

NAESB Bulletin

September — December 2011 Volume 4, Issue 3

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2012 Calendar:

January 2012

01/04 - WEQ PKIS Conf. Call
01/05 - WGQ BPS Conf. Call
01/05 - WEQ OASIS Conf. Call
01/05-16 - WEQ JESS Meeting (Houston, TX)
01/10-12 - WGQ IR/Tech Meeting (Salt Lake City, UT)
01/12 - DSM/EE Retail Demand Response Work Group Conf. Call
01/12 - Parliamentary Committee of the Board
01/16 - Holiday - Martin Luther King Day (NAESB Closed)
01/17 - WEQ SRS Conf. Call
01/17-20 - WEQ EIR Meeting - Acceptance Testing Meeting (Minneapolis, MN)
01/18-19 - WEQ BPS Meeting (Houston, TX)
01/19 - WGQ BPS Conf. Call
01/24 - WEQ EC Review Session Conf. Call
01/25-26 - WEQ OASIS Meeting (Houston, TX)
01/25 - NAESB Monthly Update Conf. Call
01/26 - WEQ PKIS Conf. Call
01/26 - DSM/EE Retail Energy Efficiency Work Group Conf. Call
01/27 - Retail Glossary Conf. Call
01/27 - Retail BPS Conf. Call
01/27 - Board Gas-Electric Harmonization Committee Conf. Call

February 2012

02/02 - WGQ BPS Conf. Call
02/02 - WEQ EIR webRegistry INFORSESSION
02/04 - NAESB Advisory Council Meeting (Washington, DC)
02/06 - WEQ Interpretations Conf. Call
02/07 - WEQ EIR webRegistry INFORSESSION
02/08 - WGQ Contracts Meeting (Houston, TX)
02/09 - WEQ OASIS Conf. Call
02/09 - WEQ EIR webRegistry INFORSESSION
02/10 - WEQ EIR webRegistry INFORSESSION
02/10 - WEQ SRS Conf. Call
02/13 - WEQ EIR webRegistry INFORSESSION
02/13 - Smart Grid Standards Subcommittee on PAPI Conf. Call
02/15-16 - WEQ BPS Meeting (Redwood, CA)
02/15 - WEQ EIR webRegistry INFORSESSION
02/15 - Board Gas-Electric Harmonization Committee Conf. Call
02/16 - WEQ PKIS Conf. Call
02/16 - WEQ EIR webRegistry INFORSESSION
02/17 - DSM/EE Retail Demand Response Work Group Conf. Call
02/20-21 - Retail BPS Meeting (Phoenix, AZ)
02/21 - WEQ Executive Committee Meeting (Phoenix, AZ)
02/21-22 - WGQ IR/Tech Meeting (Phoenix, AZ)
02/22 - Retail Executive Committee Meeting (Phoenix, AZ)
02/22-23 - WEQ OASIS Meeting (Phoenix, AZ)
02/23 - WGQ Executive Committee Meeting (Phoenix, AZ)
02/27 - WEQ EIR Meeting - Training (Houston, TX)
02/28 - WEQ JESS Meeting (Houston, TX)
02/29 - WEQ EIR Webinar - Training

March 2012

03/06-07 - WEQ BPS Meeting (Little Rock, AR)
03/06 - WEQ EIR Meeting - Training (Location TBD)
03/07 - WGQ Contracts Meeting (Houston, TX)
03/08 - WEQ PKIS Conf. Call
03/08 - WEQ EIR Webinar - Training
03/08 - WEQ OASIS Conf. Call
03/09 - WEQ EIR Meeting - Training (Minneapolis, MN)
03/12 - WEQ EIR Webinar - Training
03/12 - WEQ SRS Conf. Call
03/13-15 - WEQ OASIS Meeting (Charlotte, NC)
03/14 - NAESB Monthly Update Conf. Call
03/16 - WEQ EIR Webinar - Training
03/20-21 - WGQ IR/Tech Meeting (Houston, TX)
03/21 - NAESB Board Reception & Dinner with Guest Speaker
03/22 - NAESB Board of Directors Meeting (Houston, TX)
03/22 - WEQ PKIS Meeting (Houston, TX)
03/28 - Retail BPS Conf. Call
03/29-30 - WEQ JESS Meeting (Atlanta, GA)

STANDARDS DEVELOPMENT

Parallel Flow Visualization - Transmission Loading Relief (PFV-TLR) Standards Development:

NERC and NAESB have been working closely together to create a more efficient and transparent approach for managing transmission congestion in the Eastern Interconnection. The task before the WEQ Business Practices subcommittee (BPS) involves both identifying firm and non-firm flows and assigning curtailment priorities to these flows. Having completed an Interim Solution, the BPS has been continuing its work on developing a lasting set of standards. The process under development requires a Balancing Area to identify and submit the transmission service priority for all energy produced by generators located in its footprint and modeled in the Interchange Distribution Calculator (IDC). The subcommittee's efforts have focused on identifying and addressing key conceptual issues prior to undertaking the task of writing draft standards that would be used to implement the methodology.

One key point of discussion at the BPS has been whether to incorporate a two-tiered firm curtailment (2-TFC) methodology into the process. Faced with divergent opinions, the subcommittee sought guidance from the WEQ Executive Committee (EC) as to whether pursuing 2-TFC would constitute unauthorized policymaking. At its August meeting, the EC reviewed two position papers, a development timeline, and a white paper before deciding that the question would properly fall to the NAESB Board. Later that month, the Managing Committee, sitting for the full NAESB Board, decided that the subcommittee should pursue the course of action it considered best for the industry.

Having previously voted to include 2-TFC, the BPS has been working diligently to more fully develop the methodology. In essence, 2-TFC is intended to encourage the formation of coordination agreements between neighboring transmission areas. Under the proposed process, in a Transmission Loading Relief (TLR) Level 5 or higher context, all off-path firm transactions unaccounted for in a coordination agreement would be curtailed prior to any -path firm transactions and/or off-path firm transactions addressed in a coordination agreement.

Among the key issues the subcommittee continues to develop are the following: whether the method whereby firm service is granted within a given area would affect priorities and therefore curtailment responsibilities; whether a firm resource carries with it firm rights over an entire provider's system; how transmission customers should be provided notice of their provider's arrangements with its neighbors; how credit for redispatch should be addressed; and, to what extent NERC MOD standards address the sale of transmission service. The subcommittee hopes to resolve these conceptual issues in a subcommittee white paper and have draft standards completed by 2Q 2012.

For more information, please go to ([Interim Solution Final Action](#), [WEQ BPS Web Page](#), [NERC Press Release](#), [NERC Change Order 283](#), [NAESB Comments to FERC](#), [Permanent Solution White Paper](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

Retail Supplier Marketing Practices: The Retail Gas and Retail Electric Quadrants (Retail Quadrants) have recently completed their development of supplier marketing model business practices. The scope of the project covers door-to-door, telephone, and electronic marketing practices in the retail marketplace. Using existing legislative and regulatory efforts from five states as references, the model business practices reflect a multi-jurisdictional perspective.

The draft recommendation, developed by the Retail Business Practices and Glossary Subcommittees, was unanimously approved by the Retail Executive Committee on August 17 and unanimously ratified by the NAESB membership on September 19. The final product contains 4 new principles, 6 new definitions, and 83 new standards. NAESB would like to thank the many cross-industry stakeholders, including representatives from both local distribution companies and suppliers, whose time and expertise was invaluable in developing a sound platform that will assist both applicable regulatory authorities and industry in addressing this important customer issue.

For more information, please go to ([Retail Executive Committee Web Page](#), [Retail Supplier Marketing Practices MBPs](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

STANDARDS DEVELOPMENT *(continued)*

Smart Grid Activities: Having filed standards with the Commission, with copies submitted to the National Association of Regulatory Utility Commissioners (NARUC), NAESB participants continue to play a vital role in the ongoing development of the Smart Grid on both the wholesale and retail fronts.

The co-chairs of the Smart Grid Standards Subcommittee on Priority Action Plan 10 held a conference call on October 5 in response to NAESB 2011 Retail Annual Plan Item 8(b) and NAESB 2011 WEQ Annual Plan Item 6(d)(ii), as well as modifications to IEC 61968 (CIM), Smart Energy Profile 2.0, and the development of SPC 201 by the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE). During this conference call, the subcommittee reviewed the NAESB PAP 10 standards and Energy Usage Information Model to ensure ongoing consistency and harmonization with the previously-mentioned efforts. During the course of the review, it was determined that modifications to the Energy Usage Information Model should be considered. Currently, a work paper is under development that highlights items for consideration; the group plans to meet as soon as the work paper is completed.

On the retail front, the Energy Services Provider Interface (ESPI) task force met weekly over the last quarter to develop a recommendation in response to REQ AP Item 9(e). The task force distributed a draft recommendation for an informal comment period ending June 13. The task force then reviewed and incorporated the submitted comments before the draft recommendation was submitted for a 30-day formal comment period ending August 8. The Retail Executive Committee approved the recommendation on August 17, subject to a review by the Retail Technical Electronic Implementation Subcommittee (TEIS). After TEIS approved the standards, the recommendation was ratified by the NAESB membership on October 17.

The project involves the standardization of the OpenADE specification, which describes communications between utilities, customers and 3rd party service providers. Specifically, the interface permits utilities to share, with customer consent, that customer's utility data with specific 3rd parties. The standard is an extension of the NAESB Energy Usage Information Model; whereas that model addresses what information is communicated through smart meters, the ESPI work is directed at how that information is shared through the development of communication protocols. The communication specification includes model business practices, as well as data elements, process descriptions, and technical implementation instructions.

The ESPI effort, having benefited from close coordination with numerous entities, is under consideration by the SGIP for possible inclusion in its efforts. In addition, the Office of Science and Technology Policy, an executive branch office, has expressed interest in the standard and encouraged major utilities to consider it in their implementation efforts.

During the July 17-20 NARUC meeting, held in Los Angeles, CA, NARUC passed a Resolution on Smart Grid Principles. Intended to offer guidance to state-level decision-makers, the report expressed support for NAESB's recently-approved standards: "[t]he NAESB Third Party Access to Smart Meter-based Information provides a good reference point when developing [data

privacy] rules." Currently, the standards are being used in detailed evaluations at several California utilities and are under close scrutiny at numerous state commissions as a key decision-making tool used to evaluate rules and regulations under development.

For more information, please go to ([Smart Grid FERC Filing](#), [REQ Data Privacy Web Page](#), [NARUC Resolution on Smart Grid Principles](#), [2011 Grid-Interop Web Page](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

Network Integration Transmission Services (NITS) Standards Development: The OASIS systems that manage the electronic scheduling of wholesale electricity were initially designed to support point-to-point transmission services. For several years, the WEQ OASIS subcommittee has been working diligently to establish standards permitting OASIS to accommodate network integration transmission service, or NITS, as mandated by FERC in Order No. 890. The subcommittee has completed draft standards for WEQ-000, the glossary and list of acronyms, WEQ-001, the business practice standards, WEQ-002, the technical specifications, and WEQ-003, the data dictionary. Work is ongoing to complete the narrative examples and process diagrams in WEQ-013, which is intended to assist users in their implementation efforts. Once approved by the WEQ Executive Committee (EC) and ratified by the NAESB membership, this project, which is nearing completion, will more than double the size of the existing WEQ standards.

A draft version of the entire NITS suite of standards, including WEQ-000, WEQ-001, WEQ-002, WEQ-003, and WEQ-013, was sent out for an informal industry comment period ending July 29. The subcommittee spent the months of August and September performing a thorough review of the comments received. By the time this review concluded in late September, the subcommittee had decided to incorporate hundreds of well-considered comments from the industry. NAESB would like to thank everyone who provided comments at this critical stage of the process on a project that will have significant impact on operations around the country.

During the December 1, 2011 meeting hosted by Entergy, the subcommittee unanimously voted to approve the recommendation and post it for a 75-day formal comment period ending on February 27, 2012. Although formal comment periods generally last 30 days, the WEQ EC decided that the volume of material generated by the NITS project is more conducive to an extended review. On January 25, 2012 the WEQ EC has scheduled a conference call from 9:00 am to 4:00 pm Central to review the recommendation and ensure that all EC members have an opportunity to ask the subcommittee leadership any questions they develop during their internal review of the recommendation. Once approved and ratified, the NITS standards will be incorporated into the WEQ Version 3.0, which will be filed with the Commission.

For more information, please go to ([WEQ OASIS Web Page](#), [Draft NITS Recommendation](#)) or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

STANDARDS DEVELOPMENT *(continued)*

Demand-Side Management and Energy Efficiency: The Demand-Side Management efforts at NAESB were divided into two areas: Demand Response (DR) and Energy Efficiency (EE), each with a wholesale and retail electric component. The wholesale effort for both DR and EE is complete, while work on the retail components is ongoing.

Having completed the DR Phase 2 model business practices, the Retail DR work group has focused its efforts on R10002, which concerns enrollment in DR programs. The process flows, which set forth the process implementers would follow, are complete. The group is currently focused on fully developing the model business practices, which address more specific requirements. During the development of the enrollment MBPs, the group recognized the need to expand the effort to incorporate requirements describing how customers drop the program and modify account information. It is anticipated that the Retail DR work group will approve the recommendation in January, 2012, with full DSM-EE subcommittee review to follow shortly after.

Current Retail EE work concerns estimating the directly-achieved electricity savings (peak and average kW and annual kWh) achieved by utility retail customers in ratepayer-funded programs. The Retail EE recommendation provides an overview of the Evaluation M&V (EM&V) process, a list of standard documents (EM&V Framework, Annual Portfolio EM&V Plan, and detailed research plans).

One issue before the work group stems from the fact that the draft MBPs have been created to apply to state-regulated EE, whereas significant EE initiatives are conducted by entities falling outside the ambit of state jurisdiction. The effort to benefit such entities by creating level operative procedures continues.

Another point of contention surrounds the use of the term "evaluation," since it implies subjectivity that is inconsistent with business practices used by industry. Objective measurement and verification methods are currently the only acceptable methods for quantifying energy and demand reductions used in compensation and planning at the wholesale level. As a consequence, the EM&V process would not meet the requirement for bidding retail EE into wholesale markets. The inconsistency between retail and wholesale EE continues to pose a challenge because there are two wholesale markets that accept retail EE into wholesale capacity markets.

At its November 7 meeting, the work group agreed to revise its efforts to more closely align with the previously-ratified Wholesale EE standards. The resulting draft model business practices were submitted for an informal industry comment period ending December 2, 2011. Three sets of comments were received. The work group met on December 21 to begin

discussing the comments and will meet again in mid-January to finish that review.

For more information, please go to ([FERC Final Rule - Order No. 676-E](#), [Draft Retail Enrollment MBPs](#), [Draft Process Flow for Retail Enrollment](#), [Revised Retail EE Recommendation](#)), or contact Denise Rager (drager@naesb.org) to be added to the relevant distribution lists.

Wholesale Gas Common Codes: In a series of standards, tracing their heritage to FERC's Common Codes Working Group, the Wholesale Gas Quadrant (WGQ) requires the use of common codes for pipeline transaction locations. The existing IHS coding system permits the identification of the many pipeline proprietary codes that represent a given location through the identification of 19 discrete data elements.

Discussions held at the WGQ Business Practices Subcommittee (BPS) indicated that a majority of shippers would prefer to only use a given pipeline's proprietary location code, rather than both the common location codes and the pipeline proprietary codes. In addition, after several months of BPS meetings, little opposition was voiced against the elimination of the common code requirement.

The industry sought input from FERC staff as to whether the Commission might support this change in the NAESB standards, and whether the Commission would consider changing the Federal regulations that refer to common location codes. A meeting was held in Washington, DC on July 7 during which FERC staff expressed no objections to the direction of the project. Although the meeting was not conclusive, as FERC staff may not bind the Commission, the WGQ BPS took encouragement from this meeting and voted to approve the draft standards on September 8. The draft standards were submitted for a formal industry comment period that ended on October 14.

The standards propose either the use of common codes, or the use of proprietary codes. In lieu of the common code, transportation service providers would provide a download that includes detailed location information. Thus, the common codes are not being eliminated, but rather made optional. As a consequence, IHS would no longer maintain the common code registry, making it incumbent upon each transportation service provider to ensure the accuracy of the codes.

The WGQ Executive Committee (EC) voted to approve the business practice standards in late October. In accordance with the EC's wishes, NAESB will delay submitting the standards for membership ratification until the WGQ IR/Technical subcommittees have completed their work on the data dictionary and related technical work necessary to accommodate the business practices.

For more information, please go to ([WGO BPS Web Page](#), [WGO Common Codes Recommendation](#), [IHS / WGO Contract](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

NAESB Calendar of Action Items: For an update on current action items please reference the [Calendar of Action Items](#).

STANDARDS DEVELOPMENT *(continued)*

Streamlining the Standards: The Wholesale Gas Quadrant (WGQ), Retail Gas Quadrant (RGQ), and Retail Electric Quadrant (REQ) have each undertaken to refine their existing work products during the 2011 calendar year. The streamlining process consists of a concerted review of the entire body of standards in each quadrant, allowing for a careful review for internal consistency, ease of use, and continued relevance.

This streamlining effort in the Wholesale Gas Quadrant falls under WGQ Annual Plan Items 1-4. The Joint WGQ Information Requirements and Technical subcommittees continue to review existing EBB code values and descriptions, reviewing and updating error messages to simplify the postings requirements while maintaining the same level and detail of information, and investigating whether the standards manuals should be reorganized for ease of use. As an example of the type of work being performed, the Sample Paper examples in the implementation manuals will be updated to ensure consistency with the most recent versions of both the data and code values dictionaries.

The streamlining effort in the REQ and RGQ (Retail) Quadrants is concentrated on the identification of any changes to the model business practices required by the addition energy efficiency, demand response, smart grid, and registration agent marketplace environments. This ongoing review, being performed by the Retail Business Practices subcommittee, is currently focused on the model business practices addressing creditworthiness and distribution company and supplier disputes.

For more information, please go to ([Current 2011 WGO Annual Plan](#), [Current 2011 Retail Annual Plan](#), [Retail BPS Web Page](#), [WGO IR/Technical Web Page](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

FERC Order No. 1000: On July 21, the Commission issued FERC Order No. 1000 (Order 1000), entitled Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities.” Among other directives, the order requires: (1) each public utility transmission provider to participate in a regional transmission planning process that produces a regional transmission plan; (2) each public utility transmission provider to amend its OATT to describe procedures that provide for the consideration of transmission needs driven by public policy requirements in the local and regional transmission planning processes; (3) a federal right of first refusal be removed from Commission-approved tariffs and agreements for certain new transmission facilities; and (4) coordination between neighboring transmission planning regions for new interregional transmission facilities be improved.

On August 16, the WEQ Executive Committee established a task force to review and analyze Order 1000 for possible impacts to either existing NAESB standards or future standards development. The task force is undertaking its work with full consideration of the NAESB 2012 WEQ Annual Plan development process. A preliminary work paper, isolating specific Commission directives and their potential for impact, was used as the starting point for discussions at the group’s meeting on October 3-4 at the NAESB office in Houston, Texas. At this meeting, attendees identified numerous paragraphs within the order that could be incorporated into the 2012 WEQ Annual Plan as provisional items. The group also agreed to suggest to the WEQ EC that an additional provisional item concerning natural gas-electric coordination be incorporated in support of the order.

For more information, please go to ([FERC Order No. 1000](#), [Order 1000 Determination Matrix](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

Dodd-Frank Act: The Dodd-Frank Wall Street and Consumer Protection Act (Dodd-Frank) was passed on July 21, 2010. The Commodity Futures Trading Commission (CFTC), through its Technical Advisory Committee, is in the process of developing rules to implement Dodd-Frank provisions. The draft rules require the filing of real-time notification of all trades and the provision of certain information to the CFTC, including how financial obligations associated with entering into non-cleared swaps have been met (e.g. credit support, pledged assets, third-party guarantee, credit, cash flow from operations).

This committee has named a Data Standardization Subcommittee comprised of 22 private industry representatives, as well as public sector representatives from the FERC Office of Energy Market Oversight, the Securities Exchange Commission (SEC) and the U.S. Treasury. The subcommittee will provide guidance for the creation of well-accepted standards for describing, communicating and storing data related to complex financial products. The subcommittee has established four working groups to address separate issues identified by the CFTC. The identified issue areas are: (1) the standardization of product and entity identification; (2) the standardization of machine-readable legal documents for derivatives contracts; (3) the standardization of semantic representations of financial instruments; and, (4) the standardization of data storage and retrieval systems. The purpose of each working group is to advise the subcommittee on the necessity of regulatory action or oversight and to provide updates concerning standardization efforts already underway across the industry.

NAESB will continue to attend the weekly standardization of product and entity identification working group meetings and monitor developments in the other groups, in particular the data storage and retrieval systems group. On behalf of its members, NAESB hopes to share its experience in developing data standards, complex tracking mechanisms, regulatory frameworks, financial reporting, data format standardization, and common codes for unique entity, product, and transactional identifications. The Technical Advisory Committee met on December 13, during which the four working groups were given an hour to provide updates on their interim reports. NAESB will continue to monitor the efforts of the Data Standardization subcommittee in 2012.

For more information, please go to ([Dodd-Frank Act \(HR 4173\)](#), [End-User Guide to CFTC Implementation of Dodd-Frank Act](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

Certification for PKI: The WEQ PKI subcommittee continues to meet to address revisions to WEQ-012. The work product was divided into two documents, the WEQ-012 standards and the Accreditation Requirements document. The Accreditation Requirements document will be referenced in the WEQ-012 standards, but is written to be modified based on the work of the PKI Subcommittee. The subcommittee has focused their efforts on these two documents, and will continue to do so for the foreseeable future.

For more information, please go to ([WEQ 012 PKI Standards Version 2.1](#), [Board Certification Program Committee Web Page](#), [PKI Subcommittee Web Page](#), [Board PKI Certification Checklist](#), [PKI Subcommittee Matrix](#), [Request R11014](#), [Request R11015](#), [Accreditation Requirements with Comments](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

Electric Industry Registry: In a joint decision, North American Electric Reliability Corporation (NERC) and NAESB decided to move the energy industry registry from NERC to NAESB, in recognition of the registry's primary use in commercial contexts, as opposed to reliability contexts. NAESB has selected Open Access Technology International, Inc. (OATI) to provide this registry, which will serve as the central information repository required to support commercial, scheduling, and transmission management operations. OATI has created the webRegistry solution to perform the required registry functions. The webRegistry will replace the Transmission Site Information Network (TSIN) registry, which serves all industry entities performing scheduling and associated functions in North America.

The webRegistry will be scheduled for acceptance testing in mid-January. Once the acceptance testing has concluded, webinars and face-to-face training will be held to inform the industry of what to expect once the transition is underway.

For more information, please go to ([NAESB Registry RFP](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

2012 Annual Plans: At the December 8 NAESB Board meeting, the members voted to approve 2012 WEQ, WGQ and Retail Annual Plans. Annual Plans, the mechanism used to identify the projects eligible for standards development each calendar year, often consist of a mixture of ongoing efforts already begun and new projects yet to be initiated. In an effort to ensure that the 2012 Annual Plans contain new projects the industry considers most relevant, NAESB has sent requests to its membership, numerous trade associations, and other interested parties to assist in this vital planning process.

In addition, the NAESB Board held discussion concerning possible new projects in a Strategic Planning meeting, held September 22 in Houston, TX. During the course of this meeting, the Board identified the following as key areas for potential focus in future standards development: gas-electric coordination, shale gas, issues identified in the National Petroleum Council Report, cybersecurity, NAESB Gas Contract (revisions to support liquefied natural gas transactions), gas quality, and Dodd-Frank. These areas for potential standards development were heavily discussed during the planning process and have been reflected in the 2012 Annual Plans.

For more information, please go to ([Annual Plan Web Page](#), [NAESB Board Web Page](#), [National Petroleum Council Report](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

Filings: When errata are discovered in standards, NAESB uses the minor correction process to achieve industry consensus on the need for modification. In contrast to the standards development process, requests identified as minor corrections follow an abbreviated process that permits industry consensus to form, yet bypasses the lengthier procedures designed to permit issues that carry the potential for controversy to be fully vetted. When a minor correction affects standards that have already been submitted to the Commission, NAESB submits the modifications to FERC in the form of an Errata Filing. For publications submitted, yet not adopted, such as Wholesale Gas Quadrant (WGQ) Version 2.0, there is no rulemaking necessary, as the Commission may choose to act upon the revised set of standards.

The following four MCs, impacting standards and data elements found in WGQ Version 2.0 were filed with the Commission in October on behalf of the WGQ: MC11017 (correcting the code value descriptions and code values for an offer data element), MC11020 (correcting a typographical error), MC11022 (modifying conditions for several data elements relating to bids and offers), and MC11023 (correcting several data element cross references concerning scheduled quantity).

Currently, a transmission customer hoping to move energy across multiple transmission provider systems could be left with a financial obligation to pay for committed capacity on one system without knowing whether capacity is available on the other provider systems needed to complete a transaction. In Order No. 890, the Commission required transmission providers to work through NAESB to develop standards resolving this quandary. From January through June, the WEQ Business Practices subcommittee held 14 meetings totaling 141 hours in order to develop the Service Across Multiple Transmission Systems (SAMTS) standards. The final product contains 12 new definitions, a new appendix, 32 modified standards, and 51 new standards. The WEQ Executive Committee (EC) approved the SAMTS draft standards in early July before the NAESB membership ratified the work in mid-August. NAESB filed the completed standards with the Commission in early October. NAESB would like to warmly thank each participant who volunteered during the intensive development effort.

In an effort to further its collaborative efforts with other standards setting organizations in the Smart Grid arena, NAESB filed comments supporting the efforts of the ZigBee Alliance (ZigBee). ZigBee is a non-profit association comprised of businesses, universities and government agencies from around the globe. The ongoing Smart Grid development efforts at NAESB continue to evolve in close coordination with the work products developed at many standards organizations, including the Smart Energy specifications developed by ZigBee.

For more information, please go to ([MC11017](#), [MC11020](#), [MC11022](#), [MC11023](#), [WGQ Minor Corrections Web Page](#), [SAMTS Final Action](#), [WGO Minor Corrections FERC Filing](#), [WEQ SAMTS FERC Filing](#), [NAESB Comments on ZigBee Alliance - Smart Energy 2.0](#),) or contact Denise Rager (drager@naesb.org) for additional information.

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NAESB Quadrant/Segment Membership Analysis:

<u>Wholesale Gas Quadrant</u>	117 Members
End Users Segment	17
Distributors Segment	16
Pipelines Segment	42
Producers Segment	12
Services Segment	30
<u>Retail Electric Quadrant</u>	25 Members
End Users/Public Agencies Segment	10
Utilities Segment	7
Service Providers/Suppliers Segment	8
<u>Retail Gas Quadrant</u>	18 Members
End Users/Public Agencies Segment	1
Distributors Segment	6
Service Providers/Suppliers Segment	11
<u>Wholesale Electric Quadrant</u>	131 Members
End Users Segment	7
Distributors Segment	19
Transmission Segment	45
Generation Segment	21
Marketers/Brokers Segment	22
Non Specified	1
Independent Grid Operators/Planners Segment	9
Technology & Services Segment	7
Total Membership	291 Members

Copyright/NAESB Standards Access: As everyone should be aware, NAESB copyrights its work products – a practice used by most standards organizations. The copyrights are considered a subset of intellectual property law, and NAESB retains the rights to publication, reproduction, display and distribution. NAESB members may obtain materials free of charge as part of their benefits, but these benefits do not extend to their agents, affiliates or subsidiaries without prior approval and waivers from the NAESB office. Damages for copyright infringement can be significant, including penalties of \$100,000+, injunction, impounding of materials, seizure of property, and award of punitive damages. At the same time, NAESB is very liberal in its policies towards sharing information, and has granted waivers to regulators and educational institutions depending on the intended use. There is also a process by which anyone can request a three day waiver to review the work products, as they consider whether they should purchase them. NAESB’s control of copyrighted material provides a small revenue stream which offsets some of its standards development expenses and thus those of its members in the creation of the work products. More importantly, as entities must come to NAESB for its standards material, it assures that they will have access to the most current version.

For more information, please go to ([Copyright](#), [NAESB Material Order Form](#)) or contact Denise Rager (drager@naesb.org) for additional information.

Publications: NAESB is pleased to announce a change in its publication options affecting each Quadrant. Currently, published standards are available as a unit, rather than broken into component subject matter sections, or books. In response to requests from the NAESB membership, WGQ Version 2.0, WEQ Version 003, Retail Version 2.0 and all future publications may be downloaded (for free) by members from the NAESB web site as individual books/sections, rather than as an entire publication with bookmarks to each book. Going forward, a member may also purchase a CD of an entire version publication for \$150 per quadrant, or download (for free) any of the version publications from the NAESB web site. NAESB hopes that this new functionality will be of benefit to the membership and make it easier to locate specific standards of interest.

Non-members may purchase emailed copies of individual books for \$100 each. Non-members may also purchase a CD of an entire version publication for \$900 per quadrant. In addition, a 3-day limited waiver is available to non-members for the evaluation of NAESB work products, as outlined in the terms of the waiver.

The NAESB WGQ Business Practice Standards, Version 2.0 were released on November 30, 2010; Version 2.1 is scheduled for a July of 2012 publication. Version 1.3 of the NAESB REQ/RGQ Model Business Practices were released on March 31, 2011; Version 2.0 is currently scheduled for an April 2012 publication. In addition, the NAESB WEQ is scheduled to release Version 003 of the NAESB WEQ Business Practice Standards in First/Second Quarter 2012.

For more information, please go to ([NAESB Retail Model Business Practices](#), [NAESB WEQ Business Practice Standards](#), [NAESB WGO Business Practice Standards](#), [Retail Publication Schedule](#), [WEQ Publication Schedule](#), [WGO Publication Schedule](#), [Non-member 3-day Limited Waiver](#), [NAESB Material Order Form](#)), or contact Denise Rager (drager@naesb.org) to be added to the distribution list.

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