

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

**North American Energy Standards Board
Board of Directors Meeting
September 16, 2004**

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**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

TAB 1

This section includes:

- Welcome and opening remarks including meeting specifics.
- The roster of the members of the Board of Directors.
- Antitrust guidelines to be covered by General Counsel Bill Boswell at the beginning of the meeting.

This section tracks with agenda item 1.

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

WELCOME AND OPENING REMARKS

- The meeting specifics are:

Where: Driskill Hotel
604 Brazos Street
Austin, Texas 78701
Hotel Phone: 512-474-5911

When: September 16 Board Strategic Session 9:00 am to 1:00 pm

Please feel free to call (713-356-0060) if you have any questions or comments, additions to the agenda, or additional meeting materials. If you would prefer attending by conference call, the NAESB Office can provide the conference calling information. The materials are posted on the NAESB Home Page in the "Board of Directors" area for attendees to download.

- For further assistance please reach:

Veronica Thomason at (713) 356 - 0060

- The officers presiding over the Board of Directors meeting are:

Michael Desselle	- Chairman
Leonard Haynes	- Vice Chairman Retail Electric Quadrant
Mark Maassel	- Vice Chairman Retail Gas Quadrant
Joe Stepenovitch	- Vice Chairman Wholesale Gas Quadrant
Rae McQuade	- Executive Director, COO and Secretary

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ANTITRUST GUIDELINES

- The following guidelines will be reviewed by counsel at the meeting. The meeting will be monitored, transcribed, and minutes will be taken. The guidelines are as follows:

Antitrust guidelines direct meeting participants to avoid discussion of topics or behavior that would result in anticompetitive behavior including: restraint of trade and conspiracies to monopolize, unfair or deceptive business acts or practices, price discriminations, division of markets, allocation of production, imposition of boycotts, and exclusive dealing arrangements.

Any views, opinions or positions presented or discussed by meeting participants are the views of the individual meeting participants and their organizations. Any such views, opinions or positions are not the views, positions or opinions of NAESB, the NAESB Board of Directors, or any NAESB Committee or Subcommittee, unless specifically noted otherwise.

As it is not the purpose of the meeting to discuss any antitrust topics, if anyone believes we are straying into improper areas, please let us know and we will redirect the conversation.

North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002
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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 BOARD TERMS – Wholesale Gas Quadrant

END USER SEGMENT		TERM END:
Jim Downs	Manager of Gas and Regulatory and Federal Compliance, Calpine Corp.	Dec 31, 2004
Joe Stepenovitch	Vice President, Energy Marketing & Trading, Florida P&L	Dec 31, 2004
John Procaro	Vice President & COO, Cinergy	Dec 31, 2004
Janie Mitcham	Vice President, Fuel and Energy Management, Reliant Energy	Dec 31, 2005
Jim Templeton	Principal, Comprehensive Energy Services	Dec 31, 2005
LDC SEGMENT		TERM END:
Tim Kelley	Vice President Energy Services and Regulation, Connecticut Natural Gas Corporation and The Southern Connecticut Gas Company	Dec 31, 2004
Adrian Chapman	Vice President, Regulatory Affairs & Energy Acquisitions, Washington Gas Light Company	Dec 31, 2004
Reed Horting	Vice President, Gas Supply & Transportation, PECO Energy Co.	Dec 31, 2004
Mike Novak	Asst. General Manager, National Fuel Gas Distribution Corporation	Dec 31, 2005
Lee Stewart	President, Energy Transportation Services, Southern California Gas Co	Dec 31, 2005
PIPELINE SEGMENT		TERM END:
Terry McGill	Executive Vice President, Enbridge Energy	Dec 31, 2004
John Somerhalder	President, El Paso Energy Pipeline Group	Dec 31, 2004
Shelley Corman	Senior Vice President & Chief Commercial Officer - Transwestern Pipeline, Enron Transportation Services Company	Dec 31, 2004
Ron Mucci	Senior Vice President Shared Services, Williams Gas Pipeline	Dec 31, 2005
Richard Kruse	Senior Vice President, Duke Energy Gas Transmission	Dec 31, 2005
PRODUCER SEGMENT		TERM END:
Randy Mills	Regulatory Manager, ChevronTexaco	Dec 31, 2004
William T. Benham	Vice President – Regulatory Affairs, BP Energy Company	Dec 31, 2005
Keith Sappenfield	Regional Director – US Regulatory Affairs, EnCana Oil & Gas (USA) Inc.	Dec 31, 2005
Bill Hebenstreit	Director of Contract Services - El Paso Production Company	Dec 31, 2004
Pete Frost	Director - Regulatory Affairs, ConocoPhillips Gas and Power Marketing	Dec 31, 2005
SERVICES SEGMENT		TERM END:
VACANCY	VACANCY	Dec 31, 2004
VACANCY	VACANCY	Dec 31, 2004
Jim Buccigross	Vice President Energy Industry Practice, Group 8760 LLC	Dec 31, 2005
Lyn Maddox	President & CEO, Prospect Energy	Dec 31, 2005
VACANCY	VACANCY	Dec 31, 2005

OFFICERS: Michael Desselle is CEO and 2004 Chairman of the Board of Directors. Rae McQuade as Executive Director serves as Secretary and COO. Leonard Haynes is the REQ Vice Chairman. Mark Maassel is the RGQ Vice Chairman. Joe Stepenovitch is the WGQ Vice Chairman.

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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 BOARD TERMS – Retail Electric Quadrant

DISTRIBUTOR SEGMENT		TERM END:
David Koogler	Director – Regulation & Competition, Dominion Virginia Power (SERC NERC Region).	Dec 31, 2005
Bill Bourbonnais	Assistant Vice President - Transmission, WPS Resources Corporation (MAIN NERC Region)	Dec 31, 2005
Johnny Magwood	Vice President Customer Services, Baltimore Gas and Electric Company	Dec 31, 2004
Leonard Haynes	Executive Vice President and Chief Marketing Officer, Southern Company Services (SERC NERC Region)	Dec 31, 2004
END USER SEGMENT		TERM END:
Sonny Popowsky	Pennsylvania Office of Consumer Advocate	Dec 31, 2005
Bryan Anderson	Capital Partner, Foley & Lardner	Dec 31, 2005
V A C A N C Y		Dec 31, 2004
V A C A N C Y		Dec 31, 2004
SERVICES SEGMENT		TERM END:
V A C A N C Y		Dec 31, 2005
Stacey Wood	Director, The Structure Group	Dec 31, 2005
J Cade Burks	President, EC Power	Dec 31, 2004
V A C A N C Y		Dec 31, 2004
SUPPLIER SEGMENT		TERM END:
Brian Landrum	President, Reliant Energy Retail Services	Dec 31, 2005
David Booty	Director of Operations, Direct Energy Business Services	Dec 31, 2005
David McMillan	Vice President of Government and Regulatory Affairs, Green Mountain Energy	Dec 31, 2004
Richard Zelenko	General Manager, Dominion Retail Inc.	Dec 31, 2004

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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 BOARD TERMS – Wholesale Electric Quadrant

END USER SEGMENT		TERM END:
John A. Anderson	Executive Director, Electricity Consumers Resource Council (ELCON)	Dec 31, 2005
Jeanne Zaiontz	Director, Regulatory Affairs, BP Energy Co.	Dec 31, 2004
Carol Guthrie	General Manager, Electric Market Strategies, ChevronTexaco Energy Research and Technology Company	Dec 31, 2004
Patricia Smith	People's Counsel, Maryland People's Counsel	Dec 31, 2005
Ron Jackups	Vice President, Electric System Operations, Cinergy	Dec 31, 2005
Thomas Dunleavy	Commissioner, New York Public Service Commission	Dec 31, 2004
DISTRIBUTION/LSE SEGMENT		TERM END:
Frank Johnson	Senior Vice President Electric Transmission and Distribution, Consumers Energy	Dec 31, 2005
Jim Miller	Vice President & General Counsel, Southern Company Services Inc.	Dec 31, 2004
Barry R. Lawson	Manager-Power Delivery, National Rural Electric Cooperative Association	Dec 31, 2005
Arthur G. Fusco	Vice President and General Counsel, Central Electric Power Cooperative Inc.	Dec 31, 2004
Mark B. Bonsall	Chief Financial Executive/Associate General Manager, Salt River Project	Dec 31, 2005
Carrie Cullen Hitt	Vice President of Governmental and Regulatory Affairs, Constellation NewEnergy	Dec 31, 2004
GENERATION SEGMENT		TERM END:
Forrest E. Reeves	Assistant Administrator, Office of Corporate Operations, Southwestern Power Administration	Dec 31, 2004
Charles W. Severance	Director Bulk Power, Wisconsin Public Service Corporation	Dec 31, 2005
John J. Dellas	Executive Director Electric Restructuring, Consumers Energy	Dec 31, 2004
Dennis Sobieski	Managing Director – Business Development, PSEG Power	Dec 31, 2005
Thomas Ingwers	Director, Energy Trading and Contracts, Sacramento Municipal Utility District	Dec 31, 2005
Gloria Ogenyi	Director Energy and Market Policy, Conectiv Energy Supply, Inc.	Dec 31, 2004
TRANSMISSION SEGMENT		TERM END:
W Terry Boston	Executive Vice President – Transmission/Power Supply Group, Tennessee Valley Authority	Dec 31, 2004
Peter Flynn	Vice President Transmission Strategy and Policy, National Grid USA	Dec 31, 2005
Paul McCoy	Executive Vice President of Transmission System Operations, Trans-Elect	Dec 31, 2004
Carroll Waggoner	Sr. Manager Transmission Policy, Sunflower Electric Power Corporation	Dec 31, 2005
John H. Zemanek	Vice President Transmission, Entergy Services, Inc.	Dec 31, 2004
Michael Desselle	Director Public Policy, American Electric Power	Dec 31, 2005

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MARKETER/BROKER SEGMENT		TERM END:
Allen L. Burns	Executive Vice President-Industry Restructuring, Bonneville Power Administration	Dec 31, 2005
R. Scott Brown	Vice President and Director, Exelon Generation Power Team	Dec 31, 2005
Thomas A. Smith	Manager of Power Marketing, Tri-State Generation & Transmission Association, Inc.	Dec 31, 2004
Jim Mayhew	Director of Market Development & Policy Analysis, Mirant Corp.	Dec 31, 2005
Michael Grim	Director of North American Market Development – Public Policy Division, TXU Energy	Dec 31, 2004
Joseph Hartsoe	Vice President and Associate General Counsel, American Electric Power Marketing Inc.	Dec 31, 2004

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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 BOARD TERMS – Retail Gas Quadrant

DISTRIBUTORS SEGMENT		TERM END:
Craig White	Acting Chief Operating Officer, Philadelphia Gas Works	Dec 31, 2004
Glen R. Schwalbach	Assistant Vice President Corporate Planning, Wisconsin Public Service Corporation	Dec 31, 2005
Mark T. Maassel	President, Northern Indiana Public Service Company (NiSource, Inc.)	Dec 31, 2004
Paul J. Szykman	Director – Rates and Gas Supply, UGI Utilities, Inc.	Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2004
END USERS SEGMENT		TERM END:
Matthew G. Parsell	Assistant Director, Natural Gas Division, Indiana Office of Utility Consumer Counselor	Dec 31, 2004
Tina Burnett	Chair, Northwest Industrial Gas Users Association	Dec 31, 2004
V A C A N C Y		Dec 31, 2004
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005
SERVICE PROVIDERS SEGMENT		TERM END:
Leigh Spangler	President, Latitude Technologies Inc.	Dec 31, 2004
Dave Pfeifer	Vice President – Energy, SunGard EnForm Consulting, LP	Dec 31, 2004
Dave Darnell	President & CEO, Systrends Inc.	Dec 31, 2005
Greg Lander	Principal, CapacityCenter.com	Dec 31, 2005
Richard J. Rudden	President & CEO, R. J. Rudden Associates, Inc.	Dec 31, 2005
V A C A N C Y		Dec 31, 2004
SUPPLIER SEGMENT		TERM END:
Randy Magnani	Director C&I Operations, Amerada Hess Corporation	Dec 31, 2004
V A C A N C Y		Dec 31, 2004
V A C A N C Y		Dec 31, 2004
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005
V A C A N C Y		Dec 31, 2005

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TAB 2

MEETING ANNOUNCEMENT AND AGENDA

This section includes:

- The meeting announcement and agenda for the Board normal business,

The material presented is background information for the discussion of agenda item 1.

The Board will discuss and review agenda and will be asked to adopt the agenda through a simple majority vote.



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August 26, 2004

TO: NAESB Board of Directors, Invited Guests, Speakers
FROM: Rae McQuade, NAESB Executive Director
RE: Meeting Announcement for the NAESB Board Meeting – September 16, 2004

Dear Board Members, Speakers and Invited Guests:

As noted in earlier communications, we have planned a Board meeting in Austin, Texas on September 16 directly following our annual meeting. There is a reception the evening before at the hotel. We hope you are able to reserve time in your busy schedules for this event and look forward to your attendance. If you intend to attend but have not RSVPed, please contact Veronica Thomason (vthomason@naesb.org, 713-356-0060).¹

Where: Driskill Hotel
604 Brazos Street,
Austin, Texas 78701
Hotel Phone: 512-474-5911

When: September 16th Board meeting 9:00 am to 1:00 pm
A buffet lunch will be served at noon.

We look forward to seeing you at the meeting. Conference calling will be available should you be unable to attend in person. A reception will be held at the Driskill hotel the evening before the Board meeting. More information on the reception will be forwarded to you shortly along with the announcement of the availability of the meeting materials. The draft agenda is attached for your review.

¹ This, as with all NAESB meetings is open, and observers that have informed the office of their intent to attend are welcome (please respond to vthomason@naesb.org, 713-356-0060).



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NAESB BOARD OF DIRECTORS MEETING & STRATEGIC SESSION Driskill Hotel, Austin, Texas

Thursday, September 16 – 9:00 a.m. to 1:00 pm Central DRAFT AGENDA

- 8:30 a.m. Continental Breakfast
- 9:00 a.m.
1. Administration and Welcome
 - Antitrust Guidelines
 - Introduction of Board Members and Guests
 - Agenda Adoption
 - Adoption of Draft Minutes from 6-10-04
 2. Sunset Provision
 - Description of certificate requirement
 - Proposal of Managing Committee
 - Discussion and Vote
 3. Review of the Strategic Session and Next Steps
 - Board Actions
 - Creation of 2005 Annual Plans
 - Coordination with other groups
 4. Reports from the NAESB Office
 - Executive Director's Report
 - Financial Report
 5. Executive Committee Reports
 - Executive Committee Report from each Quadrant
 - Filings with the FERC
 6. Plan for December Board Meeting
 7. Old and New Business
 - Remaining Meeting Schedule for 2004
 - Planned Meeting Schedule for 2005
- 12:30 p.m. Adjourn

*Attire – Business Casual
Buffet Lunch served at Noon*

Wholesale Gas Quadrant Executive Committee meeting immediately following at 1:00 pm

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TAB 3

DRAFT MINUTES – JUNE 10, 2004

This section includes:

- The draft minutes for the Board meeting on June 10, 2004.

The material presented is background information for the discussion of agenda item 1.

The Board will discuss and review minutes and will be asked to adopt the minutes as final through a simple majority vote.



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TO: NAESB Board of Directors, Posting for Interested Industry Participants
FROM: James Cargas, NAESB Deputy Director
RE: Draft Minutes from the NAESB Board of Directors Meeting – June 10, 2004
DATE: June 12, 2004

NAESB Board of Directors Meeting

Thursday, June 10, 2004
9:00 a.m. – 1:00 p.m. Central
San Antonio, Texas

1. Welcome & Administrative Items

Mr. Desselle called the meeting to order. Mr. Cargas gave the antitrust advice. The board members introduced themselves, and quorum was established in each quadrant.

Mr. Desselle introduced the special invitees present:

- Ms. Vicky Bailey, Johnston and Associates, former FERC Commissioner and former Assistant Secretary at the U.S. Department of Energy.
- Ms. Diane Barney, New York State Department of Public Service.
- Dr. John Bulger, Member, National Energy Board of Canada.
- Ms. Martha Braddy, British Gas LNG representing the International LNG Alliance.
- Mr. Steve Chesebro', Harvest Natural Resources, former GISB Founding Chairman and former CEO of Tenneco.
- Mr. Alex DeBoissiere, Midwest ISO.
- Mr. Bruce Ellsworth, Chairman, NAESB Advisory Council, former Commissioner New Hampshire Public Service Commission and former President, NARUC.
- Mr. Robert Gee, The Gee Strategies Group, former Chair, Texas Public Utilities Commission and former Assistant Secretary at the U.S. Department of Energy.
- Ms. Sheila Hollis, Partner, Duane Morris, LLP.
- Mr. David Karmol, Vice President for Public Policy and Government Affairs, American National Standards Institute (ANSI).
- Ms. Ruth Kiselewich, Baltimore Gas & Electric, and Chair, Retail Electric Quadrant (REQ) Executive Committee (EC).
- Mr. Richard Miles, FERC.
- Comisionado Raul Monteforte, Comision Reguladora de Energia of Mexico.
- Mr. Tom Noel, CEO, Electric Reliability Council of Texas (ERCOT), representing the ISO/RTO Council (IRC).
- Mr. Michael Novak, National Fuel Gas Dist. Co., and Chair, Retail Gas Quadrant (RGQ) EC.
- Mr. Lou Oberski, Dominion Energy Marketing, and Chair, Wholesale Elec. Quad. (WEQ) EC.
- Mr. Thomas Pearce, Public Utilities Commission of Ohio.
- Mr. Andrew Soto, FERC.



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2. Strategic Session

Upon a motion by Mr. Desselle, seconded by Mr. Haynes, and passed by consensus, the Board took a three hour recess to conduct a strategic session. During the strategic session, Mr. Boswell gave a presentation on the responsibilities of non-profit board members, and a free ranging discussion was held on the future of NAESB's mission and membership.

3. Adoption of Past Minutes

Upon the Board's return from its recess, Mr. Desselle called the meeting to order. Mr. Templeton moved, seconded by Mr. Maassel, to adopt the minutes from the March 18, 2004, Board of Directors meeting with two minor amendments to the attendance and voting record. The motion passed by consensus.

4. Executive Director's Report

Ms. McQuade gave the Executive Director's report.

Monthly Update Calls – 'At A Glance': Ms. McQuade discussed the nature of these regular calls held every month for one hour. She noted that attendance includes several state commissions and federal agencies, and many of NAESB's own members. Because of the limited ability of state commission staff to travel to in-person meetings, these one hour conference calls have provided a valuable venue for NAESB-NARUC-Federal Agency communication on NAESB's current and planned activities. The next call is scheduled for June 16, 2004.

Membership Report: Ms. McQuade reported membership began the year at 357. Since then, it has declined to 353 as NAESB concluded the invoicing cycle for most of the WGQ members and RGQ members. With the roll out of the retail model business practices for credit worthiness and billing and payments, Ms. McQuade anticipates a potential increase this year for the retail quadrants enabling them to maintain their requirement to keep 40 members in the quadrant. Similarly, seams activities and coordination with NERC on transitioning NERC policies to NERC reliability standards and NAESB business practices, may also result in an up-tick in membership for the WEQ. Currently, each of the retail quadrants are contributing 11% to the membership numbers, the WGQ is contributing 35% and the WEQ is contributing 43%.

Meetings with the FERC – May 28, 2004:

Ms. McQuade and Mr. Desselle visited individually with FERC Commissioners Kelliher, Kelly and Brownell on May 28. The Commissioners are looking forward to NAESB's activities developing reporting standards for gas quality. It was understood that NAESB would not proceed with the remainder of the request from Florida Power & Light until the Board determined such action was needed. The Commissioners strongly support the Board's conducting a strategic session and NAESB's efforts in gas-electric coordination. The two NAESB representatives were asked about price index reporting and explained the history of the withdrawn request from Natural Gas Intelligence. They were also asked to attend the FERC technical conference on July 13 regarding electric industry creditworthiness.

Ms. McQuade noted that by year-end NAESB anticipates making the following filings with FERC: Version 0 WEQ Business Practices, Version 1 WEQ Coordinate Interchange Business Practices, WEQ OASIS 1A Enhancements, WEQ Large Generation Interconnection Business Practices, WEQ Inadvertent Interchange Payback Business Practices, WGQ Gas Quality Reporting Business Practices, WGQ Order 2004 business practices, WEQ Seams Subcommittee Seams Catalog, and the Gas-Electric Coordination Report.

In conclusion, Ms. McQuade reported that the Commissioners were all very pleased with the work NAESB was undertaking.



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FERC Technical Conference – June 3, 2004:

Mr. Templeton and Ms. McQuade attended the June 3 FERC conference in New York City regarding the energy infrastructure in the Northeastern States. During that meeting, both Chairman Wood and Commissioner Brownell asked them questions regarding NAESB, its upcoming Board meeting, its efforts on gas-electric coordination, and the recent request regarding standards development for an “energy day,” submitted by KeySpan and Duke Energy. Ms. McQuade reported they were also asked to emphasize to the Board FERC’s strong support of NAESB’s gas-electric coordination efforts such as “energy day,” and FERC’s support of NAESB’s Board acting as an energy board – not a gas board nor an electric board. The Commissioners noted that they looked forward to the Gas-Electric Coordination Task Force report.

No-one from NAESB was scheduled to speak. Rather, this discussion came about as Duke Energy reviewed its recommendations to address some of the coordination issues facing the Northeast, including the creation of an “energy day.” ISO-NE supported this development, as said it was one of the recommended remedies ISO-NE sought in the wake of the January cold snap in New England.

5. Financial Report¹

Ms. Darla Wishart reported that NAESB ended March with income of \$1,344,497 and expenses of \$446,158, leaving a positive net income of \$898,339 for the year-to-date. This figure is slightly above the budgeted forecast. For the year-end outlook, Ms. Wishart anticipates a net income of \$79,342 which would be applied to the retained earnings further reducing its negative value.

6. Executive Committee Reports

The EC leadership of all four quadrants reported on their quadrant’s progress:

Wholesale Gas Quadrant (WGQ): Mr. Buccigross reported that the WGQ is on schedule with their Annual Plan. The standards implementing FERC Order 2004 (Affiliate Order), which is Item #2, is currently out for member ratification. The interim report on Gas-Electric scheduling coordination, which is Item #1, was filed with FERC on time. The final GECTF report is scheduled to be filed before the end of 2004. Standards creating a common internet electronic transport (ET) standard in the WGQ, REQ and RGQ (Item #7) were essentially completed at the last EC meeting, and will soon be out for ratification.

Wholesale Electric Quadrant (WEQ): Mr. Oberski reviewed the assignments on the WEQ’s Annual Plan and said all items were either completed or on the way to completion in 2004. The Seams Catalog is ready to be filed with FERC (Item #3), and the report is in front of the Managing Committee for its review. The Business Practices Subcommittee (BPS) is focused on preparing the complimentary NAESB business practice standards (Item #1) supportive of NERC Version 0 reliability standards. NERC has established an aggressive timetable on completion by February 2005 and similarly, NAESB should develop its Version 0 by the end of 2004. NAESB has made recommendations to the NERC drafting team on where the embedded business practices are in NERC’s policies. Mr. Oberski recognized Mr. Phil Cox of AEP and Mr. Joel Dison of Southern Company for their time and hard work on this effort.

Ms. McQuade noted that the new request for creation of an “energy day” has not been triaged. She anticipates this request, to which the FERC has given much attention and support, will require at least two quadrant annual plans to be modified. Ms. McQuade concluded the WEQ and the WGQ will have multiple high priorities for the balance of 2004.

¹ The full financial report for March 2004 YTD is in the Board Book at Tab 5.



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Retail Gas Quadrant (RGQ) and Retail Electric Quadrant (REQ): Mr. Novak reported the two retail quadrants are about one quarter behind schedule on their 2004 Annual Plans. The Customer Processes Subcommittees (CPS) are working on paper transactions for billing and payments Model Business Practices (MBPs). The Supplier Utility Interface Subcommittees (SUIS) are working on Market Participant Interaction items, a Non-Disclosure Agreement Outline, and have commenced work on a Distribution Company/Supplier Service Agreement outline. As noted by Mr. Buccigross, the Technical Electronic Implementation Subcommittees (TEIS) have completed work on a three-quadrant Internet ET. TEIS is now working with CPS as a precursor to Uniform Electronic Transaction development. Finally, the Glossary Subcommittees are supporting all subcommittees to ensure consistency.

Mr. Novak informed the Board of the REQ and RGQ EC's creation of an Information Request survey that will help prioritize the development of Uniform Electronic Transactions supporting the MBPs. The survey is designed to provide guidance in setting development priorities amongst different methods (X12 EDI, flat files, websites, XML, etc.). Market participants will be asked about existing practices for electronically exchanging information as well as their expectations for the future. Mr. Novak encouraged all members to participate in this survey.

Mr. Novak mentioned the formation of a Contracts subcommittee, possibly in conjunction with other quadrants, to turn the contract outlines developed by SUIS into model agreements. Additionally, REQ and RGQ may look into whether the datasets developed to support MBPs should be extended to cover Distributor to Customer situations that do not involve customer choice (e.g. monthly billing and measurement information).

7. Parliamentary Committee Report

Mr. Desselle reported on the last several meetings of the Parliamentary Committee. On the issue of scope and Managing Committee participation, the Committee concluded that the process worked for R03035 and that no changes were recommended to that process. Mr. Desselle, as Chair, pledged that he will call a special board meeting to allow everyone's voice to be heard on any scope issues that require action before a normally scheduled board meeting.

Ms. McQuade summarized the recommended changes to the triage process. The lack of active participation by Triage Committee members is a burden to staff who must continually send out notational ballots. The Parliamentary Committee has recommended that the Triage Committee membership combined with the EC. Ms. McQuade determined that the certificate and bylaws allow this change, and that the EC Chair has the authority to implement it. Mr. Buccigross will follow the Committee's recommendation.

Finally, Ms. McQuade reported on the issue of whether to include comments with interim reports to government agencies. After conferring with FERC staff and others, the Parliamentary Committee recommended providing only references and links to the comments – but that all comments received must be referenced. When transmitting final reports and final standards, the full comments will be provided in the report.

8. Old and New Business

Remaining Meeting Schedule for 2004: Ms. McQuade reminded the Board of its two remaining meetings in 2004: September 16 at the Driskill Hotel in Austin, Texas, following the NAESB Annual Meeting; and December 9 at the Airport Marriott in Houston (Intercontinental Airport).

Sunset Provision Discussion: Mr. Desselle mentioned that the Certificate contains a sunset provision in Article I, Section 2, that needs to be addressed by the end of the year. At the September 16 Board meeting in Austin there will a resolution to continue the organization. Upon passage by the Board, the resolution will then be sent for ratification by the membership.



North American Energy Standards Board

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Re-Appointment of Mr. William Boswell as General Counsel: Mr. Desselle reported receiving a letter from Mr. Boswell stating that he would be leaving the McGuire Woods partnership. The Managing Committee recommended retaining Mr. Boswell as General Counsel for NAESB. Accordingly, Mr. Haynes made the following motion, seconded by Mr. Fusco:

WHEREAS, William P. Boswell serves as the Corporation's General Counsel as a partner at McGuire Woods LLP, and
WHEREAS, William P. Boswell is leaving McGuire Woods LLP effective July 2004,
NOW THEREFORE, William P. Boswell is appointed General Counsel of the Corporation in his own right, and, such appointment is effective as of June 10, 2004.

The motion passed unanimously.

9. Adjourn

Mr. Booty, made a motion to adjourn. Ms. Ogenyi seconded the motion. The meeting was adjourned on June 10, 2004 at 12:35pm Central.

10. Board Attendance

2004 BOARD – Wholesale Gas Quadrant

END USER SEGMENT		ATTENDANCE
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	In Person
Janie Mitcham	Vice President, Fuel and Energy Management, Reliant Energy	Absent
Jim Templeton	Principal, Comprehensive Energy Services	In Person
LDC SEGMENT		
Tim Kelley	Vice President Energy Services and Regulation, Connecticut Natural Gas Corporation and The Southern Connecticut Gas Company	In Person
Adrian Chapman	Vice President, Regulatory Affairs & Energy Acquisitions, Washington Gas Light Company	In Person
Reed Horting	Vice President, Gas Supply & Transportation, PECO Energy Co.	On Phone
VACANCY	VACANCY	
Lee Stewart	President, Energy Transportation Services, Southern California Gas Co	Absent
PIPELINE SEGMENT		
Terry McGill	Executive Vice President, Enbridge Energy	Absent
John Somerhalder	President, El Paso Energy Pipeline Group	Absent
Shelley Corman	Senior Vice President & Chief Commercial Officer - Transwestern Pipeline, Enron Transportation Services Company	In Person
Ron Mucci	Senior Vice President Shared Services, Williams Gas Pipeline	In Person
Richard Kruse	Senior Vice President, Duke Energy Gas Transmission	Absent
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, EnCana Oil & Gas (USA) Inc.	On Phone
Bill Hebenstreit	Director of Contract Services - El Paso Production Company	On Phone
Pete Frost	Director - Regulatory Affairs, ConocoPhillips Gas and Power Marketing	Absent
SERVICES SEGMENT		
VACANCY	VACANCY	
VACANCY	VACANCY	
Jim Buccigross	Vice President Energy Industry Practice, Group 8760 LLC	In Person
Lyn Maddox	President & CEO, Prospect Energy	In Person
VACANCY	VACANCY	



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2004 BOARD – Retail Electric Quadrant

DISTRIBUTOR SEGMENT		ATTENDANCE
David Koogler	Director – Regulation & Competition, Dominion Virginia Power (SERC NERC Region).	In Person
Bill Bourbonnais	Assistant Vice President - Transmission, WPS Resources Corporation (MAIN NERC Region)	In Person
Johnny Magwood	Vice President Customer Services, Baltimore Gas and Electric Company	On Phone
Leonard Haynes	Executive Vice President and Chief Marketing Officer, Southern Company Services (SERC NERC Region)	In Person
END USER SEGMENT		
Sonny Popowsky	Pennsylvania Office of Consumer Advocate	On Phone
Bryan Anderson	Capital Partner, Foley & Lardner	In Person
V A C A N C Y		
V A C A N C Y		
SERVICES SEGMENT		
H. Ward Camp	Vice President Regulatory and Strategic Alliances, Distribution Control Systems, Inc.	Absent
Stacey Wood	Director, The Structure Group	On Phone
J Cade Burks	President, EC Power	In Person
John Williams	Chief Executive Officer and Co-founder, 8760.	Absent
SUPPLIER SEGMENT		
Brian Landrum	President, Reliant Energy Retail Services	Absent
David Booty	Director of Operations, Direct Energy Business Services	In Person
David McMillan	Vice President of Government and Regulatory Affairs, Green Mountain Energy	Absent
Richard Zelenko	General Manager, Dominion Retail Inc.	Absent

2004 BOARD – Wholesale Electric Quadrant

END USER SEGMENT		ATTENDANCE
John A. Anderson	Executive Director, Electricity Consumers Resource Council (ELCON)	Absent
Jeanne Zaiontz	Director, Regulatory Affairs, BP Energy Co.	In Person
Carol Guthrie	General Manager, Electric Market Strategies, ChevronTexaco Energy Research and Technology Company	Absent
Patricia Smith	People's Counsel, Maryland People's Counsel	Absent
Ron Jackups	Vice President, Electric System Operations, Cinergy	Absent
Thomas Dunleavy	Commissioner, New York Public Service Commission	Absent
DISTRIBUTION/LSE SEGMENT		
Frank Johnson	Senior Vice President Electric Transmission and Distribution, Consumers Energy	In Person
Jim Miller	Vice President & General Counsel, Southern Company Services Inc.	Absent
Barry R. Lawson	Manager-Power Delivery, National Rural Electric Cooperative Association	In Person
Arthur G. Fusco	Vice President and General Counsel, Central Electric Power Cooperative Inc.	In Person
Mark B. Bonsall	Chief Financial Executive/Associate General Manager, Salt River Project	Absent
Carrie Cullen Hitt	Vice President of Governmental and Regulatory Affairs, Constellation NewEnergy	In Person
GENERATION SEGMENT		
Forrest E. Reeves	Assistant Administrator, Office of Corporate Operations, Southwestern Power Administration	On Phone
Charles W. Severance	Director Bulk Power, Wisconsin Public Service Corporation	On Phone
John J. Dellas	Executive Director Electric Restructuring, Consumers Energy	On Phone
Dennis Sobieski	Managing Director – Business Development, PSEG Power	In Person
Thomas Ingwers	Director, Energy Trading and Contracts, Sacramento Municipal Utility District	Absent
Gloria Ogenyi	Director Energy and Market Policy, Conectiv Energy Supply, Inc.	In Person
TRANSMISSION SEGMENT		



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2004 BOARD – Wholesale Electric Quadrant

W Terry Boston	Executive Vice President – Transmission/Power Supply Group, Tennessee Valley Authority	Absent
Peter Flynn	Vice President Transmission Strategy and Policy, National Grid USA	In Person
Paul McCoy	Executive Vice President of Transmission System Operations, Trans-Elect	Absent
Carroll Waggoner	Sr. Manager Transmission Policy, Sunflower Electric Power Corporation	In Person
John H. Zemanek	Vice President Transmission, Entergy Services, Inc.	In Person
Michael Desselle	Director Public Policy, American Electric Power	In Person
MARKETER/BROKER SEGMENT		
Allen L. Burns	Executive Vice President-Industry Restructuring, Bonneville Power Administration	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
Jim Mayhew	Director of Market Development & Policy Analysis, Mirant Corp.	In Person
Michael Grim	Director of North American Market Development – Public Policy Division, TXU Energy	In Person
Joseph Hartsoe	Vice President and Associate General Counsel, American Electric Power Marketing Inc.	On Phone

2004 BOARD – Retail Gas Quadrant

DISTRIBUTORS SEGMENT		ATTENDANCE
Craig White	Acting Chief Operating Officer, Philadelphia Gas Works	Absent
Glen R. Schwalbach	Assistant Vice President Corporate Planning, Wisconsin Public Service Corporation	Absent
Mark T. Maassel	President, Northern Indiana Public Service Company (NiSource, Inc.)	In Person
Paul J. Szykman	Director – Rates and Gas Supply, UGI Utilities, Inc.	Absent
V A C A N C Y		
V A C A N C Y		
END USERS SEGMENT		
Matthew G. Parsell	Assistant Director, Natural Gas Division, Indiana Office of Utility Consumer Counselor	Absent
Tina Burnett	Chair, Northwest Industrial Gas Users Association	In Person
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
SERVICE PROVIDERS SEGMENT		
Leigh Spangler	President, Latitude Technologies Inc.	In Person
Dave Pfeifer	Vice President – Energy, SunGard EnForm Consulting, LP	In Person
Dave Darnell	President & CEO, Systrends Inc.	Absent
Greg Lander	Principal, CapacityCenter.com	Absent
Richard J. Rudden	President & CEO, R. J. Rudden Associates, Inc.	On Phone
V A C A N C Y		
SUPPLIER SEGMENT		
Randy Magnani	Director C&I Operations, Amerada Hess Corporation	Absent
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
V A C A N C Y		
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11. Other Participants and Guests

Attendee:	Organization:	Attendance:
1 Mariam Arnaout	American Gas Association	On Phone
2 Vicky Bailey	Johnston and Associates	In Person
3 Diane Barney	New York State Dept. of Public Service	In Person
4 Bill Boswell	NAESB	In Person
5 Martha Braddy	British Gas LNG	In Person
6 Dr. John Bulger	National Energy Board of Canada	In Person
7 Kathryn Burch	Duke Energy Gas Transmission	In Person
8 Christopher Burden	Williams Gas Pipeline	In Person
9 James Cargas	NAESB	In Person
10 Steve Chesebro'	Harvest Natural Resources	In Person
11 Dolores Chezar	KeySpan	On Phone
12 LaRita Cormier	Riverside Reporting	In Person
13 Mark Crosswhite	Southern Company	In Person
14 Dale Davis	Williams Gas Pipeline	In Person
15 Alex DeBoissiere	Midwest ISO	In Person
16 Andrew Dotterweich	Consumers Energy	On Phone
17 Bruce Ellsworth	NAESB Advisory Council	In Person
18 Robert Gee	The Gee Strategies Group	In Person
19 Mark Gracey	Tennessee Gas Pipeline	In Person
20 Bill Grygar	Panhandle Eastern Pipe Line	In Person
21 Sheila Hollis	Duane Morris	In Person
22 David Karmol	American National Stds. Inst. (ANSI)	In Person
23 Ruth Kiselewich	Baltimore Gas and Electric Company	On Phone
24 Rae McQuade	NAESB	In Person
25 Richard Miles	FERC	In Person
26 Comisionado Raul Monteforte	Comision Reguladora de Energia of Mexico	In Person
27 Tom Noel	Elec. Reliability Council of Texas (ERCOT)	In Person
28 Michael Novak	National Fuel Gas Dist. Co.	In Person
29 Lou Oberski	Dominion Energy Marketing	In Person
30 Todd Oncken	NAESB	On Phone
31 Lawrence Paulson	Hoffman-Paulson Assoc.	In Person
32 Thomas Pearce	Public Utilities Commission of Ohio	In Person
33 Denise Rager	NAESB	In Person
34 Tony Reed	Southern Company	On Phone
35 Andrew Soto	FERC	In Person
36 Veronica Thomason	NAESB	In Person
37 Kim Van Pelt	Panhandle Eastern Pipe Line	In Person
38 Darla Wishart	NAESB	On Phone
39 Stacey Wood	The Structure Group	On Phone

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

TAB 4

SUNSET PROVISION

This section includes:

- The excerpt from the NAESB Certificate the references the sunset provision
- The draft resolution from the Managing Committee to enact the provision

The material presented is background information for the discussion of agenda item 2, and provides a draft resolution for vote. Bill Boswell will review this information as an update to the Board. After discussion, the Board will be asked via super-majority vote to approve the draft resolution, which may be modified by Board members during the discussion.



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TO: NAESB Board of Directors
FROM: Rae McQuade, Executive Director
RE: Sunset Provision from the Certificate of Incorporation
DATE: June 6, 2004

NAESB Sunset Provision Excerpt from the NAESB Certificate of Incorporation

Article 1, Section 2:

The period of duration of NAESB is PERPETUAL. NAESB may be dissolved at any time in the manner provided in the Statute; provided, however, that no later than December 31, 2004, NAESB's Board of Directors shall submit to the members a resolution recommending whether NAESB shall continue. An affirmative vote of both the Board of Directors and the members, as defined in Article V of this Certificate, shall be required to continue NAESB.



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TO: NAESB Board of Directors
FROM: Rae McQuade, Executive Director
RE: Board Resolution for the Sunset Provision from the Certificate of Incorporation
DATE: September 16, 2004

With respect to the sunset resolution, the operative document is our amended and restated Certificate of Incorporation. In Art 1, Sec. 2, it provides that ". . . no later than December 31, 2004, NAESB's Board of Directors shall submit to the members a resolution recommending whether NAESB shall continue." In addition, Art. V, Sec.3, requires an affirmative vote of 75% from the Board, including 40% of the directors from each Segment of each Quadrant, and this must be ratified by 90% of the membership.

The effect of this provision is to craft a resolution that will continue NAESB's existence, submit it to you for a vote, and then have it ratified by the members. At the June Board meeting, it was determined that this resolution be considered in conjunction with the Annual Meeting so that you and the members might consider whether NAESB is continuing to add value to the energy marketplace.

NAESB/GISB is celebrating its 10th anniversary in 2004, and the concerns that many of the initial members felt about stepping into the unknown have diminished. It thus may be appropriate to set a 10 year sunset provision in lieu of the three year provisions we've previously used. A draft resolution to accomplish this is set forth below for the Board's consideration and discussion at the September 16 meeting.

RESOLVED, That the Board of Directors of the North American Energy Standards Board (NAESB) recommends to the membership that NAESB's existence as a corporation shall continue; provided, however, that not later than December 31, 2014 NAESB's Board of Directors shall submit to the members a resolution recommending whether NAESB shall continue, and further,

RESOLVED, that the provisions of Article 1, Section 2 of the Amended and Restated Certificate of Incorporation shall be amended to reflect this provision upon ratification by the membership, and further,

RESOLVED, that the Board of Directors directs that NAESB's General Counsel shall make a appropriate filing with the Secretary of State of the State of Delaware to effect this change upon such ratification by the membership."

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

TAB 5

STRATEGIC SESSION NEXT STEPS

This section includes:

- Notes from the June 10 Strategic Session
- Outline of Strategic Issues from June 10 session
- Proposed Board Committees to continue the strategic session efforts.

The material presented is background information for the discussion of agenda item 3. Michael Desselle will review this information as an update to the Board, with discussion on the need for Board committees to further the work begun during the strategic session. While no voting action is requested of the Board, Mr. Desselle may name the committees during the meeting.



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TO: NAESB Board of Directors
FROM: Rae McQuade, NAESB Executive Director
James Cargas, NAESB Deputy Director
RE: NAESB Board of Directors Strategic Session – June 10, 2004
DATE: June 14, 2004

The Board of Directors and their distinguished guests held a Strategic Session to discuss the future of NAESB's mission and membership on Thursday, June 10, 2004. The Strategic Session was held in conjunction with the Board meeting on the same day, but was not transcribed. The following notes and direction resulted from the meeting.

Presentation on Being a Non-Profit Board Member

- Mr. Cargas gave the antitrust warning.
- Mr. Bill Boswell, NAESB General Counsel, gave a presentation on the responsibilities of a non-profit board member. A copy of his presentation can be downloaded from the NAESB web site at the following address: <http://www.naesb.org/pdf/bd061004w3.ppt>

Profile of the NAESB Organization

- Ms. McQuade reviewed the profile of NAESB's current membership and trends. NAESB currently has 353 members. There has been a net loss of 19 members in the past year. The companies that have recently joined or resigned are listed by quadrant in Tab 4 of the Board Book.
- The reasons for resignations include: financial trouble of company, a shifting of priorities and redirection of resources away from standardization activities. In the WEQ, 20% of subcommittee participation is by non-members. However, there is value in NAESB standards obtaining the broadest possible industry input and consensus. Non-members are still committing their resources to NAESB's success.
- The greatest recruiting tool is offering open Board and Executive Committee (EC) seats to companies already participating at the subcommittee level. They tend to join to be eligible for both governing groups. Another motivation for joining, especially for industry executives, is the desire to control the industry's future direction, rather than have regulators impose their vision on industry.
- The other advantages to joining have not changed in ten years: avoiding litigation, more efficient operations, cost savings, greater certainty in the marketplace, and increased access to new markets and new market participants.
- Acceptance of direct government funding can cause conflict of interest problems for NAESB. However, NAESB can pursue single-purpose grants from government agencies (e.g., Sandia review of Version 1.4). Those grants are not awarded in financial settlements, rather they are



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awarded by government agencies performing specific actions for NAESB.

- Consensus was that continued success will attract more members; not that more members are needed to produce continued results.

Strategic Direction of NAESB

- More attention can be given to standards that benefit non-retail choice states now that retail deregulation has stalled nationwide.
- Reliability was the reason that GISB, NAESB's precursor, was first formed from the Natural Gas Council. Industry still needs NAESB to play this role.
- Continued federal, state, and provincial government involvement is one of the keys to NAESB's success.
- Energy standards are becoming more internationalized, i.e., Canadian, Mexican and LNG supplies of natural gas, and Canadian and Mexican electricity.
- The NAESB process is now well known and well respected as producing true industry consensus.
- If the EC cannot implement a standard due to questions on policy, it needs to articulate why so regulators can provide the necessary policy guidance. Recommendations for EC: (1) participants need to be empowered to negotiate and compromise; (2) a failure to be flexible and compromise, will result in regulators interceding; and (3) if EC members make decisions that are not specifically aligned with their company's objectives, the company management should understand that the NAESB process reflects the entire industry and that their representatives acted in good faith and were responsible to NAESB's success and credibility as an organization.
- The WEQ is working to create seats on the Board and EC for ISO, RTO, RRO and service companies, although the IRC is not unanimous in its desire to hold NAESB seats.
- NAESB can benefit from bringing together retail end-users across jurisdictional boundaries.
- Development of a model retail gas and electric contract similar to WGQ gas contract could significantly reduce confusion among retail customers. This will allow parties to focus on negotiating commercial aspects, not contract terms.

Top Items for NAESB to Address in Coming Years

- In the Wholesale arena, NAESB should focus on:
 1. Business practice aspects of reliability.
 2. Integration of the gas and electric markets.
 3. Expansion of natural gas supply from non-conventional sources.



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4. Harmonization of standards.
 5. Responsive to regulators, including NARUC, FERC, DOE and DHS.
- In the Retail arena, NAESB should focus on:
 1. Developing a standard retail contract.
 2. Developing a standardized electric invoice.
 3. Supporting regulators by teeing up policy issues for them.
 - Board and EC members need to take a more active roll in educating their state and provincial regulators about the benefits of NAESB.

Attendance:

See Board Minutes from June 10, 2004, for a list of Board member, staff and guest attendees.



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via email and posting

TO: NAESB Board of Directors, Invited Guests to the June 10 Strategic Session,
Posting for Interested Parties

FROM: Rae McQuade, NAESB Executive Director

RE: Summary of Strategic Session

DATE: June 14, 2004

Dear NAESB Board of Directors and Invited Guests to the June 10 Strategic Session,

Below please find a summary of the findings for the strategic session held June 10. Feel free to forward comments to the NAESB office regarding this outline of strategic issues that we face in standards development, the obstacles and implementation issues as we carry out our development efforts, and some specific development areas and recommendations related to the development of standards. Please note that the items are listed in no particular order – the order does not imply any level of priority.

We truly appreciate your time, input and efforts as we held our first strategic session.

Best Regards,

Rae

WHOLESALE QUADRANTS STRATEGIC ISSUES:

1. Business practice standards development to support reliability.
2. Integration of gas and electricity markets
3. Expansion of natural gas into non-conventional sources such as LNG and the internationalization of natural gas supply
4. Emergence of large transmission groups and the requirement for interfaces and coordinated planning
5. Support of government agency requests and responsiveness to NARUC and state commissions, FERC, DOE, DHS, the findings of the blackout report and the findings of the ISO-NE report.

RETAIL QUADRANTS STRATEGIC ISSUES:

1. Relevance of the plans and direction of the retail quadrants in development of model business practices and the resulting work product in light of the slow pace of retail competition.
2. Support of government agency requests and responsiveness to NARUC and state commissions, FERC, DOE, DHS, the findings of the blackout report, the findings of the ISO-NE report.



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IMPLEMENTATION ISSUES:

1. Member resources should be available along with a plan to develop standards that reflect the above strategic issues. This will require relevance at the executive level of member companies to ensure that NAESB is able to attract the needed resources.
2. Board champion(s) should be identified for each strategic issue.
3. Organization as a whole and board members specifically should be proactive in critical areas for standards development.
4. As the organization looks for regulatory support, the member regulated entities should separately request such support along with NAESB.

OBSTACLES:

1. Declining membership is seen in all quadrants and recruitment is not an organized effort. While this decline is budgeted for in NAESB finances, it impacts the resources available to participate in the subcommittees.
2. NAESB is facing more difficult, contentious standardization issues that may see a rise in segment blocks when proposed standards are proposed to the Executive Committee.
3. Executive Committee members may not be empowered by their organizations to negotiate – they are given positions without the ability to negotiate in the meetings.

SPECIFIC DEVELOPMENT AREAS:

Please note that the below items are suggestions. There was no specific vote taken to endorse any of these items, nor are they listed in any particular order. It is understood that the wholesale quadrants are already working on several standards development areas with critical priorities.

1. Continue to stress areas that require the cooperation and joint standards development of the wholesale electric and gas markets in areas such as gas quality, seams, energy day.
2. Creditworthiness standards development and coordination with other industry groups.
3. Standard contracts for the retail markets.
4. Confidentiality standards as related to creditworthiness and price data.
5. Impact statements as related to FERC certifications.
6. Small generator interconnection standards to be applied to retail markets.
7. Standardized electronic invoicing for retail markets.
8. LNG contract.

SPECIFIC RECOMMENDATIONS:

1. Reduce costs to participate by use of web casting.
2. Retail quadrants should include development items that are not solely focused on retail choice programs.



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3. Wholesale quadrants should work together in a collaborative and cohesive manner on joint gas/electric activities, building confidence in the industry that joint standards can be developed through the NAESB process.



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**Distributed via:
Inclusion in the Board meeting materials
posting on the NAESB web site**

TO: NAESB Board of Directors, Invited Guests to the September 16 Board of Directors Meeting, Posting for Interested Parties

FROM: **Michael Desselle, Chairman, NAESB Board of Directors**

RE: Strategic Session Next Steps

DATE: August 31, 2004

Dear NAESB Board of Directors and Invited Guests to the September 2004 Board meeting,

In order to further the excellent work from our strategic session in June, I will propose that we create three Board committees at our September board meeting. The purpose of the committees is to carry forward the strategies defined in June, make recommendations on actions that should facilitate the Executive Committee's development of standards, and provide guidance to the Board in a proactive manner. The committees could identify potential roadblocks or the need for policy discussions before standards development takes place – and bring those issues to the Board for discussion and consideration, thus more efficiently using our resources at the Executive Committee level.

None of the proposed Board committees develop standards – that is the role of the Executive Committee. These proposed Board committees would assist the Board in decisions that may come to them prior to standards development, would assist the Board in furthering the acceptance of the NAESB standards, and would assist the Board in identifying standards development areas that may need further guidance from the Board before development activities take place. All of these committee efforts would be brought before the Board for Board approval before action took place. This is a departure from our normal Board process – it turns our Board into a more proactive governing group – aiding in the efficiency of standards development and industry acceptance.

The three subcommittees proposed are:

- Gas-Electric Interdependencies – our industry is more interdependent, and providing Board guidance on those interdependencies that may affect standards development have been evident in several areas already.
- Retail Standards Awareness – increasing awareness of the standards development efforts underway in the retail markets would provide Board guidance not only to our own membership but to the retail markets at large. This may be accomplished through Board endorsement of survey results, liaisons with other groups and other similar tools.
- Resources – attracting volunteers for standards development activities and promoting those planned activities to trade associations and industry participants would aid in the overall acceptance of our standards as they are developed and provide adequate participation in the standards development arena – thus improving the overall efficiency of the organization and giving the Executive Committee the needed resources for its efforts.



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I look forward to our discussion on September 16 regarding the creation of these proposed committees. Should you have others in mind, please raise those at our meeting or give me call.

Best Regards,

Michael

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

TAB 6

EXECUTIVE DIRECTOR'S REPORT

This section includes:

- The Executive Director's report
- Supporting documentation from the "At A Glance" meetings
- The NAESB membership report and statistics.

The material presented is background information for the discussion of agenda item 4. Rae McQuade will review this information as an update to the Board. No action is requested of the Board.



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EXECUTIVE DIRECTOR'S REPORT SEPTEMBER 16, 2004

Monthly Update Calls – “At A Glance”

We have held several “At A Glance” conference calls with the attendance of several state commissions and federal agencies, and many of our own members. Because of the limited ability of state commission staff traveling to meetings, these one hour conference calls has provided a venue for NAESB-NARUC-Federal Agency communication on our current and planned activities. The calls are held monthly, on the third Thursday of each month at 2:00 pm Eastern. Anyone can call in to these one-hour updates, and there is no charge for the call. The notes from the June and July meetings and the agenda from the August meeting are attached. We are scheduled for our next call on October 20 followed by our last call for 2004 on December 16. The leaders of the “At A Glance” calls (Diane Barney (NY), Lou Ann Westerfield (ID), and Tom Pearce (OH)) work with our office to set the agenda for the calls. The dates for 2004 can be accessed from our web site (Web site page address: http://www.naesb.org/monthly_update.asp).

Membership Report

The membership report is attached. Our membership began the year at 357. It has declined to 330 as of August. While we have seen no decline in participation (actually our attendance has seen a 25% increase at meetings and conference calls), the companies that have declined to renew their memberships have cited cutbacks in their companies and lack of priority. Several of these companies though do still participate. With the implementation of final actions that will become standards when published, the areas of the web site will be protected with passwords for free access by members and as a fee to access for non-members.

Filings with the FERC

We have recently filed the Order 2004 standards modifications with the Commission for the wholesale gas quadrant (August 6) and the Seams catalog report (June 15). Minor corrections to version 1.7 of the WGQ standards should be filed in late September. After Managing committee approval and final approval from the Executive committee through a notational vote, we will file the report from the Gas-Electric Coordinaton Task Force. We expect to file the gas quality reporting standards in late October. In working with FERC staff, we have been asked to bundle the wholesale electric quadrant efforts into one submission by yearend that would include the member ratified standards for cordinate interchange and Orders 638, 889 and 605. Also to be included in the filing are the standards that are currently out for Executive Committee consideration for further modifications to OASIS Baseline standards, Standards of Conduct related to Order 2004, and OASIS Requirements for FERC Order 2003 Generation Interconnection. Also expected t obe included in the one submission are the version 0 standards currently under development and the OASIS 1A enhancements for multiple submissions, OASIS 1A enhancements for redirects, OASIS 1A enhancements for resales and reassignments and inadvertent interchange payback if they are adopted by the Executive Committee and ratified. In this manner the WEQ standards will be processed under a sinlge docket.

**NORTH AMERICAN ENERGY STANDARDS BOARD**

1301 Fannin, Suite 2350 • Houston, Texas 77002 • Phone: (713) 356-0060 • Fax: (713) 356-0067
email: naesb@naesb.org • Web Site Address: www.naesb.org

June 16, 2004

NAESB AT A GLANCE: MONTHLY UPDATE

JUNE NAESB BOARD MEETING AND STRATEGIC SESSION: Rae McQuade, NAESB executive director, reported on the strategic session held in conjunction with the June 10 Board meeting. This was the first time NAESB or GISB has held a strategic session in its ten years of operation. It was very productive and may be repeated again next year.

Consensus determined the future of NAESB's wholesale quadrants should include: developing business practice standards to support reliability and greater integration of the gas and electric markets, the expansion into alternative natural gas sources like LNG and the internationalization of supply, the emergence of large electric transmission groups and the need for coordinated planning, and continued support of government agency requests and responsiveness to NARUC and state commissions, FERC, DOE, DHS, the findings of the blackout report and the findings of the ISO-NE report. The future of NAESB's retail quadrants should include: increased relevance with model business practices that are applicable regardless of the status of retail competition and similar support of government agency requests and responsiveness as with the wholesale quadrants.

Implementation of these recommendations will require the dedication of resources through heightened relevance at the executive level of member companies. The organization as a whole, and Board members specifically, should be proactive in critical areas for standards development. Obstacles to implementation that were identified include: a declining membership in all quadrants, the lack of an organized recruitment effort, and the failure of some companies to empower employees participating in the subcommittees and Executive Committee (EC) to make decisions and actively participate during negotiations, including committing their organizations to specific actions. NAESB's finances are sound for the current level of activity, but the level is increasing and more difficult long-term issues are on the horizon.

A few critical standards development areas were discussed. No vote was taken to add these areas to the annual plans, however, several are already underway. A few of the critical areas identified include: joint electric and gas standards development; creditworthiness; confidentiality standards as related to creditworthiness and price data; small generator interconnection standards applied to retail markets; standardized electronic invoicing for retail markets; and LNG contract issues. Beginning in July, the use of web casting should reduce the cost of subcommittee participation.

WEQ BUSINESS PRACTICES SUBCOMMITTEE (BPS) VERSION 0 BUSINESS PRACTICE STANDARDS AND COORDINATION WITH NERC: Joel Dison, manager of market policy, Southern Company, and cochair of the Business Practices Subcommittee (BPS) reported that BPS is focused on preparing the complementary NAESB business practice standards supportive of NERC Version 0 reliability standards. Phil Cox, energy market coordinator, AEP Energy Services, is the other BPS cochair. Both Mr. Dison and Mr. Cox serve as liaisons to the NERC Version 0 drafting team which was created after the August 2003 blackout to convert NERC policies into reliability standards. For Version 0, there will be a significant amount of "mirroring" between NERC and NAESB standards. NERC has established an aggressive timetable for completion by February 2005 and similarly, NAESB should develop its Version 0 by the end of 2004. New standards will be addressed in each organization's Version 1. When complete, NAESB's Version 0 will be filed with the FERC.

DEVELOPMENT OF GAS QUALITY WEB-BASED REPORTING STANDARDS: Michael Novak, assistant general manager for National Fuel Gas Distribution, and vice chair of Retail Gas Quadrant (RGQ) EC, reviewed the first meeting of the WGQ BPS on developing web-based reporting of gas quality standards contained in pipeline tariffs (R03035 Part A). The meetings began with presentations by the requester (Florida Power and Light), Washington Gas Light, a group of pipelines and the American Gas Association. BPS has found the release of gas quality related information to be more complex than a few years ago, and will need to consider confidentiality and homeland security issues. Reporting standards should be completed by the end of the year.

RETAIL CUSTOMER ACTIVITIES AT CONSUMER PROCESSES (CPS) AND SUPPLIER UTILITY INTERFACE SUBCOMMITTEES (SUIS) UPDATE: Mr. Novak provided an update on the efforts of CPS and SUIS to implement the Billing and Payment and Creditworthiness Model Business Practices (MBPs) finalized earlier this year. CPS is working on paper transactions that will serve as the basis for developing electronic transactions implementing these MBPs. SUIS is about to complete work on a confidentiality agreement outline, and is beginning work on distribution company-supplier service agreement outline and dispute resolution MBPs. Mr. Novak acknowledged the work of the Glossary Subcommittee in developing consistent terminology vital to all retail efforts for the creation of a consistent look and feel across MBPs.



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TECHNICAL ELECTRONIC IMPLEMENTATION SUBCOMMITTEES (TEIS) QUESTIONNAIRE: Mr. Novak also described the TEIS questionnaire that will be circulated widely to the industry this week. In anticipation of developing electronic standards implementing the Billing and Payment and Creditworthiness MBPs, the 21 question questionnaire seeks to determine what electronic mechanisms and formats are currently being used by industry, e.g., EDI, XML, flat files. Mr. Novak requested assistance from regulators in disseminating the questionnaire to market participants.

GAS AND ELECTRIC COORDINATION TASK FORCE (GECTF) UPDATE AND “ENERGY DAY” REQUEST: Ruth Kiselewich, director of special projects and supplier services, Baltimore Gas & Electric, chair of the Retail Electric Quadrant (REQ) EC, and co-chair of GECTF, said the task force is concluding its scoping activities and has its first draft final report out for comments. The report will be finalized at the June 29-20 meeting in Houston, and then sent to the EC for review and the Managing Committee for final review and approval, before being submitted to FERC. The next phase of efforts will be the development of standards from the issues identified in the final report.

The first request (R04016) received was submitted by KeySpan Utility Services and Duke Energy Transmission. It seeks the creation of a standard “energy day” that would apply to both the natural gas and electric industries. Although the request recommends that “energy day” be standardized as midnight to midnight central time, the final standard may take a different approach. The Request says an “energy day” would allow both electric and gas industries to more closely match fuel deliveries to generation requirements. For electric generators, it will decrease the risk incurred when offering capacity in advance of making gas nominations. For gas suppliers and transporters, it will mean deliveries will more closely match actual daily requirements. Ms. McQuade noted that the ISO-NE report on the January 2004 cold snap gave a high priority to the coordination of electric and gas scheduling.

NEXT CONFERENCE CALL: The next conference call is scheduled for **Wednesday, July 21, 2004**, at 2:00 pm Eastern. We hope you can join us. If there are particular topics you would like to see covered or would like to receive additional information, please contact the NAESB Office (713-356-0060, naesb@naesb.org).

**NAESB Monthly Update Conference Call, Participant List
June 16, 2004 -- 2:00 PM Eastern**

	Name:		Organization:
1	Charles	Gray	NARUC
2	Craig	Branum	Missouri Public Service Commission
3	Donna	Daugherty	U.S. Bureau of Reclamation
4	Grace	Delos Reyes	NARUC
5	Marcella	Matzeit	National Energy Board of Canada
6	Marv	Rosenberg	FERC
7	Sheila	Ward	Alabama Public Service Commission
8	Thomas	Dunleavy	New York Public Service Commission
9	Thomas	Dvorsky	New York Public Service Commission
10	Thomas	Pearce	Public Utility Commission of Ohio
	Name:		Organization:
11	Ed	Anderson	RJ Rudden Associates
12	Mariam	Arnaout	American Gas Association
13	Dawn	Arnold	Tennessee Valley Authority
14	Victor	Bissonnette	Hydro-Quebec Transenergie
15	Bill	Boswell	NAESB
16	James	Cargas	NAESB
17	Roman	Carter	Southern Company
18	Randy	Corbin	The Ohio Consumers Council
19	George	Dawe	Duke Energy
20	Michael	Desselle	American Electric Power
21	Gene	Fava	Great Lakes Gas Transmission
22	Charles	Feagans	Tennessee Valley Authority
23	Peter	Flynn	National Grid
24	Ken	Gates	Conectiv
25	Bill	Habenstreit	El Paso Production Co.
26	Robert	Harshbarger	Puget Sound Energy
27	Jim	Hebson	PSEG
28	Linda	Horn	We Energies
29	Rick	Ishikawa	SoCal Gas
30	Ruth	Kiselwich	Baltimore Gas and Electric
31	Barry	Lawson	National Rural Electric Coop. Assoc.
32	John	Lucas	Southern Company
33	Marcy	McCain	Duke Energy Gas Transmission
34	Terry	McGill	Enbridge
35	Rae	McQuade	NAESB
36	Carl	Monroe	Southwest Power Pool
37	Michael	Mount	RJ Rudden Associates
38	Mitchell	Needham	Tennessee Valley Authority
39	Mike	Novak	National Fuel Gas Distribution Co.
40	Marjorie	Pearlman	Energy East
41	Tom	Ringebach	American Electric Power
42	Richard	Rudden	RJ Rudden Associates
43	Mark	Sellers-Vaughn	Cascade Natural Gas
44	Ed	Tammy	Florida Power & Light
45	Carlos	Thillet	TECO Energy Co
46	Veronica	Thomason	NAESB
47	Cathy	York	Tennessee Valley Authority

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July 21, 2004

NAESB AT A GLANCE: MONTHLY UPDATE

PROPOSED AMENDMENTS TO WGQ TRADING PARTNER AGREEMENT: Michael Novak, assistant general manager for National Fuel Gas Distribution, and vice chair of the Retail Gas Quadrant (RGQ) Executive Committee (EC), described Request R04017 which proposes minor changes to the Wholesale Gas Quadrant (WGQ) Trading Partner Agreement (TPA) that will expand its application to retail transactions. The TPA was developed in 1999 to allow trading partners to exchange EDI data. Since Mr. Novak's company has enjoyed great success in adopting the WGQ TPA to comply with New York's retail market regulations, he found interest in making the adaptations permanent so they can be applied in other retail markets where EDI is used. One meeting on this three-quadrant request has already been held. Mr. Novak expects to have a final recommendation before the EC in November 2004.

WEQ BUSINESS PRACTICES SUBCOMMITTEE (BPS) VERSION 0 BUSINESS PRACTICE STANDARDS AND COORDINATION WITH NERC: Rae McQuade, NAESB executive director, reported the Wholesale Electric Quadrant (WEQ) Business Practices Subcommittee (BPS) distributed a set of proposed business practices that mirror the existing NERC policies. Meanwhile, NERC is undertaking similar efforts to produce reliability standards that are concise and measurable. Neither NAESB nor NERC's Version 0 standards will alter existing NERC policies, except to reflect the functional model nomenclature and use more active or concise language. Although no substantive changes are being made in Version 0, NAESB has identified six areas for the development of business practices in Version 1, which will be taken up once Version 0 is complete. In fact, for Coordinate Interchange, Version 1 has already been completed and fully adopted by the organization. There will be an additional comment period on NAESB's Version 0 draft standards before they are sent to the EC for adoption in November 2004, member ratification in December 2004, and submittal to the FERC shortly thereafter.

The Version 0 request for standard development (NAESB) and the Standards Authorization Request (NERC) are currently going through the NAESB/NERC/IRC Joint Interface Committee (JIC) process, but neither have been approved. During a recent JIC meeting, the areas where NERC and NAESB agreed were pure reliability, NERC was given the go-ahead to work on Version 0 (bucket 1). The JIC will meet again on Aug. 16 to discuss areas where NERC and NAESB agree items are pure business practices (bucket 2) and where items are difficult to separate reliability from business practice standards (bucket 3). The aggressive timetables to complete NAESB's Version 0 by year end and NERC's Version 0 by February 2005 are still in place.

WEQ OASIS 1A UPDATE: Ms. McQuade listed the modifications being made to OASIS 1 standards, called OASIS 1A. The list includes business practices for (i) redirect of transmission service, (ii) recalls of transmission service, (iii) resale or assignment of transmission service, (iv) multiple submissions of identical requests, (v) certification authority requests, (vi) informational postings as directed by FERC Order No. 2004, (vii) outages and interruptions, and (viii) implementation of public key infrastructure (PKI) technology. These modifications are necessary to reflect changes in the marketplace and technology. It is anticipated the majority will be completed by year end, and filed with the FERC.

PREVIEW OF FERC FILINGS TO BE MADE IN 2004: Other areas Ms. McQuade anticipates NAESB making filings with FERC in 2004 include: (i) Version 0 WEQ Business Practices, (ii) Version 1 WEQ Coordinate Interchange Business Practices, (iii) WEQ Large Generation Interconnection Business Practices, (iv) WEQ Inadvertent Interchange Payback Business Practices, (v) WGQ Gas Quality Reporting Business Practices, (vi) WGQ Order 2004 business practices, (vii) WEQ OASIS 1A enhancements, and (viii) the Gas-Electric Coordination Final Report. The WEQ Seams Subcommittee Seams Catalog was filed on June 15, 2004.

DEVELOPMENT OF GAS QUALITY WEB-BASED REPORTING STANDARDS: Jim Buccigross, vice president of Group 8760, Inc. and NAESB Executive Committee chairman, reviewed the three parts of Request R03035 and the Board's decision to move forward only on the development of web-based reporting standards for tracking all physical and chemical properties of natural gas defined in pipeline tariffs, including timelines for reporting (Part A). The WGQ BPS has held several meetings and has made recommendations to develop one proposed standard, and amend WGQ Standard 4.3.23 to reflect the posting of gas quality information. BPS is considering a second standard and one principle at its upcoming Aug. 4-5 meeting in Washington, DC. The proposed standards being considered address: (1) reporting the tariff requirements in a standardized format on the informational postings portion of the pipeline web site, and (2) reporting the average daily gas quality data collected at points representative of mainline flow in a standardized format. The BPS is on track to have its recommendations before the EC in November.



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GAS AND ELECTRIC COORDINATION TASK FORCE (GECTF) UPDATE, AND ENERGY DAY, ELECTRONIC SCHEDULING AND OPERATIONAL COMMUNICATIONS REQUESTS:

Ruth Kiselewich, director of special projects and supplier services, Baltimore Gas & Electric, chair of the Retail Electric Quadrant (REQ) EC, and co-chair of GECTF, said this four-quadrant effort is moving beyond scoping and has begun to produce several requests for standards. Request R04016 submitted by KeySpan and Duke Energy seeks development of a standard Energy Day. This has been assigned to the Business Practices Subcommittees of WEQ and WGQ, and work should begin in December. Request R04020 submitted by the Tennessee Valley Authority addressing electronic scheduling and also addresses an issue raised in the WEQ Seams Catalog. This has been assigned to WEQ's Electronic Scheduling Subcommittee (ESS). Request R04021 submitted by NGPL, CrossCountry Energy and Salt River Project addresses communications between pipelines and power plants. This request has yet to undergo triage.

Ms. Kiselewich also reported the Final GECTF Report was unanimously approved. There will be a 30-day comment period before it is reviewed by all four quadrant ECs at their Aug. 24-16 meetings. In conclusion, she noted that this task force and the cross-quadrant standards that it will produce demonstrate the benefits of expanding GISB and creating NAESB.

NAESB ANNUAL MEETING – SEPT. 14-15, 2004, IN AUSTIN, TEXAS: Mr. James Cargas, NAESB Deputy Director, reviewed the program for NAESB's 3rd Annual Meeting. The program and registration form may be downloaded at: <http://www.naesb.org/annmtg.asp>.

NEXT CONFERENCE CALL: The next conference call is scheduled for **Wednesday, August 18, 2004**, at 2:00 pm Eastern. We hope you can join us. If there are particular topics you would like to see covered or would like to receive additional information, please contact the NAESB Office (713-356-0060, naesb@naesb.org).

**NAESB Monthly Update Conference Call, Participant List
 July 21, 2004 -- 2:00 PM Eastern**

Name:		Organization:
1	Laura Anson	Missouri Public Service Commission
2	Bishu Chatterjee	California Public Utility Commission
3	Jeffrey Conopask	District of Columbia Public Service Commission
4	Dan Downs	New York State Department of Public Service
5	Wanda Jones	Michigan Public Service Commission
6	Shawn Kelly	Indiana Utility Regulatory Commission
7	Marcella Matzeit	National Energy Board of Canada
8	Ken Roth	Michigan Public Service Commission
9	David Sapper	Public Service Commission of Wisconsin
10	Ginger Teubner	Connecticut Department of Public Utility Control
11	Sheila Ward	Alabama Public Service Commission

Continued

NAESB Monthly Update Conference Call, Participant List
July 21, 2004 -- 2:00 PM Eastern

	Name:		Organization:
12	Barbara	Alexander	State of Maine Public Advocates
13	Mariam	Arnaut	American Gas Association
14	Roger	Austin	Allegheny Power
15	Nancy	Brucher	Nicor Gas
16	Jim	Buccigross	Group 8760
17	Yvette	Camp	Southern Co.
18	James	Cargas	NAESB
19	Ed	Davis	Entergy
20	Dale	Davis	Williams Gas Pipeline
21	George	Dawe	Duke Energy
22	Mary	Edwards	Dominion Virginia Power
23	Alan	Flater	American Transmission Co.
24	Peter	Flynn	National Grid USA
25	Pete	Frost	ConocoPhillips
26	Michelle	Gallicchio	Northeast Utilities
27	Mark	Gracey	Tennessee Gas Pipeline
28	Tammy	Grant	Williams
29	Bill	Griffith	El Paso Natural Gas
30	Dona	Gussow	Florida Power and Light
31	Amy	Hamilton	Peco Energy
32	Linda	Horn	WE Energy
33	Vern	Ingersoll	Progress Energy
34	Richard	Ishikawa	Southern California Gas Co.
35	Veronica	Jones	Defense Energy Support Center
36	Iris	King	Dominion Transmission
37	Ruth	Kiselewich	Baltimore Gas and Electric
38	Melissssa	Lauderdale	Edison Electric Institute
39	Lyn	Maddox	Prospect Power
40	Rae	McQuade	NAESB
41	Carl	Monroe	Southwest Power Pool
42	Steve	Morus	Puget Sound Energy
43	Clay	Norris	North Carolina Municipal Power Agency
44	Michael	Novak	National Fuel Gas Distribution Co.
45	Gloria	Ogenyi	Conectiv Energy
46	Marjorie	Perlman	Energy East
47	Grace Delos	Reyes	NARUC
48	Tom	Ringenbach	American Electric Power
49	Donna	Scott	Transwestern
50	Keith	Tiggelaar	Williston Basin Interstate Pipeline
51	Kim	Van Pelt	Panhandle Eastern Pipeline
52	Lori Van	West	Xcel Energy
53	Wes	Williams	Southern California Edison
54	Karl	Wunderlich	US Bureau of Reclamation
55	Kathy	York	Tennessee Valley Authority



North American Energy Standards Board

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August 17, 2004

TO: All Interested Parties
FROM: Rae McQuade, NAESB Executive Director
RE: **Monthly Update Calls**

NORTH AMERICAN ENERGY STANDARDS BOARD MONTHLY UPDATE CALL
August 18, 2004 – 2:00 to 3:00 pm Eastern

To obtain the conference calling number, please refer to the email message that accompanied this announcement, or call the NAESB office (713-356-0060). In this conference call, we will discuss (i) the development of WEQ Version 0 Standards, (ii) the submission of several requests for standards representing high priority issues from the WEQ Seams Catalog, (iii) the market participant interaction model business practices (MBPs) and model non-disclosure agreement being developed by the Retail Quadrants, (iv) the results of the REQ/RGQ Technical Electronic Interchange Subcommittees' (TEIS) electronic mechanism usage survey of the industry, (v) the proposed WGQ producer imbalance statement standards, and (vi) the development of web-based reporting standards for gas quality. Finally, we will preview the Annual Meeting on Sept. 14-15, 2004 (registration form attached). We hope you can join us on this one hour call.

The purpose of these one hour updates is to provide a high level overview of the NAESB activities and plans. The calls should complete within one hour and will provide attendees with a general understanding of the organization's current activities and plans, with guidance on how to obtain additional detailed information if needed. We look forward to you or your staff attending the call. Work papers can be downloaded from the NAESB web site for this meeting and will be posted one week prior to the call. (http://www.naesb.org/monthly_update.htm).

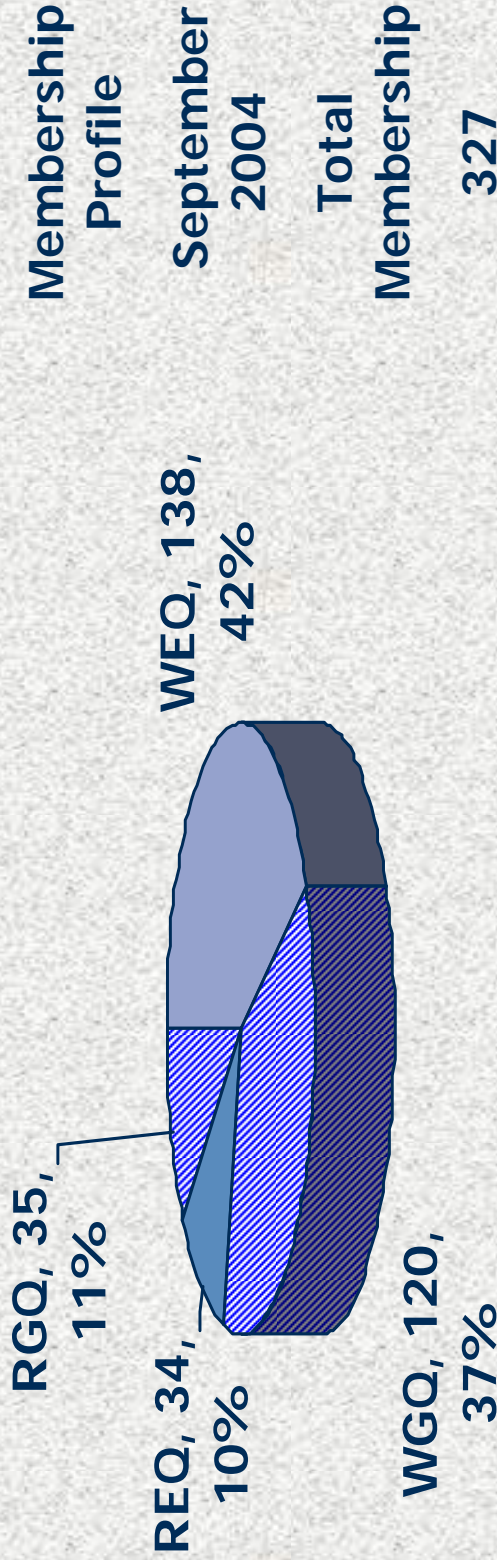
Please feel free to call the NAESB office should you have any questions or comments. If you would like to follow up with any questions after the conference call, please feel free to contact:

Rae McQuade	713-356-0060	naesb@naesb.org
Cade Burks	713-403-8720	cade.burks@EC-Power.com
Steven Cobb	602-236-3965	sccobb@SRPnet.com
Joel Dison	205-257-6481	jjdison@southernco.com
Bill Newbold	313-235-7895	newboldw@dteenergy.com
Kim Van Pelt	713-989-7354	kvanpelt@panhandleenergy.com

AGENDA

- | | | | |
|-------------|----|--|---------------------|
| 2:00 pm EST | 1. | Welcome | |
| | | • Antitrust Guidance | James Cargas |
| | | • Adoption of Agenda | Rae McQuade |
| 2:05 pm | 2. | Update on WEQ Business Practices Subcommittee (BPS) Version 0 Standards | Joel Dison |
| 2:15 pm | 3. | Submission of Requests on High Priority Seams Issues | Steve Cobb |
| 2:25 pm | 4. | REQ & RGQ Market Participants Interaction Model Business Practices and Outline of Non-Disclosure Agmt. | Bill Newbold |
| 2:30 pm | 5. | Results of Technical Electronic Interchange Subcommittees' (TEIS) Electronic Mechanism Usage Survey | Cade Burks |
| 2:40 pm | 6. | WGQ Producer Imbalance Statement Standards | Kim Van Pelt |
| 2:45 pm | 7. | WGQ Gas Quality Web-Based Reporting Standards | Rae McQuade |
| 2:55 pm | 8. | Annual Meeting Preview | James Cargas |
| 3:00 pm | 9. | Adjourn | |

North American Energy Standards Board Board of Directors Meeting – 9/16/04



Quadrant Statistics	WEQ	WGO	REQ	RGO	Total
Membership YE 2003	157	129	41	39	357
Net Change	-19	-9	-7	-4	-30
Membership YTD	138	120	34	35	327

North American Energy Standards Board Membership Report
As of September 1, 2004

NAESB Membership Report
Quadrant and Segment Analysis

Quadrant/Segment Membership Analysis		Number of Members
WGQ Segments	Total	120
	End Users	19
	Distributors	23
	Pipelines	38
	Producers	12
	Services	30
REQ Segments	TOTAL	34
	End Users	4
	Distributors	16
	Services	7
	Suppliers	7
RGQ Segments	TOTAL	35
	End Users	4
	Distributors	16
	Services	7
	Suppliers	8
WEQ Segments	TOTAL	138
	End Users	12
	Distributors	24
	Transmission	39
	Generation	30
	Marketers	29
	None Specified	4

North American Energy Standards Board Membership Report
As of September 1, 2004

NAESB Membership Statistics – Changes by Quadrant for 2004 as of September 1, 2004

WEQ	New Members:	4
	<i>TransElect, International Transmission Company, Sacramento Municipal Utility District, First Energy Solutions Corp.</i>	
	Member Resignations:	22
	<i>ConEd (Distribution), ConEd (Transmission), Exelon Energy Delivery, SRP (Generation), SRP (Marketer), Reliant Energy Power Generation, Arizona Residential Utility Consumer Office, Texas Public Utility Commission, TransLink, Reliant Energy Services, Praxair, PG&E National Energy Group, Detroit Edison, Progress Energy (Distribution), Progress Energy (Generation), Public Utility District No. 1 of Chelan County (Marketer), Center Point Energy (Transmission), Exelon Generation Company LLC (Generation), El Paso Corporation (Generation), El Paso Merchant Energy (Marketer), NRG Power Marketing, Inc. (Generation), Baltimore Gas & Electric Company (Transmission)</i>	
WGQ	New Members:	6
	<i>Barclays Bank, ConocoPhillips, Pemex, SoCal Edison, SolArc, Constellation Power Source, Inc.</i>	
	Member Resignations:	7
	<i>AIG Energy Trading, Midland Cogeneration, Aquila Energy, Ocean Energy, The Energy Authority, Hatch Associates Limited, ECOM Elite Computer Consultants</i>	
REQ	New Members:	1
	<i>Direct Energy Business Services</i>	
	Member Resignations:	8
	<i>LCEC, Wisconsin Electric, Energy East Management Company, American Electric Power, 8760, Distribution Control System, Inc., Tractebel Energy Services, Inc., Duke Power</i>	
RGQ	New Members:	0
	Member Resignations:	4
	<i>Energy East Management Company, PMO Link, New Science Partners, TCU Energy Retail</i>	
TOTAL	New Members	11
	Member Resignations:	41

North American Energy Standards Board Membership Report As of September 1, 2004

North American Energy Standards Board Membership List as of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
REQ	1	Alabama Power	d	Judy W. Ray, Yvette Camp
	2	Ameren Services Company	d	Patrick Eynon
	3	Baltimore Gas & Electric Co.	d	Ruth Kiselewich, John Magwood
	4	Calpine Energy Services, LP	su	Janet Dixon
	5	Cinergy Services, Inc.	d	Paul K. Jett
	6	Consolidated Edison Company of NY	d	Hollis Krieger
	7	Defense Energy Support Center	e	Lisa Robert
	8	Detroit Edison Company	d	William J. Newbold, Jr.
	9	Direct Energy Business Services	su	David Booty
	10	Dominion Retail	su	William Barkas, Richard Zelenko
	11	Dominion Virginia Power	d	David F. Koogler, Mary Edwards
	12	EC Power International	s	Judy Bailey, J. Cade Burks
	13	Electric America	su	Joseph C. Macek III
	14	Electric Reliability Council of Texas (ERCOT)	s	Sam R. Jones, Rob Connell, Ray Giuliani
	15	Exelon Energy Delivery	d	Algie Hill
	16	Foley & Lardner	s	Bryan S. Anderson
	17	Georgia Power Company	d	Michael Garrett, Yvette Camp
	18	Green Mountain Energy Co.	su	David McMillan
	19	Gulf Power Company	d	Joel Thomas Kilgore
	20	MidAmerican Energy	d	James E. Wilson
	21	Mississippi Power Company	d	Dorman Davis
	22	Office of Public Advocate, State of Maine	e	Barbara Alexander
	23	Ohio Consumers Council	e	Randy Corbin
	24	Pennsylvania Office Of Consumer Advocate	e	Tanya J. McCloskey, Sonny A. Popowsky
	25	PPLSolutions, LLC	s	James M. Minneman
	26	Public Service Electric & Gas	d	Terrence Moran
	27	Reliant Energy Retail Services, LLC	su	Derek Mauzy
	28	Savannah Electric and Power Company	d	Lamar Kearson
	29	SchlumbergerSema	s	George C. Roberts
	30	Southern California Edison	d	Gail Higashi
	31	Southern Company Services	s	Mark S. Jarrett, Yvette Camp
	32	Structure Group	s	Stacey Wood
	33	TXU Energy Retail	su	Felecia Lokey
	34	Wisconsin Public Service Corporation	d	William L. Bourbonnais,

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
			Les Nishida	
WGQ	1 8760	s	John Williams, Jim Buccigross	
	2 AEP Energy Services, Inc.	s	Cathy Szasz	
	3 Ameren Corporation	l	Scott Glaeser	
	4 Apache Corporation	pr	Michele Markey	
	5 Arizona Public Service Company	e	Gary Duede, Kelly Daly, Curt Brechtel	
	6 Ballard Natural Gas, LLC	s	Susan Thibodeaux	
	7 Baltimore Gas & Electric Co.	l	Steve Zavodnick	
	8 Barclays Bank PLC	s	Frank Rodriguez	
	9 BG LNG Services, LLC	s	Martha Braddy	
	10 Boeing Co., The	e	Tina Burnett	
	11 BP Energy	pr	Bill Benham, Lauren Kaestner	
	12 Bridgeline Gas Marketing	pl	Georgia Blanchard	
	13 Burlington Resources	pr	Paul Keeler	
	14 Calpine Energy Services, LP	e	Janet Dixon, Craig Chancellor	
	15 Cargill Incorporated	s	Kathy Gerken	
	16 Cascade Natural Gas Corporation	l	Mark Sellers-Vaughn	
	17 CenterPoint Energy Gas Resources Corp.	s	James G. Beste	
	18 CenterPoint Energy Gas Transmission Company	pl	Larry Thomas	
	19 CenterPoint Energy Mississippi River Transmission Corporation	pl	Robert Trost	
	20 Chevron/Texaco	pr	Randy Mills	
	21 Cinergy	e	John Procario	
	22 Cinergy Marketing and Trading	s	Randy Bevis	
	23 Columbia Gas Transmission	pl	Carl Levander	
	24 Columbia Gulf Transmission Co.	pl	Carl Levander	
	25 Comprehensive Energy Services	e	Jim Templeton	
	26 ConocoPhillips Gas and Power	pr	Peter Frost	
	27 Consolidated Edison Company of NY	l	Mary Jane McCartney, Steve Sullivan	
	28 Constellation Power Source, Inc.	s	Robert McKay	
	28 Dauphin Island Gathering Partners	pl	Katie Rice	
	30 Defense Energy Support Center	e	Veronica Jones, Jacob Moser	
	31 Department of Energy	e	Christopher Freitas	
	32 Dominion Exploration and Production, Inc.	pr	David Ogden, Gary Weaver, Sheri Heslington	

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
33	Dominion Resources	l	Craig Columbo	
34	Dominion Transmission, Inc.	pl	Gary Sypolt, Iris King	
35	DTE Energy Trading, Inc	s	Marcia Hissong	
36	Duke Energy Gas Transmission - Texas Eastern	pl	Richard Kruse	
37	Edison Mission Marketing and Trade	e	Christian Hnat, William Roberts	
38	El Paso East Pipeline	pl	Larry Smith, Mark Gracey	
39	El Paso Natural Gas	pl	William Griffith	
40	El Paso Production Company	pr	Bill Hebenstreit	
41	Enbridge Energy Company, Inc.	pl	Terry McGill	
42	EnCana Marketing (USA) Inc.	s	Keith Sappenfield	
43	EnCana Corporation	pr	Keith Sappenfield	
44	Energy East Management Corporation	l	Marjorie Perlman	
45	Energy Velocity	s	Konni Keuter	
46	Entergy Services, Inc.	e	Arlynn Kelleher, Terry Shields	
47	Equitable Gas Company	l	Steve Rafferty	
48	Equitrans, L.P.	pl	Mina Speicher	
49	ExxonMobil Gas Marketing	pr	Richard Smith	
50	Florida Power & Light Company	e	Dona Gussow, Joe Stepenovitch	
51	Gas Transmission Northwest Corp.	pl	Jay Story	
52	Great Lakes Gas Transmission	pl	Gene Fava	
53	Group 8760	s	Jim Buccigross	
54	Gulf South Pipeline	pl	Claire Burum, Randy Young	
55	H S Resources Inc.	pl	Carol Hall	
56	Imperial Irrigation District	e	William Rapp	
57	Iroquois Gas Transmission System	pl	Tom Gwilliam	
58	Kern River Gas Transmission Company	pl	Janie Nielsen	
59	Key Span Energy	l	Dolores Chezar	
60	Laclede Gas Co.	l	Kenneth Neises	
61	Latitude Technologies	s	Leigh Spangler	
62	Louis Dreyfus Energy Services L.P.	s	Mary Ellen Bell, Ruby H. Melton	
63	Lower Colorado River Authority	e	Mickey Bell	
64	Marathon Oil Company	pr	Robin Perrine	
65	Mewbourne Oil Company	pr	Michael F. Shepard	
66	National Fuel Gas Distribution	l	Michael Novak	
67	National Fuel Gas Supply Corp.	pl	Joseph Kardas	
68	Natural Gas Pipeline Co of America	pl	Paul Love	

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
69	Niagara Mohawk Power Corporation	1	Bruce Garcy	
70	Nicor Gas	1	Nancy Brucher	
71	NiSource Inc.	1	M. Christopher Maturo	
72	Northern Natural Gas	pl	Mary Darveaux	
73	Northwest Natural Gas Company	1	Randolph Friedman	
74	NOVA Gas Transmission Ltd.	pl	Doug Miller	
75	Occidental Energy Marketing Inc. (OEM)	pr	Carol Wilson	
76	Pacific Gas & Electric	1	John Breen	
77	Panhandle Eastern Pipe Line	pl	William Grygar, Kim Van Pelt	
78	PECO Energy Co.	1	Reed R. Horting	
79	Pemex Gas Y Petroquimica Basica	s	Juan Enrique Gonzalez Azuara	
80	Peoples Gas Light & Coke Co.	1	Raulando de Lara	
81	Platts	s	Bill Murphy	
82	Portland General Electric	pl	Kathy Davies	
83	Portland Natural Gas Transmission System	pl	David Morgan	
84	PPL EnergyPlus, LLC	e	Anne Lovett	
85	PPM Energy Inc.	e	Scott Hannigan	
86	Prospect Energy	s	Lyn Maddox	
87	Public Service Electric & Gas	1	David Wohlfarth	
88	Questar Pipeline Co.	pl	Scott Hansen	
89	Quorum Business Solutions Inc.	s	Douglas Allen	
90	Reliant Energy Services, Inc.	e	Gary Hanners, John Orr, Janie Mitcham	
91	Sabine Pipe Line LLC	pl	Jan Rogers	
92	Salt River Project Agricultural Improvement & Power District	e	Diane McVicker	
93	SCANA Corporation	pl	Jacquelyn Gettle	
94	Sempra Energy - Southern California Gas Co.	1	Lee Stewart, Rodger Schwecke	
95	Sequent Energy Management, L.P.	s	Pat Metteauer	
96	Shell Gas Transmission, LLC	pl	Chuck Cook	
97	SolArc Inc.	s	Tim Curtis	
98	Southern California Edison Company	e	Roman Bakke	
99	Southern Company Services, Inc.	e	Carl Haga	
100	Southern Natural Gas Co.	pl	Prince McDougal	
101	Southern Star Central Gas Pipeline	pl	James L. Harder	
102	Southwest Gas Corporation	1	Larry Black	
103	SunGard Energy Systems	s	Maria Onufrow, Jennifer Chen	
104	Telvent USA, Inc.	s	Glenn Irwin	

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
	105 Tennessee Valley Authority	e	Valerie Crockett	
	106 Texas Gas Transmission, LLC	pl	Jeff Bittel	
	107 Tiger Natural Gas	s	Tracy Phillips	
	108 Tractebel Energy Marketing, Inc.	s	Mark Hodges	
	109 TransCanada Pipelines	pl	Doug Miller	
	110 Transwestern Pipeline Co.	pl	Donna Scott	
	111 Trinity Apex Systems	s	Matt Armstrong	
	112 TXU Energy Trading Co.	s	Brad Jones	
	113 TXU Lone Star Pipeline Company	pl	Steve Easley	
	114 UBS Energy LLC	s	Suzanne Calcagno	
	115 Vector Pipeline L.P.	pl	Amy Bruhn	
	116 Washington Gas Light Co.	l	Tim Sherwood, Adrian Chapman, Jennifer Deegan	
	117 Westfield Gas & Electric Light Dept.	l	Joyce Bodak	
	118 Williams Gas Pipeline	pl	Dale Davis, Ron Mucci	
	119 Williston Basin Interstate Pipeline	pl	Keith Tiggelaar	
	120 Wisconsin Public Service Corporation	l	Patrick Fox	
WEQ	1 ACES Power Marketing LLC	m	Roy J. True	muni
	2 Alabama Electric Cooperative, Inc.	d	Kenneth J. Skroback	muni
	3 American Electric Power Service Corp.	m	Barbara Radous, Joseph Hartsoe	iou
	4 American Electric Power Service Corp.	d	Thomas Ringenbach	iou
	5 American Electric Power Service Corp.	t	John Stough, Michael Desselle	iou
	6 American Municipal Power - Ohio, Inc.	d	Pat Frazier, Chris Norton	muni
	7 American Transmission Company LLC	t	Julie Voeck	itc
	8 Arizona Public Service Company	t	Mark W. Hackney	iou
	9 Arkansas Electric Cooperative Corporation	g	Ricky Bittle	muni
	10 Avista Corp.	t	Scott A. Waples	
	11 Basin Electric Power Cooperative	t	Dan Klempel	muni
	12 Basin Electric Power Cooperative	m	David Raatz	nd
	13 Basin Electric Power Cooperative	g	Jason Doerr	muni
	14 Boeing Company	e	Steve LaFond	lind
	15 Bonneville Power Administration	d	Sydney D. Berwager	other
	16 Bonneville Power Administration	g	Francis Halpin	fed
	17 Bonneville Power Administration	m	Brenda Anderson	fed
	18 Bonneville Power Administration	t	Barbara Rehman	fed
	19 BP America Inc.	e	Jeanne Zaiontz	lind
	20 BP Energy Company	m	Jeanne Zaiontz	niou
	21 Buckeye Power, Inc.	d	Peter H. Buros	Nd

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
22	Calpine Corporation	g	William Taylor, Jim Stanton	merc
23	Cap Gemini Ernst and Young	m	Stephen A. Behrens	niou
24	Central Electric Power Cooperative	d	Arthur Fusco	muni
25	ChevronTexaco Energy Research and Technology	e	Carol Guthrie	sgen
26	Cinergy	e	Ron Jackups	endues
27	Cinergy	g	Walt Yeager, Ron Jackups	iou
28	Cinergy	m	Walt Yeager, Ron Jackups	iou
29	Cleco Power, LLC	t	Keith Comeaux	iou
30	Columbus Southern Power Company	g	Phil Cox	merc
31	Comprehensive Energy Services	e	Jim Templeton	enduse
32	Conectiv Energy Supply, Inc.	g	Gloria Ogenyi	merc
33	Conectiv Energy Supply, Inc.	m	Gloria Ogenyi	iou
34	Conectiv Power Delivery	t	Ken Gates	iou
35	Constellation NewEnergy, Inc.	d	Sara O'Neill	comp ret
36	Consumers Energy Company	d	Andrew C. Dotterweich, Frank Johnson	iou
37	Consumers Energy Company	g	Steven L. Gaarde, Andrew C. Dotterweich, John J. Dellas	iou
38	Dairyland Power Cooperative	t	Chuck Callies	muni
39	Department of the Interior, Bureau of Reclamation	g	Deborah M. Linke	fed
40	Dominion Energy Marketing, Inc.	g	Lou Oberski	iou
41	Duke Energy Corp.	d	Ollie Frazier	iou
42	Duke Energy North America	g	Bill D. Blevins	merc
43	Duke Energy North America	m	Lee Barrett	iou
44	Dynegy Marketing and Trade	m	Barry Huddleston	niou
45	Edison Electric Institute	n	David Owens, Dave Dworzak	n
46	Electric Reliability Council of Texas (ERCOT)	n	Sam R. Jones, Ray Giuliani	n
47	ElectriCities of North Carolina (North Carolina Eastern Municipal Power Agency)	g	Gregory Locke	muni
48	Electricity Consumers Resource Council (ELCON)	e	John Anderson, John Hughes	lind
49	Empire District Electric Company, The	t	Bary K. Warren	iou
50	Energy East Management Corporation	t	Marjorie Perlman	iou
51	Entergy Services, Inc.	t	Edward J. Davis	iou
52	Entergy Services, Inc.	m	James M. (Jimmy) Smith	iou
53	Exelon Corporation - PECO Energy	d	John F. Leonard, Jr.	iou
54	Exelon Generation - Power Team	m	Regina Carrado	iou
55	ExxonMobil Gas Marketing	e	Steve Sayuk, Mark Scheel, Mark Ulrich	sgen

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
56	FirstEnergy Solutions Corp.	M	William D. Byrd	iou
57	Florida Municipal Power Agency	g	Rick Casey	muni
58	Florida Municipal Power Agency	d	Steven H. McElhaney	muni
59	Florida Power & Light Company	m	Joe Stepenovitch	iou
60	Florida Power & Light Company	t	Marty Mennes	iou
61	Georgia Transmission Corporation	t	Carol Hester	muni
62	Hydro One Networks	t	Dave Barrie	itc
63	Hydro – Quebec Transenergie	t	Victor Bissonnette	fed
64	Indiana Municipal Power Agency	g	Dick Foltz	muni
65	International Transmission Company	t	Jim D. Cyrulewski	itc
66	Maryland Peoples Counsel	e	Seva Diakoparaskevas	comres
67	Michigan Electric Transmission Company LLC	t	Charles V. Waits	itc
68	Michigan Public Power Agency	d	James R. Nickel, Daniel E. Cooper	muni
69	Midwest Independent Transmission System Operator+J96	n	William (Bill) Phillips	n
70	Mirant Corp.	m	Susann D. Felton, Alan Johnson	niou
71	Missouri River Energy Services	d	Brian Zavesky	muni
72	Modesto Irrigation District	t	Roge Van Hoy	muni
73	National Association of Regulatory Utility Commissioners	E	Lou Ann Westerfield	reg
74	National Grid USA	t	Masheed Rosenqvist, Peter Flynn, Mary Ellen Paravalos	itc
75	National Rural Electric Cooperative Assoc.		Barry Lawson	muni/coop
76	New York State Dept. of Public Service	e	William Heinrich	reg
77	North Carolina Electric Membership Corporation	d	David Beam	muni
78	North Carolina Electric Municipal Power Agency #1	m	Clay A. Norris	muni
79	North Carolina Electric Municipal Power Agency #1	d	Andrew Fusco	muni
80	Northeast Utilities Service Company	t	David Boguslawski, Bill P. McKinnon	iou
81	Oglethorpe Power Corporation	g	Billy Ussery	muni
82	Ohio Consumers' Counsel	e	Randy Corbin	comres
83	Old Dominion Electric Cooperative	g	James N. Kimball	muni
84	Ontario Power Generation	g	Barry Green	merc
85	Ontario Power Generation	m	Rob Robinson	niou
86	Open Access Technology International, Inc.	e	Kevin Burns	enduse
87	PacifiCorp	d	Bill Cunningham	iou
88	PacifiCorp	m	Edison G. Elizeh	iou
89	PacifiCorp	g	Greg Maxfield	iou

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
90	PacifiCorp	t	Jim Hicks, Darrell Gerrard	iou
91	Platte River Power Authority	t	Terry L. Baker	muni
92	Portland General Electric	m	Terri Peschka	iou
93	PPL Electric Utilities Corporation	t	Ray Mammarella	iou
94	PPM Energy	g	Don Winslow	merc
95	PPM Energy	m	Don Winslow	iou
96	Progress Energy	m	Micheal Settlage	iou
97	Progress Energy	t	Verne Ingersoll, Phillip W. Lewis	iou
98	PSEG Energy Resources and Trade LLC	m	James D. Hebson	iou
99	PSEG Power LLC	g	Thomas M. Piascik	merc
100	Public Service Electric and Gas Company	d	Colin J. Loxley	nd
101	Public Service Electric and Gas Company	t	Jeffrey C. Mueller	nd
102	Puget Sound Energy, Inc.	t	George Marshall, Bob Harshbarger	niou
103	Sacramento Municipal Utility District	d	Robert D. Schwermann	muni
104	Sacramento Municipal Utility District	g	Thomas Ingwers	muni
105	Salt River Project Agricultural Improvement and Power District	d	Wendy Weathers, Mark B. Bonsall	other
106	Salt River Project Agricultural Improvement and Power District	t	Steve Cobb	fed
107	Seminole Electric Cooperative, Inc.	g	Lane Mahaffey	muni
108	Seminole Electric Cooperative, Inc.	t	Glenn Spurlock	muni
109	Southeastern Power Administration	g	Bob Goss	fed
110	Southern California Edison	t	Ronald D. Nunnally	iou
111	Southern Company Services, Inc.	d	Garey Rozier, Jim Miller, Greg Butrus	iou
112	Southern Company Services, Inc.	g	Tony A. Reed	iou
113	Southern Company Services, Inc.	m	Joel Dison	iou
114	Southern Company Services, Inc.	t	R.D. (Dean) Ulch, John Lucas	iou
115	Southwest Transmission Cooperative, Inc.	t	Larry D. Huff	muni
116	Southwest Power Pool	n	Carl Monroe	n
117	Southwestern Power Administration	g	Forrest E. Reeves	fed
118	Southwestern Power Administration	t	Stanley L. Mason	fed
119	Sunflower Electric Power Corporation	t	L. Earl Watkins, Carroll Waggoner	muni
120	Tenaska, Inc.	g	Scott Helyer	merc
121	Tennessee Valley Authority	d	Ron L. Owens	other
122	Tennessee Valley Authority	g	William F. Irish	fed
123	Tennessee Valley Authority	m	Jim A. Ingraham	fed
124	Tennessee Valley Authority	t	Mitchell Needham, W. Terry Boston	fed

North American Energy Standards Board Membership Report
As of September 1, 2004

Quadrant	Organization	Segment	Contact	Sub-Segment
	125 TRANS-ELECT, INC.	t	Paul D. McCoy	itc
	126 Tri-State Generation and Transmission Association, Inc.	t	Bruce Sembrick	muni
	127 Tri-State Generation and Transmission Association, Inc.	m	Thomas A. Smith	muni
	128 TXU Business Services	m	Brad Jones, Jeff Shorter, Mike Grim	niou
	129 TXU Electric Delivery	t	Ellis Rankin	iou
	130 UBS Energy LLC	m	Suzanne Calcagno	niou
	131 Vermont Public Power Supply Authority	g	William J. Gallagher	muni
	132 Western Area Power Administration	t	Mark Fidrych	fed
	133 Western Area Power Administration	m	Jeffrey Ackerman	fed
	134 We Energies (Wisconsin Electric)	d	Linda Horn	iou
	135 We Energies (Wisconsin Electric)	g	James R. Keller	iou
	136 Wisconsin Public Power Inc.	d	Mike Stuart	muni
	137 Wisconsin Public Service Corporation	g	William Bourbonnais, Charles W. Severance	iou
	138 Xcel Energy Inc.	m	Steven J. Beuning	iou
RGQ	1 AGL Resources Inc.	d	Tina Weatherman	
	2 Amerada Hess Corporation	su	Randy Magnani	
	3 Baltimore Gas & Electric Company	d	Steve Zavodnick	
	4 CapacityCenter.com	s	Greg Lander	
	5 Center Point Energy Minnegasco	su	Andrea Newman	
	6 Consolidated Edison Co, of New York, Inc.	d	Michele Doyle	
	7 Dominion Retail, Inc.	su	Richard A. Zollars	
	8 Duke Energy Gas Transmission, LLP	su	Richard Kruse, Marcy L. McCain	
	9 Energy Services Group, Inc.	s	George Behr	
	10 Exelon Energy	su	Barb Fatina	
	11 Indiana Office of Utility Consumer Counselor	e	Matthew Parsell	
	12 International LNG Alliance	s	David Sweet	
	13 KeySpan Energy Delivery	d	Nancy Cianflone	
	14 Latitude Technologies	s	Leigh Spangler	
	15 National Fuel Gas Distribution Corporation	d	Mike Novak	
	16 Niagara Mohawk	d	James Dillon	
	17 NiSource Inc.	d	Mark T. Maassel	
	18 Northwest Industrial Gas Users	e	Paula E. Pyron	
	19 Ohio Consumers' Counsel	e	Bruce M. Hayes	
	20 Pennsylvania Office of Consumer Advocate	e	Tanya J. McCloskey, Stephen Keene	
	21 Peoples Gas System	d	Rachel Gebhardt	
	22 Philadelphia Gas Works	d	Joe Stengel, Craig White	

North American Energy Standards Board Membership Report
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Quadrant	Organization	Segment	Contact	Sub-Segment
23	Public Service Electric & Gas Company	d	Mike Coyle	
24	R. J. Rudden Associates	s	Richard J. Rudden, John D. Charboneau, Don Sytsma	
25	Shell Energy Services	su	Harry Kingerski	
26	Southwest Gas Corporation	d	Ed Gieseking	
27	Stand Energy Corporation	su	John M. Dosker	
28	SunGard EnForm Consulting	s	David F. Pfeifer	
29	Systrends	s	Dave Darnell	
30	UBS Energy LLC	su	Suzanne Calcagno	
31	UGI Utilities, Inc.	d	Paul Szykman	
32	Union Gas	d	Greg Petreault	
33	Washington Gas Light Company	d	Adrian P. Chapman, Kenneth W. Yagelski, Samiah Bahhur William Bourbonnais, Glen	
34	Wisconsin Public Service Corporation	d	R. Schwalbach, Les Nishida	
35	Xcel Energy	d	Don Basler	

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

TAB 7

FINANCIAL REPORT

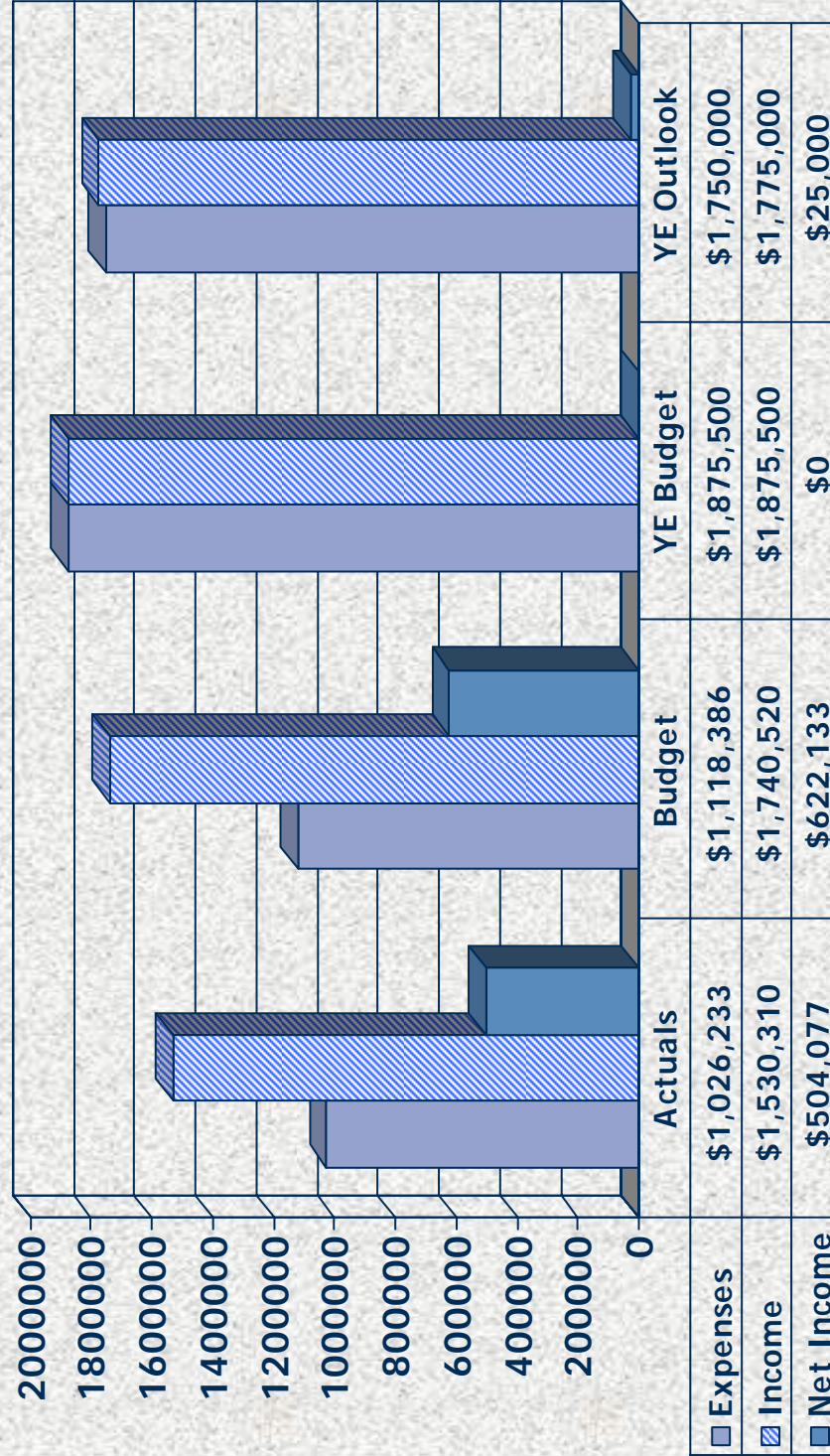
This section includes:

- The YTD 2004 financial report, accrual based.

The material presented is background information for the discussion of agenda item 4. Rae McQuade and Darla Wishart will review this information as an update to the Board. No action is requested of the Board.

North American Energy Standards Board Board of Directors Meeting – 9/16/04

Accrual Based with Actuals as of July 2004





North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

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FINANCIAL REPORT AS OF JULY 2004 YTD -- ACCRUAL BASED

BALANCE SHEET

ASSETS

Current Assets	\$438,468
Accounts Receivable	\$406,000
Fixed Assets	\$45,007
Total Assets	\$889,475

LIABILITIES AND EQUITY

Deferred Revenue	\$519,417
Accounts Payable	\$43,737
Retained Earnings	-\$177,756
Net Income	\$504,077
Total Liability and Equity	\$889,475

INCOME AND EXPENSES

Income	\$1,530,310
Expenses	\$1,026,233
Net Income	\$504,077

INCOME AND EXPENSES TO BUDGET

2004 YTD Budget for Income	\$1,740,520
Income Variance	-\$210,210
2004 YTD Budget for Expenses	\$1,118,386
Expense Variance	\$92,153

YEAR END ANALYSIS

2004 Budget	\$1,875,000
Expenditures to date	\$1,026,233
Expected expenses per month August to December	\$145,000
Year End Expenses Estimated	\$1,750,000
Difference	\$125,000
Income to date	\$1,530,310
Expected Income from August to December	\$244,690
Difference	\$100,000
YE 2003 Retained Earnings	-\$177,756
Estimated YE 2004 Retained Earnings	-\$152,756
Reduction in Retained Earnings in 2004	\$25,000



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FINANCIAL REPORT AS OF JULY 2004 YTD -- ACCRUAL BASED

CASH BASIS ANALYSIS

Beginning Balance 1-1-03	\$572,033
Total Cash Income	\$879,866
Total Costs	\$1,068,987
Ending Balance	\$382,912

ACCOUNTS RECEIVABLE ANALYSIS

Accounts Receivable as of 7-31-04	\$406,000
Items more than 90 days outstanding	\$85,500
Items 90 days outstanding	\$15,000
Items 0-60 days outstanding	\$305,500
Items since collected	\$50,000
Items for which credit memos have been issued	\$15,000

CONFERENCE CALLING FEE ANALYSIS

Conference Calling Fees collected July	\$150
YTD Fees Collected	\$42,000
Fees Expected for Remaining of Year	\$4,000
Total Expected Fee Collection by Year End	\$46,000
Number of Meetings with Conference Calling Available	138/91
Number of Lines Used in July	434
Number of Lines Used YTD	3129

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

TAB 8

EXECUTIVE COMMITTEE REPORTS

This section includes:

- WGQ 2004 Annual Plan.
- WEQ 2004 Annual Plan
- RGQ 2004 Annual Plan
- REQ 2004 Annual Plan

The material presented is background information for the discussion of agenda item 5. Each of the chairs of the Executive Committee quadrants will cover the progress made to date and will cover any suggested changes. Should there be recommended changes, the Board will be asked to vote by a simple majority to approve the changes. The Board may also suggest changes to the plan.



North American Energy Standards Board

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NORTH AMERICAN ENERGY STANDARDS BOARD

2004 WGQ Annual Plan Revised by the Executive Committee – May 6, 2004

Item Description	Completion ¹	Assignment
Gas-Electric Scheduling Activities		
1 Status Report on Gas-Electric scheduling coordination issues. Status: Complete	3 rd Qtr 2004	Gas-Electric Coordination TF
Standards Implementation		
2 Review and develop necessary standards for FERC Order 2004 (Affiliate Order). Status: Complete	2 nd Qtr 2004	Business Practices Subcommittee
Electronic Delivery Mechanisms and Related Activities		
3 Preparation of documents and submission of EDM standards to ANSI for approval as ANSI standards.	4 th Qtr 2004	EDM Subcommittee
4 Explore additional possibilities for partnership with the Department of Energy. Sandia Review of security and reliability of NAESB EDM Standards. Status: Pending, Discussion Underway	4 th Qtr 2004	EC Officers
5 Review and enhance security standards as required by technological changes. Review security standards as may be deemed necessary, e.g. Public Key Infrastructure (PKI). Status:	4 th Qtr 2004	EDM Subcommittee WEQ Coordination
6 Review of minimum technical characteristics in Appendices C, D, and E of the EDM Manual. Status: Complete	3 rd Qtr 2004	EDM Subcommittee
7 Prepare a common NAESB Electronic Transport (ET) and WGQ Quadrant Electronic Delivery Mechanism (WGQ QEDM) manuals using the version 1.6 NAESB WGQ EDM tab 6 and applicable 4.x.x standards as a base. Status: Pending, Discussion Underway	4 th Qtr 2004	EDM Subcommittee

¹ Dates in the completion column are by end of the quarter for completion by the assigned committee. The dates do not necessarily mean that the standards are fully staffed so as to be implementable by the industry, and/or ratified by membership. If one item is completed earlier than planned, another item can begin earlier and possibly complete earlier than planned. There are no begin dates on the plan.



North American Energy Standards Board

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Gas Quality Activities

- | | | | |
|---|---|------------------------------|---------------------------------|
| 8 | Establish web-based reports for tracking all physical and chemical properties of natural gas defined in pipeline tariffs (R03035, Item A) | 3 rd Qtr.
2004 | Business Practices Subcommittee |
|---|---|------------------------------|---------------------------------|

Status: Complete

Contracts Activities

- | | | | |
|---|------------------------------------|------------------------------|------------------------|
| 9 | Review and develop ISDA Gas Annex. | 4 th Qtr.
2004 | Contracts Subcommittee |
|---|------------------------------------|------------------------------|------------------------|

Provisional Activities²

Subsequent FERC orders – Docket No. RM 96-1 (Creditworthiness)

Program of Standards Maintenance & Fully Staffed Standards Work³

Business Practice Requests	Ongoing	Assigned by the EC on a request by request basis
Continue review against plan for migration to ANSI ASC X12 new versions as needed and coordinate such activities with DISA.	Ongoing	ANSI (X12) Subcommittee
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC on a request by request basis
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC on a request by request basis
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC on a request by request basis

Notes: (a) Priority is given to action items that are carry-overs from the 2003 Annual Plan.

² To the extent that it is determined that any of the provisional activities should be worked upon during the year as a result of a specific request for standards development or a FERC action, the Board has the discretion to modify the annual plan. Additionally, provisional activities will remain on the Annual Plan for one year pending the filing of a formal request or a decision to add them to the plan as active items.

³ This work is considered routine maintenance and thus the items are not separately numbered.



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- (b) Any new activity should be preceded by a request from the submitter after which the annual plan will be revisited. The provisional items would only be addressed after a request is submitted or an order is issued by the FERC.



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NORTH AMERICAN ENERGY STANDARDS BOARD

2004 WEQ Annual Plan

Approved by the Board of Directors December 4, 2003
 Modified by the WEQ Executive Committee – August 18, 2004

Item Description	Completion ¹	Assignment
1 Develop business practices standards as needed to complement reliability standards		
(a) Develop business practice standards to support and complement NERC reliability standards, NERC policies and NERC standards authorization requests (SARs). Current NAESB activities underway to develop business practice standards that are supportive of this annual plan item are:		Standards Review Subcommittee (SRS) ²
i. Develop Inadvertent Interchange Payback Business Practices Status: Underway		BPS (IIPTF)
ii. R03013 – Coordinate Interchange Status: Complete		ESS
iii. R03014 – Coordinate Operations Status: Complete		SRS
iv. R03017 -- Operate Within Limits Status: Underway		BPS
v. Balance Resources and Demand		SRS
vi. Facility Ratings		SRS
(b) Develop business practice standards applicable to the transition period from NERC policies to NERC reliability standards.		BPS/Variou
Status: Underway		
2 Develop and Maintain Business Practice and Communication Standards for OASIS and Electronic Scheduling		
(a) Develop and/or maintain <i>business practice standards</i> as needed for OASIS and electronic scheduling including determining which, if any, ESC/OSC and other related industry groups' business practices and standards should be adopted as NAESB standards. Specific items to address include:		Electronic Scheduling Subcommittee (ESS)
i. OASIS Phase IA (a) Adoption of business practices per FERC Order 638, 605,		ESS

¹ Dates in the completion column are by end of the quarter for completion by the assigned committee. The dates do not necessarily mean that the standards are fully staffed so as to be implementable by the industry, and/or ratified by membership. If one item is completed earlier than planned, another item can begin earlier and possibly complete earlier than planned. There are no begin dates on the plan.

² The Standards Review Subcommittee scopes, identifies and defines the standards development work to be done to support and complement NERC policies, SARs and NERC reliability standards. Once completed, the request, initial review document, scoping document and other work papers are transferred to the appropriate standards development subcommittee.



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NORTH AMERICAN ENERGY STANDARDS BOARD

2004 WEQ Annual Plan

Approved by the Board of Directors December 4, 2003
 Modified by the WEQ Executive Committee – August 18, 2004

Item Description	Completion ¹	Assignment
889		
Status: Complete		
(b) Modify OASIS 1A as needed.		
Status: Underway		ESS/ITS
ii. OASIS Phase II per FERC ANOPR (Docket no. RM00-10-000) and subsequent orders		
1. Adoption/maintenance of ESC use cases		
2. Adoption/maintenance of Functional Requirements Document		ESS/ITS
3. Develop and Maintain business practices to support and implement the ESC use cases		ITS
Status: Underway		ESS
(b) Develop and/or maintain <i>standard communication protocols</i> and cybersecurity requirements as needed, including related industry standard communication protocols and cybersecurity requirements		Information Technology Subcommittee (ITS)
(i) OASIS Phase IA		
(a) Adoption of S&CP version 1.4		
Status: Complete		
(b) Modify OASIS 1A as needed.		ESS/ITS
Status: Underway		
(ii) OASIS Phase II per FERC ANOPR (Docket no. RM00-10-000) and subsequent orders		
Development of S&CP document		
Status: Underway		
(iii) NERC PKI initiative		
Status: Underway		
3 Develop business practices standards to Improve the Current Operation of the Wholesale Electric Market		
(a) Develop business practice standards needed to complement or assist specific seams mitigation efforts initiated by or coordinated with the NERC, the IRC, RTOs or ISOs, or other regional entities.		Seams/Variou s ³

³ The Seams Subcommittee scopes, identifies and defines the standards development work to be done related to the seams catalog. After seams catalog items are assigned to NAESB by the Joint Interface Committee, and the Seams Subcommittee completes its review and analysis, the request, initial review document, scoping document and other work papers are transferred to the appropriate standards development subcommittee.



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NORTH AMERICAN ENERGY STANDARDS BOARD

2004 WEQ Annual Plan

Approved by the Board of Directors December 4, 2003

Modified by the WEQ Executive Committee – August 18, 2004

Item Description	Completion ¹	Assignment
Status: Underway		
4 Determine the need for and develop, if necessary, standard(s) requests for electric or gas standards required to provide additional flexibility in generation scheduling (including gas nominations).		Gas Electric Coordination Task Force ⁴
Status: Underway		

PROVISIONAL ITEMS

- 1 Develop standards and model business practices in accordance with FERC orders and rules issued in the SMD docket (RM01-12-000), or pursuant to Order Nos. 888 or 2000, or otherwise directed by the FERC.
- 2 Respond to FERC inquiries pertaining to business practice standard development and keep FERC informed on the nature and effectiveness of coordination activities with other standards setting organizations.
- 3 Develop business practice standards related to FERC's forthcoming generation interconnection orders (large and small generators), in Docket Nos. RM02-01-000 and RM02-12-000.
- 4 FERC Reporting of Electricity Prices
- 5 Develop business practice standards as requested by the regional and state advisory groups.
- 6 Develop electric purchase and sales contract.

⁴ The Gas Electric Coordination Subcommittee is an ad hoc subcommittee comprised of participation by all four quadrants of NAESB to address the issues outlined in request number R03031, submitted by TVA and amended on November 20, 2003.



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Appendix

Comments Accompanying the Action Items and Provisional Items For the 2004 Annual Plan Adopted by the Executive Committee – October 7, 2003

ACTION ITEMS:

- 1a The original 1(a) from the 2003 plan is implied and 1(b) and 1(c) have been rewritten as a part of this plan: 1(a) Apply NERC/NAESB MOU provisions in reviewing proposed reliability standards for their business practice implications, 1(b) Review existing NERC reliability policies and standards for their business practice implications, 1(c) Review each of the SARs in light of the NERC/NAESB MOU.
- 1b This is a new item that reflects the recent NERC decision to create Transition team. NAESB has been asked to join the Transition Team which is led by Gerry Cauley. NAESB members on the team are Charles Yeung, Rae McQuade and Michael Desselle.
- 2a The Information Technology Subcommittee has been formed and is currently reviewing existing lists of enhancements for OASIS 1A and OASIS 2. A NAESB Electronic Scheduling Subcommittee was created but is inactive awaiting input from the existing ESC industry group
- 2b The PKI request R03007 has been assigned to the NAESB WEQ to be addressed which is a portion of this annual plan item.
- This item also corresponds to the 2003 WEQ Annual Plan item 4(h) Review activities of NERC CIPAG in light of NERC-NAESB MOU regarding cyber security requirements for their business practice and system communication standards implications.
- 3a A seams catalog is under development now and will identify many of the items to be included under this action item. This item was originally numbered item 4 in the 2003 WEQ Annual Plan. Several items were deleted, and will be added back to the plan if they are requested through the comments or meetings on the plan and the requesters indicate a willingness to participate in the standards development effort or in the drafting effort. The items removed from the 2003 plan are: 4(a) Establish a standardized electric trading day; 4(b). Identify and develop business practices on the public dissemination of market information.
- Other items from the 2003 WEQ Annual Plan were reordered and renamed such as: 4(d) Develop business standards as necessary to resolve seams issues between ISOs and RTOs; 4(c) Establish standard business practices relating to: i) Definition and treatment of firm/nonfirm power; ii) Definition and treatment of firm/nonfirm transmission; iii) Provision of reserves for transactions across multiple control areas, 4(e) Develop standards for data requirements, data exchange and scheduling of day-ahead and real-time bilateral markets; and 4(h) Review activities of NERC CIPAG in light of NERC-NAESB MOU regarding cyber security requirements for their business practice and system communication standards implications.
- Some items on the 2003 WEQ Annual Plan were considered assumed in each of the action items, so they were not specifically highlighted as a separate action item, such as : 4(f) Examine business practices and definitions currently in use to determine applicability on a North American basis and 4(g) Catalogue, assess and prioritize existing “standards” that have significant business practice implications.
- 4 This is a new item, not in the 2003 plan. It was added at the August 5 Executive Committee meeting.



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Appendix

Comments Accompanying the Action Items and Provisional Items

For the 2004 Annual Plan Adopted by the Executive Committee – October 7, 2003

PROVISIONAL ITEMS:

- 1 These items (originally items 3 and 7 of the 2003 Annual Plan) were reclassified as provisional and will be acted upon as such FERC actions are taken.
- 4 This is a new item, not in the 2003 plan. It was added at the August 5 Executive Committee meeting.
- 5 This is a new item, not in the 2003 plan. It was added at the August 5 Executive Committee meeting.
- 6 There is industry interest, but there is neither consensus to move forward at this time nor may resources be available.

On August 5, several of the WEQ EC members discussed possibly preparing a request that would add an item to the 2004 annual plan to develop a master service agreement. The request was prepared but subsequently withdrawn by the submitter due to an expected lack of resources.



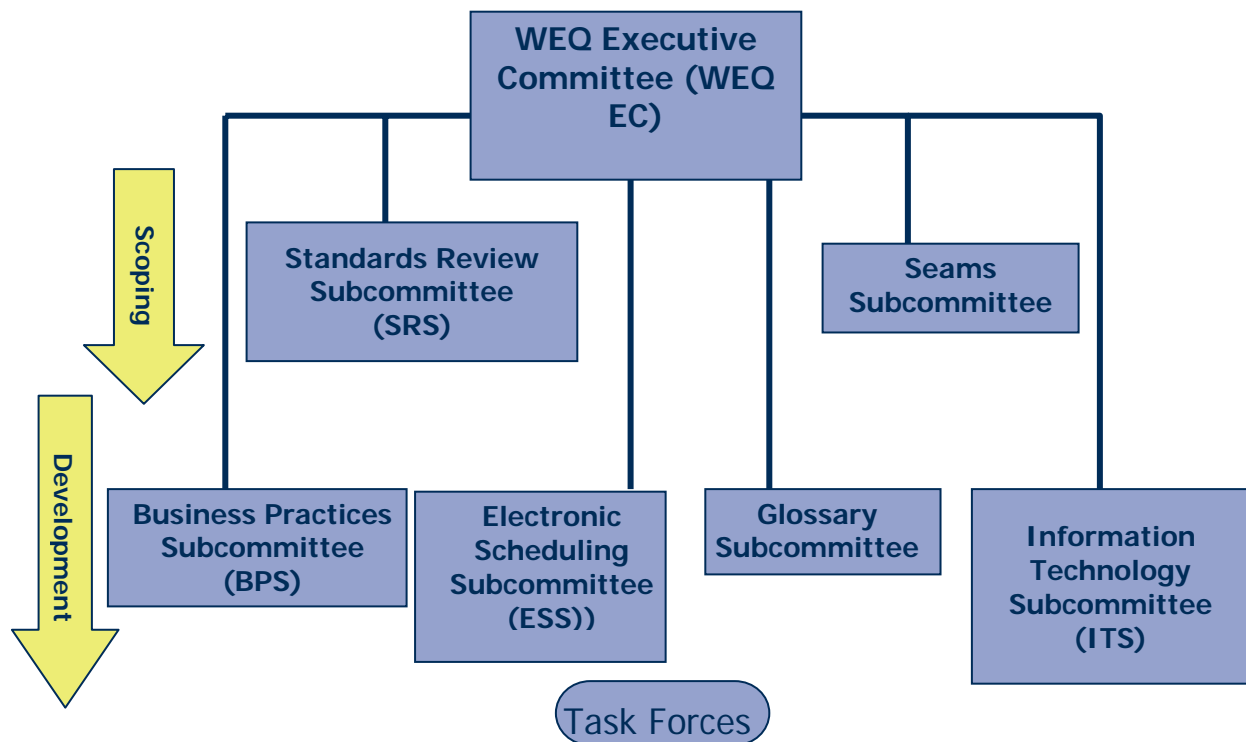
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NAESB Wholesale Electric Quadrant Committee Structure



Subcommittee Leadership is:

Executive Committee: Lou Oberski (WEQ EC Chair) and Steve Cobb (WEQ EC Vice Chair)

Standards Review Subcommittee: Raj Rana

Seams Subcommittee: Steve Cobb and Joe Rossignoli

Business Practices Subcommittee: Bob Goss, Joel Dison, Phil Cox

Electronic Scheduling Subcommittee: Joel Dison, Andy Rodriguez

Glossary Subcommittee: Tony Reed and Sherri Monteith

Information Technology Subcommittee: Monroe Landrum



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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 ANNUAL PLAN – RETAIL GAS QUADRANT¹

Item Number & Description	Completion ²	Subcommittee Assignment
<p>1 Billing & Payment Datasets and Models</p> <p>Develop datasets and models to support the Billing & Payment model business practices.</p> <p>Status: Pending, Discussion Underway</p>	<p>4th Qtr</p> <p>2004</p>	<p>Customer Processes</p>
<p>2 Market Participant Interactions</p> <p>Develop model practices to support interactions between Distribution Companies and/or registration agents and Suppliers, such as supplier registration processes, governing documents, and roles and obligations of both Distribution Company and/or registration agent and Supplier (e.g. content and framework of governing documents or orders).</p> <p>Status: Trading Partner Agreement Discussion Underway; Otherwise Complete</p>	<p>4th Qtr.</p> <p>2004</p>	<p>Supplier-Utility Interface</p>
<p>3 Customer Information</p> <p>Develop practices for exchanging customer information necessary for interactions prior to enrollment and billing, i.e., customer authorization procedures identifying types of customer information necessary for pre-enrollment activities, and methodologies for exchanging information.</p>	<p>4th Qtr.</p> <p>2004</p>	<p>Customer Processes</p>
<p>4 Distribution Company – Supplier Disputes</p> <p>Develop dispute resolution procedures applicable to differences between Distribution Companies and Suppliers.</p>	<p>3rd Qtr.</p> <p>2004</p>	<p>Supplier-Utility Interface</p>
<p>5 Customer Enrollment, Switching & Dropping</p> <p>Develop practices for submitting and receiving, processing and fulfilling a customer's request to enroll with or leave a supplier (including suppliers dropping customers) and for maintaining current customer account information, and for notifying affected parties.</p>	<p>2005</p>	<p>Customer Processes</p>
<p>6 Examine Wholesale Gas Quadrant Non-EDM Standards</p> <p>Review NAESB Wholesale Gas Quadrant Non-EDM manuals to determine whether the standards within should be modified and/or adopted for use in the Retail Quadrants.</p>	<p>2005</p>	<p>Supplier-Utility Interface</p>
<p>7 Customer Inquiries</p> <p>Develop procedures for responding to customer inquiries directed to Distributors and/or Suppliers and for notification of the other party.</p>	<p>2005</p>	<p>Customer Processes</p>

¹ As outlined in the NAESB Bylaws, the RGQ will also address requests submitted by members and assigned to the RGQ through the Triage Process.

² Dates in the completion column are by end of the quarter for completion by the assigned committee. The dates do not necessarily mean that the standards are fully staffed so as to be implementable by the industry, and/or ratified by membership. If one item is completed earlier than planned, another item can begin earlier and possibly complete earlier than planned. There are no begin dates on the plan.



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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 ANNUAL PLAN – RETAIL GAS QUADRANT¹

Item Number & Description	Completion ²	Subcommittee Assignment
<p>8 Supplier Certification</p> <p>Develop practices for Distribution Companies to register/certify new Suppliers when they seek to begin doing business in the Distribution Company's service area.</p>	2005	Supplier-Utility Interface
Retail Gas Business Practice Inventory Task Force		
<p>9 Inventory Existing Natural Gas Practices within States³</p> <p>Conduct inventory of existing natural gas practices in various states.</p> <p>Status: Underway</p>		Retail Gas Business Practice Inventory Task Force
Technical Electronic Implementation Subcommittee⁴		
<p>10 TEIS Subcommittee Process</p> <p>Establish a subcommittee process for the processing of standards released by other quadrant subcommittees, including interfaces with other subcommittees (e.g. CPS, SUIS, Information Requirements (IR), etc), receipt of standards, completion of required inputs (e.g. data dictionaries, etc), and identification of required outputs (e.g. X12 standards, QEDM book components, etc).</p> <p>Status: Complete</p>	1 st Qtr. 2004	Technical Electronic Implementation
<p>11 Technical Electronic Implementation Standards – Billing & Payments</p> <p>Status: Pending, Discussion Underway</p>	1 st Qtr. 2005	Technical Electronic Implementation
<p>12 Electronic Transport</p> <p>Work jointly with the WGQ EDM subcommittee and the RGQ TEIS subcommittee to establish standards for the NAESB Internet Electronic Transport.</p> <p>Status: Complete</p>	2 nd Qtr. 2004	Technical Electronic Implementation
<p>13 Quadrant EDM</p> <p>Work jointly with the WGQ and RGQ to establish a common format for Quadrant-specific EDM (QEDM) Books.</p> <p>Status: Pending, Discussion Underway</p>	4 th Qtr. 2004	Technical Electronic Implementation

³ This is an ongoing item designed to serve as a resource to other RGQ subcommittees.

⁴ The TEIS is assigned the completion of any technical work forwarded to them by the business development subcommittees ideally one quarter after receipt of forwarded work.



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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 ANNUAL PLAN – RETAIL GAS QUADRANT¹

Item Number & Description	Completion ²	Subcommittee Assignment
14 Technical Electronic Implementation Standards – Customer Enrollment and Switching Status: Dependent on completion of Item 5	2005	Technical Electronic Implementation
15 Technical Electronic Implementation Standards – Customer Information Status: Dependent on completion of Item 3	2005	Technical Electronic Implementation



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Gas-Electric Scheduling Activities

16	Status Report on Gas-Electric scheduling coordination issues. Status: Complete	3 rd Qtr. 2004	Gas-Electric Coordination TF
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Provisional Activities

Review security standards as may be deemed necessary; Public Key Infrastructure (PKI).

“Energy Day” Standard - including assessment of changes to existing NAESB standards.

Program of Standards Maintenance & Fully Staffed Standards Work⁵

Business Practice Requests	Ongoing	Assigned by the EC on a request by request basis
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC on a request by request basis
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC on a request by request basis
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC on a request by request basis
Ongoing Development and Maintenance of Definitions	Ongoing	Glossary Subcommittee

⁵ This work is considered routine maintenance and thus the items are not separately numbered.



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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 ANNUAL PLAN – RETAIL ELECTRIC QUADRANT¹

Item Number & Description	Completion ²	Assignment
1 Billing & Payment Datasets and Models Develop datasets and models to support the Billing & Payment model business practices. Status: Pending, Discussion Underway	4 th Qtr 2004	Customer Processes
2 Market Participant Interactions Develop model practices to support interactions between Distribution Companies and/or registration agents and Suppliers, such as supplier registration processes, governing documents, and roles and obligations of both Distribution Company and/or registration agent and Supplier (e.g. content and framework of governing documents or orders). Status: Trading Partner Agreement Discussion Underway; Otherwise Complete	4 th Qtr. 2004	Supplier-Utility Interface
3 Customer Information Develop practices for exchanging customer information necessary for interactions prior to enrollment and billing, i.e., customer authorization procedures, identifying types of customer information necessary for pre-enrollment activities, and methodologies for exchanging information.	4 th Qtr. 2004	Customer Processes
4 Distribution Company – Supplier Disputes Develop dispute resolution procedures applicable to differences between Distribution Companies and Suppliers.	3 rd Qtr. 2004	Supplier-Utility Interface
5 Customer Enrollment, Switching & Dropping Develop practices for submitting and receiving, processing and fulfilling a customer's request to enroll with or leave a supplier (including suppliers dropping customers) and for maintaining current customer account information, and for notifying affected parties.	2005	Customer Processes
6 Examine Wholesale Gas Quadrant Non-EDM Standards Review NAESB Wholesale Gas Quadrant Non-EDM manuals to determine whether the standards within should be modified and/or adopted for use in the Retail Quadrants.	2005	Supplier-Utility Interface
7 Customer Inquiries Develop procedures for responding to customer inquiries directed to Distributors and/or Suppliers and for notification of the other party.	2005	Customer Processes

¹ As outlined in the NAESB Bylaws, the REQ will also address requests submitted by members and assigned to the REQ through the Triage Process.

² Dates in the completion column are by end of the quarter for completion by the assigned committee. The dates do not necessarily mean that the standards are fully staffed so as to be implementable by the industry, and/or ratified by membership. If one item is completed earlier than planned, another item can begin earlier and possibly complete earlier than planned. There are no begin dates on the plan.



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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 ANNUAL PLAN – RETAIL ELECTRIC QUADRANT¹

Item Number & Description	Completion ²	Assignment
8 Supplier Certification Develop practices for Distribution Companies to register/certify new Suppliers when they seek to begin doing business in the Distribution Company's service area.	2005	Supplier-Utility Interface
9 Retail Meter Data Validation, Editing & Estimating Develop procedures for insuring the integrity and validity of retail customer metering data that is needed by utilities and suppliers for billing, load profiling, settlement, etc. Issues related to unbundled or competitive metering are not to be considered.	2005	Supplier-Utility Interface
10 Load Profiling Develop practices for using statistical methods to estimate interval consumption by customers who do not have interval meters.	2005	Supplier-Utility Interface
11 Settlement Process Reconcile energy schedules and energy delivered by suppliers within a given market. Note: will need to be coordinated with the WEQ.	2005	Supplier-Utility Interface
Technical Electronic Implementation Subcommittee³		
12 TEIS Subcommittee Process Establish a subcommittee process for the processing of standards released by other quadrant subcommittees, including interfaces with other subcommittees (e.g. CPS, SUIS, Information Requirements (IR), etc), receipt of standards, completion of required inputs (e.g. data dictionaries, etc), and identification of required outputs (e.g. X12 standards, QEDM book components, etc). Status: Complete	1 st Qtr. 2004	Technical Electronic Implementation
13 Technical Electronic Implementation Standards – Billing & Payments Status: Pending, Discussion Underway	1 st Qtr. 2005	Technical Electronic Implementation
14 Electronic Transport Work jointly with the WGQ EDM subcommittee and the RGQ TEIS subcommittee to establish standards for the NAESB Internet Electronic Transport. Status: Complete	2 nd Qtr. 2004	Technical Electronic Implementation
15 Quadrant EDM Work jointly with the WGQ and RGQ to establish a common format for Quadrant-specific EDM (QEDM) Books.	4 th Qtr. 2004	Technical Electronic Implementation

³ The TEIS is assigned the completion of any technical work forwarded to them by the business development subcommittees ideally one quarter after receipt of forwarded work.



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NORTH AMERICAN ENERGY STANDARDS BOARD 2004 ANNUAL PLAN – RETAIL ELECTRIC QUADRANT¹

Item Number & Description	Completion ²	Assignment
Status: Pending, Discussion Underway		
16 Technical Electronic Implementation Standards – Customer Enrollment and Switching Status: Dependent on completion of Item 5	2005	Technical Electronic Implementation
17 Technical Electronic Implementation Standards – Metering Status: Dependent on completion of Item 9	2005	Technical Electronic Implementation
18 Technical Electronic Implementation Standards – Load Profiling Status: Dependent on completion of Item 10	2005	Technical Electronic Implementation
19 Technical Electronic Implementation Standards – Customer Information Status: Dependent on completion of Item 3	2005	Technical Electronic Implementation
Gas-Electric Scheduling Activities		
20 Status Report on Gas-Electric scheduling coordination issues. Status: Complete	3 rd Qtr. 2004	Gas-Electric Coordination TF
Provisional Activities		
Review security standards as may be deemed necessary; Public Key Infrastructure (PKI).		
“Energy Day” Standard - including assessment of changes to existing NAESB standards.		
Program of Standards Maintenance & Fully Staffed Standards Work⁴		
Business Practice Requests	Ongoing	Assigned by the EC on a request by request basis
Information Requirements and Technical Mapping of Business Practices	Ongoing	Assigned by the EC on a request by request basis
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	Assigned by the EC on a request by request basis
Ongoing Maintenance of Code Values and Other Technical Matters	Ongoing	Assigned by the EC on a request by request basis
Ongoing Development and Maintenance of Definitions	Ongoing	Glossary Subcommittee

⁴ This work is considered routine maintenance and thus the items are not separately numbered.

**NORTH AMERICAN ENERGY STANDARDS BOARD
BOARD OF DIRECTORS MEETING MATERIALS
SEPTEMBER 16, 2004**

TAB 9

OLD AND NEW BUSINESS

This section includes:

- Meeting Schedule for 2004.

The material presented is background information for the discussion of agenda item 9. Rae McQuade will review the meeting schedule. NAESB is in the process of coordinating schedules with other groups to set the schedule for 2005. A draft may be presented depending on the progress of those discussions. No action is requested of the Board.



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Via email

TO: NAESB Board Members
FROM: Rae McQuade, NAESB Executive Director
RE: **2004 Calendar of Board Meetings**
DATE: February 18, 2004

Dear NAESB Board Members -

Below is the 2004 meeting schedule for Board of Director meetings. All meetings will be accessible by phone, and meeting materials for each meeting will include a ballot for notational voting on any items that are not decided by simple majority.

Thursday, March 18 9am - 12:30pm Central time
Houston, TX at IAH Airport Marriott Hotel

Thursday, June 10 9am - 12:30pm Central time
Originally planned for Houston, TX at IAH Airport Marriott Hotel,
but changed to Menger Hotel in San Antonio, TX.

Thursday, September 16 9am - 12:30pm Central time
Austin, TX in conjunction with the NAESB Annual Meeting at the
Driskill Hotel.

Thursday, December 9 9am - 12:30pm Central time
Houston, TX at IAH Airport Marriott Hotel

Please contact the NAESB office (713-356-0060) if you have any questions.

Best regards,
Veronica Thomason
North American Energy Standards Board
Phone: (713)356-0060

Please note new email address: vthomason@naesb.org