



North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@aol.com

Home Page: www.naesb.org

via email and posting

TO: NAESB WEQ Contracts Subcommittee¹ Potential Participants
FROM: Rae McQuade, Executive Director
RE: Wholesale Electric Quadrant Contracts Subcommittee Kick -Off Meeting
Announcement – January 28, 2003 -- REVISED FOR VENUE CHANGE
DATE: January 6, 2002

Dear WEQ Interested Parties,

A kick-off meeting for the Contracts Subcommittee has been scheduled for January 28 in Atlanta, from 10:00 a.m. to 3:00 p.m. eastern, including a working lunch. The meeting is hosted by Georgia Power Company at 241 Ralph McGill Blvd., Atlanta, GA 30308.

A draft agenda is shown below and may be revised prior to the meeting to include additional items. Please call the office (713-356-0060) for call-in instructions if you would like to participate but are unable to travel to the meeting. Suggested hotels for those attending the meeting from out of town will be posted on the NAESB web site on the page reserved for WEQ Contracts Subcommittee activities (www.naesb.org/weq_contracts.html).

Joel Dison of Southern Company and Alan Johnson of Mirant Corporation will preside over the meeting.¹ They will brief those in attendance and on the call on the development of the subcommittee's preliminary work plans, provide for an election of co-chairs, and solicit volunteers and industry interest in the subcommittee's future work. This, as with all NAESB meetings, is an open meeting. Please notify the NAESB Office (naesb@aol.com) by January 19 if you will be attending in person or by phone to ensure adequate meeting planning.

We look forward to your attendance.

DRAFT AGENDA

- 10:00 am E
1. Welcome -- Antitrust Guidelines, Welcome to attendees, Review of NAESB Subcommittee Structure and Voting
 2. Elect Co-Chairs
 3. Review of Annual Plan Items Assigned to Contracts Subcommittee (see attached)
 4. Review of activities underway by other organizations that are related to the Annual Plan Items Assigned to Contracts Subcommittee
 5. Identification of work plan steps for the Contracts Subcommittee
 6. Set Up of Task Forces to address plan items if needed
 7. Calendar of Meetings
 8. Other Business
- 3:00 pm E
9. Adjourn

¹ Joel Dison and Alan Johnson are the point persons responsible for this subcommittee.



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NORTH AMERICAN ENERGY STANDARDS BOARD 2003 WEQ Annual Plan Modified by the Executive Committee - December 12, 2002

Item Description	Completion ²	Assignment
5 Develop standardized contracts		
a) A review of both the Western Systems Power Pool and the Edison Electric Institute (EEI) Master Service agreements and other related agreements would be in order with the objective of developing standard short term and long term master-service agreements.	2 nd Qtr 2003 High priority for outreach	Contracts Subcommittee
b) A review of the EEI Master netting agreement with the objective of developing standard terms and conditions for netting settlements (perhaps this is a subset discussion of the master service agreements above)	2 nd Qtr 2003 High priority for outreach	Contracts Subcommittee
c) A review of the terms and conditions of the standard liquidated damages contracts ("into Entergy, Into Cinergy, etc.) with the objective of developing standard LD contract terms	4 th Qtr 2003 High priority for outreach	Contracts Subcommittee
d) A review of the International Swaps and Derivatives Association (ISDA) cross commodity netting agreement	2 nd Qtr 2003 High priority for outreach	Contracts Subcommittee
e) Identify and develop business practices that would facilitate transactions between 2 parties when creditworthiness is an issue.	3 rd Qtr 2003 High priority for outreach	Contracts Subcommittee
f) Develop the Funds Transfer Agency Agreement.	2 nd Qtr 2003 High priority for outreach	Contracts Subcommittee

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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Wholesale Electric Quadrant Subcommittee Leadership
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