

NAESB Bulletin

November 2014 - January 2015 Volume 7, Issue 3

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STANDARDS DEVELOPMENT

WEQ Open Access Same-time Information Systems (OASIS) Subcommittee: On December 18, 2014, NAESB filed a status report to FERC responding to specific direction from the Commission regarding modifications to WEQ-001-9.5, WEQ-001-10.5, and related standards for FERC Order No. 676-H. The report provides an update concerning the standards development effort given priority status by FERC and informs the Commission of the nature of the substantial amount of related standards that will be touched upon during the standards development effort.

The WEQ OASIS Subcommittee continues its standards development effort in response to FERC Order No. 676-H and direction received from the WEQ Executive Committee. In Paragraph 49 of FERC Order No. 676-H, issued on September 18, 2014, the Commission stated that to “ensure that the NAESB standards conform to the Commission’s *Dynegy* policy, we request that NAESB revise Standards WEQ-001-9.5, WEQ-001-10.5, and any other standards affected by these standards ... we request that NAESB make this project a priority.” In October, the WEQ Executive Committee directed the OASIS Subcommittee to postpone work on the preemption and competition standards development effort in order to focus on the priority modifications to WEQ-001 as part of 2015 WEQ Annual Plan Item 7.b– Modify NAESB standards WEQ-001-9.5, WEQ-001-10.5, and related standards to be consistent with the Commission’s policy in *Dynegy Power Marketing, Inc.*, 99 FERC ¶ 61,054 (2002) and *Entergy Services, Inc.*, 137 FERC ¶ 61,199 (2011), *order on reh’g and compliance*, 143 FERC ¶ 61,143 (2013), 148 FERC ¶ 61,209 (2014) . The OASIS Subcommittee immediately began addressing the modifications during its October face-to-face meeting. In the *Dynegy* Order, the Commission set forth the policy that a Transmission Customer does not lose its rights to its original path until the redirect request satisfies three requirements: (1) it is accepted by the Transmission Provider; (2) it is confirmed by the Transmission Customer; and (3) it passes the conditional reservation deadline under Section 13.2 of the *pro forma* OATT. The subcommittee is diligently working to develop a recommendation to ensure that the standards reflect the Commission’s policy. To date, the subcommittee has identified about thirty-five standards that will be modified. However, the number of standards

effected may change based on the results of upcoming consensus efforts.

The completion of 2015 WEQ Annual Plan Item 7.b will propose modifications and potentially add new standards to WEQ-000 – Abbreviations, Acronyms, and Definition of Terms, WEQ-001 – Open Access Same-time Information Systems, and WEQ-013 – Open Access Same-time Information Systems Implementation Guide. Upon completion of the annual plan item, the subcommittee will return to formalizing the preemption and competition processes on the OASIS system. The completion date for the preemption and competition efforts now falls within 2015. The WEQ OASIS Subcommittee has scheduled its next conference call for February 19, 2015, followed by another face-to-face meeting hosted by Salt River Project in Phoenix, AZ on February 25-26, 2015.

For more information, please go to [2015 WEQ Annual Plan](#), [2014 WEQ Annual Plan](#), [December 18, Status Report to FERC](#), [FERC Order No. 676-H](#), [October 3, 2014 FERC Errata to Final Rule](#), [Correspondence From Michael Desselle, July 18, 2013](#) [FERC NOPR on Version 003](#), [WEQ OASIS Subcommittee Page](#), [Draft Recommendation, V3 & Redirect Parking Lot](#), [BPA Motion 2 Discussion](#), [October 21, 2014 WEQ Executive Committee Draft Minutes](#), [FERC Order No. 890](#), [R05019](#) and [Preemption and Competition Parking Lot](#).

February Advisory Council Meeting: NAESB will hold its annual Advisory Council meeting on Saturday, February 14, 2015. As they have done in the past, NARUC has graciously worked with NAESB to make room in their winter program for the NAESB meeting and reception, and we are very appreciative of their support. A number of important topics will be discussed and your participation will be greatly appreciated. Bruce Ellsworth, the chairman, will lead the committee through the meeting which will be focused on key issues facing NAESB, areas where Advisory Council guidance would be helpful in determining directions NAESB should take, and a review of our process. As always, your advice and thoughts would be most helpful to us to ensure we have the right focus and level of commitment to our projects.

For more information, please go to [Meeting Announcement and Agenda](#).

2015 Calendar:

February

02/02 - WEQ SRS Conf. Call
02/03-04 - WEQ BPS Meeting (Little Rock, AR)
02/04 - Board Revenue Conf. Call
02/04 - Board Strategic Plan Ad Hoc Task Force Conf. Call
02/10 - WGO IR/Technical Conf. Call
02/10 - WEQ CISS Conf. Call
02/12 - WEQ EC Parallel Flow Visualization Task Force Conf. Call
02/14 - NAESB Advisory Council Meeting (Washington, DC)
02/17 - WEQ BPS Conf. Call
02/19 - WEQ OASIS Conf. Call
02/23 - Joint Retail BPS, IR/TEIS, Glossary and ESP Meeting (Phoenix, AZ)
02/23-24 - Retail BPS Meeting (Phoenix, AZ)
02/24 - WEQ Executive Committee Meeting (Phoenix, AZ)
02/25-26 - WEQ OASIS Meeting (Phoenix, AZ)
02/25 - Retail IR/TEIS Meeting (Phoenix, AZ)
02/25 - Retail Executive Committee Meeting (Phoenix, AZ)

March

03/02 - WEQ SRS Conf. Call
03/03-04 - WEQ BPS Meeting (Tampa, FL)
03/06 - WEQ CISS Conf. Call
03/10-12 - WEQ OASIS Meeting (Seattle, WA)
03/12 - NAESB Monthly Update Conf. Call
03/18 - WEQ BPS Conf. Call
03/18 - Retail IR/TEIS Conf. Call
03/24 - NAESB Master Agreement for Purchase, Sale or Exchange of Liquid Hydrocarbons Web Cast Course
03/25 - Retail BPS Conf. Call
03/25 - WEQ CISS Conf. Call
03/26 - WEQ OASIS Conf. Call
03/30 - Board Revenue Conf. Call
03/30 - Board Strategic Plan Ad Hoc Task Force Conf. Call
03/30 - Board Parliamentary Conf. Call

April

04/01-02 - WEQ BPS Meeting (New Orleans, LA)
04/03 - Holiday - Good Friday (NAESB Closed)
04/08 - Retail Leadership Meeting (Houston, TX)
04/08 - WEQ Leadership Meeting (Houston, TX)
04/08 - WGO Leadership Meeting (Houston, TX)
04/08 - NAESB Board Reception and Dinner with Guest Speaker (Houston, TX)
04/09 - NAESB Board of Directors Meeting (Houston, TX)
04/14-16 - WEQ OASIS Meeting (Kansas City, MO)
04/20 - WEQ BPS Conf. Call
04/21 - WEQ SRS Conf. Call
04/27-28 - Retail BPS Meeting (Carmel, IN)
04/28 - WEQ Executive Committee Meeting (Carmel, IN)
04/29 - Retail IR/TEIS Meeting (Carmel, IN)
04/29 - Retail Executive Committee Meeting (Carmel, IN)
04/30 - WGO Executive Committee Meeting (Carmel, IN)
04/30 - WEQ OASIS Conf. Call

May

05/05-06 - WEQ BPS Meeting (Location TBD)
05/07 - Retail IR/TEIS Conf. Call
05/11 - Board Revenue Conf. Call
05/11 - Board Strategic Plan Ad Hoc Task Force Conf. Call
05/11 - Board Parliamentary Conf. Call
05/12-14 - WEQ OASIS Meeting (Vancouver, BC)
05/13 - NAESB Monthly Update Conf. Call
05/18 - WEQ SRS Conf. Call
05/18 - WEQ BPS Conf. Call
05/20 - WEQ BPS Conf. Call
05/25 - Holiday - Memorial Day (NAESB Closed)
05/28 - WEQ OASIS Conf. Call

Click on any underlined text and you can access more detailed reports.

Gas-Electric Harmonization: On November 26, 2014, NAESB filed a report with FERC in response to the pending Notice of Proposed Rulemaking (NOPR), *Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities* issued on March 20, 2014 (Docket No. RM14-2-000). The NOPR gave NAESB an opportunity to develop an alternative proposal within 180 days after publication of the Proposed Rule in the Federal Register. The standards modifications were filed with the Commission on September 29, 2014 and were included in the WGQ Version 3.0 publication, published on November 14, 2014. The report informs the Commission of the next steps and options that NAESB may pursue if the Commission adopts regulations that were not approved by NAESB as voluntary standards, including specifying a start time for the Gas Day – which is now completely removed in the most recent release of WGQ standards.

As requested in the NOPR, upon the issuance of a final rule by the Commission, NAESB will respond by integrating the Commission's regulations into its standards within ninety days of the effective date of the final rule. In order to take this action, NAESB may utilize either the NAESB Minor Correction Process or the NAESB Standards Development Process. Per the NAESB Minor Correction Process, NAESB may make clarifications and corrections to existing standards made by a regulatory agency that are of a jurisdictional nature. Through this process, NAESB may be able to respond to final order in as little as forty-five days. As an alternative to the NAESB Minor Correction Process, NAESB may use the NAESB Standards Development Process to respond to the final rule. While NAESB may be able to respond to the final order within the ninety-day deadline through this process, it may be challenging as multiple industry and member review periods are required and past expedited efforts have not been completed in under ninety days.

The comment period on the March 20, 2014 NOPR closed on November 28, 2014 with about seventy-six substantive submitted comments concerning issues ranging from the no-bump policy, intraday nominations, timely nominations, multiparty transportation service agreements, the gas day start time, and an alternate proposal that was developed by the Desert Southwest Pipeline Stakeholders.

Also related to Docket No. RM14-2-000, January 22, 2015 marked the extended deadline for ISO/RTO's to submit comments in response to December 12, 2014 FERC Data Requests. The requests directed each organized market to submit information regarding the impact on reliable and efficient operations of natural gas-fired generators running out of their daily nomination of natural gas transportation service during the morning electric ramp. Responses were received from PJM Interconnection, New York ISO, Mid-continent Independent System Operator, ISO New England, Southwest Power Pool, and California ISO.

Gas-Electric Harmonization has also generated interest within the Retail Markets Quadrant (RMQ). During its upcoming February meeting, the RMQ Executive Committee will consider the recommendation for 2014 RXQ Annual Plan Item No. 10. The annual plan item called for the development of a catalog of the RMQ Model Business Practices that would require changes to remain consistent with the March 20, 2014 FERC Gas-Electric Harmonization NOPR. The Retail Business Practice Subcommittee (BPS) unanimously determined that the NOPR would not impact the Retail Market Quadrant Model Business Practices. No comments were received during the thirty day formal industry comment period for the no action recommendation.

For more information, please go to [November 26, 2014 Report to FERC](#), [September 29, 2014 Report to FERC](#), [March 20, 2014 FERC NOPR](#), [2015 WGQ Annual Plan](#), [2014 WGQ Annual Plan](#), [2015 RMQ Annual Plan](#), [2014 RXQ Annual Plan](#), [2014 WGQ Annual Plan Item 11c Final Action \(Part One- Business Standards Language\)](#), [2014 WGQ Annual Plan Item 11c Final Action \(Part Two\)](#), [FERC Technical Conference Announcement](#), [Version 3.0 WGQ Business Practice Standards Published 11/14/14](#), [NAESB Gas-Electric Harmonization Forum Page](#), [February 25 RMQ Executive Committee Announcement](#), [Request for Comments for 2015 RMQ Annual Plan Item 10](#), [2014 RMQ Annual Plan Item 10 No Action Recommendation](#), [March 25, 2014 Correspondence from Michael Desselle](#), [April 3, 2014 Board Meeting Notes](#), [Voting Process](#), [Segment Descriptions](#), [NAESB Gas-Electric Harmonization Forum Distribution List](#), [GEH Forum Timeline](#), [Schedule of Meetings and Deliverables](#), [Excerpts from the FERC NOPR](#), [April 22-23, 2014 GEH Forum Notes](#), [May 5-6, 2014 GEH Forum Notes](#), [May 13, 2014 NAESB GEH Survey](#), [NAESB GEH Forum Survey Aggregated Straw Poll Results](#), [NAESB May 22-23, 2014 GEH Forum Notes](#), [Aggregated Straw Poll Results - May 22-23 2014](#), [June 2-3, 2014 GEH Forum Notes](#), [Packages \(Ballots\) June 2-3, 2014](#), [Aggregated Vote Tally June 2-3 2014](#), [Individual Vote Tally, June 2-3 2014](#), [June 4, 2014 Board of Directors Meeting](#), [June 4, 2014 Correspondence from Michael Desselle](#), [June 9, 2014 NAESB Press Release](#), [June 18, 2014 NAESB Report to FERC in Docket No. RM14-2-000](#) and [NAESB Gas-Electric Harmonization Committee Report - September 2012](#).

Parallel Flow Visualization-Transmission Loading Relief (PFV-TLR): On January 28, 2015, NAESB filed a status report with the Commission regarding the Parallel Flow Visualization (PFV) project. The report provided an update regarding the development of PFV-related revisions to the WEQ-008 Transmission Loading Relief (TLR) – Eastern Interconnection Business Practices Standards. The document also noted that the WEQ Executive Committee will consider the PFV recommendation as revised by the WEQ Executive Committee PFV Task Force, during the upcoming February 24, 2015 meeting.

As a background, on October 21, 2014, the WEQ Executive Committee reviewed the recommendation and accompanying formal comments containing proposed modifications to the NAESB WEQ Business Practice Standards to accommodate PFV. The majority of the WEQ Executive Committee meeting was spent discussing the recommendation and formal comments, and, through the course of the discussion, it became apparent that the recommendation would not obtain the necessary support to pass the super majority threshold. However, there appeared to be broad support to develop proposed modifications to the recommendation in an attempt to resolve the outstanding issues raised by the formal comments. Those outstanding issues included additional language and standards concerning seams agreements and pseudo ties, as well as transparency concerns. As a result, the chairs of the WEQ Executive Committee formed the NAESB WEQ Executive Committee PFV Task Force to develop proposed revisions to the recommendation, as revised by the late comments of the WEQ Business Practices Subcommittee (BPS), to address issues and concerns raised during the formal comment period. The task force held seven meetings between November 3, 2014 and the January 12, 2015 meeting during which the task force unanimously voted out a revised recommendation addressing the outstanding issues.

STANDARDS DEVELOPMENT (*continued*)

Parallel Flow Visualization-Transmission Loading Relief (PFV-TLR) (*continued*): The WEQ BPS efforts to develop a PFV recommendation began in 2010. The intent of the project was to improve the congestion management process of the Eastern Interconnection by increasing the Reliability Coordinator's real-time visibility of the source and magnitude of parallel flows in the bulk electric system. The recommendation will support and complement the NERC Reliability Standards by proposing modifications to the current NAESB WEQ-008 TLR– Eastern Interconnection Standards in order to support the submission of near real-time data to the Interchange Distribution Calculator (IDC). Further modifications to the standards will determine priorities and sub-priorities for curtailment and the current TLR procedures.

For more information, please go to [2015 WEQ Annual Plan](#), [2014 WEQ Annual Plan](#), [R11020](#), [January 29, 2015 PFV Status Report to FERC](#), [July 11, 2014 PFV Status Report to FERC](#), [WEQ BPS Page](#), [Executive Committee Task Force PFV Recommendation](#), [Executive Committee Task Force PFV Request for Comments](#), [October 21, WEQ Executive Committee Meeting Minutes](#), [WEQ BPS PFV Recommendation](#), [WEQ BPS PFV Request for Formal Comments](#) and [Draft White Paper as Revised on September 4, 2014](#).

Demand-Side Management and Energy Efficiency Update: On December 18, 2014, NAESB sent correspondence to the American National Standards Institute (ANSI) in response to a November request to consider several potential standards development projects resulting from the creation of the Energy Efficiency Standardization Coordination Collaborative (Collaborative) Standardization Roadmap. On December 9, 2014, the Retail Executive Committee held a single-topic call to consider the request and discuss the response. After careful review by the Managing Committee and the Board of Directors, NAESB sent a response to ANSI identifying three potential standards development areas that NAESB may be suited to support, out of the eighteen requested for consideration. The areas are: the establishment of a standardized format and content guide for technical reference manuals, standardized terms and definitions for reporting energy efficiency program and project data, and standardized reporting characteristics of audit and implementation data. The letter also contained concerns, such as obtaining sufficient technical volunteer resources for the standards development effort.

Through the participation of Eric Winkler of ISO New England, NAESB took part in the Collaborative which developed a Standardization Roadmap to improve energy and water efficiency by conducting a gap analysis of the existing standards in

the efficiency space. The NAESB WEQ and REQ Energy Efficiency Measurement and Verification Standards (WEQ-021 and REQ.19) were included in the gap analysis and NAESB has been identified as a standards development organization that could potentially address a number of the 109 standardization gaps identified.

As previously announced, the Demand-Side Management and Energy Efficiency (DSM-EE) Specifications Task Force met on January 7, 2015 and determined that discussion regarding the potential development of a Retail Market Quadrant (RMQ) Demand Response Measurement and Verification Services specification will be postponed due to the pending litigation surrounding FERC Order No. 745.

As a background, a request to consider the development of a specification to support a certification program for the DSM-EE WEQ/RMQ standards was received from Dominion Voltage Inc. In response to that request, the Demand Response (DR) and Energy Efficiency (EE) Measurement and Verification (M&V) Certification Program was developed by the NAESB Board Certification Program Committee. To support the program, the DSM-EE Specification Task Force developed a specification to support the certification of EE M&V products and services. The Board Certification Program Committee and the task force determined that the request for a certification program would be addressed in two pieces, with the need for the development of a specification to support a DR program assessed after the EE program had been put into place. During the August 13, 2014 DSM-EE Specification Task Force meeting, the participants determined that a DR specification for the Wholesale Electric Quadrant would be premature, given the pending circumstances of FERC Order No. 745. The 2015 WEQ Provisional Annual Plan Item 5 was created in order to revisit the request after the litigation surrounding the order is complete.

For more information, please go to [2015 WEQ Annual Plan](#), [2014 WEQ Annual Plan](#), [2015 RMQ Annual Plan](#), [2014 RMQ Annual Plan](#), [December 18, 2014 - NAESB Letter to ANSI Request to Consider the Development of Additional Energy Efficiency Standards](#), [Areas for Potential Energy Efficiency Standards Development per ANSI](#), [ANSI Request for Energy Efficiency Standards](#), [December 9, 2014 Retail EC Call Draft Minutes](#), [November 20, 2014 Managing Committee Notes](#), [December 11, 2014 Board Meeting Notes](#), [DSM-EE Specifications Task Force Webpage](#), [January 7, 2015 DSM-EE Specifications Task Force Final Minutes](#), [August 13, 2014 DSM-EE Specification Task Force Final Minutes](#), [Dominion Voltage Correspondence](#), [DSM-EE Certification Process Document](#) and [April 3, 2014 Board of Directors Final Minutes](#).

NAESB Master Agreement for Purchase, Sale or Exchange of Liquid Hydrocarbons Web Cast Course: In order to support those who utilize natural gas liquids (NGL) contracts, NAESB will host an interactive NAESB Master Agreement for Purchase, Sale or Exchange of Liquid Hydrocarbons (NAESB NGL Master Agreement) webcast course on Tuesday, March 24, 2015 from 9:00 am to 5:00 pm Central. The course is designed to review the NAESB NGL Master Agreement (WGQ Standard No. 6.3.5) and provide the attendees with a detailed understanding of the components of the contract. The NAESB NGL Master Agreement is similar to the NAESB Base Contract for Sale and Purchase of Natural Gas and will increase the efficiency and decrease the costs of trading NGL commodities by reducing the amount of time and resources required to negotiate contracts between companies. The agenda for the web course will include background on the development of the form contract and focus on administering the NAESB NGL Master Agreement by reviewing each of the sixteen sections of the contract. The course will also cover delivery confirmation and examples of special provisions.

For more information, please go to [NAESB Master Agreement for Purchase, Sale or Exchange of Liquid Hydrocarbons Web Cast Course - March 24, 2015](#), [Nonmember Registration](#) and [Member Registration](#).

Retail Market Quadrant (RMQ) Net Metering Model Business Practices Development: The RMQ Business Practices Subcommittee (RMQ BPS) held a conference call on January 13, 2015 to begin modifications to Book 10– Customer Enrollment, Drop, and Account Information. The recommendation is part of 2015 RMQ Annual Plan Item 4– Develop Model Business Practices to describe how Retail Net Metering is used by Market Participants in competitive energy markets in jurisdictions where their charges to certain Retail Customers must account for Retail Net Metering arrangements. The recommendation will be closely followed by revisions to Book 11– Customer Enrollment, Drop and Account Information Change Using a Registration Agent. The standards development effort will modify existing and add new model business practices to facilitate net metering in different jurisdictions. The annual plan item is scheduled for completion within the first quarter of 2015. The RMQ Information Requirements and Technical Electronic Implementation Subcommittee (IR TEIS) will begin to develop modifications to the Data Dictionaries and the technical implementation under 2015 RMQ Annual Plan Item No. 3.b to support the standards as part of full staffing. The RMQ IR TEIS is currently developing the

technical implementation for Book 3– Billing and Payments and Book 8–Retail Customer Information, and expect to complete those efforts by the third quarter of 2015.

Given the various applications of net metering arrangements and the divergence in policies set by state commissions, the NAESB annual plan item has been limited to address business practices that support billing and payment in competitive markets. The standards development effort will bolster numerous jurisdictional implementations while formulating technical model business practices that support billing and payments in competitive markets. The next Retail BPS face-to-face meeting will be hosted by Salt River Project in Phoenix, AZ on February 23-24, 2015.

For more information, please go to [2015 RMQ Annual Plan](#), [2014 RXQ Annual Plan](#), [RMQ BPS Page](#), [RMQ Glossary Subcommittee Page](#) and [RMQ IR TEIS Page](#).

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Data Privacy Update: In order to support the NAESB REQ.22 Data Privacy Model Business Practices in the retail markets, the Board Certification Program Committee developed the NAESB Third Party Data Privacy Practices Certification Program. A specification to support the certification program was developed by the Data Privacy Task Force, chaired by Christine Wright of the Texas PUC. The certification program allows third party service providers, and possibly utilities, to become certified by NAESB as compliant with the NAESB data privacy protocols described in the Model Business Practice. The Third Party Data Privacy Certification Program mirrors the model used for the Public Key Infrastructure and the Energy Efficiency Measurement and Verification Certification Programs. Through these programs, entities seeking certification submit an affidavit that they are compliant with the requirements of the program and provide any third party audits that support the affidavit. The NAESB REQ.22 Data Privacy Model Business Practices served as a foundation for the Department of Energy's Federal Smart Grid Task Force effort to develop a Voluntary Code of Conduct addressing data privacy for utilities and third parties that are providing consumer energy use services.

For more information, please go to, [2015 WEQ Annual Plan](#), [2014 WEQ Annual Plan](#), [February Executive Committee Agendas](#), [Smart Grid Data Privacy Task Force Page](#), [Board Certification Program Committee Page](#), [Third Party Data Privacy Practices Certification Process](#), [Specification for Data Privacy Governing Third Party Access as Revised and Approved by RXQ Executive Committee on August 20, 2014](#), [NAESB Third Party Data Privacy Practices Certification Process as approved by the Certification Program Committee on August 25, 2014](#), [REQ.22 - Third Party Access to Smart Meter-based Information Model Business Practices \(MBPs\)](#), [August 25, 2014 Board Certification Program Committee Notes](#), [Data Privacy Task Force Request for Formal Comments](#) and [VCC Draft for Public Comment](#).

Cybersecurity: On January 16, 2015, NAESB held a Public Key Infrastructure (PKI) implementation webcast. The interactive presentation provided an overview of the NAESB PKI standards and other related standards. On September 18, 2014, FERC issued Order No. 676-H, incorporating by reference certain NAESB WEQ Version 003 Business Practice Standards. The subsequent Errata Notice issued on October 3, 2014 adopted several Version 003 standards not included in the original order, including the NAESB WEQ-012–PKI standards. During the implementation webcast, Dick Brooks of ISO New England highlighted how the WEQ-012 and related standards work with the NAESB Accreditation Requirements for Authorized Certification Authorities (ACA) Specification and the NAESB Accreditation Requirements for Authorized Certification Authorities.

In order to assist those entities currently undertaking implementation efforts, the NAESB Board of Directors approved the delivery of a courtesy notice through the Electric Industry Registry (EIR) during the December board meeting. The notice, along with the accompanying modifications to the ACA Process, will offer a mechanism to verify ACA certificates.

FERC Order No. 676-H requires that all jurisdictional entities using the Open Access Same-time Information Systems (OASIS) in the wholesale electric market use PKI security on those systems and adhere to the incorporated NAESB WEQ PKI Business Practice Standards. The WEQ-012 PKI standards and the related ancillary standards support mutual entity authentication through the use of digital signatures, ACAs, issuance of certificates, and provisions for public-private keys. To support the WEQ PKI standards, NAESB developed the ACA Certification Program. For those interested in becoming an ACA for PKI, the process is illustrated in the Board Certification Committee ACA Process document and the requirements can be found in the NAESB Accreditation Requirements for ACAs document.

FERC Order No. 676-H requires that all jurisdictional entities using the Open Access Same-time Information Systems (OASIS) in the wholesale electric market use PKI security on those systems and adhere to the incorporated NAESB WEQ PKI Business Practice

Cybersecurity (continued): Standards. The WEQ-012 PKI standards and the related ancillary standards support mutual entity authentication through the use of digital signatures, ACAs, issuance of certificates, and provisions for public-private keys. To support the WEQ PKI standards, NAESB developed the ACA Certification Program. For those interested in becoming an ACA for PKI, the process is illustrated in the Board Certification Committee ACA Process document and the requirements can be found in the NAESB Accreditation Requirements for ACAs document.

In order to provide further support the wholesale electric markets, the FERC released a Notice Granting Limited Time Extension concerning compliance with FERC Order No. 676-H on January 15, 2015. The order required public utilities to comply with the incorporated Version 003 Business Practice Standards by February 2, 2015, with the exception of those standards related to the Network Integration Transmission Service (NITS) Open Access Same-time Information Systems (OASIS) template, for which compliance is required by March 24, 2016. However, upon consideration of requests for extension of time, the Commission has extended the compliance deadline of the incorporated Version 003 Business Practice Standards not related to the NITS OASIS template, up to and including May 15, 2015, for all entities subject to the requirements.

Touching on other topics within cybersecurity, the NAESB WEQ Cybersecurity Subcommittee (CSS) will evaluate and modify standards as needed to support and/or complement the current version of the NERC Critical Infrastructure Protection (CIP) standards to fulfill 2015 WEQ Annual Plan Item 4.c. Once the NERC CIP standards are adopted by the NERC Board of Trustees, the subcommittee will schedule a date for the first meeting of the year.

Concerning the retail markets, the Retail Information Requirements and Technical Electronic Implementation Subcommittee (IR TEIS) met in December to vote out a no action recommendation for 2014 Retail Annual Plan Items 5.a. and 5.b – Investigate and determine if changes to standards are needed to support adequate session encryption (SSL/TLS issues). The subcommittee determined that there have not been any changes in technology or security threats which warrant modifications to the standards. No comments were received on the recommendation during the thirty day formal industry comment period. The Retail Executive Committee will review the no action recommendation during its February 25, 2015 meeting.

For more information, please go to [2015 WEQ Annual Plan](#), [2014 WEQ Annual Plan](#), [WEQ CSS Page](#), [FERC Order No. 676-H](#), [October 3, 2014 FERC Errata to Final Rule](#), [Correspondence From Michael Desselle, July 18, 2013 FERC NOPR on Version 003](#), [Board Resolution on PKI Certification](#), [WEQ-012 Final Action](#), [PKI Standards for OASIS Final Action](#), [PKI Standards for e-Tagging Final Action](#), [NAESB Accreditation Requirements for Authorized Certification Authorities](#), [Independent Authorized Certification Authorities](#), [FERC Notice Granting Limited Time Extension](#), [Board Certification Committee Authorized Certification Authority Process](#), [2015 RMQ Annual Plan](#), [2014 RXQ Annual Plan](#), [February 25, 2015 Retail Executive Committee Agenda](#), [Retail IR TEIS Page](#), [No Action Recommendation for 2014 RXQ Annual Plan Items 5.a and 5.b](#) and [Request for Comments on 2014 RXQ Annual Plan Items 5.a and 5.b](#).

Smart Grid Update: FERC Order No. 676-H was issued on September 18, 2014 in Docket No. RM05-5-022 and, along with an October 3, 2014 Errata to the Final Order, incorporated by reference, with certain exceptions, the NAESB WEQ Business Practice Standards Version 003. In the order, the Commission stated “rather than incorporating [the smart grid] standards by reference as mandatory enforceable standards (as proposed in the July 18, 2013 WEQ Version 003 FERC NOPR), the Commission instead will list these standards informationally in Part 2 of [the Commission’s] regulations as non-mandatory guidance.”

Developed to support the National Institute of Standards and Technology (NIST) in fulfillment of its obligations under the Energy Independence and Security Act of 2007, the NAESB WEQ Smart Grid standards provide the data requirements for the communication of pricing information, scheduling information, demand response signals, and energy usage information. The standards concerning data requirements provide a foundation for the other standards and specifications being developed at the request of NIST and the Smart Grid Interoperability Panel.

In a related effort, the Energy Services Provider Interface (ESPI) Task Force, the Retail Market Quadrant (RMQ) Business Practices Subcommittee (BPS), and the RMQ Information Requirements and Technical Electronic Implementation Subcommittee (IR TEIS) are developing a recommendation for 2015 RMQ Annual Plan Item No. 6.a. The annual plan item directs the subcommittees to review the REQ.21 ESPI Model Business Practices and the NAESB RXQ Electronic Data Interchange (EDI) Model Business Practices to determine whether modifications are required to ensure consistency. The subcommittees expect the recommendation to be completed within the first quarter of 2015.

Additionally, the RMQ subcommittees are also developing recommendations for 2015 RMQ Annual Plan Item 6.b– Review all existing books to determine whether references to REQ.21 Energy Services Provider Interface Model Business Practices should be included and 2015 RMQ Annual Plan Item 6.c– For the Books identified in 7.b, add language to differentiate between ANSI X12 EDI and REQ.21 Energy Services Provider Interface Model Business Practices. The two annual plan items, 6.b and 6.c, will be finished during the second and third quarters of 2015. The subcommittees will hold a face-to-face meeting, hosted by Salt River Project in Phoenix, AZ, on February 23, 2015.

NAESB Primers and Training Courses:

Please monitor the [NAESB Primers and Training Courses](#) web page for additional information and scheduling of upcoming courses.

Smart Grid Update (continued): The RMQ ESPI Task Force is currently working to address Standards Request R13001 submitted by the OpenADE Task Force. The request proposes modifications to the NAESB REQ.21 ESPI Model Business Practices. NAESB staff is working with the chair of the task force, Christopher Villarreal of the California Public Utilities Commission, to engage subject matter experts in an effort to complete a review of the request and develop a recommendation.

The ESPI standard provides a process and interface for the exchange of a retail customer's energy usage information between their designated data custodian, i.e. utility, and an authorized third party service provider. While delivering a consistent method for the authorization of third party access to retail consumer usage information, the standard also serves as a standardized interface for the exchange of the information that will support the development of innovative products. The DoE has endorsed the NAESB ESPI standard as part of its Green Button initiative to encourage utilities in the United States to provide their customers with easy access to their energy usage data in a computer- and consumer-friendly format via a "Green Button" on electric utility web sites. The Green Button standard has been adopted by 48 utilities and currently over 42 million household and business customers have access to their Green Button energy data.

For more information, please go to [FERC Order No. 676-H, October 3, 2014 FERC Errata to Final Rule, Correspondence From Michael Desselle, July 18, 2013 FERC NOPR on Version 003, 2015 WEQ Annual Plan, 2014 WEQ Annual Plan, 2015 RMO Annual Plan, 2014 RXO Annual Plan, Recommendation for 2014 Retail Annual Plan Item No. 6.b, Attachment to Recommendation for 2014 Retail Annual Plan Item No. 6.b, February Executive Committee Agendas, Smart Grid Data Privacy Task Force Page, Retail BPS Page, ESPI Task Force Page, NARUC Resolution on Smart Grid Principles, February 23, 2015 Joint ESPI Task Force, RMO BPS, and Retail IR TEIS Agenda, R13001 and Green Button Page.](#)

NAESB and NERC Continuing Coordination: NAESB staff and the leadership of the WEQ continue to hold monthly calls with NERC staff to ensure that both organizations are supportive to the coordination between the NERC project managers and the NAESB subcommittee co-chairs. During these meetings, the NERC and NAESB leadership regularly discuss the status of several ongoing projects, including the Modeling (MOD) standards development effort, the Parallel Flow Visualization Project, the NERC INT standards related to EIR Enhancement Request ER13001, the coordination of NERC and NAESB glossaries, and any additional organizational issues identified by the NERC project managers or the NAESB subcommittee co-chairs.

To augment the MOD standards efforts, NAESB filed a status report with the Commission on December 18, 2014 concerning the NAESB effort to develop WEQ MOD Business Practice Standards. Currently, the proposed NAESB standards will incorporate thirty-five of the NERC requirements proposed for retirement that were found to be commercially relevant to the industry. The status report was a follow-up to the August 25, 2014 FERC Notice of Proposed Rulemaking (NOPR), *Modeling, Data, and Analysis Reliability Standards*, posted in Docket No. RM14-7-000.

As detailed in previous communications, NAESB, NERC, and the IDC Association are maintaining coordination efforts concerning the Parallel Flow Visualization Project. On January 28, 2015, NAESB filed a status report to the FERC in Docket No. EL14-82-000. The status report informed FERC of the efforts underway to develop PFV-related standards. Leadership for NAESB and the IDC Association maintain harmonization on several aspects of the project.

Always dedicated to industry goals, NERC and NAESB leadership continuously communicate on issues related to gas-electric coordination, energy efficiency, cybersecurity efforts, and the structure of the organizations. The executive leadership of the two organizations continues to meet periodically to review the status of these efforts and any future developments.

For more information, please go to [2015 WEQ Annual Plan, 2014 WEQ Annual Plan, MOD Standard Scoping Task Force Page, WEQ BPS Page, R14002, MOD Requirements for Consideration by WEQ BPS, WEQ CISS, ER13001, Recommendation for ER13001, WEQ SRS Page, February 18, 2014 WEQ Executive Committee Notes, August 25, 2014 Comments to FERC Docket No. RM14-7-000 and June 19, 2014 FERC NOPR.](#)

Update on the Electric Industry Registry and e-Tagging Specification: The NAESB Electric Industry Registry (EIR) is a tool that serves as a central repository of information required for transactions that support a wide array of business functions for scheduling transmission service on the wholesale power grid.

In January 2015, the NAESB Managing Committee approved the recommendation and accompanying change order for EIR Enhancement Request ER13001. The request was submitted by the NERC Coordinate Interchange Standards Drafting Team (CISDT) to propose modifications to allow for the registration of pseudo-ties within the registry, enabling entities to tag pseudo-ties in accordance with NERC INT Standard INT-004-3, approved by the NERC Board of Trustees in February 2014 and the Commission in June 2014. In August 2014, the WEQ Coordinate Interchange Scheduling Subcommittee (CISS), formerly the NERC/NAESB Joint Electric Scheduling Subcommittee (JESS), voted out a recommendation for the enhancement request. Per the NAESB EIR Enhancement Request Process, NAESB obtained a change order for the proposed enhancement from OATI. When available, an implementation date for ER13001 will be announced to the industry.

On November 18, 2014, the EIR successfully implemented an enhancement to accommodate modifications for EIR Enhancement Request ER13002. Northwestern Energy Corporation submitted the request in August of 2013 seeking a mechanism to provide entities with enhanced notice regarding the potential removal from the registry publication of objects and data points due to an entity failing to re-register within the EIR. The registry publication now contains the date that an entity's subscription to the EIR will expire, providing all users with adequate notice of any potential conflict.

When NAESB assumed control of the registry tool from NERC, it was contemplated that the tool would be

Update on the Electric Industry Registry and e-Tagging Specification (continued): self-funded with the cost of implementing the industry requested enhancements funded by revenue collected from the registration and annual subscription fees charged for participation in the EIR. To date, the revenue collected by NAESB from the registry has been insufficient to adequately cover the cost of implementing the requested industry enhancements. As such, the Board of Directors approved an increase of \$50 in the registration and annual subscription fee per role for entities participating in the EIR. Beginning on Monday, January 19, 2015, the initial registration subscription fee was changed to \$300 and the yearly renewal subscription fee was set at \$200. Based on an assessment of previously requested enhancements from the industry, the increase should cover the cost of implementing future, industry-requested enhancements, should they remain similar to those implemented in 2014. The costs of implementing requested enhancements will continue to be monitored so that the fee structure adequately funds the changes to the EIR as determined by the industry.

The implementation date for Version 1.8.2 of the Electronic Tagging (e-Tag) Functional Specification has been set to midnight Central Standard Time on March 31, 2015. This date allows tagging vendors the time necessary to perform significant modifications to downstream systems utilizing registry data in order to ensure a successful and comprehensive implementation. On November 13, 2014, interoperability testing for Version 1.8.2 of the e-Tag Functional Specification was completed. This version of the specification was approved by the WEQ Executive Committee in February of 2014 and supports the implementation of the NAESB Business Practice Standards related to Network Integration Transmission Service (NITS) on OASIS. The version also accommodates regional business practices of the Western Electricity Coordinating Council (WECC) and allows for multiple reliability profiles on an electronic tag.

For more information, please go to [2015 WEQ Annual Plan](#), [2014 WEQ Annual Plan](#), [NAESB EIR Page](#), [WEQ CISS Page](#), [NAESB EIR Subscription Fee](#), [ER13001](#), [ER13001 Recommendation](#), [ER13002](#), [ER13002 Recommendation](#), [WEQ CISS August 5, 2014 Final Minutes](#), [WEQ CISS August 27, 2014 Final Minutes](#), [Request Form for Enhancement to NAESB EIR](#), [NAESB WEQ Electronic Tagging - Functional Specification](#), [e-Tag Implementation Plan](#), [Functionality Between e-Tag Versions Document](#) and [Version 1.8.2 approved by the WEQ Executive Committee on February 18, 2014](#).

NERC MOD Request Efforts: On Thursday March 5, 2015, FERC staff will hold a workshop related to the MOD standards development efforts. During the workshop industry participants will discuss actions the Commission could take to ensure that Transmission Providers continue to calculate and post Available Transfer Capability (ATC) in a manner that ensures nondiscriminatory access to wholesale electric transmission services. The workshop was prompted by the February 10, 2014 filing from NERC proposing changes to its ATC-related reliability standards, and the initiative to replace these standards with similarly focused NAESB Business Practice Standards.

In order to update the Commission on the MOD standards effort, NAESB filed a status report with the Commission on December 18, 2014. The report explained that the proposed NAESB standards will incorporate thirty-five of the NERC requirements proposed for retirement that were found to be commercially relevant to the industry. The report was a follow-up to the comments NAESB submitted to the FERC on August 25, 2014 in response to the June 19, 2014 FERC Notice of Proposed Rulemaking (NOPR), *Modeling, Data, and Analysis Reliability Standards*, in Docket No. RM14-7-000.

This effort was initiated by the above mentioned petition that NERC filed to the FERC on February 10, 2014. The petition proposed the retirement of several NERC MOD standards (MOD A standards) that pertain to the calculation of Available Transfer Capability (ATC) and Available Flowgate Capability (AFC). In parallel, on February 7, 2014, NERC submitted a standards development request, R14002, to NAESB to consider the development of standards that support the commercial or business aspects in the NERC MOD A standards.

Due to the large nature of the request, the NAESB WEQ Executive Committee MOD Standard Scoping Task Force was created to propose a scope and timeline for addressing the request. In a recommendation adopted by the WEQ Executive Committee back in August, the task force requested that the WEQ Executive Committee direct the WEQ BPS to consider the forty-one requirements identified by the task force for inclusion as a new suite of standards in the NAESB WEQ Business Practice Standards. The standards development effort, 2014 WEQ Annual Plan Item No. 1.h, has a projected completion date within the second quarter of 2015.

The WEQ Business Practices Subcommittee held preliminary discussions on the issue during its September 3-4, 2014 meeting and held a kick-off meeting for the effort on October 1, 2014. In order to expedite the completion of the standards development effort, the WEQ BPS has shifted to a more frequent meeting schedule: one two-day, face-to-face meeting and one all-day conference call every month. The next face-to-face subcommittee meeting will be hosted by FRCC in Tampa, FL on March 3-4, 2015.

For more information, please go to [2015 WEQ Annual Plan](#), [2014 WEQ Annual Plan](#), [December 18, 2014 Status Report to FERC](#), [August 25, 2014 Comments to FERC Docket No. RM14-7-000](#), [MOD Standard Scoping Task Force Page](#), [WEQ BPS Page](#), [June 19, 2014 FERC NOPR, R14002](#), [MOD Requirements for Consideration by WEQ BPS](#), [February 18, 2014 WEQ Executive Committee Notes](#) and [WEQ BPS Draft Standards Language](#).

NAESB Board Meeting and Board Committees Update: During the December Board of Directors meeting, the members addressed several matters regarding the strategic direction and governance of the organization. The board approved a resolution by the Managing Committee to permanently merge the Retail Gas Quadrant and the Retail Electric Quadrant into the Retail Markets Quadrant (RMQ) through the adoption of the NAESB Bylaws, the NAESB Operating Practices, and the NAESB Bylaw Addendum modifications as proposed by the Parliamentary Committee. Additionally, the board authorized a fee increase of \$50 per role for registration and annual subscription for participation in the Electric Industry Registry (EIR). The EIR was originally contemplated to be an industry supported, self-funded tool, all enhancements to the EIR resulting from enhancement requests by the industry should be funded through the revenue collected from the registration and annual subscription fees charged for participation in the EIR. On Monday, January 19, 2015, the initial registration subscription fee increased to \$300 and the yearly renewal subscription fee increased to \$200.

During the board meeting, the Revenue Committee delivered an update highlighting its continuing work with the Membership Stabilization Task Force to develop a report and a set of recommendations for consideration. The Revenue Committee met on February 4, 2015 to review the current publication dates of the NAESB standards and discuss a more regular publication cycle, so as to provide a level of predictability to the industry and to the commissions.

Additionally, the NAESB Board of Directors approved a resolution revising the PKI Certification Program in support of FERC Order No. 676-H from the Board Certification Committee. The revisions facilitate the delivery of a courtesy notice through the EIR and accompanying modifications to the Accredited Certification Authorities (ACA) Process in order to provide a mechanism to verify ACA certificates.

During its February 4, 2015 meeting, the Strategic Plan Ad Hoc Task Force discussed the addition of a provisional annual plan item concerning regulations resulting from the Clean Air Act. The task force had previously led a discussion concerning Section 111(d) of the Clean Air Act during the December board meeting. Also of note, the task force determined that it would request guidance from the Advisory Council on whether Model Business Practices that support the participation of microgrids within the current independently owned utility market structure would be beneficial to the industry. In December, the task force updated the board on its review of the NAESB annual plans in order to ensure the plans are in line with the strategic direction of the organization.

The Parliamentary Committee will meet to discuss the proper use of the term “majority” as used in a resolution proposing By-law modifications to support the removal of Directors in the event of misfeasance, malfeasance or nonfeasance. The resolution was proposed during the December 11, 2014 board meeting and, as there were a number of concerns raised regarding how the term should be used in the context of the bylaw modification, the board remanded the issue to the Parliamentary Committee for resolution.

As a result, the Parliamentary Committee’s other proposed resolutions – to standardize the board quadrant vice chair election, to create the board quadrant assistant vice chair position, to address the rotation of board quadrant vice chair, and to implement electronic voting – have all been put on hold pending clarification on the meaning of the term “majority” as used in those resolutions. The Parliamentary Committee meeting date will be announced by the NAESB office.

Last September, the Board of Directors met and considered a resolution proposed by the Parliamentary Committee to extend the Sunset Provision of the NAESB Certificate of Incorporation through December 2024. As this action required a change to the Certificate of Incorporation, a voting threshold of 75% support from the Board of Directors and 40% support from each fully populated segment was required to move forward. As there were an insufficient number of votes to make a determination on the resolution, a notational ballot was distributed to the absentee board members on September 12, 2014 and closed at the end of the business day on September 19, 2014. In total, the resolution received 62 votes in favor (WGQ 20, RXQ 14 and WEQ 28) and no votes in opposition, which satisfied the necessary support and balanced voting thresholds required by the NAESB governance documents.

For more information, please go to [December 11, 2014 Board Meeting Draft Minutes](#), [Retail Restructuring Resolution](#), [Notational Ballot to Permanently Merge the Retail Gas and Electric Quadrants](#), [Notational Ballot Results](#), [Retail Restructuring NAESB Bylaws Modifications](#), [Retail Restructuring NAESB Operating Practices Modifications](#), [EIR Subscription Fee Resolution](#), [November 6, 2014 Revenue Committee Meeting Notes](#), [PKI Proposed Resolution](#), [Modifications to ACA Process](#), [November 6, 2014 Board Strategic Ad Hoc Task Force Notes](#), [Removal of Directors Proposed Resolution](#), [Removal of Directors Modifications to NAESB Bylaws](#), [Removal of Directors Modifications to NAESB Operating Practices](#), [Vice Chair Election Proposal](#), [Vice Chair Election Modifications to NAESB Bylaws](#), [Electronic Voting Resolution](#), [Sunset Provision Notational Ballot](#), [Sunset Provision Notational Ballot Results](#), [September 11, 2014 Board Minutes](#), [February 8, 2014 Advisory Council Meeting Notes](#), [February 14, 2015 Advisory Council Announcement](#), [Parliamentary Committee Page](#), [Board Revenue Page](#), [Board Certification Program Committee Page](#), [Managing Committee Page](#), [NAESB Communications Strategy](#), [NAESB Strategic Plan 2015-2017](#), [NAESB Certificate of Incorporation](#), [NAESB Bylaws](#) and [NAESB Operating Practices](#).

Filings: FERC Order No. 676-H, issued on September 18, 2014, and its following Errata Notice, incorporated by reference the NAESB WEQ Version 003 Business Practice Standards with certain exceptions. The Notice of Proposed Rule-making (NOPR) for Version 003 was issued on July 18, 2013 in Docket No. RM05-5-022.

On January 15, 2015, the FERC released a Notice Granting Limited Time Extension for the Order. FERC Order No. 676-H requires public utilities to comply with the incorporated Version 003 Business Practice Standards by February 2, 2015, with the exception of those standards related to the Network Integration Transmission Service (NITS) Open Access Same-time Information Systems (OASIS) template, for which compliance is required by March 24, 2016. Upon consideration of requests for extension of time, the Commission has extended

Filings (continued): the requirement for compliance with the Version 003 Business Practice Standards not related to the NITS OASIS template to May 15, 2015, for all entities subject to the requirements.

NAESB filed a status report to FERC on December 18, 2014 to respond to specific Commission direction regarding modifications to WEQ-001-9.5, WEQ-001-10.5, and related standards in order to conform to the redirect policy within the *Dynegy* Order and reiterated in FERC Order No. 676-H. In the *Dynegy* Order, the Commission set forth the policy that a Transmission Customer does not lose its rights to its original path until the redirect request satisfies three requirements: (1) it is accepted by the Transmission Provider; (2) it is confirmed by the Transmission Customer; and (3) it passes the conditional reservation deadline under Section 13.2 of the *pro forma* OATT. The WEQ OASIS Subcommittee is diligently working to develop a recommendation to ensure that the standards reflect the Commission's policy.

On December 18, 2014, NAESB filed a status report with the Commission concerning the NAESB effort to develop WEQ Modeling (MOD) Business Practice Standards. The report explained that the proposed NAESB standards will incorporate thirty-five of the NERC requirements proposed for retirement that were found to be commercially relevant to the industry. The report was a follow-up to the comments NAESB submitted to the Commission on August 25, 2014 in response to the June 19, 2014 FERC NOPR, *Modeling, Data, and Analysis Reliability Standards*, in Docket No. RM14-7-000. Those comments replied to specific inquiries from FERC concerning the proposed eighteen month implementation plan and coordination efforts with NERC to ensure synchronization between the proposed retirement of NERC MOD-001-1a, MOD-004-1, MOD-008-1, MOD-028-2, MOD-029-1a, and MOD-030-2 (MOD-A) reliability standards and the development of NAESB WEQ Business Practice Standards that pertain to the commercial aspects of ATC calculations.

Also in December, NAESB sent correspondence to the American National Standards Institute (ANSI) in response to a request to consider several potential standards development projects resulting from the creation of the Energy Efficiency Standardization Coordination Collaborative (EESC or Collaborative) Standardization Roadmap. In the letter, NAESB identifies three potential standards development areas that NAESB may be suited to support, out of the eighteen requested for consideration.

On January 28, 2015, NAESB filed a status report with the Commission regarding the Parallel Flow Visualization (PFV) project in Docket No. EL14-82-000. In the report, NAESB provided an update regarding the development of PFV-related revisions to the WEQ-008 Transmission Loading Relief (TLR) – Eastern Interconnection Business Practices standards. The document also noted that the WEQ Executive Committee will consider the PFV recommendation, revised by the WEQ Executive Committee PFV Task Force, during the upcoming February 24, 2015 meeting.

On November 26, 2014, NAESB filed a report with the FERC in response to the pending NOPR, *Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities*, issued on March 20, 2014 in Docket No. RM14-2-000. The NOPR gave NAESB an opportunity to develop an alternative proposal within 180 days after publication of the Proposed Rule in the Federal Register. The standards modifications, included in the September 22, 2014 final action, were filed with the Commission on September 29, 2014 and were included in the WGQ Version 3.0 publication, published and filed with the Commission on November 14, 2014. The filing of the WGQ Version 3.0 publication included a summary of the changes that resulted in Version 3.0, along with a listing of the standards that were created or modified as part of the new version.

Version 3.0 incorporates all of the changes made as part of Version 2.1 published on April 30, 2013, and can be accessed from the NAESB website. The final actions themselves along with the minor corrections that make up the changes reflected in Version 3.0 may also be accessed from the NAESB website.

For more information, please go to [FERC Order No. 676-H, Errata Notice for FERC Order No. 676-H, July 18, 2013 FERC NOPR on Version 003](#), [FERC Notice Granting Limited Time Extension, December 18, 2014 NAESB Status Report to FERC Regarding FERC Order No. 676-H, December 18](#), [NAESB Status Report to FERC Regarding MOD Standards, August 25, 2014 Comments to FERC Docket No. RM14-7-000, June 19, 2014 FERC NOPR Docket No. RM14-7-000, December 18, 2014 - NAESB Letter to ANSI Request to Consider the Development of Additional Energy Efficiency Standards, January 28, 2015 PFV Status Report to FERC, February Executive Committee Meetings Agendas, November 26, 2014 Gas-Electric Harmonization Filing, March 20, 2014 FERC NOPR Docket No. RM14-2-000, 2014 WGQ Annual Plan Item 11c Final Action \(Part One- Business Standards Language\), 2014 WGQ Annual Plan Item 11c Final Action \(Part Two\), AD15-4FERC Technical Conference Announcement, September 29, 2014 NAESB Comments to FERC Docket No. RM14-2-000, Version 3.0 WGQ Business Practice Standards Published 11/14/14 and NAESB Related Government Activities Page.](#)

NAESB New Members

Wholesale Gas Quadrant (Segment):

- Idaho Public Utilities Commission (End Users)
- Northwest Industrial Gas Users (End Users)
- Environmental Defense Fund, Inc. (End Users)

Wholesale Electric Quadrant (Segment):

- Alcoa Power Generating Inc. (Marketers/Brokers)
- Emera Maine (Transmission)

NAESB WGQ Business Practice Standards, Version 3.0 and Retail Publication: The NAESB Wholesale Gas Quadrant (WGQ) released Version 3.0 of its Business Practice Standards on November 14, 2014. The changes to the standards reflect 47 separate action items (requests, minor corrections or annual plan items) – 21 of which are final actions and 29 that are minor corrections, many of which are code value changes. Of the changes in this new version, there are: New items (1 definition, 2 standards), Revised items (4 principles, 3 definitions, 51 standards, 39 data sets), and Deleted items (5 principles, 9 standards, 5 data sets, 56 interpretations).

Version 3.0 incorporates all of the changes made as part of Version 2.1 published on April 30, 2013, and can be accessed from the NAESB website at <http://www.naesb.org/wgq/Imp.asp>. The final actions themselves along with the minor corrections that make up the changes reflected in Version 3.0 can be accessed from http://www.naesb.org/misc/wgq_publication_schedule_ver3_0.doc.

Many thanks go to all members and participants who provided their expertise as these standards were developed, revised, and/or restructured.

The NAESB Retail Market Quadrant (RMQ) published Version 3.0 of the Retail Model Business Practices on December 19, 2014. The retail standards support the commercial practices of the retail natural gas and electricity markets as well as various state and regional initiatives. The previous version of the retail standards was published on August 30, 2013. You can access the standard publication from our website at <http://www.naesb.org/materials/bscr.asp>, and the individually applied changes from our publication schedule document for Version 3.0 at http://www.naesb.org/misc/retail_publication_schedule_ver3_0.doc.

This publication embodied a significant amount of work and substantive changes to the prior version - including standards related to Retail Net Metering for RXQ.3 (Billing and Payment) and RXQ.10 (Retail Customer Enrollment, Drop, and Account Information Change); billing and payments associated with demand response, energy efficiency, and other energy-related programs; retail customer information; uniform electronic transactions and ad hoc historical usage request; support of customer choice program services; and updates and enhancements to the existing body of work. The changes represented in Version 3.0 the Retail standards text is 2,184 pages total. To provide you with a snapshot of the breadth of work accomplished:

- Principles – 8 new were added to the existing body of work.
- Definitions – 36 new were added, 33 modified for a total of 69 changes to the existing body of work.
- Model Business Practices – 145 new were added, 93 modified, 4 deleted for a total of 234 net changes to the existing body of work.

- Models – 8 new were added, 22 modified for a total of 30 changes to the existing body of work.
- Related Model Business Practices and Appendices – 2 were modified for a total of 2 changes to the existing body of work.

Many thanks go to all who contributed to, submitted comments for, or provided leadership for the task forces, subcommittees and executive committees as these standards were developed. If you have colleagues who need access to these standards for evaluation, please do not hesitate to ask them to contact our office (Denise Rager, drager@naesb.org, 713-356-0060).

For more information, please go to [WGQ Standards](#), [WGQ Final Actions](#), [WGQ Minor Corrections](#), [WGQ Ver3.0 Publication Report](#), [Retail MBPs](#), [Retail Final Actions](#), [Retail Minor Corrections](#) and [Retail Version 3.0 Publication Report](#).

Changes to the NAESB Board and Executive Committees for 2015:

A nominations period was held (November 18-December 18) for seats on the NAESB Board of Directors and Executive Committee (EC) with term dates ending December 31, 2014, and for several seats that had become vacant. We want to thank the following Board and EC members who did not run as incumbents for another term, for their leadership and support of NAESB: Tina Burnett, The Boeing Company (Board rep. WGQ, end users segment), Jim Minneman, PPL Solutions, LLC (Board and EC rep. RMQ, retail electric service providers/suppliers segment), Michehl Gent, Open Access Technology International, Inc. (Board rep. WEQ, end users segment), Kathryn Burch, Spectra Energy Corp (EC rep. WGQ, pipeline segment), Corey Sellers, Southern Company Services, Inc. (EC rep. WEQ, transmission segment), Robert Bean, Arizona Public Service Company (EC rep. WEQ, transmission segment), Jeff Schmitt, PJM Interconnection, LLC (EC rep. WEQ, independent grid operators/planners (IGO) segment).

We want to welcome the following new Board and EC members: David Nilsson, Power Costs, Inc. (Board rep. WEQ, technology/services), Jerry Dempsey, Open Access Technology International, Inc. (Board rep. WEQ, end users segment), Timothy Gerrish, Florida Power & Light Company (Board new rep. for WEQ, marketers/brokers (previously WGQ, end users)), Paul Zahn, Florida Power & Light Company (Board new rep. for WGQ, end users (previously WEQ, marketers/brokers)), Joe Casey, Spectra Energy Corp (EC rep. WGQ, pipeline segment), Terry Mozena, Southern Company Services, Inc. (EC rep. WEQ, transmission segment), Twyana Blair, Arizona Public Service Company (EC rep. WEQ, transmission segment), Rich Brown, PJM Interconnection, LLC (EC rep. WEQ, IGO segment).

We want to thank the Interstate Natural Gas Association of America (INGAA) for administrating NAESB’s pipeline segment end of term elections for the NAESB Board and EC.

For more information, please go to [Board of Directors Terms](#), [Executive Committee Terms](#), [Designated Executive Committee Alternates](#), [WEQ Board Page](#), [WGQ Board Page](#), [RMO Board Page](#), [WEQ EC Page](#), [WGQ EC Page](#) and [RMO EC Page](#).

NAESB Certification Program
For information [Click Here](#)

NAESB Public Key Infrastructure Webcast Course: The NAESB Public Key Infrastructure (PKI) webcast course was held on January 16, 2015. The interactive class provided an overview of the NAESB WEQ-012 PKI standards and other related standards that were adopted by the Commission through FERC Order No. 676-H.

On September 18, 2014, FERC issued Order No. 676-H, incorporating by reference certain NAESB WEQ Version 003 Business Practice Standards. The subsequent Errata Notice issued on October 3, 2014 adopted several Version 003 standards not included in the original order, including the NAESB WEQ-012 – NAESB PKI standards.

FERC Order No. 676-H requires that all jurisdictional entities using the Open Access Same-time Information System (OASIS) in the wholesale electric market use PKI security on those systems and adhere to the NAESB Wholesale Electric Quadrant (WEQ) PKI Business Practice Standards (WEQ-012) and other related standards. During the implementation webcast, Dick Brooks of ISO New England highlighted how the WEQ-012 and related standards work with the NAESB Accreditation Requirements for Authorized Certification Authorities Specification and the NAESB Accreditation Requirements for Authorized Certification Authorities.

For more information, please go to [NAESB Public Key Infrastructure \(PKI\) Implementation Web Cast Course - January 16, 2015](#).

NAESB Quadrant/Segment Membership Analysis:

<u>Wholesale Gas Quadrant</u>	124 Members
End Users Segment	17
Distributors Segment	19
Pipelines Segment	44
Producers Segment	14
Services Segment	30
<u>Retail Markets Quadrant</u>	42 Members
Retail Electric End Users/Public Agencies Segment	15
Retail Gas Market Interests Segment	12
Retail Electric Utilities Segment	7
Retail Electric Service Providers/Suppliers Segment	8
<u>Wholesale Electric Quadrant</u>	145 Members
End Users Segment	12
Distributors Segment	21
Transmission Segment	41
Generation Segment	25
Marketers/Brokers Segment	26
Non Specified	1
Independent Grid Operators/Planners Segment	10
Technology & Services Segment	9
Total Membership	311 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. Waivers for longer periods can also be granted depending on use. 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 Materials Order Form](#) or contact Denise Rager (drager@naesb.org) for additional information.

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