



# North American Energy Standards Board

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June 16, 2026

## NAESB UPDATE CONFERENCE CALL

**PRESENTATION BY MICHAEL HOLKO ON AI AND CYBERSECURITY:** Mr. Holko, Director of the Office of Cybersecurity Compliance and Oversight at the Pennsylvania Public Utility Commission, delivered the presentation. The presentation provided a general overview of the use of AI within the electric and gas utility industry, addressing both its capabilities and common public misconceptions. He emphasized that AI should be understood as a tool rather than an independent actor, noting that many risks associated with AI are from misuse rather than the technology itself. Mr. Holko discussed the potential benefits of AI for utilities, including support for grid reliability, predictive maintenance, operational efficiency, load forecasting, electric vehicle integration, renewable energy planning, gas leak detection, customer service, and cybersecurity monitoring. In particular, he highlighted AI's ability to assist with aggregating and analyzing data from IT and operational technology systems, identifying anomalies, detecting potential threats, and supporting faster vulnerability response. Mr. Holko also addressed the risks associated with AI, including its potential use by bad actors to create deepfakes, develop malware, analyze targets, and conduct more sophisticated cyberattacks. He cautioned against implementing AI directly into production environments without appropriate testing, validation, and oversight, particularly where automated actions could impact critical systems or result in cascading operational effects. Mr. Holko emphasized the importance of governance, accountability, and human oversight when implementing AI. He recommended conducting architectural reviews, testing AI tools in sandbox environments, defining decision-making boundaries, and ensuring that a person remains involved in processes affecting safety, operations, billing, cybersecurity, or customer service.

**WEQ NERC COORDINATION:** Mr. Norton, Chair of the NAESB WEQ Standards Review Subcommittee (SRS), provided the update. NAESB and NERC continue to coordinate in areas where commercial business practices of the wholesale electric industry intersect with reliability requirements. In support of such coordination, the WEQ SRS regularly meets to track NERC Reliability Standards development projects and assess potential areas for coordination between the two organizations. Currently, the subcommittee is monitoring NERC activities related to distributed energy resources (DERs), cybersecurity, and computational loads. The SRS last met on June 3, 2026 and reviewed several NERC projects, including ongoing efforts related to the NERC Critical Infrastructure Protection (CIP) Reliability Standards to assess potential impacts on the NAESB Public Key Infrastructure (PKI) framework and related cybersecurity standards. This area is also being monitored by the WEQ Cybersecurity Subcommittee, which is considering potential business practices to support implementation of FERC Order No. 912 on Supply Chain Risk Management and associated NERC Reliability Standards. The WEQ SRS also reviewed three NERC projects addressing inverter-based resources (IBRs) and DERs, including those related to FERC Order No. 901, as potential coordination opportunities. This remains an active area of focus, with NAESB wholesale and retail electric stakeholders considering standards development to support DER integration and data interoperability, including DER registries and related tools. NAESB Business Practice Standards in this area may support industry implementation of new NERC requirements related to DER data in transmission planning and modeling. The subcommittee will continue its coordination efforts with NERC and will review the draft NERC Reliability Standards Development Plan when it becomes available. Any projects identified for potential coordination will be provided to the NAESB Managing Committee for consideration of comments.

**WEQ COORDINATE INTERCHANGE SCHEDULING ACTIVITIES:** Mr. Buus, Co-Chair of the NAESB WEQ Coordinate Interchange Scheduling Subcommittee (CISS), provided the update. In May, the WEQ Coordinate Interchange Scheduling Subcommittee (CISS) finalized revisions to the WEQ-004 Coordinate Interchange Business Practice Standards to improve consistency in the calculation of integrated hourly values. A standardized calculation and rounding methodology are anticipated to improve efficiency by supporting greater consistency between entities and potentially reduce administrative burdens related to calculated value differences between adjacent balancing authorities or transmission providers and customers. These modifications were developed under a joint assignment with the WEQ Business Practices Subcommittee (BPS) and the WEQ OASIS Subcommittee as part of the 2026 WEQ Annual Plan. Following discussion and review of the different contexts in which integrated hourly values are used, the subcommittees agreed that variations in calculation methods in other applications do not present the same potential



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for material impacts as those associated with interchange schedules. The subcommittees found that WEQ-004 is the only area of the standards where a more detailed definition of the calculation would be beneficial. A formal comment period was issued for the recommendation, with comments due by July 8, 2026. The CISS also began its annual review of the NAESB Electronic Tagging Functional Specification (e-Tag Specification) to ensure the specification continues to support applicable NERC Reliability Standards and NAESB WEQ Business Practice Standards and is reflective of current cybersecurity best practices. The subcommittee will continue its annual review of the e-Tag Specification at the next CISS meeting, which is scheduled for June 16, 2026.

**WEQ/RMQ BPS: DER ACTIVITIES:** Mr. Maples, Co-Chair of the NAESB WEQ Business Practices Subcommittee (BPS), provided the update. The WEQ and RMQ Business Practices Subcommittees continue its joint efforts to consider the development of NAESB Business Practice Standards to support the integration and interoperability of DER registries and other industry data tools. Following several joint subcommittee meetings and industry response received during the informal industry comment period, the subcommittees are focusing on creating business practices to support data interoperability between industry tools and systems that use DER information. NERC staff and working groups addressing DER impacts on the bulk power system have participated in discussions, and WEQ and RMQ BPS leadership also presented an update of the subcommittees progress at a joint meeting of the NERC System Planning Impacts from Distributed Energy Resources Working Group (SPIDERWG) and Electric Vehicle Task Force (EVTF). During the most recent joint subcommittee meeting, NERC staff provided feedback from the SPIDERWG and EVTF indicating that the proposed interoperability standards could address gaps in DER data availability for reliability planning, including requirements associated with FERC Order No. 901. NERC further noted that more consistent DER data systems could enhance NERC's ability to monitor bulk power system reliability and identify and track potential risks. The WEQ and RMQ BPS are working to complete an initial draft recommendation leverage previous work products created by the WEQ BPS as part of prior standard considerations related to DERs and energy storage resources. The recommendation is expected to be considered by the WEQ and RMQ Executive Committees as part of the October Executive Committee meetings.

**WEQ/RMQ/WGQ CYBERSECURITY ACTIVITIES:** Mr. Brooks with Business Cyber Guardian provided the update. The WEQ Cybersecurity Subcommittee is coordinating with the WEQ Business Practices Subcommittee (BPS) on potential cybersecurity related standards to support the wholesale electric industry's implementation of FERC Order No. 912 and the NERC Supply Chain Risk Management Reliability Standards. Since this effort began, the cybersecurity subcommittee has considered ways to streamline the process for identifying relevant software vulnerabilities and ensure that vendors provide relevant vulnerability information in a useful and consistent manner. The subcommittees recently met in June 8, 2026 and continued developing concepts for standardized contract language to support procurement processes, including provisions for 72-hour vendor vulnerability notifications, remediation plans and corrective actions, regulatory reporting support, and the potential use of AI-enabled tools for vulnerability identification and assessment. The subcommittees will begin drafting specific contract language at the next meeting scheduled for June 22, 2026, focusing on alignment with NERC CIP requirements and other industry guidance. The WEQ Cybersecurity Subcommittee also kicked-off its annual review of the WEQ Business Practice Standards and the Accreditation Requirements for Authorized Certification Authorities to ensure continued support for secure electronic commercial communications and alignment with current market conditions. Discussion focused on reviewing ongoing NERC CIP standards development, relevant FERC activities, NIST post-quantum cryptography guidance, and PKI certificate issuance best practices. Additionally, the WGQ and RMQ subcommittees reviewed their cybersecurity and QEDM standards, including whether to require MFA for pipeline customer activity websites. Proposed revisions to the WGQ cybersecurity manual would require MFA in addition to username and password, with a vote scheduled for the next meeting. The WGQ also discussed a standards request related to increased automated data scraping on pipeline informational posting websites and potential mitigation approaches within the regulatory requirements for public access and existing ISO/RTO data access practices.

**WEQ OASIS ACTIVITIES:** Mr. Arbitelle, Co-Chair of the NAESB WEQ OASIS Subcommittee, provided the update. In May, the WEQ OASIS Subcommittee approved a recommendation to revise the WEQ-003 OASIS Data Dictionary in response to a Standards Request noting that, while transmission providers commonly post rates in



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megawatts, current field length limitations have required some entities to use gigawatt values for rate postings. The proposed revisions would increase the maximum field length for posting pricing information to OASIS nodes, allowing transmission providers to use megawatt values, improving consistency for transmission customers, and reducing the risk of misinterpretation. The revisions also support evolving market needs that could impact transmission scheduling by enabling the use of alternative units of measure to post rates, which may become more relevant with larger loads and increased DER integration. The formal comment period was open until June 10, 2026, and the recommendation is scheduled for consideration by the WEQ Executive Committee in October. The OASIS Subcommittee is also developing a recommendation to revise WEQ OASIS-related standards based on implementation and operational experience following adoption of WEQ Version 004. Current discussions are focused on potential updates to improve clarity and consistency in the processing of transmission service redirect requests. The recommendation is also expected to be considered by the WEQ Executive Committee during the next October Executive Committee meeting. In addition, in response to a Standards Request, the subcommittee considered potential revisions proposing for uniform data formatting between OASIS nodes and the NAESB Electric Industry Registry (EIR). Discussion found that several OASIS data elements correspond to fields used in other industry systems and that greater consistency in formatting could improve efficiency and reduce confusion. The subcommittee will continue discussion at its next meetings, which are scheduled for July 7, 2026 and August 4, 2026.

**WGQ BUSINESS PRACTICES SUBCOMMITTEE ACTIVITIES:** Mr. Schoene, Chair of the NAESB WGQ Business Practices Subcommittee (BPS), provided the update. The WGQ Business Practices Subcommittee (BPS) continue to review the nominations related data elements to assess whether certain elements should be revised, reclassified, or retired. As part of this effort, the subcommittee examined how these data elements are utilized across both EBB and EDI systems, with particular focus on elements with unclear, inconsistent, or overlapping usage. Participants, including pipeline representatives, conducted additional research on certain data elements, including bid transportation rate, associated contract data, contact information fields, and imbalance period, to better understand current industry practices and determine whether revisions or reclassification may be appropriate. The subcommittee is also evaluating potential impacts of any changes on related standards, including confirmations, scheduling, allocations, shipper imbalances, and invoicing. At its next meeting, the WGQ BPS plans to review scheduling-related data sets, including schedule planning and scheduled quantity, for similar considerations. The subcommittee also reviewed two Standards Requests. The first Request proposes adding data elements for Swing Contract, Swing Location, Swing Limit, and Swing Percentage to the Pre-determined Allocation standards to support the resolution of daily imbalances through swing transactions under operating balancing agreements. The second Request proposes adding data elements to invoicing and payment remittance standards to accommodate SWIFT codes and support accurate payment routing. Following discussion, the subcommittee approved actions directing the WGQ Information Requirements and Technical Subcommittees to proceed with technical development of the proposed data elements and associated data sets.

**WGQ CONTRACTS ACTIVITIES:** Mr. Sappenfield, Chair of the WGQ Contracts Subcommittee, provided the update. The WGQ Contracts Subcommittee is considering the development of a base contract for ammonia transactions in response to a Standards Request submitted by the Clean Hydrogen Buyers Alliance. The request initially proposed an ammonia addendum to the NAESB Hydrogen Base Contract to support transfer of carbon intensity attributes and the use of instruments equivalent to Energy Attribute Certificates (EACs). Following stakeholder discussions and coordination with the Ammonia Energy Association (AEA), the subcommittee determined at its March kick-off meeting that a standalone ammonia base contract would be more appropriate, given the distinct commercial and logistical characteristics of ammonia transactions, including transportation methods and import/export considerations. The Contracts Subcommittee developed a draft ammonia contract that incorporates key provisions from the NAESB Hydrogen Base Contract, including transaction structures, treatment of bundled and unbundled energy attribute certificates, and carbon intensity concepts. The draft also incorporates relevant provisions from the NAESB WGQ Master Agreement for Liquid Hydrocarbon transactions to address transportation by truck, barge, rail, and vessel. The draft was circulated to the AEA and industry stakeholders for comment, with a deadline of May 12, 2026. No comments were received from the industry, and the subcommittee is currently awaiting targeted feedback from the AEA on provisions related to carbon intensity, identification protocols, and its ammonia



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certification framework. During the most recent subcommittee meeting on May 14, 2026, the subcommittee reviewed the Definitions section and identified areas requiring further stakeholder input, including oral transaction procedures, spot price and tax provisions, and the definition of firm contract in relation to force majeure. The subcommittee also added Short Ton (ST) as a transaction quantity unit and updated related provisions accordingly. The next meeting is tentatively planned for late June, pending receipt of AEA feedback, which will inform the agenda and further discussion.

**BOARD AND REGULATORY ACTIVITIES UPDATE:** Mr. Booe, NAESB Executive Vice President and COO, provided the update. On May 15, 2026, NAESB published the most recent version of the Retail Market Standards. The standards were submitted to NARUC, and NAESB notified Tony Clark that the standards have been published and are available for use by state commissions should they choose to do so. NAESB also sent letters to Commissioner Chang and John Dabbar, Executive Director of the National Petroleum Council (NPC), indicating that no action will be taken at this time regarding Commissioner Chang’s concurrence to FERC’s Notice of Proposed Rulemaking (NOPR) and the NPC recommendation on potential market mechanisms to support differentiated natural gas. NAESB has not filed any formal reports with the Federal Energy Regulatory Commission. The next Board Strategy Committee meeting is scheduled for Friday, June 26, 2026, to discuss whether to issue a survey to the broader membership. The Strategy Committee considers this issue annually, and the last survey was distributed in 2024. The Strategy Committee may consider issuing another survey this year to maintain the two-year survey cycle.

**NEXT CONFERENCE CALL:** The next NAESB Update Conference Call is scheduled for August 26, 2026 from 1:00 PM - 2:00 PM Central. The agenda and any work papers will be posted on the NAESB Update Call page of the NAESB website, accessible at the following link: [http://www.naesb.org/monthly\\_update.asp](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](mailto:naesb@naesb.org).

<b>NAESB Update Conference Call Participant</b>	
<b>List June 10, 2026 1:00 PM Central</b>	
<b>Name</b>	<b>Organization</b>
Robert Arbitelle	Southern Company
Jonathan Booe	NAESB
Dick Brooks	Business Cyber Guardian
Zach Buus	Bonneville Power Administration
Steven Fiorella	Southern Company
Andrew Fleming	NV Energy
Mike Fones	Manitoba Hydro
Gilberto Garcia	Sempra Infrastructure
Jesse Garrido	LG&E and KU Services
Brandon Hajek	Northern Natural Gas
Ronnie Hensley	Southern Star Central Gas Pipeline
Cory Herbolsheimer	NV Energy
Rachel Hogge	Eastern Gas Transmission and Storage
Michael Holko	Pennsylvania Public Utility Commission



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