



NORTH AMERICAN ENERGY STANDARDS BOARD

801 Travis, Suite 1675 • Houston, Texas 77002 • **Phone:** (713) 356-0060 • **Fax:** (713) 356-0067
email: naesb@naesb.org • **Web Site Address:** www.naesb.org

Description of Quadrants and Their Segments

Wholesale Electric Quadrant

The Wholesale Electric Quadrant (WEQ) is concerned with activities necessary or desirable to achieve the objectives and purposes of the commercial aspects of the wholesale electric industry, and activities appropriate to the operation of the wholesale electric market. The WEQ is divided into seven co-equal segments, which, in turn, are subdivided into subsegments for all but the independent grid operator/planner and technology and services segments.

IOU Definition: An "Investor Owned Utility" is an entity who has substantial business interest in owning and/or operating any two of the following three asset categories – generation, transmission, distribution.

Transmission Segment: Any entity engaged in the activity of owning, operating or controlling bulk electric transmission facilities in North America.

Municipality / Coop Subsegment.
Federal / State / Provincial Subsegment.
IOU Subsegment.
ITC Subsegment.

Generation Segment: Any entity engaged in the activity of owning and/or operating wholesale electric generation facilities in North America.

Municipality / Coop Subsegment.
Federal / State / Provincial Subsegment.
IOU Subsegment.
Merchant Subsegment.

Marketers / Brokers Segment: Any entity engaged in the activity of buying and selling wholesale electric power in North America on a physical or financial basis.

Municipality / Coop Subsegment.
Federal / State / Provincial Subsegment.
Not IOU Affiliated Subsegment.
IOU Affiliated Subsegment.

Distribution / Load Serving Entities Segment: Any entity engaged in the activity of electric power sales and/or delivery to end use customers in North America, or any entity designated to represent a distribution utility.

Municipality / Coop Subsegment.
IOU Subsegment.
Competitive Retailer Subsegment: Not available to municipality, coop, IOU or IOU affiliates.
Other Subsegment: Also not available to municipality, coop, IOU or IOU affiliates.



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Wholesale Electric Quadrant – (continued)

End Users Segment: Any entity in North America that is an end use customer of electricity, engages in electricity regulation, or represents customer interests, or any entity designated to represent an end user.

End Use Subsegment: Also in another segment.

End Use Subsegment: Must be a self generator.

Regulator Subsegment.

Residential / Commercial Subsegment.

Large Industrial Subsegment: May not be in another segment.

Independent Grid Operators/Planners: Any entity in North America authorized by an appropriate governmental authority to operate as a regional transmission organization, independent system operator, independent tariff administrator or independent planning entity and which does not have a business or financial interest in any other WEQ segment.

Technology and Services: An entity in North America engaged in providing hardware and software applications and technology related services to the North American wholesale electric market.

Wholesale Gas Quadrant

The Wholesale Gas Quadrant (WGQ) is concerned with and generally tasked to handle natural gas related issues and practices which are within scope and typically addressed on either an interstate basis or are generally subject to the pre-emptive jurisdiction of the federal government. The former Gas Industry Standards Board's (GISB) original work can be thought of as being work conducted within this quadrant. The WGQ is divided into five co-equal segments.

Producers Segment: Those individuals and entities (e.g., corporations, partnerships) primarily engaged in the production of natural gas for sale to others.

Pipeline Segment: Entities qualifying as a "natural gas company" as defined in the U.S. Natural Gas Act, an "interstate pipeline" within the definition of the U.S. Natural Gas Policy Act, or a comparable company authorized by a national, federal, state or interprovincial regulatory agency to perform comparable natural gas transportation services, under the terms of an effective tariff for such services. However, no entity shall qualify for this segment solely by virtue of authorization to perform natural gas, gathering, processing, marketing, sales for resale or local distribution services.

Local Distribution Company (LDC) Segment: Those entities providing local distribution of natural gas to the general public.

End-users Segment: Those companies and entities that consume natural gas.

Services Segment: Providers of services to participants in the wholesale natural gas industry, including gathering companies, gas processors, gas storage entities, marketers, software providers, consultants and other entities not otherwise considered to be a producer, pipeline, distributors or enduser.



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Retail Electric Quadrant

The Retail Electric Quadrant (REQ) addresses issues and practices that are within the scope of NAESB and appropriate to electric usage at the individual consumer level; that is, usage by an individual, partnership, corporation, or other entity consuming electricity at one or more facilities served by an electric distributor. The REQ is divided into three co-equal segments.

Service Providers/Suppliers Segment: Persons engaged in the competitive sale of electricity and/or capacity to end users including marketers, aggregators and producers or that provide services to participants in the retail electric industry, including equipment manufacturers, equipment and service vendors, software providers, energy consultants, and other companies or individuals not otherwise eligible for membership in another Segment.

Utilities Segment: Persons engaged in the local distribution of electricity.

End Users/Public Agencies Segment: Persons that consume electricity, represent consumers of electricity or are employed by a public agency associated with the retail electric industry.

Retail Gas Quadrant

The Retail Gas Quadrant (RGQ) is concerned with and tasked to handle natural gas related issues and practices that are within the scope of NAESB and typically addressed at the retail natural gas distribution level. The RGQ is divided into three co-equal segments.

Service Providers/Suppliers Segment: Persons engaged in competitive sale of natural gas and/or capacity to end users, including marketers, aggregators, producers, asset managers and pipelines or that provide services to the participants in the retail natural gas industry, including equipment manufacturers, equipment and service vendors, software providers, energy consultants, and other companies or individuals not otherwise eligible for membership in any other Segment

Distributors Segment: Persons engaged in the local distribution of natural gas.

End Users/Public Agencies Segment: Persons that consume natural gas, represent consumers of natural gas or are employed by a public agency associated with the retail electric industry.