



NORTH AMERICAN ENERGY STANDARDS BOARD

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April 16, 2003

NAESB AT A GLANCE: MONTHLY UPDATE

NERC-NAESB-ISO/RTO COUNCIL MEMORANDUM OF UNDERSTANDING: Michael Desselle, member of the NAESB Board of Directors serving as the Vice Chair of the Wholesale Electric Quadrant, gave an overview of the development of the MOU. The MOU was developed with the goal of creating a level playing field for each of the three groups in determining who should develop standards for the wholesale electric market, and thus ensuring that duplicate standards development efforts are avoided or significantly minimized. The MOU describes a two stage process where: (1) standards development requests are reviewed first to ensure that policy issues are adequately defined so as to permit standards development, and then (2) a determination is made as to who should develop the necessary standards – either NERC or NAESB. In addition, there is a planning coordination effort to ensure that among the three groups, development plans at a higher level than standards development requests, are not inconsistent or in conflict with each other. NAESB and NERC both approved the MOU in late March. The ISO/RTO Council is expected to approve the MOU in late April.

NAESB ANNUAL PLAN ACTIVITY UPDATE: Jim Buccigross reviewed the annual plan process followed by plan updates given by Jim Buccigross for the Wholesale Gas Quadrant activities, Steve Corneli for the Wholesale Electric Quadrant activities, Mike Novak for the Retail Gas Quadrant activities, and Jim Minneman for the Retail Electric Quadrant activities. For the wholesale gas quadrant activities underway, the focus of the group has been directed to the development of credit worthiness standards as they apply to pipeline capacity, the development of technology and cyber-security standards possibly in conjunction with the Department of Energy and Sandia National Labs, and the development of a Credit Annex for the NAESB Contracts for Purchases and Sales of Natural Gas. It is expected that NAESB will file a report with the FERC on June 1 regarding the development of credit worthiness standards as they apply to pipeline capacity.

Regarding the wholesale electric quadrant activities, the quadrant is working in several areas and waiting for FERC direction in others. Active items include the development of contracts standards for funds transfer agent agreements and standards for inadvertent interchange payback. Areas that are being examined for possible standards development include the definition of a standard electric day, contract for purchases and sales of power or related business practice standards, and a review of NERC standards activity to determine if complementary business practice standards are needed. There are also several pending FERC actions which would lead to standards development.

Regarding the two retail quadrant activities, the plans are very similar, and activities are being coordinated for joint standards development as much as possible. For retail gas, a unique development activity is the effort to define an inventory of common business practices for the retail gas market. The inventory is designed to be deferential to states that have been active in the customer choice programs. Activities that both quadrants are working on jointly are: customer billing and payments, creditworthiness, customer enrollment and switching, supplier licensing and technical communication standards. Overall, it is important that the data exchanges between companies and the process flows be as similar as possible for retail gas and retail electric market participants – as in many cases these are the same companies. To that end, the two quadrants share a common goal of publishing one set of standards manuals that pertain to both retail markets.

NEXT CONFERENCE CALL: The next conference call is scheduled for May 21 at 2:00 pm eastern. We hope you can join us. If there are particular topics you would like to see covered or would like to receive additional information, please call the NAESB Office (713-356-0060).

North American Energy Standards Board Participant List
April 16, 2003 1:00 PM CT

Name	Organization
1. Sheila Ward	AL Public Service Commission
2. Richard House	AR Public Service Commission
3. Kevin Barly	AZ Corporation Commission
4. Lisa Robert	Defense Energy Supply Center - U.S. Department of Defense
5. Kathy Lewis	FL Public Service Commission
6. LouAnn Westerfield	ID Public Utilities Commission
7. Brad Borum	IN Utility Regulatory Commission
8. Phillip Hastings	ME Public Utilities Commission
9. Wanda Jones	MI Public Service Commission
10. Ron Giteck	MN Office of the Attorney General
11. Frank Perrotti	NJ Board of Public Utilities
12. Peter Yoakum	NJ Board of Public Utilities
13. Diane Barney	NY Public Service Commission
14. William Heinrich	NY Public Service Commission
15. Don Howard	OH Public Utilities Commission
16. Annunciata Marino	PA Public Utility Commission
17. David Jacobsen	SD Public Utilities Commission
18. Dave Eichenlaub	VA State Corporation Commission
19. Henry Nix	8760 Inc.
20. Judy Ray	Alabama Power
21. Jean Mason	Ameren
22. Michael Desselle	American Electric Power
23. Steve Zavodnick	Baltimore Gas & Electric
24. Lou Oberski	Dominion
25. Mary Edwards	Dominion Virginia Power
26. Ed Davis	Entergy
27. Cathy Heath	Georgia Power Co.
28. Jim Buccigross	Group 8760
29. Barbara Alexander	Maine Office of Public Advocate
30. Alan Johnson	Mirant
31. Rae McQuade	Moderator, NAESB
32. Todd Oncken	NAESB
33. Sharla Barklind	National Association of Regulatory Utility Commissioners
34. Michael Novak	National Fuel Gas Distribution
35. Barry Lawson	National Rural Electric Cooperative Association
36. Mark Maassel	Nisource
37. Don Benjamin	North American Electric Reliability Commission
38. Steve Corneli	NRG Energy
39. Dowell Hudson	Ontario Power Generation
40. Darrel Jerard	Pacific Corp.
41. Jim Minneman	PPL Solutions
42. Theresa Hess	Reliant Energy Retail
43. Don Systma	RJ Rudden
44. Bob Schwermann	Sacramento Municipal Utility District
45. Greg Butrus	Southern Co.
46. Yvette Camp	Southern Co.
47. David Darnell	Systrends
48. Jacinda Woodward	Tennessee Valley Authority
49. Leslie Nishida	Wisconsin Public Service Corp.
50. Ron Mucci	Williams