



North American Energy Standards Board

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via email and posting

TO: NAESB Executive Committee Members, Annual Plan Coordinators and Posting for Interested Parties

FROM: Rae McQuade, Executive Director

RE: Annual Plan Subcommittee Conference Call Minutes – January 15, 2003

DATE: January 16, 2003

**NORTH AMERICAN ENERGY STANDARDS BOARD
ANNUAL PLAN SUBCOMMITTEE CONFERENCE CALL
January 15, 2003**

1. Administrative

Mr. Buccigross welcomed participants and read the antitrust guidelines. Participants introduced themselves. Mr. Buccigross, as Chair of the Executive Committee, presided over the Annual Plan Subcommittee (APS) conference call. Mr. Buccigross outlined the goal of today's call as identifying potential cross-quadrant issues and developing a plan to move forward.

Mr. Buccigross noted, as a result of the NERC/NAESB MOU, all requests for standards that come to NAESB, as well as 2004 Annual Plan items, will go through the NERC/NAESB JIC process. Mr. Buccigross said this process will most likely affect the WEQ, but could also impact the other quadrants as well. For clarity, Ms. McQuade explained NAESB has only committed to sending requests for WEQ standards and WEQ Annual Plan items through the JIC process. Mr. Buccigross concurred, but offered the example of an REQ item that impacts a WEQ item, noting this was an undefined grey area.

Mr. Buccigross proposed to add selection of co-chair under Agenda Item 1. Mr. Novak moved, seconded by Mr. Zavodnick, to adopt the agenda as modified. On a procedural vote the motion passed unanimously.

Mr. Buccigross opened discussion on the selection of an APS Co-chair. Mr. Buccigross nominated Mr. Zavodnick. Ms. McQuade, noting the obvious connection with the JIC, suggested a member of the JIC serve as an additional co-chair of the APS. Mr. Davis, a JIC alternate, volunteered to serve in that capacity. Seeing no other nominations, Mr. Buccigross announced that he, Mr. Zavodnick, and Mr. Davis are the APS Co-chairs. Mr. Buccigross anticipated most of the work of this subcommittee would occur through conference calls and posting of documents. [After the meeting, Ms. Chezar also volunteered to co-chair and was welcomed by Mr. Buccigross.]

2. Review of 2003 Annual Plan Items to Determine if Multi-Quadrant activity is needed

Mr. Buccigross opened discussion and asked meeting participants to identify items on the 2003 Annual Plans that might require cross-quadrant consideration. Mr. Buccigross noted the list established to day is subject to modification, should the need arise.



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Items identified include:

- Contracts, specifically the WEQ FTAA and WGQ Credit Annex
- WGQ EDM Standards
- Creditworthiness
- All REQ items, excluding Item 7, Load Profiling, and Item 11 Settlement Process
- All RGQ items, excluding Item 1, Inventory Existing Natural Gas Practices within States, and Item 2, Examine Wholesale Gas Quadrant EDM Standards
- WEQ electricity trading day
- WGQ Financial Hedging provisional item
- Cybersecurity

Meeting participants engaged in a lengthy discussion regarding inclusion of WGQ EDM on this list. Mr. Novak suggested placing examination and coordination of EDM standards, possibly leading to a comprehensive EDM Implementation Manual, as a provisional item on the 2003 WGQ Annual Plan. Numerous members of the WGQ opposed this approach and instead favored adding the item as provision if and when the issue arose.

Great concern was voiced about rushing the process of moving into a comprehensive approach regarding EDM. Ms. Van Pelt expressed the opinion that RGQ or REQ work on EDM issues would not affect the existing body of WGQ EDM work. Ms. Davis said each of the quadrants needs to look at WGQ EDM and decide which part they want to use, if any, before a coordinated effort begins. Ms. Davis expressed concern that putting EDM coordination as a provisional item on the 2003 WGQ Annual Plan could supersede this process. She expressed additional concern that the coordination effort should not be done piecemeal, but rather across all four quadrants to preserve resources. Ms. Van Pelt concurred with Ms. Davis's statements, and further questioned the feasibility and appropriateness of combining cross-quadrant EDM issues at this time.

Mr. Novak favored a maximum amount of coordination among quadrants on EDM, noting the retail quadrants already use the WGQ EDM standards. Further, Mr. Novak said it is highly probable that in 2003 the retail quadrants will have reviewed existing WGQ EDM standards and be prepared to discuss the process of coordinating EDM standards across quadrants. Mr. Novak pointed to the desirability of one implementation manual instead of four separate manuals, and asserted placing EDM coordination on this list opens up that discussion.

At the end of discussion on EDM standards, Mr. Buccigross summed that EDM is obviously an issue that deserves to be placed on the list. However, he noted the timeframe and which quadrants it impacts has yet to be determined and will be addressed in a subsequent meeting of the APS.

Ms. Chezar expressed concern about adding Creditworthiness because the WGQ has already developed a work plan for a unique issue. She questioned if placing creditworthiness on this list would halt the WGQ work. As a compromise, Mr. Novak suggested listing creditworthiness with a specific exclusion for the current work of the WGQ regarding capacity release.

Ms. Chezar inquired about the impact of putting a topic on the list being developed in today's meeting. Mr. Buccigross responded all that is being done today is the



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identification of items that will be worked on in future meetings. Regarding determining if a topic should be placed on the list, Mr. Buccigross used the analogy that if we see something called “zebra” on more than one annual plan, this group should determine if cross-quadrant issues exist. Ms. Chezar suggested narrowing that scope to be the search for cross-over work planned and defined. She noted that some of the annual plan items are nothing more than a few sentences and more information is needed before such a recommendation can be made.

The participants further discussed the impact of today’s list, as well as the working of the APS. Ms. Chezar asked if potential items are considered joint items, how does the process work through to the actual subcommittee activity. Mr. Buccigross explained the APS would have to approve a change if it affects an Annual Plan. Further, he explained the change to an annual plan would proceed through the normal process of annual plan modification. Ms. Van Pelt inquired as to whether identification as a cross-quadrant issue is enough to move an item from provisional to active on an annual plan. Mr. Buccigross explained the process of moving an item from provisional to active remains the same – it still requires a standards request and Board approval. Ms. McQuade concurred.

3. **Planning activities for development of 2004 Quadrant Annual Plans**

Due to time considerations, Mr. Buccigross tabled discussion of Agenda Item 3.

4. **Calendar of Meetings for 2003**

Mr. Buccigross recommended working from the list of topics identified under Agenda Item 2, addressing two issues per conference call. Accordingly, the following conference call schedule was developed:

- February 3, 2003 from 8:00 a.m. to 10:00 a.m. CST; topic: contracts and EDM Standards
- February 11, 2003 from 10:00 a.m. to noon CST; topic: common issues of the REQ and RGQ 2003 Annual Plans

5. **Other Business**

No other business was discussed.

6. **Adjourn**

Mr. Buccigross adjourned the call at 11:15 a.m. CST.

7. **Meeting Attendees:**

Name	Company	Notes
Barbara Alexander	State of Maine Public Advocate	
Janette Arreguin	PNM	
Bill Barkas	Dominion Retail	
William Bourbonnais	Wisconsin Public Corp	
Jim Buccigross	Group 8760	APS Co-chair
Kathryn Burch	Duke Energy - Texas Eastern	
Christopher Burden	Williams Gas Pipe Line	
Dolores Chezar	Key Span	APS Co-chair



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Nancy Cianflone	Key Span	
Steven Cobb	Salt River Project	
Randy Corbin	Ohio Consumers Counsel	
Edward Davis	Entergy	APS Co-chair
Dale Davis	Williams Gas Pipe Line	
Greg Dodson	Dominion Resouce Services	
Mark Gracey	Tennessee Gas Pipeline	
Bill Griffith	El Paso Western - CIG	
Tom Gwilliam	Iroquois Gas Transmission	
Bill Hebenstreit	El Paso Merchant Energy	
Gary Jackson	TVA	
Jon Keeler	Great Lakes Transmission	
Iris King	Dominion Transmission	
Marcy McCain	Duke Energy Gas Transmission	
Rae McQuade	NAESB	Administrative
Terry Moran	Public Service Electric & Gas	
Michael Novak	National Fuel	
Gene Nowak	Kinder Morgan - NGPL	
Todd Oncken	NAESB	Administrative
Bill Oppenheim	Peco	
Tom Ringenbach	American Electric Power	
Keith Sappenfield	Encana Corp.	
Ken Schubert	TransCanada Pipeline	
Roger Schwecke	Southern California Gas Company	
Mike Stender	El Paso	
Kim Van Pelt	Panhandle Eastern	
Steve Zavodnick	Baltimore Gas & Electric	APS Co-chair