



## North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002  
Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com  
Home Page: www.naesb.org

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**TO:** NAESB Board of Directors, Posting for Interested Industry Participants  
**FROM:** Todd Oncken, NAESB Deputy Director  
**RE:** Final Minutes from the NAESB Board of Directors Meeting – September 18, 2003  
**DATE:** September 22, 2003

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**NAESB Board of Directors Meeting**  
**Thursday, September 18, 2003**  
**9:00 a.m. – 12:30 p.m. Central**  
**Austin, TX**

### **1. Welcome & Administrative Items**

Mr. Haynes called the meeting to order and welcomed Mr. Grim as a special guest. Mr. Costan gave the antitrust advice. The roll was called and quorum was established. Mr. Desselle moved, seconded by Mr. Williams to adopt the draft agenda. The motion passed unanimously. Mr. Maassel moved, seconded by Mr. Hudson, to adopt the minutes from the June 26, 2003 Board of Directors meeting as drafted. The motion passed unanimously.

### **2. Executive Director's Report**

Ms. McQuade gave the Executive Director's report. Topics included: 1) Data Interchange Standards Association Appeals Efforts; 2) Monthly Update Calls – 'At A Glance'; 3) Changes to the NAESB Web Site; 4) Annual Meeting Report; and 5) Membership Report.

Data Interchange Standards Association (DISA) Appeals Effort: Ms. McQuade reported on the appeal NAESB filed with DISA, the standards organization responsible for the ASC X12 standards used in EDI, regarding the creation of an Energy Task Force as part of the X12 Financial Subcommittee. She stated DISA has nullified the ballot due to inconsistencies with the DISA procedures in the formation of the task force. Further, she said NAESB expects a confirmation from DISA which addresses the primary concerns of our organization – that the ballot be nullified and that the procedures we follow to request changes to the X12 standards remain the same. Ms. McQuade stated this was a positive result which produced the results NAESB needed to continue with efficient standards development while preserving NAESB's relationship with DISA and obviating the need to raise an appeal on the issue to ANSI.

Monthly Update Calls – 'At A Glance': Ms. McQuade stated NAESB has held four At A Glance calls, each with representative from NARUC, federal agencies and NAESB members attending. She stated future calls, except September due to the Annual Meeting, will be held on the third Thursday of each month at 2:00 p.m. Eastern.

Changes to the NAESB Web Site: Ms. McQuade stated NAESBMail, the e-mail distribution system, is being widely used. Also, she stated a search function for the NAESB web site would be implemented and available in October.

Annual Meeting Report: Ms. McQuade reported the 2004 Annual Meeting was held on September 16-17 in Austin, TX at the Driskill Hotel. Ms. McQuade briefly reviewed the program and attendance, noting the meeting was very well received by both presenters and attendees.

Membership Report: Ms. McQuade reported current NAESB membership at 368, with quadrant-specific membership as follows: Wholesale Gas Quadrant (WGQ) – 121; Wholesale Electric Quadrant (WEQ) – 162; Retail Gas Quadrant (RGQ) – 42; and Retail Electric Quadrant (REQ) – 43. A graphic depiction of NAESB membership can be found under tab 4 of the meeting materials. Mr. Brown noted several organizations maintain multiple NAESB memberships, and those



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memberships might be consolidated through the organization's budget process, which may affect the retail quadrants in particular.

### 3. Financial Report

Ms. Wishart gave the financial report as of June 30, 2003. It was noted actual expenditures for telecommunications services exceeded those budgeted, and are expected to continue throughout the year due to increased telephone conferencing. Ms. McQuade referenced the 2002 audit report, available in the meeting materials, which states the NAESB financial statements were found to be in good order.

There was an initial discussion of the 2004 budget process. It was noted that since membership seems to have stabilized around 370 members, that number will likely be used as the basis for the 2004 budget. Ms. McQuade stated that several budget alternatives will be prepared for consideration by the Managing Committee and a budget for 2004 will be presented at the December Board meeting. Mr. Haynes noted a fee for teleconferencing of is being considered in one scenario. Ms. McQuade stated that instituting fee-based teleconferencing would allow a budget allocation to increase the NAESB staff for support of the quadrant activities. The following concerns were raised: 1) whether the imposition of the fee would dampen volunteer participation; 2) whether there was historical data on the effect a fee would have on meeting participation; 3) whether the fee would apply to face-to-face meetings with conferencing calling availability or all meetings; and 4) whether the 'At A Glance' calls would be subject to the fee. Ms. McQuade stated that should it be determined to charge for a conference call, the effect of any teleconferencing charge will be monitored for its affect on participation. The Board previously approved the use of fees for conference calling.

### 4. Executive Committee Report

Mr. Buccigross, Mr. Novak and Mr. Corneli gave the Executive Committee report. Included in the report was a brief discussion of the 2004 annual plan process.

Wholesale Gas Quadrant: Mr. Buccigross reported on the WGQ. He reviewed the 2003 Annual Plan and stated the WGQ did very well in fulfilling the items in its annual plan. In addition to the annual plan items, he noted a significant amount of implementation was completed during 2003. that was not evidenced by the annual plan. Of note, he stated that since item 3, *Explore additional possibilities for partnership with the Department of Energy*, was not completed and would roll to the 2004 plan, Version 1.7 EDM Standards would be the subject of the review. Additionally, Mr. Buccigross stated the WGQ Annual Plan Subcommittee has met and prepared a draft 2004 Annual Plan.

Retail Gas Quadrant and Retail Electric Quadrant: Mr. Novak reported on the RGQ and REQ. He stated the RGQ and REQ subcommittees have completed their work on Creditworthiness and Billing and Payments, combined totaling over 100 model business practices. Mr. Novak stated the Creditworthiness model business practices will be considered at the October Executive Committee meeting, with the Billing and Payments model business practices being considered subsequently at the December Executive Committee meeting or on a conference call, if appropriate. Mr. Novak stated the RGQ and REQ have had success working together and making model business practices that are quadrant neutral.

Mr. Novak stated the RGQ and REQ will focus on the implementation model business practices (data sets and data dictionaries) for Creditworthiness and Billing and Payments. He said the RGQ and REQ were deferring work on licensing due to policy implications and would begin development on Customer Enrollment, Switching & Dropping. Additionally, Mr. Novak stated the RGQ and REQ are considering forming a Contracts Subcommittee. Mr. Novak stated the 2004 Annual Plans will



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resemble the 2003 Annual Plans, except for minor language modifications and the addition of an item for standards maintenance.

Wholesale Electric Quadrant: Mr. Corneli reported on the WEQ. Mr. Corneli stated the 2003 Annual Plan was predicated on the FERC's issuance of an order on Standard Market Design. He stated that as the FERC has not issued that order, the WEQ has shifted its focus to other critical issues, including coordination with NERC and the ISO/RTO Council. Mr. Corneli reviewed the progress made on the 2003 Annual Plan, noting the work of the Seams Subcommittee, the Standards Review Subcommittee and Inadvertent Interchange Payback Task Force is underway.

Mr. Corneli reviewed the draft 2004 Annual Plan. Mr. Corneli stated there is an effort going on at NERC to transition its current Policies into reliability standards (created and maintained by NERC) and complementary business standards (created and maintained by NAESB). He stated this NERC effort creates a potentially massive workload for the Executive Committee which could potentially last for several years. Additionally, he said the WEQ would likely work on OASIS and seams issues throughout 2004. Finally, Mr. Corneli stated the draft WEQ plan contains an item to investigate the need for electric or gas standards required to provide additional flexibility in generation scheduling through a specially assigned task force (item 4). Mr. Corneli said this item would likely be an opportunity for the Wholesale Quadrants to work together.

Participants discussed item 4 from the draft annual plan. Mr. Mucci questioned whether a standards request had been submitted and triaged prior to the inclusion of this item in an annual plan. He cautioned that the items contemplated by this WEQ item could delve into WGQ issues, such as gas day. Mr. Novak stated that he had encouraged the proponents of the WEQ annual plan item to file a standards request and anticipates the filing of such a request in the near future. Mr. Novak agreed that it is not clear if the item belongs on the WEQ annual plan. He noted that if the item is included in the WGQ annual plan, there will likely be some interest in the RGQ since some states require LDCs to follow the nominations timeline. Mr. Buccigross reminded participants that the annual plans presented were first drafts and could change before their presentation to the Board for acceptance at the December meeting. Mr. McMillan commented his concerns for the WEQ moving into 2004 were resource adequacy, prioritization, and facilitation.

### **5. Updates on Related Groups**

Joint Interface Committee: Mr. Desselle stated that an informal Joint Interface Committee (JIC) meeting will be held on September 18 to review any available 2004 draft annual plans. Additionally, he stated the JIC will meet on September 19 to review several standards requests and assign those requests to either NERC or NAESB for further development.

OASIS Standards Collaborative and Electronic Scheduling Collaborative: Mr. Desselle reported that the WEQ has established an Information Technology Subcommittee, the members of which will likely be composed of members of the OASIS Standards Collaborative. They will address OASIS 1A and other pending work referred from the OSC. Additionally, he noted the WEQ has formed an Electronic Scheduling Subcommittee to address any work referred by the Electronic Scheduling Collaborative (ESC). He stated the ESC has not responded to the notification that the subcommittee has been established, but expects a response shortly. Mr. Desselle noted the Memorandum of Understanding (MOU) contemplates both the ESC and OSC being subsumed within either NERC or NAESB for standards development purposes by the third quarter of 2003. The ISO-RTO Council does not develop standards.

Seams Efforts: Mr. Desselle stated that the WEQ has formed a Seams Subcommittee, with its first task being to canvass and identify seams issues across the nation. He stated the seams catalog would be used as a vehicle to identify and prioritize seams issues for standards development by either NERC or NAESB. He noted several ISOs/RTOs are undertaking efforts to address seams



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issues and he would contact those organizations to see where coordination would be appropriate. Mr. McMillan commented on the importance of positioning NAESB publicly as a forum for dealing with industry issues.

NERC Market Committee Interfaces: Mr. Desselle reviewed the charts under Tab 7 of the meeting materials detailing proposed coordination between the MOU counterparties. He noted the documents are not binding, but instead are graphical depictions of how parties see the coordination occurring. He stated key to the second-tier coordination was that both NERC and NAESB would have a central focus for coordination, so that one body would know which standards are being developed by whom. He noted NERC has preliminarily identified the Market Committee as the coordination point. He asked if any of the Board members had concerns with the charts where we would use the Executive Committee and the Standards Review Subcommittee as the NAESB focal point for coordination with NERC. No other coordination schemes were raised where our point of coordination would not be either the Executive Committee or the Standards Review Subcommittee. The charts had been reviewed by the NAESB EC subcommittee leadership to determine if our point of coordination was appropriately identified. The WEQ EC leadership supported and indeed helped to draft the charts. Mr. Desselle stated the parties contemplate joint meetings between the NERC and NAESB complementary committees and subcommittees. Mr. Desselle noted the coordination discussed was contemplated by the MOU, so no further action by the Board would be required.

Mr. Grim, chair of the NERC Markets Committee, reflected on the results of the recent meeting. He stated the Market Committee named liaisons to interface with several organizations, and Mr. Dayney was named liaison to the WEQ Standards Review Subcommittee; and Mr. Jackson and Mr. Hughes were selected to serve as the liaisons to the NAESB WEQ Executive Committee.

### **6. Managing Committee Report**

Mr. Desselle gave the Managing Committee report. He stated NAESB filed a companion filing with the FERC to NERC's Market Redispatch Report. He said the NERC filing noted that it would not continue to support market Redispatch, as the function did not serve a reliability function. It was suggested that NAESB may be the appropriate forum for standards development on Market Redispatch. Because there are policy issues surrounding market Redispatch, NAESB requested in its filing that the FERC convene a technical conference to develop the issues and allow the industry to collaboratively move forward. The NAESB filing was coordinated with NERC and with industry trade associations.

### **7. Old and New Business**

Old Business: Mr. Haynes commented on the discussion at the June Board meeting regarding the possibility of separate quadrant Board meetings. He stated the Managing Committee discussed the comments and recommends a quadrant Board conference call be scheduled one week prior to the Board meeting and attended by the quadrant vice chair, quadrant Executive Committee vice chair, and quadrant Board members. The first conference call is scheduled prior to the December Board meeting.

New Business: Mr. Haynes announced Mr. Costan's resignation as NAESB's General Counsel and thanked Mr. Costan for his many years of service to NAESB and GISB, NAESB's predecessor organization. Mr. Costan was presented with a plaque commemorating his service to both organizations. It was noted that Mr. Boswell will assume Mr. Costan's duties as the McGuireWoods representative for NAESB's General Counsel. Mr. Boswell resigned his seat on the Board of Directors at the conclusion of the meeting.

### **8. Adjourn**



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The meeting was adjourned on September 18, 2003 at 11:45 a.m. Central. It was noted that the acoustics of the room and the hotel audio equipment was problematic throughout the meeting. The office apologizes to those Board members who attended via conference call and experienced difficulties.



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### 9. Board Attendance

#### WHOLESALE GAS QUADRANT

##### END USER SEGMENT

Jim Downs	Manager of Gas and Regulatory and Federal Compliance, Calpine Corp.	Absent
Joe Stepenovitch	Vice President, Energy Marketing & Trading, Florida P&L	In Person
John Procaro	Vice President & COO, Cinergy	Phone
Janie Mitcham	Vice President, Fuel and Energy Management, Reliant Energy	Absent
Jim Templeton	Principal, Comprehensive Energy Services	In Person

##### LDC SEGMENT

<b>Bill Boswell</b>	Assistant Secretary, Dominion	In Person
Adrian Chapman	Vice President, Regulatory Affairs & Energy Acquisitions, Washington Gas Light Company	Phone
Reed Horting	Vice President, Gas Supply & Transportation, PECO Energy Co.	In Person
Walt DeForest	Senior Vice President, National Fuel Gas Distribution	In Person
Lee Stewart	President, Energy Transportation Services, Southern California Gas Co.	In Person

##### PIPELINE SEGMENT

Terry McGill	Executive Vice President, Enbridge Energy	Phone
John Somerhalder	President, El Paso Energy Pipeline Group	In Person
Shelley Corman	Senior Vice President & Chief Commercial Officer – Transwestern Pipeline, Enron Transportation Services Company	Phone
Ron Mucci	Senior Vice President Shared Service, Williams Gas Pipeline	In Person
Richard Kruse	Senior Vice President, Duke Energy Gas Transmission	Phone

##### PRODUCER SEGMENT

Randy Mills	Regulatory Manager, ChevronTexaco	In Person
William T. Benham	Vice President – Regulatory Affairs, BP Energy Company	Absent
Keith Sappenfield	Regional Director – US Regulatory Affairs, En Cana Marketing (USA) Inc.	Phone
V A C A N C Y	V A C A N C Y	
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##### SERVICES SEGMENT

Sylvia Munson	Principal, Elite Computer Consultants	In Person
V A C A N C Y	V A C A N C Y	
Jim Buccigross	Vice President Energy Industry Practice, Group 8760 LLC	In Person
Lyn Maddox	President & CEO, Prospect Energy	Phone
G. William Hebenstreit	Vice President Contract Service, El Paso Merchant Energy	In Person

#### RETAIL ELECTRIC QUADRANT

##### DISTRIBUTOR SEGMENT

Dave Koogler	Director – Regulation & Competition, Dominion Virginia Power (SERC NERC Region).	Phone
Bill Bourbonnais	Assistant Vice President – Transmission, WPS Resources Corporation (MAIN	In Person



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	NERC Region)	
Johnny Magwood	Vice President Customer Services, Baltimore Gas and Electric Company	Absent
Leonard Haynes	Executive Vice President and Chief Marketing Officer, Southern Company Services (SERC NERC Region)	In Person

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<b>END USER SEGMENT</b>		
Sonny Popowsky	Pennsylvania Office of Consumer Advocate	Phone
V A C A N C Y		
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<b>SERVICES SEGMENT</b>		
H. Ward Camp	Vice President Regulatory and Strategic Alliances, Distribution Control Systems, Inc.	In Person
Stacey Park	Director, The Structure Group	In Person
J Cade Burks	President, EC Power	In Person
John Williams	Chief Executive Officer and Co-founder, Group 8760 LLC	In Person

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<b>SUPPLIER SEGMENT</b>		
Brian Landrum	President, Reliant Energy Retail Services	Absent
Jason Woodward	Director of Business Services, Tractebel Energy Services, Inc.	Absent
V A C A N C Y		Absent
Richard Zelenko	General Manager, Dominion Retail Inc.	Absent

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**WHOLESALE ELECTRIC QUADRANT**

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<b>END USER SEGMENT</b>		
John A. Anderson	Executive Director, Electricity Consumers Resource Council (ELCON)	Phone
James B. Rouse	Associate Director Energy Policy, Praxair, Inc.	Absent
Carol Guthrie	General Manager, Electric Market Strategies, ChevronTexaco Energy Research and Technology Company	Absent
Michael J. Travieso	People's Counsel, Maryland People's Counsel	Absent
Ron Jackups	Vice President, Cinergy	Absent
Brett Perlman	Commissioner, Public Utility Commission of Texas	Phone

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<b>LDC SEGMENT</b>		
Frank Johnson	Senior Vice President Electric Transmission and Distribution, Consumers Energy	Absent
Jim Miller	Vice President & General Counsel, Southern Company Services Inc.	Absent
Ted Humann	Senior Vice President Transmission, Basin Electric Power Cooperative	In Person
Arthur G. Fusco	Vice President and General Counsel, Central Electric Power Cooperative Inc.	Absent
Mark B. Bonsall	Chief Financial Executive/Associate General Manager, Salt River Project	Absent
V A C A N C Y	To be filled from the Competitive Retailer Sub-Segment	

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<b>GENERATION SEGMENT</b>		
Forrest E. Reeves	Assistant Administrator, Office of Corporate Operations, Southwestern Power Administration	Absent

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Charles W. Severance	Director Bulk Power, Wisconsin Public Service Corporation	Phone
John J. Dellas	Executive Director Electric Restructuring, Consumers Energy	Absent
David McMillan	Director Market Design, Calpine	In Person
Thomas Ingwers	Director, Energy Trading and Contracts, Sacramento Municipal Utility District	Phone
Gloria Ogenyi	Director Energy and Market Policy, Conectiv Energy Supply, Inc.	Phone

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**TRANSMISSION SEGMENT**

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W Terry Boston	Executive Vice President, Tennessee Valley Authority	Phone
Peter Flynn	Vice President Transmission Strategy and Policy, National Grid USA	In Person
V A C A N C Y		
Carroll Waggoner	Sr. Manager Transmission Policy, Sunflower Electric Power Corporation	In Person
John H. Zemanek	Vice President Transmission, Entergy	In Person
<b>Michael Desselle</b>	Director Public Policy, American Electric Power	In Person

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**MARKETER/BROKER SEGMENT**

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Steve Oliver	Vice President of Bulk Power Marketing Transmission Services, Bonneville Power Administration/Power Business Line	Absent
R. Scott Brown	Vice President and Director, Exelon Generation Power Team	In Person
Thomas A. Smith	Manager of Power Marketing, Tri-State Generation & Transmission Association, Inc.	Absent
John Meyer	Vice President – Asset Commercialization, Reliant Energy	In Person
Dowell Hudson	Vice President Special Projects, Energy Markets, Ontario Power Generation	In Person
Joseph Hartsoe	Vice President and Associate General Counsel, American Electric Power Marketing Inc.	Phone

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**RETAIL GAS QUADRANT**

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**DISTRIBUTOR SEGMENT**

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Craig White	Acting Chief Operating Officer, Philadelphia Gas Works	Phone
Glen Schwalbach	Assistant Vice President Corporate Planning, Wisconsin Public Service Corp.	In Person
Mark Maassel	Vice President Regulatory & Government Policy, NiSource, Inc.	In Person
Paul Szykman	Manager – Rates & Strategic Planning, UGI Utilities, Inc.	Phone
Joseph F. Bodanza	Senior Vice President for Finance Operations & Regulatory Affairs, KeySpan Energy	Absent
V A C A N C Y		

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**END USER SEGMENT**

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Matthew Parsell	Assistant Director, Natural Gas Division, Indiana Office of Utility Consumer Counselor	Absent
Tina Burnett	Chair, Northwest Industrial Gas Users Association	In Person
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### SERVICES SEGMENT

Leigh Spangler	President, Latitude Technologies Inc.	In Person
David Pfeifer	Vice President – Energy, EnForm Consulting, L.P.	In Person
David Darnell	President & CEO, Systrends Inc.	Absent
Greg Lander	Principal, CapacityCenter.com	Absent
Richard Rudden	President & CEO, RJ Rudden Associates, Inc.	In Person
V A C A N C Y		

### SUPPLIER SEGMENT

Randy Magnani	Director C&I Operations, Amerada Hess Corporation	Absent
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### 10. Other Participants

Name	Company	In Person/Phone
Bryan Anderson	Foley & Lardner	In Person
Mike Bray	Shell Gas Transmission	In Person
Kathryn Burch	Duke Energy	Phone
Christopher Burden	Williams Gas Pipeline	In Person
James Cargas	NAESB Deputy Director – Admin.	In Person
Dolores Chezar	KeySpan Energy	Phone
Steve Corneli	NRG Energy	In Person
Dale Davis	Williams Gas Pipeline	In Person
Ed Davis	Entergy Services, Inc.	In Person
Mark Gracey	Tennessee Gas Pipeline	In Person
Mike Grim	TXU	In Person
Theresa Hess	Not Provided	In Person
Sheila Hollis	Duane Morris	Phone
Alan Johnson	Mirant	Phone
Marcy McCain	Duke Energy Gas Transmission	Phone
Rae McQuade	NAESB Executive Director – Admin.	In Person
Todd Oncken	NAESB Deputy Director – Admin.	In Person
Mike Novak	National Fuel Dist.	In Person
Donna Scott	Transwestern Pipeline	In Person
Mark Sellers-Vaughn	Cascade Natural Gas	Phone
Charles Tenorio	Exelon Energy Delivery	Phone
Steve Terelmes	Ameren Energy	In Person
Veronica Thomason	NAESB – Admin.	In Person
Kim Van Pelt	Panhandle Eastern Pipe Line	In Person
Darla Wishart	Checks and Balances	Phone
Charles Yeung	Reliant Energy	In Person