



North American Energy Standards Board

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TO: NAESB Retail Electric Quadrant and Retail Gas Quadrant Supplier-Utility Interface Subcommittee, Posting for Interested Industry Participants

FROM: Meghan McMillan, NAESB Staff

RE: Final Minutes from the NAESB Retail Electric Quadrant and Retail Gas Quadrant Supplier-Utility Interface Subcommittee Meeting – July 15 - 16, 2003

DATE: September 11, 2003

**Retail Electric Quadrant and Retail Gas Quadrant
Supplier-Utility Interface Subcommittee
July 15, 2003 (1:00 pm – 5:00 pm Eastern)
July 16, 2003 (8:30 am – 5:00 pm Eastern)
Final Minutes**

1. Administrative

Mr. Newbold opened the meeting and gave the antitrust advice. Introductions were made. Ms Hess moved, seconded by Ms. Yetman to adopt the agenda as written. The agenda was adopted absent objection. Modifications were made to the June 19, 2003 meeting minutes. Ms. Hess moved, seconded by Mr. Muzikar to adopt the draft minutes as modified. The minutes were adopted as modified absent objection.

2. Review of Creditworthiness Document (Credit V8-3.doc)

Non-Disclosure Agreement

The group discussed comments made on the Non-Disclosure Agreement. Changes were made to the document and the proposed business practices were altered modified to be consistent with the Non-Disclosure agreement.

July 15, 2003 recessed at 5:28 pm Eastern.

Day Two - July 16, 2003

Mr. Newbold opened the meeting on July 16, 2003 and reminded the group of the antitrust advice. Introductions were made. The group agreed to spend thirty minutes finishing the discussion on the non-disclosure agreement.

It was agreed that any vote taken at the meeting would not include the Non-Disclosure Agreement or the first sections of the Creditworthiness document that have not been drafted yet (Version Notes, Introduction and Executive Summary). Mr. Newbold suggested the SUIS conduct a teleconference on Monday, August 11 from 12:00pm – 2:00 pm Central to vote on the draft Creditworthiness document. It was agreed to schedule the conference call for this date.

Review of Final Comments on Creditworthiness Model Business Practices

The SUIS reviewed comments and made changes in the document during the meeting. It was noted that any changes agreed on at the meeting will be noted as redlines and all others will be rejected.

There was extended discussion on the scope section of the Overview. Ms. Hess moved, seconded by Mr. Muzikar to use the overview as modified during the July 15 – 16, 2003 meeting as the scope statement for proceeding through the document. It was noted that Mr. Jones (Cinergy) objected to the scope as it is written stating Cinergy feels the SUIS needs to take steps to ensure that WEQ/WGQ deal with the wholesale risks. The majority of the Subcommittee felt this was out of



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scope and up to individual members to influence efforts of wholesale Quadrants. Upon a procedural vote the motion passed with twenty in favor and two opposed, Mr. Novak abstaining.

Other issues were resolved as follows:

1. Distribution/Utility issue was resolved. The Subcommittee reconfirmed its intention to use "Distribution Company" and settled on a modified version of the Glossary Subcommittee "Utility" definition for the new Definition of this term. The members, many of whom are also on the CPS Subcommittee, suggested CPS use "Distribution Company" in the CPS Billing and Payments document—CPS agreed in their July 17-18, 2003 meeting
2. Timing issues were resolved and specified timing for the processes/process steps will remain in the document. The decision was made to change all references from "days" to "calendar days"—CPS agreed in their July 17-18, 2003 meeting.
3. The use of "unsecured credit limit" and "unsecured credit" issue was resolved. Sections 1.3 and 1.4 now refer to credit limit—which includes both secured and unsecured credit. The term "unsecured" was deleted in most places it was used. Section 1.3.1.2 was modified to state the credit extended to the Applicant may include both secured and unsecured credit.
4. The issue of whether the Applicant's name or the fact they had applied for credit was resolved. It was decided that this information is not confidential and the document was modified accordingly. Section 1.8.1.1 was changed to reflect this decision.

The group discussed the definitions given to them by the Glossary Subcommittee. They noted several definitions which need to be clarified and/or edited by the Glossary Subcommittee and Ms. Camp volunteered to take these back for clarification/editing. The definitions sent back to the Glossary Subcommittee are as follows:

1. **Distribution Company:** A regulated entity which provides distribution services and may provide energy and/or transmission/transportation services in a given area.
2. **Dual Billing:** The billing option in which the Distribution Company / Utility and the Supplier, each assuming the role of a Billing Party, render separate Customer bills, each containing charges for the energy, transmission/transportation or distribution services provided by that party, for which separate payments from the Customer are expected. *(Glossary Subcommittee spreadsheet of 7/14/03 is incorrect)*
3. **Pay as You Get Paid:** The payment processing method in which the Billing Party forwards payment to the Non-Billing Party for the Non-Billing Party charges only after receiving payment. *(Glossary Subcommittee spreadsheet of 7/14/03 is incorrect?)*
4. **Material Change:** Any change in the Applicant's (or Guarantor's) or Creditor's financial or other condition that might reasonably affect the amount of credit extended to that Applicant or may impact the Applicant's ability to perform on its obligations. *(Changed by SUIS)*
5. **Utility:** Delete definition—no longer needed

4. Vote on Amended Model Business Practices

No vote was taken on the Amended Model Business Practices during the meeting.



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5. SUI Next Steps

Conference calls were scheduled for July 31, 2003 from 12:00 pm – 4:00 pm Central and August 11, 2003 12:00 pm – 2:00 pm Central. It was noted that a conference call would need to be scheduled to discuss the Non-Disclosure agreement although the Subcommittee agreed that this was less urgent than the completion of the Creditworthiness Business Practices.

6. Adjourn

Ms. McCain moved, seconded by Mr. Jansen to adjourn the meeting on July 16, 2003 at 5:12 pm Eastern.

7. Attendees

Name	Company	In Person/Phone
Alexander, Barbara	Maine OPA	In Person
Arroyo, Heidi	SLE	In Person
Barkas, Bill	Dominion Retail	In Person
Burnett, Tina	Boeing	Phone
Camp, Yvette	Southern Company Services	In Person
Connor, Pete	NiSource Distribution Co.	In Person
Davis, Dorman	MS Power	Phone
Edwards, Mary	Dominion Retail	In Person
Eynon, Patrick	Ameren Services	In Person
Gross, Blake	AEP	In Person
Heath, Cathy	Georgia Power Company	In Person
Hess, Theresa	Reliant Energy Retail Services	In Person
Jansen, Joe	PSE&G	In Person
Jones, Dan	Cinergy	Phone
Marino, Annunciata	Pennsylvania Public Utility Commission	Phone
McCain, Marcy	Duke Energy Gas Transmission	In Person
McMillan, Meghan	NAESB	Phone
Muzikar, Rich	Con Edison	In Person
Newbold, Bill	Detroit Edison	In Person
Nishida, Leslie	Wisconsin Public Service	In Person
Novak, Michael	National Fuel	Phone
Ray, Judy	Alabama Power	Phone
Rone, Thomas	Alleghany Power	In Person
Sarafin, Alex	Nisourse	Phone
Smart, John	Ohio Consumers Counsel	In Person
Sobieck, Marian	National Fuel Gas	Phone
Thiry, Ken	Wisconsin Public Service	In Person
Wilen, Eric	Nyseg	Phone
Wolf, Bill	Baltimore Gas & Electric	In Person
Yetman, Kathy	National Grid	In Person
Zavodnick, Steve	Baltimore Gas & Electric	Phone
Zollars, Richard	Dominion Retail	In Person