



## North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002  
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Home Page: www.naesb.org

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**TO:** NAESB Wholesale Electric Quadrant Executive Committee, Posting for Interested Industry Participants

**FROM:** Todd Oncken, NAESB Deputy Director

**RE:** Wholesale Electric Quadrant (WEQ) 2004 Annual Plan Meeting Final Minutes - September 11, 2003

**DATE:** September 13, 2003

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**Wholesale Electric Quadrant 2004 Annual Plan Meeting**  
**Thursday, September 11, 2003**  
**10:00 a.m. to 3:00 p.m. Eastern**  
**Montreal, Quebec**

**1. Welcome**

Mr. Corneli called the meeting to order and welcomed participants. Mr. Oncken gave the antitrust advice. The roll was called and a quorum established prior to the vote.

Mr. Corneli reviewed the agenda. Without any additions, the agenda was adopted as written.

**2. Development of 2004 WEQ Annual Plan**

Mr. Corneli noted comments on the 2004 WEQ Annual Plan strawman were received from the following parties: Salt River Project, Bonneville Power Administration (BPA), Western Systems Power Pool, Inc. (WSPP), PacifiCorp, Exelon, and Mirant. Mr. Corneli noted the comments of BPA and Mirant included proposed wordsmithing changes. The Executive Committee considered each set of comments and revised the draft 2004 Annual Plan, as appropriate (see attached).

Changes were made to annual plan item 3 to accommodate Exelon's suggestion for the inclusion of standards resulting from the Seams Subcommittee's current cataloging efforts. Additionally, participants discussed incorporating Exelon's suggestion for the inclusion of an item on FERC Docket PL03-3, Policy Statement on Reporting and Indices. It was agreed provisional item d should be changed to accommodate the request.

Provisional item c, *develop business practices standards related to FERC's forthcoming generation interconnection orders (large and small generators), in Docket Nos. RM02-01-000 and RM02-12-000*, was discussed. Executive Committee members discussed whether the FERC's recent order on the large generators interconnection order should convert it to an active item. Ms. Westerfield opposed the reclassification, noting there are over 100 petitions for rehearing on the rule and stating there will likely be a significant court battle over the rule. Mr. Dison suggested it is really an issue of resources and priorities. He said the WEQ has plenty of work ahead with NERC companion standards, PKI and OASIS. That said, he stated the provisional items should remain provisional. Participants agreed with that approach. Additionally, participants agreed to delete the comment.

Mr. Johnson reviewed the comments submitted by Mirant. Certain of Mirant's comments addressed the annual plan memo. Those comments were not discussed since they did not directly impact the draft annual plan. Mr. Johnson stated a persistent question has been whether NAESB is developing national or regional standards. It was noted PacifiCorp raised the same issue. Mr. Corneli clarified that issue was not addressed in the annual plan memo he drafted. Instead, he said his comments related to getting items on the annual plan that would garner industry participation.

Participants discussed the inclusion of an annual plan item for a standard contract for the sale of power at length. Mr. Corneli noted WSPP submitted comments opposing NAESB's development of a



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standard contract and urged any reference to a standard contract be deleted from the 2004 Annual Plan. Ms. Westerfield stated she had previously submitted a request for the development of a standard contract (Request No. R03018), but was withdrawing that request. She said she still saw the merit of developing a standard contract, but noted there were overriding resource concerns. Given the amount of time spent on the contracts item from the 2003 Annual Plan, Ms. Anderson opposed including a provisional item for contract development. Mr. Dison noted the 2003 Annual Plan item was geared towards exploring a standard contract, but the provisional item in the 2004 Annual Plan would be for the development of a standard contract. It was agreed to include a provisional item for the development of a standard contract, with comments noting the general level of interest and resources concerns.

There was some confusion among the group on the nature and effect of provisional items. Ms. McQuade noted provisional items would allow the Board an opportunity to evaluate potential Executive Committee work before it becomes an immediate issue. Additionally, it was noted a provisional item could inform groups external to NAESB, who might not be familiar with NAESB practices, that NAESB was available as a resource for standards development. Ms. McQuade clarified a Board vote was required to reclassify a provisional item during the annual plan year.

Participants discussed item 4 from the draft annual plan, *work with the Wholesale Gas Quadrant (WGQ) to investigate a more flexible intraday gas nomination process to support electric generation without degrading gas services to existing customers*. It was noted the WGQ has a similar item as a provisional item on its draft 2004 Annual Plan. It was suggested the item be moved to provisional status pending coordination with the WGQ. It was clarified that item 4 does not contemplate the WEQ drafting WGQ standards, but the WEQ could draft standards that rely on a level of support the WGQ standards do not currently provide, such as additional nomination opportunities. Ms. Van Pelt questioned why that would not simply be a request to the WGQ for standards. Ms. Van Pelt further noted the provisional item on the draft WGQ plan was for Energy Day and did not directly relate to this WEQ annual plan item.

Mr. Johnson noted item 4 was partly derived from the 2003 work of the Electric Trading Task Force (ETTF). He stated the ETTF discussed how changes in nominations could assist in the scheduling of power generation and transmission. He suggested Mr. Jackson added the item to highlight the desire to begin discussions with the WGQ on the issues.

Participants discussed whether an item that would not directly result in standards should be included in the annual plan. It was noted a benefit of including the item in the annual plan was that the industry would know all the issues the WEQ is working on. Mr. Green proposed modifications to item 4 to reflect the investigatory nature of the item.

Ms. McQuade reviewed the changes made to the draft 2004 Annual Plan during the meeting. Mr. Corneli moved, seconded by Mr. Dison, to adopt the draft 2004 Annual Plan. The motion passed unanimously.

Mr. Corneli noted the minor wordsmithing changes proposed by BPA and Mirant would be added prior to finalization of the draft. The completed document will be forwarded to the JIC for evaluation.

### **3. Review and Approval of SRS Coordinate Interchange Business Practices Task Force and Operate within Interconnection Reliability Operating Limits Scoping Documents**

Mr. Yeung presented the SRS Coordinate Interchange Business Practices (CIBP) Task Force and Operate within Interconnection Reliability Operating Limits (OWL) scoping documents. As background Mr. Yeung reviewed the SRS meetings from September 9-10, noting the scoping



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documents were finalized and approved by the SRS during those meetings. Participants discussed each of the scoping documents.

For the OWL scoping document, Mr. Yeung noted the SRS was careful not to limit the language to curtailment so that the resulting standard could encompass more than historical curtailment, if appropriate. The OWL scoping document contained several questions to be presented to the Executive Committee on the scope and depth of standards. Participants discussed those questions at length. Mr. Yeung noted those issues do not need to be resolved before the scoping document can move to the JIC, but rather are geared toward the drafting team.

Mr. Dison stated the WEQ Executive Committee has not decided on a standards format. Options include each element being proposed as a discrete standard or completion and adoption of a package of standards. Ms. McQuade noted both approaches have been used by NAESB in the past, so it was up to the Executive Committee to decide.

For the CI scoping document, Mr. Yeung stated the SRS considered all submitted comments and made changes where appropriate. He noted some changes were very detailed and more suited for the drafting team. He stated those comments would be referred to the drafting team.

The Executive Committee agreed both scoping documents were ready to be presented to the JIC. Both scoping documents in the format presented to the JIC are attached. It was noted a formal vote is not required to forward the documents to the JIC.

Participants agreed the issues being addressed by the SRS are very important and complex. The importance of participation in the drafting teams was stressed. Mr. Yeung stated he prefers at least one 'core member' from each segment for SRS task forces and drafting teams.

#### **4. New Business**

No other business was discussed.

#### **5. Adjourn**

Mr. Corneli adjourned the meeting at 2:47 p.m. Eastern.



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### 6. Executive Committee Attendance and Voting Record

		<b>Title, Organization</b>	<b>Attendance</b>	<b>Vote</b>
<b>End User Segment</b>				
John Hughes	Director Technical Affairs, Electricity Consumers Resource Council (ELCON)		Phone	Y
David Meade	Manager Structured Power, Praxair, Inc.			
Steve Sayuk	Manager Americas Supply, Power & Gas Services Group, ExxonMobil Power & Gas Services, Inc.			
Randy Corbin	Assistant Director Analytical Services, Ohio Consumers' Counsel			
Paul Jett	Manager of Electric System Operation Customer Choice Transition, Cinergy Services Inc.			
LouAnn Westerfield	Policy Strategist, Idaho Public Utilities Commission, rep. National Association of Regulatory Utility Commissioners		Phone	Y
<b>Distribution/LSE Segment</b>				
Thomas Ringenbach	Manager Business Standards, American Electric Power Service Corporation		Phone	Y
Jack Leonard	Director, Transmission Management, Exelon PECO Energy			
Patrick W. Frazier	Vice President of Energy Operations, American Municipal Power Ohio Inc.			
Daniel E. Cooper	Engineering Manager, Michigan Public Power Agency			
Syd. Berwager	Industry Restructuring Project Manager, Bonneville Power Administration/Power Business Line		Phone	Y
V A C A N C Y	To be filled by the Competitive Retailer sub-segment			
<b>Generation Segment</b>				
Bob Goss	Deputy Assistant Administrator of Power Resources, Southeastern Power Administration		Phone	Y
Louis Oberski	Transmission Manager, Dominion Energy Marketing Inc.		In Person	Y
Tony Reed	Project Manager, Southern Company Generation and Energy Marketing		Phone	Y
Barry Green	Manager US Regulatory Affairs, Ontario Power Generation		In Person	Y
Steven B. Corneli	Director of Regulatory Affairs, NRG Power Marketing Inc.		In Person	Y
William J. Gallagher	General Manager of Vermont Public Power Supply Authority			
<b>Marketers/Brokers Segment</b>				
Brenda Anderson for G. Jackson	Bonneville Power Administration		Phone	Y
Joel Dison	Project Manager, Southern Company Generation and Energy Marketing		In Person	Y
Clay A. Norris	Division Director, Planning, North Carolina Municipal Power Agency #1			
Charles Yeung	Director of Business Standards, Reliant Resources		In Person	Y
Alan Johnson	Senior Policy Analyst, Mirant		In Person	Y
Michael F. Gildea	Director of Regulatory Policy, Duke Energy North America			
<b>Transmission Segment</b>				



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Barbara Rehman for S. Cobb Gerrard	Policy Manager, Bonneville Power Administration	Phone	Y
Ed Davis for J. Lucas	Policy Consultant, Entergy Services, Inc.	Phone	Y
Mary Ellen Paravalos	Manager ITC Development, National Grid USA		
Dan Klempel	Director Transmission Regulatory Compliance, Basin Electric Power Cooperative		
Julie Voeck	Manager Strategic Policy and Planning, American Transmission Company		
Total			15 in favor

### 11. Other Participation

#### Administrative:

Rae McQuade	-Executive Director
Todd Oncken	-Deputy Director

#### Observers to the Meeting:

Name	Company	In person/Phone
Michael Desselle	American Electric Power	In Person
Francis Halpin	Bonneville Power Admin	Phone
Jim Hartwell	NPCC	In Person
Marcel Harvey	Transenergie Quebec	In Person
Barry Lawson	NRECA	Phone
Steve McCoy	CAISO	In Person
Marjorie Perlman	Energy East	Phone
Steve Terelmes	Ameren	Phone
Kim Van Pelt	Panhandle Eastern	Phone