



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

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

FROM: Meghan McMillan, NAESB Staff

RE: Final Minutes from the NAESB Wholesale Electric Quadrant Executive Committee Meeting – October 18, 2002

DATE: December 12, 2002

**Wholesale Electric Quadrant Executive Committee Meeting
October 18, 2002 (8:00 a.m. – 4:00 p.m.)
Final Minutes**

1. Welcome

Mr. Buccigross opened the meeting, welcomed participants and gave the antitrust guidelines. Introductions were made of the EC members and observers to the meeting. Participants were reminded to sign the attendee sheet. Mr. Buccigross reviewed the voting process used in NAESB.

2. Adoption of Agenda

Mr. Johnson added under other business the documents he distributed, including the WEQ Executive Committee List of Potential Subcommittees/Taskforces and the WEQ Interim Procedures. Mr. Buccigross corrected the numbering on the agenda and added consideration of alternate Triage members under item five. Discussion of future meeting scheduling was added under other business. Discussion of recruiting representatives from each segment to assist the vice chair was added. Mr. Lucas added a short discussion on the recent proposal that came out of the October 3 technical conference under other business. Mr. Desselle added the MOU for additional discussion. Mr. Evans-Mongeon motioned to adopt the agenda as modified and Mr. Lucas seconded. A procedural vote was taken to adopt the agenda. The agenda was adopted unanimously as modified.

3. Overview of NAESB Organization and standards Development Process

Mr. Buccigross reviewed NAESB organization and procedures for standards development using hard copy of slides provided in the EC book. He encouraged all companies to send representatives to each subcommittee in order to have input at all levels of the standards creation process. On the NAESB webpage (www.naesb.org) there are postings that announce meetings. Mr. Costan noted that one of requirements of ANSI is that a standards-setting organization set up voluntary standards. The next EC meeting is scheduled for December 12-13 in New York, NY. The next Board meeting is scheduled for November 21 in San Diego. In 2003 they will be the second or third week in each of the even months.

NERC/NAESB MOU Team and Technical Meeting on October 3

Mr. Desselle noted that a draft MOU as well as the minutes that we had from our meeting on October 8 have been posted. Previously, the BOD approved a technical advisory role for the RTO's and ISO's. The technical role of the RTO's should be elaborated in the next MOU. The RTO's and ISO's have submitted a proposal to Mr. Boswell, but the team who will work on that MOU has not yet been assembled. The NERC/NAESB MOU tries to avoid a duplication of efforts, and it was



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agreed collectively that a process would be developed and used by the joint interface committee, that can be used to identify which organization would have the responsibility to develop that particular standard(s). At present the group is drafting objective criteria and there is another meeting scheduled for October 28. The MOU has been posted and sent out via broadcast email for comments. The group hopes to finalize the MOU on the 28th.

4. Adoption of September 27 Conference Call Draft Minutes for WEQ

Mr. Buccigross solicited changes to the September 27 draft minutes. Mr. Johnson suggested a change to the time of the meeting. Item 4 was corrected to read "the attendees of the WEQ EC on the phone suggested following NAESB established practices..." Mr. Norris noted that the adjournment time should read 12:02 p.m. central. Some corrections to the attendee list were made. Mr. Norris moved to adopt the minutes as modified and Mr. Corneli seconded. Mr. Evans-Mongeon abstained. A procedural vote was taken to adopt the minutes. The minutes were adopted unanimously as modified with one abstention.

5. Selection of Triage Members

Mr. Buccigross solicited volunteers for WEQ EC representatives and alternates for each segment. The following individuals volunteered: Mr. Green and Mr. Goss (alternate) for generation; Mr. Gildea and Mr. Dison (alternate) for marketer; Mr. Hughes and Mr. Sayuk (alternate) for end users; Mr. Gerrard and Ms. Paravalos (alternate) for transmission. Mr. Ringenbach stated the distributors will defer their decision in order to discuss it with their absent segment representatives. A list of these volunteers will be sent out, and objections may be voiced at that time. There is no official term limit for Triage members.

6. Discussion of Selection process of EC Vice Chair

Mr. Johnson made a motion to begin the 2 week nomination period for the WEQ EC vice chair and following that a one week election period to be conducted by email. Mr. Corneli seconded the motion. There was a procedural vote on the motion. The motion carried unanimously.

7. Annual Plan Process and Development

Mr. Buccigross reviewed the annual plan process and development. It was noted that these standards do not involve governance or procedures. He also reviewed the approval process for the annual plan and for making changes to the annual plan. The goal is to have the annual plan done by the November Board meeting. Mr. Evans-Mongeon suggested creating a list to use in the development of a draft annual plan.

Mr. Yeung reviewed his suggestions for annual plan items. It was decided to defer discussion of the first two items at this time. Suggested items were recorded to be pursued by the annual plan subcommittee. The following items were recorded to be included in a draft annual plan.

3) Address of NERC Reliability Standards

- develop business practices and standards as needed to complement reliability standards
- apply NERC/NAESB MOU provisions to dispose of business aspects of reliability standards

4) OASIS Framework



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-review and assess OASIS-related business standard needs including the work of the Electronic Scheduling Collaborative (ESC) and OASIS Scheduling Collaborative (OSC)

Mr. Dison suggested the addition of the following: review and assess the applicability of existing OASIS & CP standards and communication protocol as it relates to business practices.

5) Develop SMD Standards and Model Business Practices

- develop standards and model business practices in accordance with FERC orders and directions issued in the SMD docket (RM01-12-000) or otherwise
- Respond to FERC inquiries pertaining to business practice standard development and keep FERC informed on the nature and effectiveness of coordination activities with other standard setting organizations

6) Identify Market/System Operation Activities that should be standardized

- proceed with NAESB's WEQ in developing standards that can be used today (even before the NERC SMD comes out) any standards that make more efficient markets
- solicit input from WEQ members to identify issue list reflecting standards to be developed based on existing FERC orders, particularly FERC Orders 888 and 2000.

7) Identify and develop business standards regarding coordination between existing ISO markets.

8) Establish a standardized electric trading day

9) Exercise due EC responsibilities for procedures regarding the joint integration committee standards and their application

- potential overlap of attachment 'a' of the MOU and the EC responsibilities / not to suggest we do something the BOD is doing but we may be obligated under the NAESB certificate to have a role in those processes

10) Catalogue, assess and prioritize preexisting "standards"* that have significant business practice implications

- *includes NAESB WGQ standards

11) Identify and develop business practices on the evaluation of an organization's creditworthiness.

12) Identify and develop business practices on the public dissemination of market information.

- i.e. Equal Information Policy in New England (how are we going to get information out to the public)

13) Provisional: Develop business processes related to FERC's forthcoming generation interconnection orders (large and small generators)

14) Develop standards for data and scheduling of day-ahead markets

15) Develop standards for data and scheduling of real-time markets

Mr. Corneli made a motion to capture these potential annual plan items, and establish the WEQ annual plan subcommittee task force to prepare and present a draft annual plan to the WEQ EC. The motion was seconded by Mr. Dison. Mr. Dison suggested an amendment to the motion as follows: "to present status to the EC by November 15 and to the Board by November 21, and have a



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completed draft at the December WEQ EC meeting". Mr. Corneli noted that this motion does not preclude the possibility that by November 15 this task force would agree that one or more of these items ought to be part of a provisional annual plan. Mr. Dison requested a conference call be set up for the week before November 15. There was a procedural vote on the motion. The motion carried unanimously.

The following people volunteered to be segment coordinators for the WEQ EC Annual Plan Task Force: Mr. Hughes and Mr. Corbin for End Users; Mr. Thompson for distributors; Mr. Reed, Mr. Corneli and Mr. Evans-Mongeon for generators; Mr. Johnson and Mr. Yeung for Marketer/brokers; Mr. Cobb and Ms. Rheman for transmission. Mr. Buccigross noted the need for a chair/co-chair of this task force (one of which needs to be EC or BOD member). He volunteered to facilitate the election of chair(s) for this task force.

8. Other Business

The ISO/RTO Model was previously addressed.

The issue of proposed subcommittees was postponed until the organization of annual plan items.

WEQ Interim Quadrant Procedures

This is a quadrant/Board issue. The Board eventually approves all quadrant procedures. Procedures do not have to be the same from quadrant to quadrant.

Future Meetings

The next EC meeting is in December in New York. EC meetings are scheduled next year for every other month starting in February. A WEQ meeting will be scheduled to discuss the creation of WEQ procedures.

9. Adjourn

A motion to adjourn was made by Mr. Evens-Mongeon and seconded by Mr. Corneli. A procedural vote was taken. The meeting adjourned on October 18, 2002 at 3:00 p.m.



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9. Executive Committee Attendance

End User Segment	Title, Organization	Present
John Hughes	Director Technical Affairs, ELCON	In person
David Meade	Manager Structured Power, Praxair, Inc.	In person
Steve Sayuk	Manager Americas Supply, ExxonMobil Gas Marketing Co.	In person
Randy Corbin (Barbara Alexander sitting in)	Ohio Consumers Counsel	In person
Paul Jett	Manager of Electric System Operation Customer Choice Transition, Cinergy	Absent
Distribution/LSE Segment		
Thomas Ringenbach	Manager Business Standards, American Electric Power Service Corporation	In person
Jack Leonard	Director, Transmission Managment, Exelon PECO Energy	In person
Patrick W. Frazier	Vice President of Energy Operations, American Municipal Power Ohio Inc.	Absent
Daniel E. Cooper	Engineering Manager, Michigan Public Power Agency	Phone
Syd Berwager	Senior Manager Policy Coordination and Project Management, Bonneville Power Administration/Power Business Line	In person
Generation Segment		
Bob Goss	Deputy Assistant Administrator of Power Resources, Southeastern Power Administration	In person
Louis Oberski	Tranmission Manager, Dominion Energy Marketing Inc.	In person
Tony Reed	Project Manager, Southern Company Generation and Energy Marketing	In person
Barry Green	Manager US Regulatory Affairs, Ontario Power Generation	In person
Steven B. Corneli	Director of Regulatory Affairs, Ontario Power Generation	In person
William J. Gallagher	General Manager of Vermont Public Power Supply Authority	In person
Marketer/Broker Segment		
Gary L. Jackson	Manager External Market and Policy, Tennessee Valley Authority Bulk Power Trading	In person
Joel Dison	Project Manager, Southern Company Generation and Energy Marketing	In person
Clay A. Norris	Division Director, Planning, North Carolina Municipal Power Agency #1	In person
Charles Yeung	Director of Business Standards, Reliant Resources	In person
Alan Johnson	Senior Policy Analyst, Mirant	In person
Michael F. Gildea	Manager Regulatory Affairs, Duke Energy North America	Phone
Tranmission Segment		
Steven C. Cobb	Manager Grid Access and Scheduling Services, Salt River Project	In person
Darrell Gerrard	Vice President Transmission Systems, PacifiCorp	In person
John E. Lucas	Manager, Transmission Services, Southern Company	In person



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Mary Ellen Paravalos	Manager ITC Development, National Grid USA	In person
Dan Klempel	No Title Provided, Basin Electric Power Cooperative	In person
Julie Voec k	Manager Strategic Policy and Planning, American Transmission Company	Phone

10. Other Participation

Administrative:

Rae McQuade	-Executive Director
JoAnn Garcia	-NAESB Staff
Jay Costan	-General Counsel
Meghan McMillan	-NAESB Staff
Todd Oncken	-NAESB Staff

Observers to the Meeting:

Name	Company	In person/Phone
Alexander, Barbara	Maine Office of Public Advocate	In Person
Aycock, Kimarie	Arizona Public Service	In person
Barkas, Bill	Dominion Retail	In person
Burch, Kathryn	Duke Energy Texas Eastern	In person
Butrus, Greg	Southern Company	Phone
Calcagno, Suzanne	UBS Warburg Energy	In person
Davis, Dale	Williams Gas Pipeline	In person
Davis, Ed	Entergy	In person
Dotterweich, Andy	Consumers Energy	In person
Dworzak, David	Edison Electric Institute	In person
Griffith, Bill	El Paso Western Pipelines	In person
Gussow, Dona	Florida Power & Light Co.	Phone
Gwilliam, Tom	Iroquois Gas Transmission System	In person
Hain, Mary	PJM Interconnection	In person
Hess, Theresa	Reliant Energy Retail Services	In person
Kiselewich, Ruth	Baltimore Gas & Electric	In person
Lawson, Barry	NRECA	In person
McMillan, David	Calpine	Phone
Minneman, Jim	PPL Solutions	In person
Norton, Chris	AMP-Ohio	In person
Poche, Jay	Entergy Services, Inc.	In person
Rheman, Barbara	Bonneville Power Authority	In person
Sappenfield, Keith	EnCana Corporation	In person
Scheel, Mark	Dynegy	In person
Spangler, Leigh	Latitude Technologies	In person
Szot, Lisa	CAISO	In person
Tammar, Karl	NYISO	In person
Thompson, Ed	Con Edison	In person
Van Pelt, Kim	CMS Panhandle Eastern Pipeline	In person
Zavodnick, Steve	Baltimore Gas & Electric	In person