**1. RECOMMENDED ACTION: EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Accept as requested | X | Change to Existing Practice |
| X | Accept as modified below |  | Status Quo |
|  | Decline |  |  |

**2. TYPE OF DEVELOPMENT/MAINTENANCE**

|  |  |  |  |
| --- | --- | --- | --- |
| **Per Request:** | | **Per Recommendation:** | |
|  | Initiation |  | Initiation |
| X | Modification | X | Modification |
|  | Interpretation |  | Interpretation |
|  | Withdrawal |  | Withdrawal |
|  |  |  |  |
|  | Principle |  | Principle |
|  | Definition |  | Definition |
| X | Business Practice Standard | X | Business Practice Standard |
|  | Document |  | Document |
|  | Data Element |  | Data Element |
|  | Code Value |  | Code Value |
|  | X12 Implementation Guide |  | X12 Implementation Guide |
|  | Business Process Documentation |  | Business Process Documentation |

**3. RECOMMENDATION**

**SUMMARY:**

Retail 2016 Annual Plan Item 6 – RXQ.6 Contracts Related Model Business Practices

a. Review RXQ.6 for consistency with any updates made to the WGQ NAESB Base Contract for Sale and Purchase of Natural Gas.

Two revisions have been made to the WGQ NAESB Base Contract for Sale and Purchase of Natural Gas.

1. In response to R15003, WGQ added language to the Contract Disclaimer regarding the NAESB Copyright.

2. In response to R15007, WGQ added a self-identification language to the Base Contract

The Retail Business Practices Subcommittee has reviewed the Disclaimer language developed and Ratified by the WGQ (R15003) and recommends that the same language be added to the Disclaimer provisions of RXQ.6.5 – Base Contract for Retail Sale and Purchase of Natural Gas and Electricity, and any future Contracts developed by the RMQ. The recommended language to be added is shown in Attachment 1.

The Retail Business Practices Subcommittee has also reviewed the self-identification language added to the WGQ Base Contract (R15007). This language was added in response to the Dodd-Frank Bill. However, the Commodities and Futures Trading Commission has exempted retail Distribution Companies from the requirements in Dodd-Frank which led to the addition of the self-identification language to the WGQ Base Contract. Therefore, the Business Practices Subcommittee recommends that no change be made to the Retail Base Contract to match the WGQ Base Contract for self-identification of the parties.

**Recommended Standards:**

See Attachment 1 for recommended Disclaimer language:

<https://www.naesb.org/member_login_check.asp?doc=retail_2016_api_6_rec_attachment.docx>

**4. SUPPORTING DOCUMENTATION**

**a. Description of Request:**

Retail 2016 Annual Plan Item 6 – RXQ.6 Contracts Related Model Business Practices

a. Review RXQ.6 for consistency with any updates made to the WGQ NAESB Base Contract for Sale and Purchase of Natural Gas.

**b. Description of Recommendation:**

The Retail Business Practices Subcommittee has reviewed the Disclaimer language developed and Ratified by the WGQ and recommends that the same language be added to the Disclaimer provisions of RXQ.6.5 – Base Contract for Retail Sale and Purchase of Natural Gas and Electricity, and any future Contracts developed by the RMQ. The recommended language to be added is shown in Attachment 1.

The Retail Business Practices Subcommittee has also reviewed the self-identification language added to the WGQ Base Contract. This language was added in response to the Dodd-Frank Bill. However, the Commodities and Futures Trading Commission has exempted retail Distribution Companies from the requirements in Dodd-Frank which led to the addition of the self-identification language to the WGQ Base Contract. Therefore, the Business Practices Subcommittee recommends that no change be made to the Retail Base Contract to match the WGQ Base Contract for self-identification of the parties.

**c. Business Purpose:**

The purpose of the review and recommended revisions is to maintain consistency, where reasonable, between the Retail Base Contract and the WGQ Base Contract.

**d. Commentary/Rationale of Subcommittee(s)/Task Force(s):**

The Minutes of all NAESB meetings and conference calls are posted on the NASEB web site. The Business Practices Subcommittee discussed this Recommendation at the following meetings or conference calls:

February 22, 2016 Face-to-face Meeting

April 26, 2016 Face-to-face Meeting

At the April 26, 2016 meeting, the Business Practices Subcommittee voted out this Recommendation by a vote of \_\_2\_\_ In Favor, \_\_0\_\_ Opposed, and \_\_1\_\_ Abstentions.