##### March 29, 2016

**TO:** All Interested Parties

**FROM:** Elizabeth Mallett, NAESB Deputy Director

**RE: Update to the Board of Directors –WEQ Open Access Same-time Information System (OASIS) Subcommittee**

**Update on the WEQ OASIS Activities –**

On December 3, 2015, the WEQ OASIS Subcommittee voted out a recommendation in response to 2015 WEQ Annual Plan Item 2.a.i.2 – Long-Term Firm Rollover Rights Competition. During the February 23, 2016 WEQ Executive Committee meeting, the WEQ Executive Committee considered the recommendation, provided guidance regarding five issues on which the subcommittee had not yet reached a consensus, and remanded the recommendation back to the subcommittee to address the issues according to the guidance provided. Two days later, during its February 24-25, 2016 face-to-face meeting, the WEQ OASIS Subcommittee voted out the revised recommendation for a second formal industry comment period that will conclude on March 30, 2016. The WEQ Executive Committee will consider the revised recommendation during its April meeting in Carmel, IN.

While formalizing the process of long term firm rollover rights competition on the OASIS systems, the revised recommendation responds to directives in FERC Order Nos. 890, 890-A, and 890-B. Of note, the revised recommendation proposes modifications, deletions, and additions to the language of business practice standards in WEQ-000, WEQ-001, WEQ-002, WEQ-003, and WEQ-013. During the first informal comment period which was held from October 22, 2015 to November 10, 2015, nine comments were submitted. To date, the subcommittee has held 15 face-to-face meetings and 10 conference calls, spanning a total of 51 days, to finalize the recommendation.

Quick on the heels of completing the long term recommendation, the WEQ OASIS Subcommittee has moved on to 2016 WEQ Annual Plan Item 2.a.i.1, an annual plan item addressing the short term firm aspects of preemption and competition. Last year, the WEQ OASIS Subcommittee worked to address short term preemption and competition; however, the issuance of FERC Order No. 676-H postponed the standards development effort. Now, in addition to the modifications for short term firm preemption and competition, the subcommittee recommendation will also include 2016 WEQ Annual Plan Item 5.b, the creation of a new OASIS mechanism that allows for the merger of like reservations without the use of the resale mechanism. The recommendation for both annual plan items is scheduled to be voted out of the subcommittee in 2016.

Throughout 2016, the subcommittee anticipates holding monthly two and a half day face-to-face meetings, along with conference calls that will be scheduled only when needed. The next face-to-face meeting is scheduled for March 29-31, 2016 and will be hosted by Southwest Power Pool in Dallas, TX. During the meeting, the subcommittee will continue to develop a draft recommendation for short term firm preemption and competition and consolidations. As always, any interested parties are welcome to participate in the meetings and conference calls.