



NORTH AMERICAN ENERGY STANDARDS BOARD

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May 4, 2012
Filed Electronically

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street N.E., Room 1A
Washington, D.C. 20585

RE: Standards for Business Practices of Interstate Natural Gas Pipelines (Docket Nos. RM 96-1 et al)

Dear Ms. Bose:

The North American Energy Standards Board ("NAESB") herewith submits this report to the Federal Energy Regulatory Commission ("FERC" or "Commission") regarding errata to Version 2.0 of the NAESB Wholesale Gas Quadrant ("WGQ") standards. This report is voluntarily submitted by NAESB in response to Docket No. RM96-1 et al. The NAESB WGQ Version 2.0 standards were ratified by the NAESB membership and published on March 4, 2011 and are the subject of the FERC Notice of Proposed Rulemaking issued by the Commission on February 16, 2012 in Docket No. RM96-1-037. The minor corrections included in this report were adopted by the WGQ Executive Committee on March 27, 2012.

The report is being filed electronically in Adobe Acrobat® Portable Document Format (.pdf). All of the documents are also available on the NAESB web site (www.naesb.org). Should you have need of the filing in editable format, we can provide it in Microsoft® Word® 2003. Please feel free to call me at (713) 356-0060 or refer to the NAESB website (www.naesb.org) should you have any questions or need additional information regarding the errata to the NAESB WGQ Version 2.0 standards or any other NAESB work products.

Respectfully submitted,

Jonathan Booe

Mr. Jonathan Booe
Deputy Director, North American Energy Standards Board



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cc without enclosures: Chairman Jon Wellinghoff, Federal Energy Regulatory Commission
Commissioner Philip D. Moeller, Federal Energy Regulatory Commission
Commissioner John R. Norris, Federal Energy Regulatory Commission
Commissioner Cheryl A. LaFleur, Federal Energy Regulatory Commission

Mr. Michael C. McLaughlin, Office Director, Office of Energy Market Regulations,
Federal Energy Regulatory Commission
Mr. Michael Bardee, General Counsel of the Commission, Federal Energy Regulatory
Commission

Mr. Michael Goldenberg, Senior Attorney, Office of General Counsel, Federal Energy
Regulatory Commission
Ms. Jamie Simler, Director, Office of Energy Policy and Innovation
Mr. Mason Emmett, Associate Director, Office of Energy Policy and Innovation

Mr. Michael Desselle, Chairman and CEO, North American Energy Standards Board
Ms. Valerie Crockett, WGQ Vice Chair, NAESB Board of Directors
James Buccigross, Chair, WGQ Executive Committee
Ms. Rae McQuade, President, NAESB
Mr. William P. Boswell, General Counsel, North American Energy Standards Board

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

**Standards for Business Practices)
Of Interstate Natural Gas Pipelines)**

Docket No. RM 96-1 et al

REPORT OF THE NORTH AMERICAN ENERGY STANDARDS BOARD

The North American Energy Standards Board (“NAESB”) is voluntarily submitting this report in accordance with the Commission’s Orders in the above referenced Docket and in response to the Notice of Proposed Rulemaking Docket No. RM96-1-037 (NOPR)¹, in which the Federal Energy Regulatory Commission (Commission) is proposing to amend its regulations at 18 CFR 284.12 to incorporate by reference Version 2.0 of the NAESB Wholesale Gas Quadrant (“WGQ”) standards.

On March 14, our office received two minor corrections, MC12005 and MC12006², to address issues raised in the FERC Notice of Proposed Rulemaking, Docket No. RM96-1-037, for NAESB WGQ Standard Nos. 0.3.19 and 0.3.21:

- 0.3.19 Operationally Available Capacity (OAC), Operating Capacity (OPC) and Total Scheduled Quantity (TSQ) are associated information and should be reported at the same level. Transportation Service Providers should report OAC, OPC and TSQ at, at least one of, point, segment or zone level.
- 0.3.21 The Total Scheduled Quantity and the Operationally Available Capacity information should be updated by the Transportation Service Provider to reflect scheduling changes and be reported promptly following the scheduling deadline associated with the timely and evening nominations cycles.

The above NAESB WGQ Standard Nos. 0.3.19 and 0.3.21 in Version 2.0 were not proposed to be incorporated by reference by the Commission as the standards appear to be inconsistent with the Commission’s posting regulations, as noted in paragraph nos. 19, 20 and 21 of the NOPR. The suggested minor corrections MC12005 and MC12006 were drafted to meet the Commission’s posting requirements and submitted to the NAESB office. After no formal opposition to addressing the minor corrections through the notational ballot process was raised, the NAESB office distributed the minor corrections for WGQ Executive Committee (EC) consideration and vote on March 20, 2012. On March 27, 2012 the minor corrections were approved via notational ballot and posted for a two week comment period ending on April 12, 2012. No comments were received and the minor corrections were applied to Version 2.0 of the NAESB WGQ standards on April 30, 2012.

The report is organized into five appendices; the first two appendices reference the two specific minor corrections. The last three appendices reference the NAESB Wholesale Gas Quadrant (“WGQ”) Executive Committee (“EC”)

¹ The FERC Notice of Proposed Rulemaking Docket No. RM96-1-037 can be accessed from <http://www.gpo.gov/fdsys/pkg/FR-2012-02-22/html/2012-4041.htm>.

² The minor corrections MC12005 and MC12006 can be accessed from the NAESB web site (www.naesb.org) or directly from the following links: http://www.naesb.org/pdf4/wgq_mc12005.doc and http://www.naesb.org/pdf4/wgq_mc12006.doc.

notational ballot approving the WGQ minor corrections, the notice to WGQ membership of the WGQ EC adoption of the minor corrections, and the NAESB Operating Procedures for minor clarifications and corrections to standards.

The list of appendices shown below in tabular form includes the FERC docket number for the amended standard(s) and a description of the amendments:

Appendix No.	Minor Correction Description
Appendix 1	<p>MC12005 applies to Docket No. RM96-1-037, Version 2.0 of the NAESB WGQ standards which is the subject of the Notice of Proposed Rulemaking issued on February 16, 2012</p> <p>Errata for NAESB WGQ Version 2.0 – Modify standard language for 0.3.19 as described below for clarification purposes and to synchronize with 18 CFR 284.13(5)(d)(1):</p> <p><u>Errata to Version 2.0– WGQ Standards:</u></p> <p>Original language:</p> <p>0.3.19 - Operationally Available Capacity (OAC), Operating Capacity (OPC) and Total Scheduled Quantity (TSQ) are associated information and should be reported at the same level. Transportation Service Providers should report OAC, OPC and TSQ at, at least one of, point, segment or zone level.</p> <p>Suggested clarified language:</p> <p>0.3.19 - Operationally Available Capacity (OAC), Operating Capacity (OPC) and Total Scheduled Quantity (TSQ) are associated information and should be reported at the same level of detail.</p>
Appendix 2	<p>MC12006 applies to Docket No. RM96-1-037, Version 2.0 of the NAESB WGQ standards, which is the subject of the Notice of Proposed Rulemaking issued on February 16, 2012</p> <p>Errata for NAESB WGQ Version 2.0 – Modify standard language for 0.3.21 as described below for clarification purposes and to synchronize with 18 CFR 284.13(5)(d)(1):</p> <p><u>Errata to Version 2.0– WGQ Standards:</u></p> <p>Original language:</p> <p>0.3.21 - The Total Scheduled Quantity and the Operationally Available Capacity information should be updated by the Transportation Service Provider to reflect scheduling changes and be reported promptly following the scheduling deadline associated with the timely and evening nominations cycles.</p> <p>Suggested clarified language:</p> <p>0.3.21 - The Total Scheduled Quantity and the Operationally Available Capacity information should be updated by the Transportation Service Provider to reflect scheduling changes and be reported promptly whenever capacity is scheduled.</p>

Appendix No.	Minor Correction Description
Appendix 3	NAESB WGQ Executive Committee Notational Ballot – Due March 27, 2012: Approving NAESB Wholesale Gas Quadrant Minor Corrections MC12005 and MC12006
Appendix 4	Notice to WGQ members of Executive Committee adoption of minor corrections.
Appendix 5	NAESB operating procedures for minor clarifications and corrections to standards.

We appreciate the opportunity to provide these minor corrections to the Commission. As can be seen in the table, the minor corrections impact Version 2.0 of the NAESB WGQ standards, proposed to be adopted by the Commission in Docket No. RM96-1-037. If there are any questions or additional information is required, do not hesitate to contact the NAESB office (713-356-0060, naesb@naesb.org).

Appendix 1 – Minor Correction MC12005
Errata for NAESB Wholesale Gas Quadrant Standards Version 2.0
May 4, 2012

Appendix 1 contains **Minor Correction MC12005** errata for NAESB WGQ Version 2.0 to modify standards language for WGQ Standard No. 0.3.19 for clarification purposes and to synchronize with 18 CFR 284.13(5)(d)(1). The impacted standard and adopted modification is included in the minor correction recommendation that follows.

MC12005

As approved by the WGQ Executive Committee via notational ballot on March 27, 2012
North American Energy Standards Board

Request for Minor Correction/Clarification of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Date of Request: 3/14/12

1. Submitting Entity & Address:

Group 8760 LLC
P.O. Box 59546
Birmingham, AL 35259

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

Name: Jim Buccigross
Title: VP & General Counsel
Phone: 1-508-238-0345
Fax: 1-508-238-0858
E-mail: JHB@8760.com

3. Version and Standard Number(s) suggested for correction or clarification:

WGQ Version 2.0, Standard No. 0.3.19

4. Description of Minor Correction/Clarification including redlined standards corrections:

Modify standard language for 0.3.19 as described below for clarification purposes:

Original language:

0.3.19 Operationally Available Capacity (OAC), Operating Capacity (OPC) and Total Scheduled Quantity (TSQ) are associated information and should be reported at the same level. Transportation Service Providers should report OAC, OPC and TSQ at, at least one of, point, segment or zone level.

Suggested clarified language:

0.3.19 Operationally Available Capacity (OAC), Operating Capacity (OPC) and Total Scheduled Quantity (TSQ) are associated information and should be reported at the same level of detail.

5. Reason for of Minor Correction/Clarification:

Original language is potentially contradictory with 18 CFR 284.13(5)(d)(1). Clarified language synchs up this standard with the code language.

Appendix 2 – Minor Correction MC12006
Errata for NAESB Wholesale Gas Quadrant Standards Version 2.0
May 4, 2012

Appendix 2 contains **Minor Correction MC12006** errata for NAESB WGQ Version 2.0 to modify standards language for WGQ Standard No. 0.3.21 for clarification purposes and to synchronize with 18 CFR 284.13(5)(d)(1). The impacted standard and adopted modification is included in the minor correction recommendation that follows.

MC12006

As approved by the WGQ Executive Committee via notational ballot on March 27, 2012
North American Energy Standards Board

Request for Minor Correction/Clarification of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Date of Request: 3/14/12

1. Submitting Entity & Address:

Group 8760 LLC
P.O. Box 59546
Birmingham, AL 35259

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

Name: Jim Buccigross
Title: VP & General Counsel
Phone: 1-508-238-0345
Fax: 1-508-238-0858
E-mail: JHB@8760.com

3. Version and Standard Number(s) suggested for correction or clarification:

WGQ Version 2.0, Standard No. 0.3.21

4. Description of Minor Correction/Clarification including redlined standards corrections:

Clarify standard language for 0.3.21 as described below for clarification purposes:

Original language:

0.3.21 The Total Scheduled Quantity and the Operationally Available Capacity information should be updated by the Transportation Service Provider to reflect scheduling changes and be reported promptly following the scheduling deadline associated with the timely and evening nominations cycles.

Suggested clarified language:

0.3.21 The Total Scheduled Quantity and the Operationally Available Capacity information should be updated by the Transportation Service Provider to reflect scheduling changes and be reported promptly whenever capacity is scheduled.

5. Reason for of Minor Correction/Clarification:

Original language is potentially contradictory with 18 CFR 284.13(5)(d)(1). Clarified language synchs up this standard with the code language.

Appendix 3 - NAESB WGQ Executive Committee Notational Ballot Results
Approving NAESB Wholesale Gas Quadrant Minor Corrections MC12005 and MC12006
May 4, 2012

Appendix 3 contains the March 27, 2012 notational ballot results of action taken by the Wholesale Gas Quadrant Executive Committee to approve minor corrections MC12005 and MC12006.

March 27, 2012 WGQ EC Notational Ballot Results:
http://www.naesb.org/pdf4/wgq_ec031412results.docx

**Appendix 4 - Notice to WGQ Members of Executive Committee Adoption of Minor Corrections
May 4, 2012**

Appendix 4 contains the correspondence sent to all Wholesale Gas Quadrant members notifying them of the Executive Committee action taken on the minor corrections, requesting comments that opposed the minor correction, and informing them of future actions and timelines related to the minor corrections



North American Energy Standards Board

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via email and posting

TO: NAESB Wholesale Gas Quadrant (WGQ) Members and Interested Industry Participants
FROM: Rae McQuade, NAESB President
RE: Minor Correction to NAESB WGQ Standards Version 2.0 as approved by the WGQ Executive Committee via notational ballot on March 27, 2012
DATE: March 29, 2012

Dear Wholesale Gas Quadrant Members:

The WGQ Executive Committee voted to adopt the following minor correction to apply to Version 2.0:

- MC12005 Minor Correction to WGQ Version 2.0, Standard No. 0.3.19 - Modify standard language for 0.3.19 for clarification purposes
Recommendation: http://www.naesb.org/pdf4/wgq_mc12005_rec_032712.doc
- MC12006 Minor Correction to WGQ Version 2.0, Standard No. 0.3.21 - Clarify standard language for 0.3.21 for clarification purposes
Recommendation: http://www.naesb.org/pdf4/wgq_mc12006_rec_032712.doc

The minor corrections received the simple majority votes needed for adoption by the WGQ EC via notational ballot on March 27, 2012.

Pursuant to NAESB's procedures for adopting minor corrections (found at pp. 18-19 of the NAESB Operating Procedures (NAESBOPs) as shown below), the public comment period for the minor correction will begin today, March 29, 2012 and end on April 12, 2012. If no comments are received, the corrections will be applied to NAESB WGQ Version 2.0, effective April 30, 2012. The minor corrections will also be posted on the WGQ Minor Corrections page of the NAESB web site at http://naesb.org/wgq/wgq_clarifications.asp. For further information on the minor corrections as submitted by Group 8760 LLC, please contact Jim Buccigross at (508) 238-0345 or JHB@8760.com.

Should you have any concerns or issues with the minor correction, please notify the NAESB office by April 12, 2012 (email: naesb@naesb.org, fax 713-356-0067).

Best Regards,
Rae McQuade, President

**Appendix 5 - NAESB Operating Procedure for Minor Clarifications and Corrections
to Standards at the Time of Adoption
May 4, 2012**

Appendix 5 contains the excerpt from the NAESB Operating Procedures detailing the procedures to be followed for minor clarifications and corrections to existing NAESB WEQ Business Practice Standards.

Procedures for Minor Corrections as excerpted from the NAESB Operating Procedures

D. 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.