

North American Energy Standards Board

Executive Committee Meeting

SUPPLEMENTAL MATERIALS

October 7-9, 2003

Tempe, AZ

NORTH AMERICAN ENERGY STANDARDS BOARD
Executive Committee Meeting - WEQ, REQ, RGQ, WGQ Meeting Materials
October 7-9, 2003

ITEMS

- WGQ Executive Committee Draft Minutes – September 2, 2003
- WGQ 2004 Draft Annual Plan, Clean Version 9-24-03
- Request R03028, Not Triaged.

NORTH AMERICAN ENERGY STANDARDS BOARD
Executive Committee Meeting - WEQ, REQ, RGQ, WGQ Meeting Materials
October 7-9, 2003

WGQ September 2, 2003 Draft Minutes



North American Energy Standards Board

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TO: NAESB Wholesale Gas Quadrant Executive Committee, Posting for Interested Industry Participants
FROM: Meghan McMillan, NAESB Staff
RE: Draft Minutes from the NAESB Wholesale Gas Quadrant Executive Committee Annual Plan Conference Call – September 2, 2003
DATE: September 8, 2003

**Wholesale Gas Quadrant Executive Committee
Annual Plan Conference Call
September 2, 2003 (1:00 p.m. – 5:00 p.m. Central)
Draft Minutes**

1. Administrative

Mr. Buccigross opened the meeting and Mr. Oncken gave the antitrust advice. Introductions were made. Ms. Chezar moved, seconded by Mr. Bray to adopt the agenda. The agenda was adopted absent objection.

2. Review of Existing 2003 Annual Plan for Rollover Items

Mr. Buccigross reviewed the items on the 2003 WGQ Annual Plan and the group identified rollover items as follows:

Item 2: Preparation of documents and submission of EDM standards to ANSI for approval as ANSI standards.

Item 3: Explore additional possibilities for partnership with the Department of Energy.

Item 5: Review of minimum technical characteristics in Appendices C, D, and E of the EDM Manual.

The group reviewed and deleted the following provisional items:

- Mexican Addendum to the base contract for purchase and sales of natural gas.
- Remand of FERC Order 637 Issues – (1) forward-backward haul to the same point, and (2) Right of First Refusal.
- Model financial hedging agreement development
- Base contract for purchase and sales of natural gas – electronic contract.

It was agreed to move item 6 [Develop Creditworthiness Standards pursuant to an Annual Plan item. Such development should be restricted to implementation of existing Commission policy, new Commission policy after it has been ordered and non-policy oriented aspects of Creditworthiness] to the Provisional items list. After discussion, the group agreed to modify the language in this item to read as follows: “Additional standards development pursuant to FERC action – Docket # RM 96-1 (Creditworthiness).”

3. Identification of New Annual Plan Items

The group agreed to add Mr. Sappenfield’s suggestion to the Provisional Items list to read as follows: “Provisional review of ISDA Gas Annex with the understanding that work will only be performed upon the submittal of a Request from an interested party.”

An additional Annual Plan item was added under the assignments for EDM and reads as follows: “Prepare a common NAESB Electronic Transport (ET) and WGQ Quadrant Electronic Delivery



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Mechanism (WGQ QEDM) manuals using the version 1.6 NAESB WGQ EDM tab 6 and applicable 4.x.x standards as a base.”

Ms. Chezar suggested adding another provisional item for additional intraday nominations issues addressed in the WEQ draft plan. The group also agreed to leave the Provisional Item concerning “Energy Day” on the annual plan. It was suggested that a footnote be added to these two items stating that they will remain on the plan pending publication of a final draft of the WEQ plan and/or a request for action on either item.

Mr. Novak suggested adding a footnote concerning provisional items that states that provisional items will remain on the plan for one year pending the filing of a formal request or a decision to add them to the plan as active items. The subcommittee agreed to add this footnote.

Mr. Buccigross noted the group might want to add an item concerning the PKI issue. He suggested that this is something that should be listed as an annual plan item under EDM. Mr. Novak suggested the following language: “Review security standards as may be deemed necessary, EG/Public Key Infrastructure (PKI).” It was agreed to add this language to the previous item 4 (new item 3) on the Annual Plan.

4. Preliminary Assignments and Completion Dates for Out of Subcommittee

All active Annual Plan items were assigned to EDM with the exception of the new item 2 [Explore additional possibilities for partnership with the Department of Energy. Sandia Review of security and reliability of version 1.7.], which was assigned to the EC Officers. It was noted that there would be a joint effort with other quadrants on some of these items even though the assignment was made only to EDM. These joint efforts will be an issue for future EC meetings.

Tentative completion dates were set as follows:

- Item 1 [Submission of EDM standards to ANSI for approval]: 3rd Quarter
- Item 2 [Sandia review of security and reliability of version 1.7]: 3rd Quarter
- Item 3 [Review of security standards (PKI)]: 2nd Quarter
- Item 4 [Review of minimum technical characteristics]: 4th Quarter
- Item 5 [Common NAESB ET and WGQ QEDM]: 4th Quarter

5. Next Steps

Mr. Buccigross stated after the publication of the minutes he will discuss with Mr. Zavodnick an initial draft of the 2004 Annual Plan and have it posted on the NAESB website. He noted the subcommittee should have a draft of the plan to the Executive Committee by October 8. The next Annual Plan Subcommittee meeting was scheduled for September 24, 2003 (9:00 a.m. – 12:00 p.m. Central).

6. Other Business

No other business was discussed

7. Adjourn

Mr. Bray moved, seconded by Ms. Perlman to adjourn the meeting on September 2, 2003 at 3:13 p.m. Central.



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8. Attendees

Name	Company
Beste, Jim	CenterPoint Energy Gas Resources Corp.
Bray, Mike	Shell Gas Transmission
Burden, Christopher	Williams Gas Pipeline
Buccigross, Jim	Group 8760
Calcagno, Suzanne	UBS Warburg Energy
Chezar, Delores	KeySpan
Daly, Kelly	Arizona Public Service Company
Darveaux, Mary	Northern Natural Gas
Davis, Dale	Williams Gas Pipeline
Deegan, Jennifer	Washington Gas Light Company
Downs, Jim	Calpine
Gracey, Mark	Tennessee Gas Pipeline
Hinners, Gary	Reliant Energy
McMillan, Meghan	NAESB
Mills, Randy	Chevron Texaco
Novak, Mike	National Fuel
Perlman, Marjorie	Energy East
Shepard, Mike	Mewbourne Oil Company
Van Pelt, Kim	Panhandle Eastern Pipe Line
Young, Randy	Gulf South Pipeline

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NORTH AMERICAN ENERGY STANDARDS BOARD

2003~~4~~ WGQ Draft Annual Plan Modified by the Executive Committee - ~~February~~ ~~20~~August ~~6~~, September 2, 2003

Item Description	Completion ¹	Assignment
Contracts		
1 Complete the Credit Annex for the contract for purchases and sales of natural gas ² . Status: Underway	3rd Qtr 2003	Contracts Subcommittee
Electronic Delivery Mechanisms and Related Activities		
21 Preparation of documents and submission of EDM standards to ANSI for approval as ANSI standards.	3rd 4th Qtr 200 3	EDM Subcommittee
32 Explore additional possibilities for partnership with the Department of Energy. <u>Sandia Review of security and reliability of version 1.7.</u> Status: Pending, Discussion Underway	3rd 4th Qtr 200 3	EC Officers
43 Review and enhance security standards as required by technological changes. <u>Review security standards as may be deemed necessary, EG/Public Key Infrastructure (PKI).</u> Status: Completed	2 nd Qtr 200 3	EDM Subcommittee
54 Review of minimum technical characteristics in Appendices C, D, and E of the EDM Manual. Status: Completed	4th 2nd Qtr 200 3	EDM Subcommittee
5 <u>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.</u>	4th Qtr 2004	EDM Subcommittee

Standards Implementation

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 This item may require coordination with wholesale electric quadrant as it may be related to WEQ Annual Plan item no. 5.

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Item Description	Completion ¹	Assignment
<p>6 Develop Creditworthiness Standards pursuant to an Annual Plan item. Such development should be restricted to implementation of existing Commission policy, new Commission policy after it has been ordered and non-policy oriented aspects of Creditworthiness.</p> <p>Status: Underway, completed excepting implementation</p>	<p>3rd Qtr 2003</p>	<p>Business Practices Subcommittee</p>

Provisional Activities³

<p>Mexican Addendum to the base contract for purchase and sales of natural gas.</p> <p>"Energy Day" Standard - including assessment of changes to existing NAESB standards.⁴</p> <p>Remand of FERC Order 637 Issues — (1) forward-backward haul to the same point, and (2) Right of First Refusal.</p> <p>Model financial hedging agreement development⁵.</p> <p>FERC order -- Docket No. RM01-10-000 (Affiliate Order).</p> <p>Base contract for purchase and sales of natural gas — electronic contract.</p> <p><u>Additional standards development pursuant to FERC action – Docket #RM 96-1 (Creditworthiness)</u></p> <p><u>Provisional review of ISDA Gas Annex with the understanding that work will only be performed upon the submittal of a Request from an interested party.</u></p> <p><u>Intraday nomination issues to be addressed possibly in conjunction with the WEQ.</u></p>		
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Program of Standards Maintenance & Fully Staffed Standards Work⁶

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

³ 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.

⁴ These items will remain on the annual plan pending publication of a final draft of the WEQ plan and/or a request for action on either item.

⁵ This item may require coordination with wholesale electric quadrant as it may be related to WEQ Annual Plan item no. 5.

⁶ This work is considered routine maintenance and thus the items are not separately numbered.

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Item Description	Completion¹	Assignment
Ongoing Interpretations for Clarifying Language Ambiguities	Ongoing	request basis 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 2002 Annual Plan.

(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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WGQ 2004 Draft Annual Plan – Clean Version as of 9-24-03

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NORTH AMERICAN ENERGY STANDARDS BOARD

2004 WGQ Draft Annual Plan Modified by the Executive Committee - September 24, 2003

Item Description	Completion ¹	Assignment
Contracts		
Electronic Delivery Mechanisms and Related Activities		
1 Preparation of documents and submission of EDM standards to ANSI for approval as ANSI standards.	3 rd Qtr 2004	EDM Subcommittee
2 Explore additional possibilities for partnership with the Department of Energy. Sandia Review of security and reliability of version 1.7. Status: Pending, Discussion Underway	3 rd Qtr 2004	EC Officers
3 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:	2 nd Qtr 2004	EDM Subcommittee
4 Review of minimum technical characteristics in Appendices C, D, and E of the EDM Manual. Status:	4 th Qtr 2004	EDM Subcommittee
5 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.	4 th Qtr 2004	EDM Subcommittee

Standards Implementation

Provisional Activities²

FERC order -- Docket No. RM01-10-000 (Affiliate Order).

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

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 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.

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Item Description	Completion¹	Assignment
Review of ISDA Gas Annex.		
Intraday nomination issues.		
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 2002 Annual Plan.
- (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.

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

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Request R03028

R03028

North American Energy Standards Board

Request for Initiation of a NAESB Standard for Electronic Business Transactions
or
Enhancement of an Existing NAESB Standard for Electronic Business Transactions

Date of Request: September 30, 2003

1. Submitting Entity & Address:

Northern Natural Gas
1111 S 103 Street
Omaha NE 68124

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name : Micki Schmitz
Title : EDI Coordinator
Phone : 402-398-7653
Fax : 402-548-5280
E-mail : micki.schmitz@nngco.com

3. Description of Proposed Standard or Enhancement:

Add Reduction Reason code to Scheduled Quantity, Operator Scheduled Quantity and Confirmation Response

4. Use of Proposed Standard or Enhancement (include how the standard will be used, documentation on the description of the proposed standard, any existing documentation of the proposed standard, and required communication protocols):

The additional code value will be used to support existing business practices and to more accurately define decreased quantities due to Storage Limitations.

5. Description of Any Tangible or Intangible Benefits to the Use of the Proposed Standard or Enhancement:

R03028

6. Estimate of Incremental Specific Costs to Implement Proposed Standard or Enhancement:
7. Description of Any Specific Legal or Other Considerations:
8. If This Proposed Standard or Enhancement Is Not Tested Yet, List Trading Partners Willing to Test Standard or Enhancement (Corporations and contacts):
n/a
9. If This Proposed Standard or Enhancement Is In Use, Who are the Trading Partners :
All
10. Attachments (such as: further detailed proposals, transaction data descriptions, information flows, implementation guides, business process descriptions, examples of ASC ANSI X12 mapped transactions):

Code Values Dictionary

Document Name and No.: Scheduled Quantity, Operator Scheduled Quantity, Confirmation Response

Data Element: Reduction Reason

Code Value Description	Code Value Definition	Code Value
Storage Capacity Constraint		SCC