



North American Energy Standards Board

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Home Page: www.naesb.org

April 18, 2018

NAESB MONTHLY UPDATE CONFERENCE CALL

WEQ COORDINATION WITH NERC AND EIDSN: Mr. True, Chair of the Wholesale Electric Quadrant (WEQ), delivered the update. Throughout 2018, NAESB and the North American Electric Reliability Corporation (NERC) will continue coordination on several industry efforts. The NERC Reliability Standards Efficiency Review began in February to evaluate the reliability standards and determine whether there are retirements and/or potential modifications to improve the efficiency of the standards. NAESB staff will remain in close contact with NERC staff throughout the review process to ensure coordination between the organizations regarding any potential resulting standards development for NAESB. Also, in late 2017, NERC initiated a periodic review of several INT Reliability Standards. A number of submitted industry comments recommended that NERC coordinate the retirement of several of the reliability standards with NAESB to allow for the development of related business practice standards. Potential action on any upcoming recommendations from the periodic review team will be postponed until after the conclusion of the NERC Reliability Standards Efficiency Review. As reported to FERC in the [October 2, 2017 NAESB Status Report](#), the PFV field trial began on September 28, 2017 and is expected to last eighteen months. Additionally, on January 18, 2018, FERC issued a [Notice of Proposed Rulemaking](#) (NOPR) proposing the adoption of the NERC Critical Infrastructure Protection (CIP) Reliability Standards developed in response to [FERC Order No. 822](#), addressing supply chain risk management. This year, the WEQ Cybersecurity Subcommittee will review the final order on that NOPR, as well as the final order resulting from the December 21, 2017 [NOPR Cyber Security Incident Reporting Reliability Standards](#). Mr. McGovern asked for a time frame on the PFV reports. Mr. True stated that the original report was provided to FERC in October, but the committee will take over the responsibility for taking those reports.

WEQ OASIS SUBCOMMITTEE ACTIVITIES: Mr. Wood, Co-Chair of the WEQ OASIS Subcommittee, delivered the update. He stated that the WEQ OASIS and WEQ Business Practices Subcommittee (BPS) are holding joint meetings to close out the last two annual plan items to address [FERC Order No. 890](#). The first [recommendation](#), 2018 WEQ Annual Plan Item 2.a.i.2, addresses redispatch cost posting to allow for posting of third party offers of planning redispatch services and will be reviewed by the WEQ Executive Committee during its April meeting. The second annual plan item, WEQ Annual Plan Item 2.a.i.1, is now underway and responds to Paragraph 1627 of FERC Order No. 890 to address the posting of additional information on OASIS regarding firm transmission curtailments. Additionally, the WEQ OASIS Subcommittee is working through 2018 WEQ Annual Plan Items 3.a-3.f. Ms. Mallett, Deputy Director of NAESB, provided an overview of the work that has been completed within NAESB in response to FERC Order No. 890 and thanked the OASIS Co-Chairs and participants for their hard work.

WEQ ELECTRIC INDURTY REGISTRY AND ETAGGING UPDATE: Ms. Trum, Deputy Director of NAESB, provided the update on the EIR and eTagging. The EIR is the central repository for information that is required to support commercial, scheduling, and transmission management operations in North America. NAESB continually works with OATI to ensure an efficient user experience, an effort that results in periodic updates to the system. In February, one such update added clarity by updating data validations and making enhancements to improve efficiency of back end processes. NAESB sends emails prior to the updates and reminds users that the modifications should not impact the use of the tool. Additionally, a pending Enhancement Request, [ER16001](#) - regarding the registration of pseudo-ties in the EIR - was recently withdrawn by the requester because the substance of the request was found to be addressed by subsequent NERC reliability standards. Mr. Booe, NAESB Executive Vice President and Chief Administrative Officer, stated that anyone who wishes to participate in the Coordinate Interchange Scheduling Subcommittee (CISS) is welcome. He thanked the WEQ CISS Co-Chairs, Zach Buss and Joshua Phillips.

WEQ/WGQ SUPPORT OF MEXICAN MARKETS: Ms. Mallett, Deputy Director of NAESB, delivered the update. During the February Advisory Council meeting, discussion focused on several projects underway at



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NAESB, including the ongoing relationship with Mexico's Comisión Reguladora de Energía (CRE) to support efforts in the reformed Mexican gas market. The Advisory Council encouraged NAESB to further develop its relationship with Centro Nacional de Control de Energía (CENACE) in the electric industry. On March 26, Minor Correction [MC18001](#) was applied to the NAESB Wholesale Gas Quadrant (WGQ) Business Practice Standards to reinsert language that was previously approved by the WEQ Executive Committee, but later omitted from the clean version of the recommendation. On February 22, 2018, the WGQ Executive Committee approved the minor correction via a [notational ballot](#). Following [NAESB's Minor Correction Procedures](#), the public comment period for the minor correction began on February 23, 2018 and concluded on March 8, 2018. No comments were submitted. In other news, NAESB has attained a verbatim Spanish translation of four of its WGQ Contracts: NAESB WGQ 6.3.1 - NAESB Base Contract for Sale and Purchase of Natural Gas; NAESB WGQ 6.3.1.CA - Canadian Addendum; NAESB WGQ 6.5.3 - NAESB WGQ Model Credit Support Addendum; and NAESB WGQ 6.3.1.MA - Mexican Addendum. These contracts may be accessed on the NAESB website or, for nonmembers, through the [NAESB Materials Order Form](#). As always, NAESB looks forward to assisting with future standardization efforts within the Mexican markets.

WEQ/WGQ/RMQ SANDIA NATIONAL LABORATORIES SURETY ASSESSMENT: Mr. Darnell, Co-Chair of the Board Critical Infrastructure Committee (CIC), provided the update. He noted that the Board CIC reviewed a [draft version](#) of the report on February 26, 2018 and submitted [correspondence](#) containing feedback from the committee to Sandia National Laboratories. Mr. Booe added that Sandia National Laboratories recently identified three additional topics to include in the report and will soon hold a call with NAESB staff to provide more details. He stated that cybersecurity is of tremendous importance to the industry and it is necessary to review it in detail. Mr. Booe stated that NAESB is hoping for a detailed report similar to the one provided in 2006. Mr. Booe thanked Mr. Darnell and his Co-Chair Leigh Spangler.

RMQ BOARD RETAIL STRUCTURE REVIEW COMMITTEE (RSRC) UPDATE: Mr. Burks, Vice-Chair of the Retail Markets Quadrant (RMQ), provided the update. Section 2.3 of the [NAESB Bylaws](#) provides a forty-member threshold for each of the NAESB quadrants. The RMQ is currently at 41 members and working to address its participation levels. Mr. Burks stated that the Board RSRC has examined the value proposition of a NAESB RMQ membership as well as a potential repository for Electronic Data Interchange practices from different states. The committee also discussed the creation of a NAESB Patent Policy and examined the feasibility of open source standards development and/or licensing within NAESB with regards to the ESPI and OpenFMB standards. Mr. Burks stated that, should changes result to the structure of the RMQ or pricing of the RMQ membership, the Board RSRC is focused on not impacting the other NAESB quadrants.

RMQ ENERGY SERVICES PROVIDER INTERFACE (ESPI) AND ONTARIO: Mr. Burks, Vice-Chair of the RMQ, provided the update. On [April 13, 2018](#), the RMQ Energy Services Provider Interface (ESPI) Task Force held its kick-off meeting to revise the model business practices that have become the foundation for the Green Button. The task force reviewed a redlined version of the ESPI Model Business Practices and sent the [document](#) out for an informal comment period that will conclude on April 26, 2018. The next ESPI Task Force conference call will take place on April 27, 2018. Mr. Booe thanked Mr. Burks for the update and noted that the Ontario Ministry of Energy released the [Regulatory Proposal for Province-Wide Implementation of Green Button](#) for entities within its jurisdiction.

BOARD OF DIRECTORS AND REGULATORY UPDATES: Mr. Booe, Executive Vice-President and Chief Administrative Officer of NAESB, provided the board and regulatory update. The NAESB Board of Directors meeting was held in Houston, Texas on April 5, 2018. The April 4 board dinner speaker was Somil Goyal, who delivered a presentation on blockchain technology. Dr. Robert Simon spoke during the board meeting about Protect Our Power, a group whose current goal is to implement the recommendations from the National Academies of Sciences, Engineering, and Medicine report, [Enhancing the Resilience of the Nation's Electricity System](#). Mr. Booe stated that Sue Tierney delivered an update on that report to the Board in the past, highlighting a recommendation within the report that NAESB and NERC work together. Additionally, John Moura from NERC spoke about the single point of disruption study that was created after the Aliso Canyon incident. Mr. Booe stated that every two



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years NAESB distributes an industry-wide survey to solicit suggestions on current and possible topics for standards development efforts. During the recent Board Strategic Plan Task Force meeting, the participants discussed whether the survey should focus more on future, rather than current, projects. Also, the task force discussed the consideration of including items outside of standards on the survey, such as tools and certification. The task force anticipates sending out the survey in the coming months. Once responses are received, the task force will create a recommendation for the board as well as consider the strategic direction for the organization. In a separate effort, the Parliamentary Committee is working with NAESB staff offline in an effort to review the NAESB governance documents for consistency with each other and the Delaware law. Wherever needed, previous board resolutions will also be incorporated into the documents. Mr. Desselle asked whether the staff has developed a redline document for the review of the Parliamentary Committee. Mr. Booe stated that the process will be ongoing and it will take some time before a draft is available.

NEXT CONFERENCE CALL: The next Monthly Update conference call is scheduled for June 20, 2016 from 1:00 PM - 2:00 PM Central. The agenda and any work papers will be posted on the Monthly Update page of the NAESB website, accessible at the following link: http://www.naesb.org/monthly_update.asp. We hope you can join us. If there are particular topics you would like to see covered or if you would like to receive additional information, please contact the NAESB Office by phone at (713) 356-0060 or email at naesb@naesb.org.



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NAESB Monthly Update Conference Call, Participant List	
April 18, 2018 1:00 PM Central	
Name	Organization
Jason Adams	Tennessee Valley Authority
Jonathan Booe	North American Energy Standards Board
Zach Buus	Bonneville Power Administration
Donald Coffin	Green Button Alliance
Michelle Coon	OATI
Valerie Crockett	Tennessee Valley Authority
Dave Darnell	Systrends USA
Corey Herbolsheimer	NV Energy, Inc.
Rachel Hogge	Dominion Transmission, Inc.
Linda Horn	We Energies
Eric Larson	Dominion Energy Questar Pipeline
Elizabeth Mallett	North American Energy Standards Board
Steve McCord	Columbia Gas Transmission Corporation
Alan Pritchard	Duke Energy
Jeremy Roberts	Green Button Alliance
Keith Sappenfield	Environmental Resources Management
Ed Skiba	Midcontinent Independent System Operator
Doug Smith	ISO New England
Carolyn Stone	Cascade Natural Gas Corporation
Roy True	Alliance for Cooperative Energy Services Power Marketing LLC
Caroline Trum	North American Energy Standards Board
Scott Winner	Bonneville Power Administration
JT Wood	Southern Company Services, Inc.
Joel Yu	Consolidated Edison Company of New York