

North American Energy Standards Board

801 Travis, Suite 1675, Houston, Texas 77002 Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org Home Page: www.naesb.org

August 29, 2012

NAESB MONTHLY UPDATE CONFERENCE CALL

UPDATE ON GAS-ELECTRIC HARMONIZATION: Ms. McQuade provided the update. On August 27, 2012, the co-chairs of the Gas Electric Harmonization (GEH) Committee sent to the NAESB Board of Directors a report describing the committee's efforts and recommendations, as directed by the board, in response to the National Petroleum Council "Prudent Development – Realizing the Potential of North America's Abundant Natural Gas and Oil Resources" study. To develop the report, the GEH Committee reviewed existing documentation to identify harmonization issues and then categorized those issues into four different areas – scheduling, capacity, curtailment and communications. The committee then distributed a survey to help further identify these issues as primary or secondary interest to (1) standards development, (2) policy considerations, (3) commercial practices considerations, or (4) more in the nature of general comments. The results of the survey were used to develop the report, which identifies the policy, commercial, and standardized business practices issues that may require action. Additionally, the report notes three areas where existing standards could be revisited to determine whether modifications could improve harmonization issues: (1) market timelines and coordination of scheduling for trading and nomination, (2) flexibility of scheduling, and (3) information sharing and communications protocols between the two markets. The report will be considered by the NAESB Board of Directors as part of its upcoming meeting on September 20, 2012.

UPDATE ON THE ELECTRIC INDUSTRY REGISTRY TRANSITION: Mr. Anderson and Mr. Booe provided the update. The NAESB office continues to work with both Open Access Technology International (OATI) and NERC on the transition of the NERC Transmission System Information Networks (TSIN) Registry to the NAESB Electric Industry Registry (EIR). OATI estimates that approximately 92% of entities anticipated to register in the new system have done so and is in the process of contacting the remaining entities with active e-Tags in the TSIN that have not yet registered. Parallel testing began on May 29, 2012 and is scheduled to last for at least six months.

UPDATE ON SMART GRID DATA PRIVACY REQUEST: Mr. Booe provided the update. On August 16, 2012, NAESB received Standards Request R12008, from the Smart Grid Interoperability Panel Cyber Security Working Group (CSWG). The request identifies updates to the privacy and cyber security requirements for NAESB REQ.22 Third Party Access to Smart Meter-based Information Model Business Practices. As identified in the request, inclusion of such modifications could result in additional cybersecurity and privacy protections for customers seeking to have their smart meter-based information released to third parties. The request is proposed to be assigned to the REQ Data Privacy Task Force.

UPDATE ON DODD-FRANK ACT IMPLICATIONS TO CONTRACTS: Mr. Sappenfield provided the update. As part of its August 23, 2012 meeting, the WGQ Executive Committee proposed the inclusion of a new item on the 2012 WGQ Annual Plan to review the final rules published by the Commodity Futures Trading Commission (CFTC) to determine if new rules on various definitions will impact the NAESB Base Contract for the Sale and Purchase of Natural Gas. The NAESB Board of Directors will consider the inclusion of the new annual plan item as part of its upcoming meeting on September 20, 2012.

UPDATE ON PKI/CERTIFICATION: Mr. Buccigross provided the update. The WEQ-012 Public Key Infrastructure Business Practice Standards were approved by the WEQ Executive Committee during its August 21, 2012 meeting and are currently out for a ratification period which ends on October 4, 2012. During the meeting, the WEQ Executive Committee also approved the NAESB Accreditation Requirements for Authorized Certification Authorities. As this document is not considered a standard, membership ratification is not necessary. As part of the full-staffing process, the 2012 WEQ Annual Plan calls on the WEQ OASIS Subcommittee and WEQ Joint Electronic Scheduling Subcommittee to modify or create corresponding standards to support WEQ-012 in OASIS and the Coordinated Interchange.



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UPDATE ON COMMON CODE EFFORT: Ms. Buccigross provided the update. During its August 23, 2012 meeting, the WGQ Executive Committee voted to adopt a recommendation from the WGQ Information Requirements/Technical Subcommittees that will allow transportation service provides the option to use common codes or proprietary codes. To ensure that no functionality is lost in the transition from common code usage to proprietary code usage, the WGQ Business Practices Subcommittee (BPS) will submit a minor correction to the standards to extend the time requirement for maintaining the codes. Data needed for inactive points that may still be the subject of existing filings can be acquired from websites maintained by the transportation service providers who will ensure the historic use, accuracy, accessibility, and availability of the codes.

UPDATE ON REVENUE COMMITTEE RECOMMENDATIONS: Ms. McQuade provided the update. As discussed during the June 21, 2012 NAESB Board of Directors meeting, the Revenue Committee has been working to implement the recommendations approved by the NAESB Managing Committee, including cost increase of NAESB products and courses for non-members and creating a non-member website. The non-member cost for NAESB standard contracts as well as individual standard books is now \$250. The Revenue Committee continues to meet to discuss a possible non-member meeting attendance fee to help defray some of the costs incurred in hosting meetings and monitor progress on the implementation of a non-member website.

NEXT CONFERENCE CALL: The next Monthly Update conference call is scheduled for October 31, 2012 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.

NAESB Monthly Update Conference Call, Participant List August 29, 2012 at 1:00 PM Central		
Name	Organization	
Jeff Anderson	OATI	
Theresa Aquino	Louis Dreyfus Energy Services	
Clint Aymond	Entergy	
Jonathan Booe	NAESB	
Jim Buccigross	8760	
Kathryn Burch	Spectra	
Ernie Cardone	NYISO	
Pete Connor	AGA	
Chuck Cook	Chevron	
Ericka DeCourcey	New Mexico Gas	
Doug Field	Southern Star Central Gas Pipeline	
Bob Harshbarger	Puget Sound Energy	
Linda Horn	We Energies	
Dowell Hudson	SPP	



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John Kaduk	Georgia PSC Staff	
Debbie Kupczyk	National Fuel Supply	
Lori Layerton	WPI Energy	
Tara Liscombe	Louis Dreyfus Energy Services	
Vanessa Matthew	Noble Americas Corp.	
Patric McGovern	GTC	
Rae McQuade	NAESB	
Susan Munson	ERCOT	
Marlene Noble	PSEG	
Mike Novak	National Fuel	
Stephanie Panus	BG Energy Merchants	
Lou Pazano	PSEG	
Elizabeth Peters	Sempra US Gas and Power	
Ken Quimby	SPP	
Judy Ray	Alabama Power	
Keith Sappenfield	Encana	
Susan Schumann	Florida Municipal Power Agency	
Timothy Simon	California PUC Commissioner	
Kathy Thornton	Enbridge	
Kim Van Pelt	Boardwalk Pipeline	
JT Wood	Southern Company	
Matt Wurst	Pennsylvania PUC Staff	
Randy Young	Boardwalk Pipeline	
Lori Zabrecky	PPL Energy Plus	