

# NAESB Bulletin



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## 2008 Calendar :

### March 2008

03/03 - WEQ ESS/ITS Conf. Call  
03/05 - Joint NERC/NAESB ATC/AFC Conf. Call  
03/05 - NAESB Monthly Update Conf. Call  
03/06 - WEQ SRS Conf. Call  
03/10-13 - WEQ ESS/ITS/BPS Meeting (Phoenix, AZ)  
03/12-13 - WGQ BPS Order 698 Meeting  
(Colorado Springs, CO)  
03/17 - WEQ ESS/ITS Conf. Call  
03/19-20 - WEQ JISWG Meeting (Houston, TX)  
03/21 - Holiday - Good Friday (NAESB Closed)  
03/24 - WEQ ESS/ITS Conf. Call  
03/25-26 - WGQ Technical Meeting (Houston, TX)  
03/25 - Retail BPS Conf. Call  
03/26 - WGQ IR Meeting (Houston, TX)  
03/26 - WEQ Leadership Meeting (Houston, TX)  
03/26 - Retail Leadership Meeting (Houston, TX)  
03/26 - NAESB Board Reception/Dinner (Houston, TX)  
03/27 - NAESB Board Resources Meeting (Houston, TX)  
03/27 - NAESB Board of Directors Meeting (Houston, TX)  
03/28 - Demand Side Management/Energy Efficiency  
(DSM/EE) Meeting (Houston, TX)  
03/28 - WEQ ESS/ITS/BPS Conf. Call  
03/31 - WEQ ESS/ITS/BPS Conf. Call

### April 2008

04/01-02 - Joint NAESB WEQ BPS/NERC TLR Meeting  
(Carmel, IN)  
04/03-04 - WEQ ESS/ITS Conf. Call  
04/15 - WGQ Technical Meeting (Richmond, VA)  
04/15 - WEQ ESS/ITS Meeting (Charlotte, NC)  
04/16-17 - WGQ IR Meeting (Richmond, VA)  
04/16-17 - WEQ ESS/ITS/BPS Meeting (Charlotte, NC)  
04/22-23 - WGQ BPS Order 698 Meeting (Washington, DC)  
04/23 - WEQ SRS Conf. Call  
04/29 - WEQ ESS/ITS Conf. Call  
04/30 - WEQ ESS/ITS PBS Conf. Call

### May 2008

05/01 - WEQ ESS/ITS/BPS Conf. Call  
05/07 - WEQ ESS/ITS Conf. Call  
05/12-13 - WEQ Executive Committee Meeting  
(Washington, DC)  
05/12-13 - Retail BPS Meeting (Washington, DC)  
05/14 - Retail Executive Committee Meeting  
(Washington, DC)  
05/14 - WGQ IR Meeting (Washington, DC)  
05/14-16 - WEQ ESS/ITS/BPS Meeting (Washington, DC)  
05/15 - WGQ Executive Committee Meeting (Washington, DC)  
05/16 - WGQ Technical Meeting (Washington, DC)  
05/21-22 - WEQ JISWG Meeting (San Diego, CA)  
05/21-22 - WEQ ESS/ITS/BPS Conf. Call  
05/21 - NAESB Monthly Update Conf. Call  
05/26 - Holiday - Memorial Day (NAESB Closed)  
05/27 - WEQ ESS/ITS Conf. Call  
05/28-29 - WEQ ESS/ITS/BPS Conf. Call  
05/30 - Demand Side Management/Energy Efficiency  
(DSM/EE) Meeting (Holyoke, MA)

## STANDARDS DEVELOPMENT

**eTariff (WEQ and WGQ):** The initial meeting was held on February 1, 2007 at the FERC, opened by Chairman Kelliher. Proposals from INGAA, EEI, AOPL and Texas Intrastate Association were given, along with a review by FERC staff of requirements to be met for an e-Tariff program. Since that initial meeting, we have held 26 days of meetings throughout the year, including meetings to address technical issues for XML schemas and telecommunication protocols. The eTariff recommendation for standards and implementation guide completed the industry comment and the WGQ EC and WEQ EC considered comments filed (due date was February 27) and made modifications to the recommended standards at the meeting held on February 29 in Houston. The vote on the standards has completed and was passed by both quadrants. The standards include five definitions, two business practice standards, and a technical implementation guide – all of which are considered NAESB standards. The implementation guide includes instructions on how to electronically submit an eTariff XML filing package for a new, or modified existing or withdrawn/cancelled tariff, rate schedule or service agreement. The standards support a sheet based, section-based or whole document format for filing. The standards will now be processed through membership ratification and after ratification, will be filed with the FERC. [[Recommendation](#), [Implementation Guide](#), [Chairs' Comments](#)]

**Gas Quality:** The WGQ Executive Committee has acted on Request No. R06008 - gas quality standard changes to provide reporting of additional information on a more frequent basis and in formats that permitted analysis. Two standards failed via a segment block. The single segment failed standards addressed provisions for Wobbe Numbers or other alternative methods for interchangeability, and downloading of data in single files for the past 3 months. The [ratification of the three standards](#) completed in late 2007. On November 15, the

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FERC requested that NAESB undertake additional changes to the gas quality standards, which will be addressed by the Board and EC at its upcoming meetings. The FERC asked NAESB to develop a uniform set of standards regarding the posting of rapidly changing gas quality information. [[Summary of Gas Quality Standards for R06008](#), [FERC Order Establishing Hearing, Docket No. RP07-504-000](#)]

**DSM-EE Activities (Retail and WEQ):** The scope of the first phase of standards development is measurement and verification quantity-based standards as related to demand response programs. Work is underway on identifying the M&V aspects of various DR programs administered in the wholesale market and in the retail market. A preamble and glossary are also being developed. The next meeting is March 28 in Houston, where the work done to date on the matrices, glossary and preamble will be reviewed and guidance given for the continuance of these efforts. The wholesale matrix should near completion and be presented at the March 28 meeting. [[Wholesale Market DR Programs Matrix](#) and [Work Plan](#), [Retail Market DR Programs Matrix](#) and [Work Plan](#)]

**Gas Contracts (WGQ):** The NAESB Wholesale Gas Interpretations Subcommittee has prepared an interpretation regarding the use of the NAESB base contract as a forward contract or swap agreement. The interpretation is out for formal comment and after WGQ EC vote and member ratification, will be part of the standards for version 1.9 of the WGQ standards. The interpretation is being cited in several amicus briefs in front of the U.S. Court of Appeals for the 4<sup>th</sup> Circuit regarding a decision of the U.S. Bankruptcy Court in the applicability of safe harbors in *Hutson v. Smithfield Packing Co.* (*In re National Gas Distributors, LLC*). [[Request for Interpretation](#), [Background Documents](#), [Recommended Interpretation](#)]

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## Welcome New Members:

**Arizona Public Service Company** - Contacts: Tom Carlson, Kelly Daly  
(Wholesale Gas Quadrant, End User Segment)

**Bentek Energy, LLC** - Contact: E. Russell Braziel  
(Wholesale Gas Quadrant, Services Segment)

**British Columbia Transmission Corporation** - Contact: Janet Fraser  
(Wholesale Electric Quadrant, Transmission Segment, Fed/State/Prov.  
Sub segment)

**EnergySouth Midstream, Inc.** - Contact: Russell Murrell  
(Wholesale Gas Quadrant, Services Segment)

**Foothills Energy Ventures, LLC** - Contact: Marty Patterson  
(Wholesale Gas Quadrant, Producer Segment)

**OGE Energy Resources, Inc.** - Contact: Cary Metz  
(Wholesale Gas Quadrant, Services Segment)

**Santee Cooper** - Contact: Tom Abrams  
(Wholesale Electric Quadrant, Transmission Segment, Fed/State/Prov.  
Sub segment)

**Vectren Retail, LLC** - Contact: Tami Wilson  
(Retail Gas Quadrant, Supplier Segment)

NAESB Membership Total 335

Membership by quadrant is:

130 Wholesale Gas Quadrant

26 Retail Electric Quadrant

24 Retail Gas Quadrant

155 Wholesale Electric Quadrant

Net Membership Growth from 2007: 2 new members

## CALENDAR OF ACTION ITEMS

WGQ Request for Comments on Recommendation for Interpretation C07003 - In the NAESB Base Contract for Sales and Purchase of Natural Gas, NAESB WGQ Standards No. 6.3.1, dated April 19, 2002 ("NAESB Base Contract"), are physical deliveries of natural gas made there under intended by NAESB to be subject to avoidance and potential unwinding pursuant to the fraudulent transfer provisions of Title 11 of the United States Code (the "Bankruptcy Code"), or did NAESB intend transactions under the NAESB Base Contract to constitute a "forward agreement," and a "swap agreement" (as those terms are used in the Bankruptcy Code), thus exempting transfers under the NAESB Base Contract from avoidance and unwinding under the Bankruptcy Code - [Due March 7, 2008](#).

WGQ Request for Comments on Recommendation for Interpretation C07002 - Request for Interpretation to clarify that on a Transportation Service Provider's (TSP) Informational Postings web site downloads of information can be in HTML or RTF format - [Due March 7, 2008](#).

WEQ Membership Ratification for WEQ 2008 Annual Plan Item 2(i)7 - OASIS Exemptions Appendix C - [Due March 13, 2008](#).

WEQ Request for Comments on WEQ 2008 Annual Plan Items 2.a.i.5, 2.a.i.6, and 2.a.ii.1-3:WEQ-001 changes for Rebid of Partial Service, Preconfirmation Priority, and Group 2: Metrics; Redispatch Cost Posting - [Due March 21, 2008](#).

WEQ ESS/ITS Informal Request for Comments to address Order 890 concerning the Recommendation for Rollover Rights on Redirect on a Firm Basis - [Due March 25, 2008](#).

## STANDARDS DEVELOPMENT (continued)

**Order 698 - Gas-Electric Interdependency:** The FERC issued FERC Order No. 698, which adopted the gas-electric communication standards and highlighted areas for possible standards development: price indexing, redirects and changes to intraday nomination schedules. A proposal for redirects has been approved by the subcommittee and several proposals for price indexing have been reviewed, resulting in the drafting of several standards with others still under consideration. Most recently, a conference call was held on February 21 to review additional standards for price indexing, which is expected to complete in March – and a meeting was held on February 26-27 to review proposals on intraday timelines. The intraday timelines effort is proceeding more slowly, with several proposals under consideration. We have received a number of comments that indicate strong support for a bumpable intraday nomination period that is more closely aligned with the electric market clearing times. Comments in support of adding an additional bumpable period were received from Arizona Corporation Commission, Arizona Electric Power Corporation, Buckeye Power, Delaware Municipal Electric Corporation, El Paso Electric Company, Honeywell International, Kansas Corporation Commission, KeySpan/National Grid, Missouri Public Service Commission, New York Independent System Operator, North Carolina Electric Membership Corporation, Old Dominion Electric Cooperative, Phelps Dodge, Salt River Project, Southwest Power Pool, Tucson Electric Power Company, Unisource Energy Services. The next meeting is scheduled for March 12-13 in Colorado Springs, where work will continue on price indexing and intraday nomination deadlines. [[Order 698 Summary](#)]

**Order 890 and OATT Reform (WEQ):** NAESB WEQ Subcommittees are working diligently to meet FERC deadlines. NAESB is to file ATC related standards no later than August 7, 2008. The ATC/TTC recommendations related to ATC/TTC narratives is out for industry comments and the standards related to related to load forecasts and peak loads is underway with the comment period to begin in mid-March. Neither of these efforts require joint development with NERC. NAESB is on schedule with other development tasks – both for ATC/TTC and for electronic scheduling related tasks, and we have taken steps via our last Executive Committee meeting to prioritize this work to ensure the deadlines are met. [[Order 890 Work Plan](#), [NAESB Development Process](#)]

### NAESB Primers and Training Courses:

**April 23-24, 2008** - WGQ Contracts Standards and Models Course [[Registration Form](#), [Course Flier](#)]

**June 11-12, 2008** - WGQ Contracts Standards and Models Course

**October 8-9, 2008** - WGQ Business Practice Standards Updates and Changes, Version 1.8

**November 12-13, 2008** - WGQ Contracts Standards and Models Course

Additional training courses will be added for 2008. Please monitor the [NAESB Primers and Training Courses](#) web page for scheduling of additional courses.