

NAESB Bulletin

June - October 2016 Volume 9, Issue 2

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2016 Calendar:

November

11/2 - WGQ BPS - GEH Related Conf. Call
11/8 - FERC Forms Subcommittee Conf. Call
11/9 - WEQ BPS Conf. Call
11/9-10 - WGQ BPS - GEH Related Meeting (Houston, TX)
11/15 - WEQ CISS Conf. Call
11/16 - WGQ BPS - GEH Related Conf. Call
11/17 - Board Certification Program Committee Conf. Call
11/17 - WEQ SRS Conf. Call
11/24 - Holiday - Thanksgiving (NAESB Closed)
11/25 - Holiday - Day after Thanksgiving (NAESB Closed)
11/29-12/1 - WEQ OASIS Meeting (Charlotte, NC)
11/29 - Board Strategic Plan Ad Hoc Task Force Conf. Call
11/30 - Board Revenue Committee Conf. Call
11/30-12/1 - WGQ BPS - GEH Related Meeting (Houston, TX)

December

12/1 - WGQ BPS - GEH Related Conf. Call
12/1 - NAESB Monthly Update Conf. Call
12/2 - FERC Forms Subcommittee Conf. Call
12/5 - WEQ CISS Conf. Call
12/6 - Retail IR/TEIS Conf. Call
12/6-7 - WGQ IR/Technical Meeting (Houston, TX)
12/7 - Retail Leadership Meeting (Houston, TX)
12/7 - WEQ Leadership Meeting (Houston, TX)
12/7 - WGQ Leadership Meeting (Houston, TX)
12/7 - NAESB Board Reception & Dinner with Guest Speaker
12/8 - NAESB Board of Directors Meeting (Houston, TX)
12/8-9 - WGQ BPS - GEH Related Meeting (Houston, TX)
12/9 - WEQ SRS Conf. Call
12/12 - Retail BPS Conf. Call
12/14 - WGQ BPS - GEH Related Conf. Call
12/15 - WGQ Contracts Subcommittee Conf. Call
12/19-20 - WGQ BPS - GEH Related Meeting (Houston, TX)

WEQ Version 003.1 Notice of Proposed Rulemaking (NOPR): On July 21, 2016, the FERC issued the Notice of Proposed Rulemaking (NOPR), *Standards for Business Practices and Communication Protocols for Public Utilities*, in Docket No. RM05-5-025. The NOPR proposes to incorporate by reference, with certain exceptions, Version 003.1 of the NAESB WEQ Business Practice Standards, filed with the Commission on October 26, 2015 in Docket No. RM05-5-000. Further, the Commission proposed to list informationally, as guidance, the updated Smart Grid Business Practice Standard, WEQ-019 Customer Energy Usage Information Communication.

Published on September 30, 2015, the WEQ Version 003.1 Business Practice Standards include standards to support the implementation of the PKI in e-Tagging and the OASIS systems; revisions to support FERC Order Nos. 676-H, 676-E, 890, and 764; WEQ-022 Electric Industry Registry Business Practice Standards; standards modifications to maintain coordination with NERC, Coordinate Interchange standards modifications, and certain modifications within the OASIS Business Practice Standards.

Included in the publication, but specifically excluded from the NOPR, the Commission explained that the WEQ-023 Modeling Business Practices are not being proposed for incorporation by reference, but will be considered as part of an overall inquiry into Available Transfer Capability (ATC). The Commission is currently considering NERC's proposed retirement of its ATC-related reliability standards filed in Docket No. RM14-7-000. In the meantime, the Commission announced the creation of Docket No. AD15-5-000 to consider proposed changes to the calculation of ATC.

Additionally, concerning the OASIS standards on the treatment of redirects for transmission service from conditional parent reservations, the Commission invited comments in Paragraph 25 on whether to apply its policy concerning redirects from a Dynegy order to conditional and non-firm redirects. As part of this effort, the Commission also requested that parties comment on the four redirect-related issues that did not gain a consensus within the NAESB process. By the end of October, seven comments discussing the Commission's policy on redirects were filed.

The NAESB WEQ Version 003.1 Business Practice Standards are available to the industry and may be ordered from the NAESB Order Materials Form.

For more information, please go to [July 21, 2016 FERC Notice of Proposed Rulemaking](#), [October 26, 2015 NAESB WEQ Version 003.1 Filing](#) and [NAESB Order Materials Form](#).

WGQ Contracts Subcommittee: In mid-December, the WGQ Contracts Subcommittee will hold a kick off organizational meeting to discuss whether there is a need for a Mexican addendum to the NAESB Base Contract for Sale and Purchase of Natural Gas or an entirely new contract for the Mexican market. During the October 27, 2016 WGQ Executive Committee meeting, the item was suggested as an addition to the proposed 2017 WGQ Annual Plan. Spurred by outreach from the Comisión Reguladora de Energía and several member and non-member companies interested in conducting business in this newly reformed environment, NAESB has commissioned a verbatim translation of WGQ 6.3.1 - NAESB Base Contract for Sale and Purchase of Natural Gas; WGQ 6.3.1.CA - Canadian Addendum; and the WGQ 6.5.3 - NAESB WGQ Model Credit Support Addendum. The contracts are now available on the NAESB website. More details regarding the December WGQ Contracts meeting will be announced by the NAESB office.

On December 7, 2016, Ms. Meney De La Peza, who heads the Regulatory Division of the Comisión Reguladora de Energía, will be the NAESB board dinner speaker. As the amount of trans-border energy transactions increases between the U.S. and Mexico, her perspectives and insights will be appreciated.

For more information, please go to [2016 WGQ Annual Plan](#), [2017 WGQ Annual Plan as Approved by the October 27, 2016 WGQ Executive Committee](#), [Dr. Samir Succar – Board Presentation](#), [October 27, 2016 WGQ Executive Committee Agenda](#), [Spanish Translation of the WGQ 6.3.1 - NAESB Base Contract for Sale and Purchase of Natural Gas](#), [Spanish Translation of the WGQ 6.3.1.CA - Canadian Addendum](#) and [Spanish Translation of the WGQ 6.5.3 - NAESB WGQ Model Credit Support Addendum](#).

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

STANDARDS DEVELOPMENT (*continued*)

FERC Order No. 809 and Gas-Electric Coordination: On October 18, 2016, NAESB received correspondence from Chairman Bay regarding the gas-electric coordination standards. Specifically, the Chairman "...encourage[d] NAESB to complete by March 31, 2017 the development of standards or modification to existing standards as needed to support the request of the Commission [in FERC Order No. 809] and to provide opportunities for faster and more frequent scheduling." In a letter dated on October 26, 2016, Rae McQuade, President of NAESB, responded to Chairman Bay's correspondence by thanking him for his confidence in the NAESB process, and stating that NAESB looks forward to completing the standards development by March 31, 2017.

The correspondence follows the October 17, 2016 status report from NAESB to the Commission concerning FERC Order No. 809, *Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities*, issued by the Commission in Docket No. RM14-2-000 on April 16, 2015 and a subsequent September 17, 2015 Order on Rehearing. The October status report provided an update and work plan regarding the WGQ Business Practices Subcommittee effort to address the order. In FERC Order No. 809, the Commission requested that the gas and electric industries, through NAESB, explore the potential for faster, computerized scheduling when shippers and confirming parties all submit electronic nominations and confirmations, including a streamlined confirmation process if necessary. In the subsequent Order on Rehearing, issued in September of 2015, the Commission asked NAESB to file such standards or a report on the standards development process by October 17, 2016.

The NAESB WGQ Business Practices Subcommittee (BPS) began addressing the Commission's request in FERC Order No. 809 in July. Since then, the subcommittee has held twelve meetings to address the nine items listed on its work plan:

- Item 1, GEH Item 22 – Terminology (Ongoing);
- Item 2, Standards Request R16003(a) – Definitions Related to Special Efforts;
- Item 3, Standards Requests R16003(b) and R16007 – Nominations of Hourly Quantities;
- Item 4, GEH Item 36 – Level of Confirmations;
- Item 5, GEH Item 33 – Multiple Confirmation Methods;
- Item 6, GEH Items 25&26 – Communication Protocols and Improve Efficiency of Critical Information Sharing;
- Item 7, Standards Request R16003(c) – Special Efforts Nominations;
- Item 8, Standards Request R16003(d) – Special Efforts Capacity Release; and
- Item 9, Standards Request R16004 – Update Nomination Dataset.

During its October 27, 2016 meeting, the WGQ Executive Committee discussed and provided guidance to the WGQ BPS regarding the recommendation for Item 3- Nomination of Hourly Quantities. Voted out on October 4, 2016, the WGQ BPS recognized that the voting percentages would not meet the

Executive Committee super majority threshold and requested comments from the WGQ Executive Committee. The WGQ Executive Committee suggested that the subcommittee reconsider the recommendation which contained two new standards and one definition, along with proposed instructions to the Information Requirements and Technical Subcommittee (IR/Tech). On November 16, 2016, the WGQ BPS held a conference call and began to revise the recommendation. The subcommittee anticipates voting on the item in early December.

In upcoming meetings the subcommittee will continue to address Levels of Confirmation and whether any benefits exist to standardizing the data elements exchanged between the parties at a certain level. Additionally, the subcommittee will discuss the use of confirmation methods under Item 5. During its November 30, 2016 through December 1, 2016 face-to-face meeting hosted by the NAESB office in Houston, Texas, the WGQ BPS will discuss Item 6 concerning potential standards development related to critical information communication with LDCs, Generators, and Marketers. Subsequent meetings will focus on completing the work related to Standards Request R16003 as Items 7 and 8 and the standards development effort will end with Item 9, a second evaluation of the NAESB Nomination Dataset under Standards Request R16004. Moving forward, weekly conference calls have been scheduled to expedite the potential standards development process.

For more information, please go to [2016 WEO Annual Plan](#), [2017 WEO Annual Plan as Approved by the October 25, 2016 WEO Executive Committee](#), [October 18, 2016 Correspondence to Rae McQuade from Chairman Bay Regarding Gas- Electric Coordination Standards Development](#), [October 26, 2016 Correspondence from Rae McQuade to Chairman Bay regarding Gas-Electric Coordination Standards Development](#), [October 17, 2016 NAESB Status Report to the Commission Concerning FERC Order No. 809](#), [April 16, 2015 FERC Order No. 809](#), [September 17, 2015 Order on Rehearing](#), [GEH Forum Report to the Board of Directors](#), [March 24, 2016 GEH Forum Survey Full Results](#), [Forum Timeline \(Updated on 01/19/16\)](#), [GEH Forum Report - Survey Results Addendum](#), [Corrected GEH Forum Report – Survey Results Addendum May 2, 2016 \(redline\)](#), [Corrected GEH Forum Report – Survey Results Addendum May 13, 2016 \(redline\)](#), [Forum Distribution List](#), [April 7, 2016 Board Draft Minutes](#), [May 31, 2016 Board Meeting Agenda](#), [May 13, 2016 Forum Announcement and Agenda](#), [February 18-19, 2016 Forum Meeting Notes](#), [March 7-8, 2016 Forum Meeting Notes](#), [March 21-22, 2016 Staff Notes](#), [Roster of Board Members](#), [Calendar of GEH Meetings](#), [Timeline of FERC Actions and NAESB Related Actions](#), [Comments Submitted by American Gas Association and the American Public Gas Association](#), [Comments Submitted by Natural Gas Supply Association](#), [Presentation from NAESB WGQ Pipeline Segment](#), [Presentation from PJM](#), [Presentation from ACES Power](#), [Presentation from Fidelity National Information Services](#), [Fidelity National Information Services – Additional Notes and Comments Including Examples](#), [Presentation from Skipping Stone](#), [Presentation from Environmental Defense Fund](#), [Presentation from the Coalition of Energy Technology Firms](#), [Addendum to Coalition of Energy Technology Firms \(Zip File\)](#), [Presentation from OATI, Inc.](#) and [Addendum to Presentation from OATI, Inc.](#)

STANDARDS DEVELOPMENT

RMQ Net Metering Model Business Practices and Technical Implementation Development: NAESB is pleased to announce the completion of the NAESB Retail Net Metering Model Business Practices. Initiated in October of 2013, the Retail Net Metering effort began with the development of a definition for the term Retail Net Metering. Since that time, the RMQ BPS and RMQ IR/TEIS have revised four RMQ books to include Model Business Practices and Electronic Data Interchange (EDI) transaction standards to support Retail Net Metering: RXQ.3 – Billing and Payments in Competitive Energy Markets (Book 3), RXQ.8 – Retail Customer Information Model Business Practices (Book 8), RXQ.10 – Customer Enrollment, Drop, and Account Information Change (Book 10), and RXQ.11 – Customer Enrollment, Drop, and Account Information Change Using a Registration Agent (Book 11).

As there are a myriad of differing implementations of net metering arrangements and variations in policy decisions by state commissions on the subject, the RMQ Executive Committee limited the scope of the NAESB Retail Net Metering project to metering data in competitive markets where net metering is available.

NAESB would like thank Mary Do from Latitude Technologies, Dan Jones from Duke Energy, Phil Precht from Baltimore Gas and Electric, and Debbie McKeever from Oncor for providing their expertise and time on these efforts. In 2017, NAESB anticipates offering a Retail Net Metering Model Business Practices webinar. Interested parties are strongly encouraged to contact the NAESB office at (713) 356-0060.

For more information, please go to [2016 RMO Annual Plan, October 26, 2016 RMO Executive Committee Agenda, Recommendation for 2016 RMO Annual Plan Item 2.b and 3.b.iii \(Book 10\), Attachment 1, Attachment 2, Attachment 3, Recommendation for 2016 RMO Annual Plan Item 2.c and 3.b.iv \(Book 11\) as revised by the RMQ Executive Committee, Attachment 1, Attachment 2, October 31, 2016 Notational Ballot, September 14, 2016 IR/TEIS Final Minutes, Request for Comments on 2016 RMO Annual Plan Items 2.b, 2.c, 3.b.iii, and 3.b.iv, Late Comments Submitted by the IR/TEIS, Recommendation for 2016 RMO Annual Plan Item 3.b.ii \(Book 3\), Ratification for 2016 RMO Annual Plan Item 3.b.ii, September 2, 2016 Notational Ballot and Recommendation for 2015 RMO Annual Plan Item 7 \(Book 8\).](#)

WEQ Open Access Same-time Information Systems (OASIS) Subcommittee: The WEQ OASIS Subcommittee continues its efforts on short term and long term preemption and competition related to FERC Order No. 890 and Standards Request R05019. Currently the draft recommendation of the subcommittee is out for an informal comment period and during the November 29, 2016 through December 1, 2016 face-to-face OASIS meeting, the subcommittee will review any informal comments submitted on 2016 WEQ Annual Plan Item 2.a.i.1 and 5.a – Short-Term Firm Preemption and Competition (OATT Section 13.2 and 14.2); Add language to WEQ-001-4 Online Negotiation and Confirmation process to clarify Table 4-3. The informal comment period began on October 6, 2016 and will conclude on November 11, 2016. The annual plan items have a scheduled completion date within the second quarter of 2017.

During its October 26-27, 2016 face-to-face meeting, the WEQ OASIS Subcommittee voted out a recommendation for Standards Request R16011 submitted by Bonneville Power Administration on September 26, 2016. The standards request is an appeal of the WEQ Executive Committee decision to take no action on the recommendation supporting long-term firm rollover rights. Developed in response to FERC Order Nos. 890, 890-A, and 890-B, the recommendation formalizes the process of long term firm rollover rights competition on the OASIS systems and contains proposed modifications to WEQ-000, WEQ-001, WEQ-002, WEQ-003, and WEQ-013. Earlier this year, the OASIS Subcommittee completed the recommendation that is the subject of the appeal; however, and WEQ Executive Committee votes failed to reach the super majority threshold needed for adoption. On October 31, 2016, the recommendation was sent out for a thirty day formal industry comment period that concludes on November 30, 2016. The recommendation for R16011 will be considered during the next WEQ Executive Committee meeting.

Approved by the WEQ Executive Committee on October 26, 2016, the recommendation for 2016 WEQ Annual Plan Item 5.b/R09015 creates a new OASIS mechanism, Consolidations, which allow for the merger of like reservations without the use of the resale mechanism. The recommendation was sent out for ratification by the NAESB membership on October 26, 2016 and the ballot period concludes on November 25, 2016.

For more information, please go to [2016 WEQ Annual Plan, 2017 WEQ Annual Plan as Approved by the October 25, 2016 WEQ Executive Committee, FERC Order No. 890, FERC Order No. 890-A, FERC Order No. 890-B, Draft Recommendation for 2016 WEQ Annual Plan Item 2.a.i.1 and 5.a, Request for Informal Comments, October 26-27, 2016 WEQ OASIS Revised Agenda, R16011, Recommendation for R16011, Request for Comments, Recommendation for 2016 WEQ Annual Plan Item 5.b/R09015, R09015, Ratification Ballot for 2016 Annual Plan Item 5.b/R09015, Notational Ballot on Recommendation 2, Notational Ballot Results for Recommendation 2, Recommendation 1, Request for Comments on Recommendation 1, April 26, 2016 WEQ Executive Committee Draft Minutes, February 23, 2016 WEQ Executive Committee Draft Minutes, Recommendation 2 and Request for Comments on Recommendation-2 due March 30, 2016.](#)

STANDARDS DEVELOPMENT *(continued)****Demand-Side Management and Energy Efficiency (DSM-EE)***

Update: Moving forward, the NAESB Certification Program for Demand Response and Energy Efficiency Measurement and Verification Services or Products will only include Energy Efficiency Measurement and Verification Products and Services. During its November 17, 2016 conference call, the Board Certification Program Committee modified the document to delete any references to Demand Response, REQ.13, or WEQ-015. This effort was taken in response to the no action recommendation for 2016 RMQ Annual Plan Item 4.a – Develop a specification for Demand Response (DR) Products and Services to support a certification program. After five conference calls, the Demand-Side Management and Energy Efficiency (DSM-EE) Specifications Task Force determined that there was a lack of industry support to continue the effort. In early 2015, a similar no action recommendation to address a Demand Response specification was approved within the WEQ. Both efforts were initiated by a request to consider the development of specifications to support a certification program for the DSM-EE wholesale and retail standards. The Energy Efficiency Measurement and Verification Certification Program is currently available to the industry.

For more information, please go to [2016 RMO Annual Plan](#), [2016 WEQ Annual Plan](#), [No Action Recommendation for 2016 RMO Annual Plan Item 4.a](#), [July 26, 2016 DSM-EE Specifications Task Force Draft Minutes](#), [Request for Comments on 2016 RMO Annual Plan Item 4.a](#), [Application for the NAESB Certification Program for DR and EE M&V Services or Products](#), [Affidavit of NAESB Certification of EE M&V Products and Services](#), [Board Certification Committee NAESB DR and EE M&V Services or Products Certification Process](#) and [NAESB Accreditation Requirements for Certification of EE M&V Products and Services](#).

Parallel Flow Visualization-Transmission Loading Relief (PFV-TLR)

On October 17, 2016, NAESB filed a status report with the Commission regarding the Parallel Flow Visualization (PFV) effort in Docket No. EL14-82-000. The report, drafted with the support of NERC and the Eastern Interconnection Data Sharing Network (EIDSN), supplements the information provided in the previous status reports filed by NAESB on January 29, 2016, March 25, 2015, January 28, 2015, and July 11, 2014.

As stated in the status report, the governance structure of the Interchange Distribution Calculator (IDC) completed its transition to reside under EIDSN on April 1, 2016. Also an update was provided on the reliability metrics approved by the NERC Operating Reliability Subcommittee (ORS) and shared with the IDC Working Group earlier this year. Further, the October report outlines the continued coordination activities of NERC, NAESB, and EIDSN regarding PFV.

Currently, the IDC Working Group is working with OATI, the IDC tool software vendor, to implement and test the needed modifications to the IDC tool for the PFV field trial. As previously reported in the January 2016 status report and confirmed in the October 2016 status report, the PFV field trial is on schedule to begin in August of 2017. With a conclusion date scheduled within January of 2019, it is anticipated that the duration of the PFV field trial will be eighteen months.

As a background, the PFV project enables the submittal of near real-time data to the IDC. The resulting enhancement increases the visibility of the source and magnitude of parallel interchange flows in the bulk electric system and furthers the congestion management process of the Eastern Interconnection. Since the February 2015 approval from the WEQ Executive Committee, the PFV-related modifications to the NAESB standards continue to be held in abeyance, allowing for the field trial.

For more information, please go to [2016 WEQ Annual Plan](#), [October 17, 2016 PFV Status report to FERC](#), [January 29, 2016 PFV Status Report to FERC](#), [March 25, 2015 NAESB PFV Report to FERC](#), [January 28, 2015 PFV Status Report to FERC](#), [July 11, 2014 PFV Status Report to FERC](#), [Recommendation approved by the NAESB WEQ Executive Committee on February 24, 2015 to initiate the full staffing process \(Redline\)](#) and [February 24, 2015 WEQ Executive Committee Meeting Notes](#).

Electronic Filing Protocols for Commission Forms (eForms)

On November 8, 2016, the WEQ/ Wholesale Gas Quadrant (WGQ) FERC Forms Subcommittee held a conference call to continue the discussion concerning the transition of certain Commission forms from Visual FoxPro to XML. Recently, the subcommittee has discussed how location referencing will be treated in the XML format and how to accommodate external references to the form data. In addition, the subcommittee continues to analyze and discuss potential rules and validations, the document formats for attachments, validation templates, and error/warning messages. Members of FERC staff remain active participants within the subcommittee calls, providing feedback and guidance throughout the process.

Since its first meeting in August of 2015, the WEQ/WGQ FERC Forms Subcommittee has held sixteen meetings to respond to the April 16, 2015, FERC *Order Instituting Proceeding to Develop Electronic Filing Protocols for Commission Forms* in Docket No. AD15-11-000 that proposed the development, through the NAESB process, of an XML file format for various FERC Forms to replace the current file format, Visual FoxPro. At the direction of the FERC staff, the subcommittee has focused its efforts on the development of the XML and the associated documentation for FERC Form 1.

In the April Order, FERC identified specific forms to be considered for the transition from Visual FoxPro to XML – Forms 1, 1-F, 2, 2-A, 3-Q electric, 3-Q gas, 6, 6-Q, FERC-60 and FERC-714. The Commission further explained that the effort is being undertaken because the current electronic file format, Visual FoxPro, is no longer supported by Microsoft. The WEQ/WGQ FERC Forms Subcommittee calls and meetings, as all NAESB meetings and conference calls, are open to any interested party.

For more information, please go to [2016 WEQ Annual Plan](#), [2016 WGQ Annual Plan](#), [April 16, 2015 FERC Order Instituting Proceeding](#), [May 1, 2015 Notice of Conference with NAESB](#), [May 29, 2015 Supplemental Notice of Conference with NAESB](#), [June 10, 2015 Technical Conference Transcript](#), [November 8, 2016 FERC Forms Subcommittee Agenda](#), [Revised XML Developer Instructions \(as of Sept. 2016\)](#), [Revised NAESB eForms Subcommittee Topics \(as of Sept. 2016\)](#), [Form 1 Field Analysis \(as of Sept. 2016\)](#), [Updated Form 1 Fields Business Rules \(as of Sept. 2016\)](#), [FERC Form 1 and July 16, 2015 FERC Notice of NAESB Meeting](#).

STANDARDS DEVELOPMENT *(continued)*

Cybersecurity: On November 17, 2016, the Board Certification Program Committee approved a modification to the Board Certification Committee Authorized Certification Authority (ACA) Process to provide greater security. NAESB was approached by one of the ACAs regarding a security concern related to entities beyond North America seeking digital certificates to access the Electric Industry Registry (EIR). After discussing the concern with the Federal Energy Regulatory Commission's ("FERC" or "Commission") Office of Energy Infrastructure Security, and others at staff direction, a recommendation was proposed to modify the document. The next Board Certification Program Subcommittee conference call will be announced by the NAESB office.

During its October 25, 2016 meeting, the Wholesale Electric Quadrant (WEQ) Executive Committee approved two no action recommendations for 2016 WEQ Annual Plan Items 4.a and 4.b. As part of an annual review, 2016 WEQ Annual Plan Item 4.a tasks the WEQ Cybersecurity Subcommittee (CSS) with an evaluation of the NAESB WEQ-012 Public Key Infrastructure (PKI) Business Practice Standards and the NAESB Accreditation Requirements for Authorized Certification Authorities to determine whether any changes are needed to meet market conditions. The WEQ CSS held a conference call on August 9, 2016 and determined that there are currently no circumstances that would warrant modifying WEQ-012 or the accreditation document. The subcommittee will meet again in 2017 to reevaluate the documents.

Another recurring annual plan item, 2016 WEQ Annual Plan Item 4.b directs the WEQ CSS to evaluate and modify standards as needed to support and/or complement the current version of the NERC Critical Infrastructure Protection (CIP) Standards and any other activities of the FERC related to cybersecurity. During its review, the subcommittee considered seven NERC CIP standards approved in the January 21, 2016 FERC Order No. 822 (Docket No. RM15-14-000). The WEQ CSS also considered the FERC Notice of Inquiry seeking comments on whether modifications need to be made to the NERC CIP standards in response to cyberattacks launched against the Ukrainian power grid (Docket No. RM16-18-000). The WEQ CSS determined that no standards development efforts were needed at this time. Voted out of the WEQ CSS on September 15, 2016, both no action recommendations were posted for a thirty day formal comment period that began on September 15, 2016 and concluded on October 17, 2016. There were no comments submitted for either recommendation during the comment period.

For more information, please go to [2016 WEQ Annual Plan](#), [2017 WEQ Annual Plan as Approved by the October 25, 2016 WEQ Executive Committee](#), [Application for NAESB Certification Program for Accredited Certification Authorities](#), [Current Board Certification Committee Authorized Certification Authority Process](#), [Current NAESB Accreditation Requirements for Authorized Certification Authorities](#), [Current List of Authorized Certification Authorities](#), [October 25, 2016 WEQ Executive Committee Announcement](#), [October 25, 2016 Agenda with Links to Meeting Materials](#), [No Action Recommendation for 2016 WEQ Annual Plan Item 4.a](#), [No Action Recommendation for 2016 WEQ Annual Plan Item 4.b](#), [September 15, 2016 WEQ CSS Agenda](#), [Request for Comments on 2016 WEQ Annual Plan Items 4.a and 4.b](#), [August 9, 2016 WEQ CSS Draft Minutes](#) and [FERC Order No. 822](#).

Smart Grid Update: On July 21, 2016, the FERC issued the NOPR, *Standards for Business Practices and Communication Protocols for Public Utilities* (Docket No. RM05-5-025). Along with proposing to incorporate by reference, with certain exceptions, Version 003.1 of the NAESB WEQ Business Practice Standards, the NOPR proposes to list informationally, as guidance, the updated Smart Grid Business Practice Standard, WEQ-019 Customer Energy Usage Information Communication. The Commission explained that the standards within WEQ-019 "...will not only be used by the wholesale electric industry, but are also important initiatives for use in ongoing utility programs for consumer data access." WEQ-019 standardizes a common data format to be used when information is communicated between Distribution Companies, third parties, and energy end-use customers, aiding customers in the tracking and managing of their energy use.

Also in the smart grid space, the Green Button Alliance, an organization that fosters the development, compliance, and adoption of the Green Button, has launched the Green Button Download My Data Testing and Certification Program. The program is designed to support the development, deployment, and broad adoption of standardized, interoperable Green Button solutions. As a critical element of the Green Button, the NAESB REQ.21 Energy Services Provider Interface (ESPI) Model Business Practices provides an industry-standard XML format and a data exchange protocol 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. The NAESB ESPI Model Business Practices have been endorsed by the DoE as part of their Green Button Initiative to encourage utilities in the U.S. to provide their customers with easy access to their energy usage data in a computer-friendly format via a "Green Button" on electric utility websites. Next year, as part of the proposed 2017 Annual Plan Items 1.e and 2.i, the NAESB ESPI Task Force will consider any modifications or updates to the ESPI Model Business Practices.

For more information, please go to [2016 RMO Annual Plan](#), [2017 RMO Annual Plan as Approved by the October 26, 2016 RMO Executive Committee](#), [July 21, 2016 FERC NOPR](#), [WEQ Version 003.1 Filing](#), [REQ.21 ESPI Model Business Practices](#), [Green Button Alliance Page](#), [NARUC Resolution on Smart Grid Principles](#) and [Green Button Page](#).

Update on the Electric Industry Registry (EIR or Registry) and e-Tagging Specification: On October 18, 2016, the NERC approval functionalities were successfully retired from the EIR, and NERC was removed from the Registry. This retirement marks the completion of the transition of the EIR from NERC to NAESB. The transition occurred in 2012 after the NERC determination that the Registry addresses commercial rather than reliability functions. Formerly known as the Transmission System Information Network (TSIN), the Registry previously supported the scheduling transactions for the bulk electric system in the Eastern Interconnection. Through the transition process, the tool has expanded to support transactions in the west – providing the industry with a single Registry to support the entire nation. The transition of the EIR, including the related updates to its functionality and the incorporation of the Western Interconnection registry, required the close coordination of NAESB, NERC, the Western Electricity Coordinating Council (WECC), and the system administrator, Open Access Technology International, Inc. (OATI) to ensure success. In order to further ensure a seamless transition, NERC remained a participant in the registry and shared approval functionalities with NAESB for certain entities and objects within the EIR. As of October 18, 2016, NERC has been removed as a registered entity within the EIR.

Ratified on September 19, 2016, the recommendation for 2016 WEQ Annual Plan Item 5.d revised the WEQ-004 Coordinate Interchange Business Practice Standards and the WEQ-022 EIR Business Practice Standards. The recommendation also presents Version 1.8.3 of the Electronic Tagging (e-Tag) Functional Specification and Schema, as revised to accommodate the use of the market operator role in the EIR. In order to aid the commenters on the recommendation, the WEQ CISS also update the Market Operator White Paper during the standards development process. Upon the conclusion of an informal comment period, the WEQ CISS voted out the recommendation on June 17, 2016 and the WEQ Executive Committee approved the recommendation during its August 16, 2016 meeting.

Submitted by Gridforce Energy Management, L.L.C. on June 24, 2016, the Enhancement Request ER16001 was reviewed by the WEQ CISS during its July 27, 2016 conference call. ER16001 proposes to add a button that allows for the creation of the pseudo-tie line without specifying a transmission path in the EIR entry interface. The WEQ CISS has placed the Enhancement Request, along with the interconnected work on Standards Request R16008 – submitted by the WEQ Executive Committee co-chairs and requesting modifications to WEQ-004 for Dynamic Tags and Pseudo-Tie type e-Tags – on hold pending the development of a related NERC Standards Authorization Request.

Moving forward, on November 15, 2016, the WEQ CISS will hold a conference call to continue the development of an implementation plan for e-Tag Specification Version 1.8.3. The subcommittee will also begin to discussion on 2016 WEQ Annual Plan Item 5.c – Review WEQ-022 and remove references to NERC (ERO) to reflect the full transition of the EIR. The annual plan item has a scheduled completion date within the fourth quarter of 2016.

For more information, please go to [2016 WEQ Annual Plan](#), [2017 WEQ Annual Plan as Approved by the October 25, 2016 WEQ Executive Committee](#), [Ratification Tally for 2016 Annual Plan Item 5.d](#), [Ratification Ballot for 2016 Annual Plan Item 5.d](#), [Recommendation for 2016 Annual Plan Item 5.d as Revised and Approved by the WEQ Executive Committee on August 16, 2016](#), [Attachment 1](#), [Attachment 2](#), [Attachment 3](#), [Updated Market Operator White Paper](#), [Request for Comments on 2016 Annual Plan Item 5.d](#), [Comments from Bonneville Power Administration](#), [Comments from the ISO/RTO Council](#), [WEQ CISS Late Comments to Attachment 1](#), [WEQ CISS Late Comments to Attachment 3](#), [WEQ CISS Late Comments to Attachment 4](#), [Late Comments from Duke Energy, July 27](#), [2016 WEQ CISS Final Minutes, June 17](#), [2016 WEQ CISS Final Minutes](#), [EIR Enhancement Request Process](#), [EIR Enhancement Request Form](#), [EIR Enhancement Recommendation Form](#), [Enhancement Request ER16001](#), [June 30, 2016 EIR Announcement](#), [Standards Request R16008](#) and [November 15, 2016 WEQ CISS Agenda](#).

Filings: As mentioned in the FERC Order No. 809 section of this bulletin, Commissioner Bay and Rae McQuade exchanged correspondence on October 18, 2016 and October 26, 2016. The two letters followed two Status Reports concerning FERC Order No. 809 that were submitted from NAESB to FERC on October 17, 2016 and July 29, 2016 in Docket No. RM14-2-000. In the correspondence, Commissioner Bay “...encourage [d] NAESB to complete by March 31, 2017 the development of standards or modification to existing standards as needed to support the request of the Commission [in FERC Order No. 809] and to provide opportunities for faster and more frequent scheduling.”

Also on October 17, 2016, NAESB submitted a Status Report to the Commission on the Parallel Flow Visualization efforts in Docket No. EL-14-82-000. The report provided an update on the coordination efforts between NAESB, EIDSN, and NERC. Additionally, the status report reaffirmed that the PFV project is currently on schedule, with the field trial expected to begin in August of 2017.

On July 21, 2016, the FERC issued a NOPR regarding the WEQ Version 003.1 Business Practice Standards in Docket No. RM-5-5-025. In the NOPR, the Commission proposes to incorporate by reference, with certain exceptions, Version 003.1 of the NAESB WEQ Business Practice Standards. Version 003.1 was filed with the Commission on October 26, 2015 in Docket No. RM05-5-000.

For more information, please go to [2016 WEQ Annual Plan](#), [2017 WEQ Annual Plan as Approved by the October 25, 2016 WEQ Executive Committee](#), [October 18, 2016 Correspondence to Rae McQuade from Chairman Bay Regarding Gas-Electric Coordination Standards Development](#), [October 26, 2016 Correspondence from Rae McQuade to Chairman Bay regarding Gas-Electric Coordination Standards Development](#), [October 17, 2016 NAESB Status Report to the Commission Concerning FERC Order No. 809](#), [July 29, 2016 NAESB Status Report Concerning FERC Order No. 809](#) and [October 17, 2016 NAESB Status Report to the Commission on the Parallel Flow Visualization Project Status](#).

NAESB Webcast Courses: As NAESB nears almost a quarter of a century supporting the industry, NAESB staff will host a free one hour webinar designed to introduce attendees to NAESB and explain how our work supports the efforts of the markets. The webinar, scheduled for December 6, 2016, will provide basic information about the organization and the standards development process, the organization's relationship with government agencies and other external bodies. Additionally, we will review the existing body of NAESB standards, and discuss how membership or participation within NAESB may be beneficial to your organization. Please register for this free webinar by completing the registration form below.

For more information, please go to [NAESB Primers and Training Courses Page](#), [December 6, 2016 NAESB Webinar](#) and [Registration Form for the December 6, 2016 NAESB 101 Webinar](#).

NAESB Board Meeting and Board Committees Update: On September 1, 2016, NAESB held its Board of Directors Meeting including the Meeting of Members and Strategic Session. Moderated by Terry Thorn, the strategic session panelists included Linda Breathitt, Vicky Bailey, Wayne Gardner, Pat Wood, Lorraine Cross, Branko Terzic and Christine Wright. The strategic session took the form of a question and answer session with the panelists providing remarks for NAESB to consider when evaluating future standards development. The topics discussed included access to reliable energy, cybersecurity, the Clean Power Plan, renewable generation, and energy policy, among other issues.

The next Board of Directors meeting will take place on December 8, 2016. During the meeting the board will approve the 2017 budget and annual plans. The board will also review membership statistics, gas-electric coordination, Standards Request R16009 concerning lost and unaccounted for gas, and the 2017-2019 NAESB Strategic Plan.

The Managing Committee recently met to discuss an Executive Committee training course that will be scheduled some time in early 2017. The training course is a refresher for leadership on the basics of the NAESB process and the goals of the organization. The committee also reviewed the efforts of the WEQ OASIS Subcommittee to address 2015 WEQ Annual Plan Item 2.a.i.2, long-term preemption and competition.

On September 30, 2016, the Parliamentary Committee met to discuss a proposed operating practice that clarifies the process by which the standards development process is initiated. The proposal may be presented to the board in December.

On November 17, 2016, the Board Certification Program Committee approved modifications to the NAESB Authorized Certification Authority (ACA) Process, and the NAESB Certification Program for Demand Response and Energy Efficiency Measurement and Verification Services or Products. The modifications require ACAs to notify NAESB within one business day if an end entity seeking a digital certificate is not incorporated in or conducting business in North America. The modifications to the NAESB Certification Program for Demand Response and Energy Efficiency Measurement and Verification Services or Products delete references to Demand Response, REQ.13, and WEQ-015, as the certification program will only include Energy Efficiency Measurement and Verification Products and Services moving forward.

The Board Revenue Committee met October 19, 2016 to discuss the publication cycles, communications efforts, and revenue generation. The participants also discussed a list of jurisdictional entities that are required to comply with the standards but do not have recorded access to the standards.

The next Board Strategic Plan Ad Hoc Task Force conference call will take place on November 29, 2016. During the call the participants will review the 2017 annual plans and the draft 2017-2019 NAESB Strategic Plan.

For more information, please go to [2016 WEQ Annual Plan](#), [2016 WGO Annual Plan](#), [2016 RMO Annual Plan](#), [September 1, 2016 Board of Directors Draft Minutes](#), [Membership Report \(September 2016\)](#), [Board Roster](#), [Executive Committee Roster](#), [WEQ Entities Without Recorded Access to NAESB Standards](#), [WGO Entities Without Recorded Access to Standards](#), [Prospects List Including Board and Executive Committee Vacancies](#), [NAESB Communication Strategy](#), [Revenue Report \(August 2016\)](#), [Revenue Statistics](#), [R16009](#), [Attachment 1 to R16009](#), [Attachment 2 to R16009](#), [Attachment 3 to R16009](#), [Attachment 4 to R16009](#), [July 7, 2016 Managing Committee Meeting Notes](#), [WEQ Executive Committee and OASIS Efforts to Address 2015 WEQ Annual Plan Item 2.a.i.2](#), [September 30, 2016 Parliamentary Committee Meeting Notes](#), [NAESB Certificate of Incorporation](#), [NAESB Bylaws](#), [NAESB Operating Procedures](#), [Parliamentary Committee Work Paper](#), [November 17, 2016 Board Certification Program Committee Agenda](#), [Proposed Revisions to ACA Process Document](#), [Proposed Revisions to DR and EE Process Document](#), [2014 WEQ Annual Plan Item 8.b Recommendation](#), [2016 RMO Annual Plan Item 4.a Recommendation](#), [October 19, 2016 Board Revenue Agenda](#), [NAESB Board Resolution December 10, 2015](#), [August 12, 2016 Board Strategic Plan Ad Hoc Task Force Meeting Notes](#), [NAESB 2016 Standards Development Survey](#), [Board Strategic Plan 2015-2017](#), [WGO Entities without Recorded Access](#), [WEQ Entities without Recorded Access](#) and [October 7, 2016 Board Strategic Plan Ad Hoc Task Force Agenda](#).

NAESB and NERC Continuing Coordination: In order to ensure the two organizations move in lock step on industry priorities, NERC and NAESB staff, with the support of the WEQ leadership, continue to hold monthly calls focusing on the coordination of certain standards development efforts. One such effort is the NERC BAL-004-0 Time Error Correction Reliability Standards that were recently retired by the NERC Board of Trustees on November 2, 2016 as part of NERC Project 2010-14.2.2. Last February, NERC submitted Standards Request R16002 asking NAESB to consider the retirement of its corresponding WEQ-006 Manual Time Error Correction Business Practice Standards. The WEQ Business Practices Subcommittee (BPS) performed a preliminary review of the request during its March 1, 2016 meeting, but postponed voting on a recommendation until the NERC Board of Trustees had approved the retirement of NERC BAL-004-0 Time Error Correction Reliability Standards. The request also ties to 2016 WEQ Annual Plan Item 1.d – Develop, modify, or delete business practice standards to support NERC activities related to NERC Time Error Correction (BAL-004-0). The WEQ BPS has scheduled a conference call on November 9, 2016 to continue its discussion and vote on a recommendation to support R16002 and 2016 Annual Plan Item 1.d.

As discussed in previous communications, NAESB is currently conducting ongoing coordination efforts with NERC and EIDSN regarding the Parallel Flow Visualization Project. On October 17, 2016, NAESB filed a status report to the FERC on the Parallel Flow Visualization Project efforts in Docket No. EL14-82-000. The status report informed FERC of the recent activities that NAESB, NERC, and EIDSN have taken to further the project and maintain harmonization.

Additionally, NERC and NAESB leadership continue to exchange notes related to gas-electric coordination, demand response and energy efficiency, cybersecurity efforts, and the existing structure of the organizations. NERC and NAESB executive leadership meet periodically to evaluate the status of these efforts and any future developments which may require coordination.

For more information, please go to [2016 WEQ Annual Plan](#), [2017 WEQ Annual Plan as Approved by the October 25, 2016 WEQ Executive Committee](#), [R16002](#) and [October 17, 2016 NAESB Status Report Filing to FERC](#).

Lost and Unaccounted for Gas (LAUF): During the upcoming December 8, 2016 NAESB Board of Directors Meeting, the request and voting record for Standards Request R16009 will be discussed. On August 3, 2016, the Standards Request R16009 was submitted from the Environmental Defense Fund, Citizens Utility Board, Tennessee Valley Authority, Massachusetts Attorney General’s Office, and the California Public Utilities Commission. The proposal sought to develop a uniform and transparent industry-wide standard for calculating lost and unaccounted for gas (LAUF) for use by any entity providing natural gas delivery service that is required to report LAUF, including interstate pipelines, storage operators, intrastate pipelines, and local distribution companies.

Although the work of the Triage Subcommittee is normally managed via email, a conference call to discuss R16009 was requested and held on September 8, 2016. In preparation for the September 8, 2016 Triage Subcommittee conference call, nine comments were submitted from Spectra Energy; Fidelity National Information Services; National Fuel Gas Supply Corporation and Empire Pipeline, Inc.; TransCanada Pipelines Limited, Columbia Pipeline Group, Inc. and Millennium Pipeline; Dominion Resources Services, Inc.; Texas Pipeline Association; Kinder Morgan; Interstate Natural Gas Association of America (INGAA); and American Gas Association.

A motion that the Triage Subcommittee find R16009 in scope failed to gain a majority of support from the Triage Subcommittee or any of the Executive Committees. As stated above, the request, and voting record will be forwarded to the Board of Directors for consideration.

For more information, please go to [R16009](#), [Attachment 1 to R16009](#), [Attachment 2 to R16009](#), [Attachment 3 to R16009](#), [Attachment 4 to R16009](#), [Comments Submitted on behalf of AGA and APGA by M. Burroughs, AGA](#), [Comments Submitted on by J. Dreskin and A. Joya, INGAA](#), [Comments Submitted by M. Gracey, Kinder Morgan](#), [Comments Submitted by A. Adams, Texas Pipeline Association](#), [Comments Submitted by R. Hogge, Dominion Resources Services, Inc.](#), [Comments Submitted by S. McCord on behalf of TransCanada Pipelines Limited, Columbia Pipeline Group, Inc. and Millennium Pipeline Company](#), [Comments Submitted by A. Curtiss on behalf of National Fuel Gas Supply Corporation and Empire Pipeline, Inc.](#), [Comments Submitted by S. Munson, FIS](#) and [Comments Submitted by M. McCain, Spectra Energy](#).

Non-member Access/Participation: For our participants who are non-members, from the NAESB Home Page you can access one of the four quadrant squares – wholesale electric, retail electric, wholesale gas and retail gas, you are directed to the “NAESB Non-member Access: NAESB Committees, Subcommittees and Task Forces” web page, (https://www.naesb.org/nonmember_page.asp). For more information, please go to [NAESB Current Committee Activities](#) or contact Denise Rager (drager@naesb.org) for additional information.

NAESB Quadrant/Segment Membership Analysis:

<u>Wholesale Gas Quadrant</u>	123 Members
End Users Segment	15
Distributors/LDC Segment	22
Pipelines Segment	42
Producers Segment	13
Services Segment	31
<u>Retail Markets Quadrant</u>	43 Members
Retail Electric End Users/Public Agencies Segment	16
Retail Gas Market Interests Segment	9
Retail Electric Utilities Segment	8
Retail Electric Service Providers/Suppliers Segment	10
<u>Wholesale Electric Quadrant</u>	133 Members
End Users Segment	11
Distributors Segment	19
Transmission Segment	42
Generation Segment	22
Marketers/Brokers Segment	22
Non Specified	1
Independent Grid Operators/Planners Segment	9
Technology & Services Segment	7
Total Membership	299 Members

NAESB New Members

Wholesale Gas Quadrant (Segment):

- Centra Gas Manitoba Inc. (LDC)
- Gasoductos del Noreste S. de R.L. de C.V.(Pipelines)
- Golden Triangle Storage, Inc. (Pipelines)
- New Jersey Natural Gas (LDC)
- NJR Energy Services Company (Services)
- Piedmont Natural Gas (LDC)
- Sabine Pass Liquefaction, LLC (End Users)

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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