##### August 10, 2015

**TO:** All Interested Parties

**FROM:** Caroline Trum, NAESB Deputy Director

**RE: WEQ EC Conditional Parent Firm Redirects Task Force Update**

**Update on WEQ EC Conditional Parent Firm Redirects Task Force –**

The WEQ Executive Committee (EC) Conditional Parent Firm Redirects Task Force held its kick-off meeting on June 15, 2015. The task force was formed by the WEQ EC chair and co-chair at the request of the WEQ EC and is tasked with reviewing the efforts of the OASIS Subcommittee to develop proposed standards to address standards for redirects from conditional parent reservations, evaluating the need for additional standards, and if necessary, developing standards to further address redirects from conditional parent reservations.

The OASIS Subcommittee addressed the issue of redirects as part of its work on Commission directives in FERC Order No. 676-H. In the order, the Commission directed NAESB to realign its standards with the Commission’s policy on redirects as stated in *Entergy Services, Inc*., 143 FERC ¶61, 143 at P 25 &n.68 (2013) and *Dynegy Power Marketing, Inc.* 99 FERC ¶ 61,054 at P 9 (2002), explaining that for transmission reservations that are being directed on a firm basis, until the child (redirect) becomes unconditional, the transmission customer retains the right to revert back to the parent reservation path. The subcommittee developed a recommendation proposing modifications to conform with the Commission’s policy for situations in which the parent reservations of the redirect has achieved unconditional status but was unable to reach consensus for scenarios in which the parent reservation is of conditional status. As such, the standards addressing redirects from conditional parent reservations require transmission providers to post how they will handle such scenarios to their OASIS business practices. During the WEQ EC meeting, it was agreed that further guidance from FERC would likely be needed before a consensus could be reached on more detailed standards.

In preparation for the meeting, a work paper[[1]](#footnote-1) was prepared highlighting the discussions of the OASIS Subcommittee related to conditional parent redirects and areas where additional information or guidance would be helpful in reaching consensus. The work paper was shared with Commission staff and any received guidance will be shared at subsequent meetings of the task force.

1. <https://naesb.org//pdf4/weq_ec_cpfr_061515w1.docx> [↑](#footnote-ref-1)