bretz	Anadarko Energy Services Company	In Person
Kathryn Burch	Spectra Energy Transmission	In Person
Christopher Burden	Williams Gas Pipeline	In Person
Ralph Cleveland	AGL Resources	In Person
Deonne Cunningham	NAESB	In Person
Dale Davis	Williams Gas Pipeline	In Person
Ed Davis	Entergy	In Person
Bruce Ellsworth	New York State Reliability Council	In Person
Cory Galik	NAESB	In Person
Mark Gracey	Tennessee Gas Pipeline	In Person
Bill Irwin	FERC	Phone
Melissa Lauderdale	Integrys Energy	Phone
Bill Lohrman	FERC	Phone
Rae McQuade	NAESB	In Person
Denise Rager	NAESB	In Person
Andy Rodriquez	NERC	In Person
Gwen Schoepp	Williston Basin	Phone
Micki Schmitz	Northern Natural Gas	Phone
Ed Skiba	Midwest ISO	In Person
Richard Smith	Noble Energy	In Person
Veronica Thomason	NAESB	In Person
Kim Van Pelt	Panhandle Eastern Pipeline	In Person
Jill Web	Preferred Legal Services	In Person
Marcie Otondo	APS	In Person
Charles Yeung	SPP	In Person
Kathy York	Tennessee Valley Authority	In Person

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January 22, 2009

TO: NAESB Wholesale Gas Quadrant EC Members and Interested Industry Participants

FROM: Rae McQuade

RE: 2009 Annual Plan for the Wholesale Gas Quadrant

Dear Wholesale Gas Quadrant EC Members and Interested Parties,

The Wholesale Gas Quadrant Executive Committee met on January 22 and voted unanimously to support the attached 2009 annual plan. The WGQ EC will have another opportunity to modify this plan on February 5 before it is forwarded to the Board for its consideration and approval.

Many thanks go to all who contributed to this document. We look forward to hearing from you on February 5 at the upcoming WGQ EC meeting. Should you have any questions or need additional information, do not hesitate to contact the NAESB office at 713-356-0060 or vthomason@naesb.org.

Best Regards,

Rae

Rae McQuade
President, NAESB

North American Energy Standards Board

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NORTH AMERICAN ENERGY STANDARDS BOARD

2009 WGQ Annual Plan Adopted by the NAESB WGQ EC on January 22, 2009

Item Description	Completion[i]	Assignment[ii]
1. Damage Reporting for Natural Gas Pipeline Facilities		
Review and develop standards as appropriate to support posting of information as noted in Docket No. RM06-18-000, Order No. 682 and Docket No. RM06-18-001, Order No. 682-A. Review transmission line damage reporting to identify commonality and apply as appropriate. Status: Underway	2nd Q, 2009	Interpretations
2. Contracts Activities		
a. Update ISDA Gas Annex to correspond to the updated NAESB Base Contract for Sale and Purchase of Sale of Natural Gas, dated September 5, 2006. Status: Underway	1st Q, 2009	Contracts
b. Revise the Trading Partner Agreement TPA by removing the Exhibits from the agreement and relegate such information as contained in the Exhibits to operational worksheet(s), (R08015). Status: Underway	1st Q, 2009	Joint Retail/WGQ Contracts
3. Gas-Electric Interdependency		
Respond to directives of FERC Order No. 698 issued 6-25-07, Docket Nos. RM05-5-001 and RM96-1-027 as related to the NAESB reports submitted in Docket No. RM05-28-000:		
a. ¶ 56 of Order No. 698: "… Under the Commission regulations, the releasing shipper is responsible for clearly setting out the terms and conditions of the release and that would include the means for implementing the formula rate. This is also an issue on which NAESB can develop standards to ensure that such releases can be processed quickly and efficiently." (emphasis added)		
i.) Prepare fully staffed recommendation Status: Underway (This item is being developed in conjunction with Items 4.a and 4.b)	2nd Q, 2009	BPS, IR/Technical
b. Provide for Enhanced Granularity for Public Utilities in Identifying Critical Operational Flow Orders. (R08020) Status: Not Started (Completion Date to be determined on February 5, 2009)	TBD	BPS jointly with WEQ BPS
4. Promotion of a More Efficient Capacity Release Market		
Review FERC Order Nos. 712 and 712A and modify NAESB standards as appropriate (Docket Nos. RM08-1-000, RM08-1-001).		
a. Develop business practice standards as appropriate Status: Underway (This item is being developed in conjunction with Item 3.a.i)	2nd Q, 2009	BPS/Interpretations
b. Prepare fully staffed recommendation Status: Underway (This item is being developed in conjunction with Item 3.a.i)	2nd Q, 2009	BPS, Interpretations, IR and Technical

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NORTH AMERICAN ENERGY STANDARDS BOARD

2009 WGQ Annual Plan Adopted by the NAESB WGQ EC on January 22, 2009

Item Description	Completion[i]	Assignment[ii]
5. Capacity Release EDI Review		
Review capacity release transactions upload and related responses to determine suitability for EDI		
a. Conduct Technical Investigation and prepare report for BPS consideration Status: Not Started (Dependent on conclusion of Item 4)	3rd Q, 2009	IR/Technical
b. Develop Business Practice Standards as appropriate Status: Not Started (Adjustments may be made to Completion Dates based on report from Item 5.a)	3rd Q, 2009	BPS
c. Prepare fully staffed recommendation Status: Not Started (Adjustments may be made to Completion Dates based on report from Item 5.a)	1st Q, 2010	BPS, IR/Technical
6. Customer Security Administration		
Review and develop standards as appropriate to support Customer Security Administration Standards (Comment Submittal, 10-29-07) Status: Not started (Scoping to take place 1st Q, 2009 after which a Completion Date will be set)	2009	BPS
7. Gas Quality Reporting		
a. Respond to directives of FERC Docket No. RP07-504-000: ¶ 10 "… develop a uniform set of standards regarding the posting of rapidly changing gas quality information applicable to those pipelines which are required by their tariffs to do so." (Docket No. RP07-504-000) Status: Complete	1st Q, 2009	BPS
b. Prepare fully staffed recommendation Status: Not started	2nd Q, 2009	IR/Technical
8. Standards of Conduct		
Review and develop standards, as appropriate, to support posting of standards of conduct information pursuant to Docket No. RM07-1-000, Order No. 717 Status: Complete	1st Q, 2009	BPS
9. Electronic Delivery Mechanisms		
Review minimum technical characteristics in Appendices B, C, and D of the WGQ QEDM Manual, and make changes as appropriate. Status: Complete	1st Q, 2009	EDM

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NORTH AMERICAN ENERGY STANDARDS BOARD

2009 WGQ Annual Plan Adopted by the NAESB WGQ EC on January 22, 2009

Item Description	Completion[i]	Assignment[ii]
Program of Standards Maintenance & Fully Staffed Standards Work		
Business Practice Requests	Ongoing	Assigned by the EC[iii]
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[4]
Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC[4]
Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC[4]
Provisional Activities		
Respond to requests as received that are related to Docket No. AD06-11-000 (Market Transparency Reporting).		

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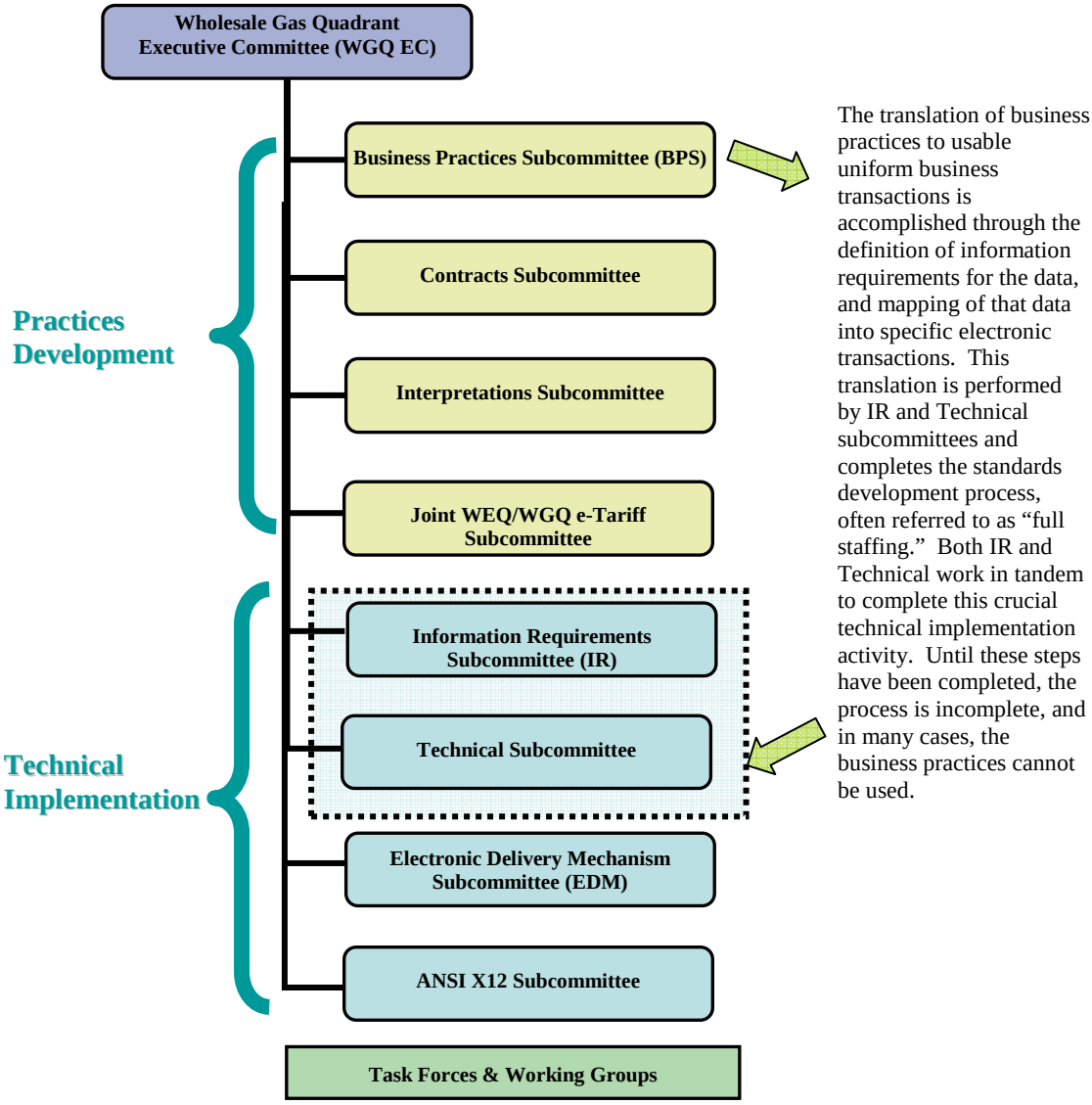

The translation of business practices to usable uniform business transactions is accomplished through the definition of information requirements for the data, and mapping of that data into specific electronic transactions. This translation is performed by IR and Technical subcommittees and completes the standards development process, often referred to as "full staffing." Both IR and Technical work in tandem to complete this crucial technical implementation activity. Until these steps have been completed, the process is incomplete, and in many cases, the business practices cannot be used.

NAESB 2009 WGQ EC and Subcommittee Leadership:

Executive Committee: Jim Buccigross, Chair and Mike Novak, Vice-Chair
Business Practices Subcommittee: Kim Van Pelt, Valerie Crockett, Steve Abbey and Richard Smith
Information Requirements Subcommittee: Dale Davis
Technical Subcommittee: Mike Stender, Kim Van Pelt
Contracts Subcommittee: Keith Sappenfield
Electronic Delivery Mechanism Subcommittee: Leigh Spangler, Christopher Burden
Interpretations Subcommittee: Paul Love
Joint WEQ/WGQ e-Tariff Subcommittee: Keith Sappenfield, Jane Daly

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End Notes WGQ 2009 Annual Plan:

[i] 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 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.

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

[iii] The EC assigns maintenance of existing standards on a request-by-request basis.

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January 21, 2009

TO: NAESB Retail Gas and Electric Quadrant Members and Interested Industry Participants

FROM: Rae McQuade

RE: 2009 Annual Plan for the Retail Quadrants

Dear Retail Quadrants EC Members and posting for Interested Parties,

The Retail Gas and Electric Executive Committees met on January 21 and voted unanimously to support the attached 2009 annual plan. The Retail ECs will have another opportunity to modify this plan on February 4 before it is forwarded to the Board for its consideration and approval. Please keep in mind that the Board Retail Structure Review Committee is considering changes to better position the two quadrants to address retail market needs, which may also contribute additional changes not reflected in this plan.

Many thanks go to all who contributed to this document. We look forward to hearing from you on February 4 at the upcoming Retail ECs meeting. Should you have any questions or need additional information, do not hesitate to contact the NAESB office at 713-356-0060 or vthomason@naesb.org.

Best Regards,

Rae

Rae McQuade
President, NAESB

North American Energy Standards Board
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NORTH AMERICAN ENERGY STANDARDS BOARD
2009 ANNUAL PLAN for the RETAIL GAS and ELECTRIC QUADRANTS
Adopted by the NAESB Retail Executive Committees on January 21, 2009

	Item Number & Description[i]	Completion[ii]	Assignment[iii]
1	Electronic Retail Billing.		
	Develop Technical Electronic Implementation Standards – Electronic Retail Billing, (R05016 and Attachment, submitted by Wal-Mart/J.C. Penney) Status: Underway	2nd Q, 2009	TEIS
2	Customer Inquiries		
	a. Develop Model Business Practices and procedures for responding to customer inquiries directed to Distributors and/or Suppliers and for notification of the other party. Status: Underway	2nd Q, 2009	BPS
	b. Develop Technical Electronic Implementation Standards to support MBPs for customer inquiries directed to Distributors and/or Suppliers and for notification of the other party. Status: Not Started	3rd Q, 2009	IR/TEIS/Texas Task Force
3	Develop NAESB Certification checklist criteria for Retail Quadrants to be used in the NAESB Certification Program. Status: Not Started. Dependent upon publication of Version 1.1 at a minimum, but more dependent upon completion of Customer Choice efforts.	4th Q, 2009	Ad Hoc EC Certification Group
4	Review and develop needed model business practices for a standardized method for quantifying benefits, savings, cost avoidance and/or the reduction in energy demand and usage derived from the implementation of demand side management and energy efficiency programs. This effort will include demand side response, energy efficiency programs and metering, including the 'curtailment service provider' program. Status: Underway	2008	Joint WEQ/REQ DSM Subcommittee
	a. Develop matrix and business practice standards for measurement and verification for demand response programs in ISO/RTO footprint areas. Status: Completed	4th Q, 2008	WEQ Section of the Joint WEQ/REQ DSM Subcommittee
	b. Develop matrix and business practice standards for measurement and verification for demand response programs in non-ISO/RTO footprint areas. Status: On hold	TBD	WEQ Section of the Joint WEQ/REQ DSM Subcommittee
	c. Develop preamble for business practice standards for measurement and verification for demand response and energy efficiency programs. Status: Underway	3rd Q, 2009	Joint WEQ/REQ DSM Subcommittee
	d. Develop glossary for business practice standards Status: Underway	3rd Q, 2009	Joint WEQ/REQ DSM Subcommittee
	e. Support retail development of matrix and model business practice standards for measurement and verification for demand response programs Status: Underway	2nd Q, 2009	Retail Section of the Joint WEQ/REQ DSM Subcommittee
	f. Develop business practice standards to measure and verify energy reductions that are made to comply with a Renewable Portfolio Standard that included	Phase 2*	WEQ Section of the Joint WEQ/REQ

* These items may be moved to Provisional Activities

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	Item Number & Description[i]	Completion[ii]	Assignment[iii]
	energy efficiency or a stand-alone Energy Efficiency Portfolio Standard. Status: Not Started		DSM Subcommittee
	g. Develop business practice standards to factor Demand Control and Energy Efficiency programs into reliability / supply decisions at the wholesale level for generation and transmission planning and operations. Status: Not Started	Phase 2*	WEQ Section of the Joint WEQ/REQ DSM Subcommittee
	h. Develop business practice standards to support cap and trade programs for green house gas. Status: Not Started	Phase 2*	Joint WEQ/REQ DSM Subcommittee
5	Revise the Trading Partner Agreement TPA by removing the Exhibits from the agreement and relegate such information as contained in the Exhibits to operational worksheet(s), (R08015). Status: Underway	1st Q, 2009	Joint Retail/WGQ Contracts
6	Billing and Payments		
	a. Develop Process Flows to be included as models in book 3 – billing and payments Status: Underway	2nd Q, 2009	BPS
	b. If the development of Process Flows indicate a gap in the model business practices, then develop new model business practices to address the gap. Status: Not Started	2nd Q, 2009	BPS
7.	Model Business Practices User Guide Add a new section to Book 0 to describe what Books have been developed, how the Books are laid out, and revised the title of the Book to reflect the additions Status: Not Started	3rd Q, 2009	BPS
8.	Additional Registration Agent Processes		
	a. Review all existing Model Business Practices to determine if the Service Request process is already covered, and if necessary develop any new Model Business Practices required Status: Not Started	4th Q, 2009	BPS
	b. Review all existing Model Business Practices to determine if the update Customer Information process is already covered, and if necessary develop any new Model Business Practices required Status: Not Started	4th Q, 2009	BPS
	c. Review all existing Model Business Practices to determine if the disconnection and reconnection process is already covered, and if necessary develop any new Model Business Practices required. Status: Not Started	4th Q, 2009	BPS
	d. Review all existing Model Business Practices to determine if the billing & payment process is already covered, and if necessary develop any new Model Business Practices required Status: Not Started	4th Q, 2009	BPS

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	Item Number & Description[i]	Completion[ii]	Assignment[iii]
9	Supplier Certification Review Book 1 – Market Participant Interactions to determine if Supplier Certification is fully covered, and if necessary develop any new Model Business Practices required with the potential of moving all related Model Business Practices to a new Book Status: Not Started	4th Q, 2009	BPS
10	Supplier Marketing Practices Develop Model Business Practices providing for a "Consumer Disclosure Statement" to be presented to residential and small commercial customers describing the Supplier's service offering and related contract provisions. This statement would also identify how certain Supplier-Customer interactions are conducted. Amongst the topics to be considered for inclusion on the statement would be the following: • the most important terms of the Supplier agreement, such as the contract's term and termination fee provisions; • training and identification of Supplier marketing representatives; • protocols for Supplier in-person and telephone contacts with customers; • added measures for protecting non-English speaking customers; and • Processes for handling customer complaints and resolving disputes arising from Supplier marketing activities. Status: Not Started	4th Q, 2009	BPS

Program of Standards Maintenance & Fully Staffed Standards Work[iv]

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

Provisional 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.

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

Review existing body of model business practices for consistency and develop or modify model business practices as needed.

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.

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Item Number & Description[i]	Completion[ii]	Assignment[iii]

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

Retail Gas Quadrant Effort Only:

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

Settlement Process: Reconcile energy schedules and energy delivered by suppliers within a given market.

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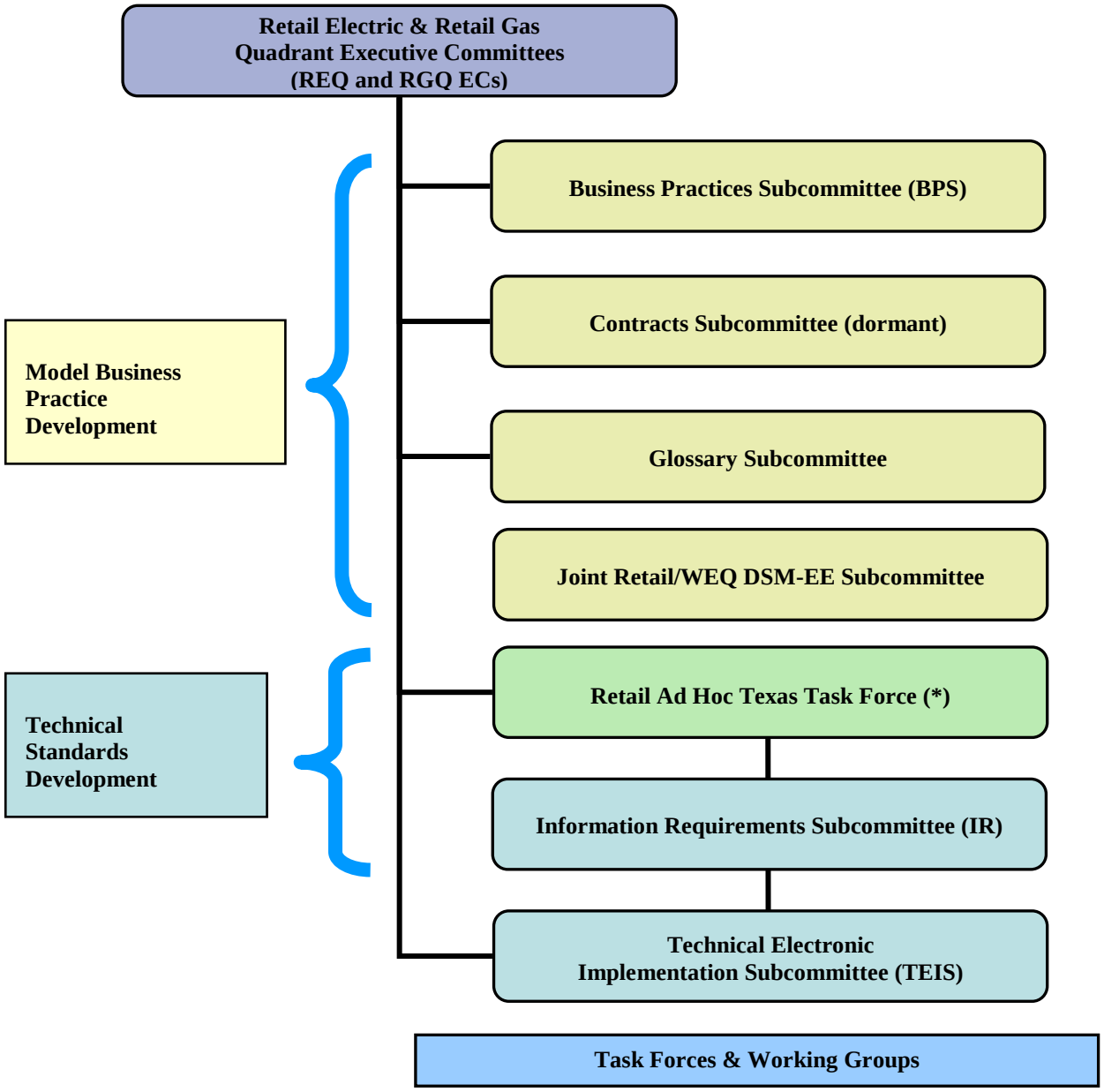

NAESB Retail Subcommittee Leadership: [v]

Executive Committee: Mike Novak, Chair (RGQ), Ruth Kiselewich, Chair (REQ)
Business Practices Subcommittee: Phil Precht (RGQ), Mary Edwards and Dan Jones (REQ)
Information Requirements Subcommittee: Jennifer Teel (REQ)
Technical Electronic Implementation Subcommittee: TBD
Glossary Subcommittee: Don Sytsma (RGQ), Mary Edwards and Patrick Eynon (REQ)
DSM-EE Subcommittee: Ruth Kiselewich, David Koogler (REQ), Roy True (WEQ), and Paul Wattles (WEQ)
Retail Ad Hoc Texas Task Force: Debbie McKeever (REQ), Jennifer Teel (REQ), and Susan Munson (REQ)

(*) The Retail Ad Hoc Texas Task Force may draft MBPs, process flows, implementation guides and technical standards supportive of the Registration Agent.

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Retail 2009 Annual Plan End Notes:

[i] 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.

[ii] 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 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.

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

[iv] This work is considered routine maintenance and thus the items are not separately numbered. The REQ and RGQ ECs will assign maintenance efforts on a request-by-request basis.

[v] 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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NAESB Retail Structure Review Committee

At the request of the NAESB Board of Directors, the Retail Structure Review Committee met on December 10, 2008 to discuss the future of the Retail Quadrants. During this meeting, the participants discussed five potential solutions to the membership issues faced by both the Retail Gas and Retail Electric Quadrants. These solutions included: (1) merging the Retail Gas and Retail Electric Quadrants, (2) merging the Retail Quadrants and the Wholesale Quadrants, (3) indefinitely discontinuing the work of the Retail Quadrants or significantly restricting the work that will be undertaken by the Retail Quadrants, (4) dissolving the Retail Quadrants, or (5) continuing the existing structure for 2009-2010. The following resulted from that meeting:

Goals
The participants determined that the course of action pursued by the Organization should not conflict with the following overarching goals:

(1) The course of action should not negatively affect the overall membership of NAESB.

(2) The course of action should not negatively affect the current financial standing of the Organization.

(3) The course of action should increase the credibility of the membership and representation of the retail market.

(4) The course of action should strengthen the leadership of the organization and address the number of vacant Board and Executive Committee seats in both the Retail Gas and Retail Electric Quadrants.

Solutions
The participants reviewed the five courses of action outlined above and discussed how those courses of action relate to the overarching goals established by the participants.

Merging the Retail Gas and Retail Electric Quadrants: Based upon the current membership, if the Retail Quadrants merged, the combined membership of the two Quadrants would not satisfy the minimum requirements for a Quadrant established in the NAESB By-Laws. Also, it would become unnecessary for companies that currently hold memberships in both Quadrants to continue with multiple memberships. This would result in a reduction to the overall membership while not achieving the minimum membership goal in the By-Laws.

Merging the Retail Quadrants and the Wholesale Quadrants: The interests of the Wholesale Quadrants and Retail Quadrants are very different. As a result, members, whose interests lie within the Retail market or Wholesale market, would have to spend a significant amount of time addressing issues which are not applicable to their interests. This would diminish the value of membership within NAESB and damage the credibility of the Organization, as standards would be evaluated by members of unaffected markets.

Indefinitely discontinuing the work of the Retail Quadrants or significantly restricting the work that will be undertaken by the Retail Quadrants: This course of action would be appropriate if there is no further work of value to industry to be done by the Quadrants. The Retail industry's focus on business practice standards has shifted from those relating to customer choice and competition to those concerning DSM/EE programs. As such, the Retail Quadrants role in facilitating that standards development is significant and should not be discontinued or limited.

Dissolving the Retail Quadrants: See above

Continuing the existing structure for 2009-2010: The membership issues faced by the Retail Quadrants have been unresolved for several years. Given the condition of the current market and the Quadrant's potential for growth, it is in the Organizations best interest to take action to address the Quadrants issues and develop a sustainable structure within the Organization.

Suggested Course of Action
The Retail Structure Review Committee recommends that the Retail Quadrants focus development work on the emerging areas of energy efficiency and demand side management. As a result the current segment structure should

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be modified. The current segment structure of the Quadrants was appropriate for development of model business practices for customer choice and competition but is no longer appropriate given the shifting focus of the Quadrants' work.. The Quadrants could be restructured so that current members, including those holding Retail Board and Executive Committee seats, would be minimally affected, and more accurately represent the current Retail market activities. This course of action would satisfy the goals established by the Retail Structure Review Committee and lead to the sustainability of the Retail Quadrants.