



North American Energy Standards Board

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Home Page: www.naesb.org

Via email and posting

TO: NAESB WEQ Electronic Scheduling Subcommittee, and Posting for Interested Parties

FROM: Leona Banning, NAESB Staff

RE: Wholesale Electric Quadrant Electronic Scheduling Subcommittee Meeting Minutes – December 15 - 16, 2003

DATE: December 29, 2003

NORTH AMERICAN ENERGY STANDARDS BOARD

WEQ ELECTRONIC SCHEDULING SUBCOMMITTEE CONFERENCE CALL

December 15, 2003, 12:00 Noon – 5:00 p.m. Eastern

December 16, 2003, 9:00 a.m. to 10:00 a.m. Eastern

Final Minutes

1. Welcome & Administrative Items

Mr. Dison welcomed meeting participants. Ms. Banning gave the antitrust advice. After attendees and teleconference participants introduced themselves, Mr. Dison reviewed the agenda, which was then adopted without changes. Ms. McQuade reviewed NAESB principles, objectives and procedures for the participants. In response to questions regarding location for forms to use in submitting requests as well as the format for Business Practices, the NAESB office will prepare and publish these items for the next ESS meeting.

2. Review of WEQ ESS formation, annual plan assignments, and the ESS Draft Mission Statement

Mr. Rodriguez presented a brief background on formation and principles of the ESC and OSC, including the genesis of the “How” and “What” groups, FERC Order 889, and the development of the Standards and Communications Protocol.

The group next reviewed the annual plan assignments. Alan Johnson of Mirant summarized the items approved by the NAESB Board on December 4, 2003 for the ESS:

- Develop and maintain business process standards for OASIS IA and OASIS II
- Develop and maintain business process standards for electronic scheduling within OASIS IA and OASIS II

Mr. Dison next reviewed the ESS Mission Statement.

- Develop NAESB business practice standards that are consistent with FERC Orders 605, 638, and 889, 889-A, and 889-B.
- These will be new business practices, as the ESS can't change practices already in existence developed by the OASIS How/What groups. The ESS can adopt these practices as a baseline, then change as required, the intent being to present business



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practice standards that are consistent with existing orders, adopt them and move forward in order to get things done quickly.

- The ESS can do any of the following:
 1. Pass incremental standards without having a comprehensive set of standards in place.
 2. Take existing FERC orders, propose changes as a new set of rules
 3. Take existing business practices and S&CP protocols as a foundation, and then move forward.
- Maintain business practices associated with OASIS Phase I-A by facilitating future additions, modifications, and enhancements to those business practices
 - Maintaining OASIS IA is done in anticipation of OASIS Phase II.
- Develop and maintain business practice standards associated with NERC's efforts to convert Policy 3 into appropriate Reliability standards, including:
 1. Direct the efforts of the NAESB "Coordinate Interchange Business Practices Task Force" as they develop business practice standards related to NERC's "Coordinate Interchange Standard Drafting Team"
 2. Coordinate with NERC's TISWG regarding business practice issues associated with E-Tag implementation

NERC is responsible for the development of reliability standards. The Coordinate Interchange group standard from NERC was posted for comment December 15. The ESS is charged with developing business practice standards to support Coordinate Interchange reliability via the NAESB CIBP task force, previously reporting through the NAESB Standards Review Subcommittee. NERC's TISWG group is reviewing the E-Tag survey, which may result in requests for business practices, probably to be directed to the ESS.

- Using the Use Cases and other deliverables of the Electronic Scheduling Collaborative as a model template,
 1. identify core functionality, design, and behavior of OASIS Phase II, and
 2. develop and maintain business practices necessary to implement OASIS Phase II.

In discussion of the activities of the ITS, it was noted that the ITS is moving forward based on the use cases developed by Electronic Scheduling Collaborative. Mr. Hudson heads the ITS OASIS task force. The implications for the ESS subcommittee are further development of tagging business practice standards and addressing the process as it exists today. Mr. Schwermann of SMUD noted that CIBP is not picking the tool – but rather developing the needed standards.

Steve McCoy of CAISO noted that there is not a tremendous effort underway on OASIS IA – and that activities primarily center on maintenance. In discussion on the length of time it would take to develop OASIS II while still maintaining OASIS IA, it was expected to take three years.



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3. Review FERC Order 889 and documents to adopt those standards as NAESB standards

The request and recommendation for Order 889 was not ready for review and vote by the group. The group reviewed and discussed the work paper prepared by the co-chairs on how to proceed with adoption of requests.

4. Review FERC Order 638 and documents to adopt those standards as NAESB standards

The group reviewed the recommendation and determined that there was a later version of the FERC order, and as such the standards reflected were not correct. Changes will be made to both the request and the recommendation and it will be circulated for review by the end of the year.

5. Review Order 605 for and documents to adopt those standards as NAESB standards

The group determined that it would be best to group the standards in Order 638, 605 and 889 together in a request and recommendation, to be reviewed and voted on in a teleconference set for January 6, 2004. The request and recommendation will be made available by the end of the year.

6. Update on Coordinate Interchange Business Practices Task Force

Mr. Dison noted that the CIBP Task Force would eventually become a part of the Electronic Scheduling Subcommittee. Mr. Schwermann reviewed the work to date by Mr. Carter's CIBP group, through its December 2, 2003 meeting. Mr. Schwermann summarized that the CIBP Task Force's scope is to address the business processes that are related to a request for an arranged interchange (i.e., a proposed or adjusted interchange). This work covers all aspects of the business that lead up to submission of the Arranged, Confirmed and Implemented transactions as defined by NERC, which are in the reliability area. Mr. Schwermann stressed that in identifying the communications loop among participants in the process leading from a proposed interchange, through arranged, confirmed and finally implemented interchange; the group is identifying WHAT will happen, not HOW it will happen. Mr. Scott offered that the CI SAR Drafting Team referred to "States of an Interchange" in its work. Mr. Schwermann then reviewed the four draft business practices related to Policy Three that have been developed by the CIBP Task Force thus far, which will make up the CI Standard:

Requirement 1:

The RAI will contain the same market related information as provided by the "NAESB RAI Data Sheet".

Requirement 2.

Approval/denial notification from the Reliability Entities-Transmission Service Provider (TSP), Source and Sink Balancing Authorities (BAs), and the Reliability Authorities (RAs) - for the transmission reservation, ramping rate, and reliability analysis, respectively, are required to be communicated to the PSE before the RAI can be submitted to the IA to become an Arranged Interchange.

If the RAI is denied by any of the Approval Entities, the reason for denial will be included with the notification.



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Requirement 3:

For all bilateral Interchange Transactions to take place between a Point of Resource (POR) and Point of Delivery (POD) BA, the load-serving Purchasing Selling Entity (PSE) shall first provide an approved and compliant (per FERC 638) "Request for Arranged Interchange", RAI, to the Interchange Authority (IA).

(a) The RAI shall contain the respective tariff reliability Information required by the appropriate Reliability Entities.

(b) The RAI submission and the approval assessment timing requirements shall be in accordance with the most current version of the NAESB RAI Submission and Response Timetables Document (c) During the Approval Entity's assessment time, the PSE who submitted the RAI may elect to submit a RAI correction. The corrections that do not affect the reliability impacts of the RAI do not require the complete re-approval process by all approving parties.

Requirement 4:

Each PSE submitting an RAI for an Interchange Transaction must have, or arrange to have, personnel directly and immediately available for notification of Interchange transaction changes. These personnel shall be available from the time that title to the interchange transaction is acquired until the interchange transaction has been completed.

Mr. Schwermann also reviewed the RAI Data sheet, and summarized the next steps for the CIBP Task Force:

1. Coordination of efforts with NERC and other NAESB committees
2. Meet January 21, 2004 to refine the four draft business practices
3. Allow for an informal a thirty-day comment period and review the comments
4. Determine if it is ready for the preparation of a recommendation based on the comments received.

Mr. Dison stated that it would be beneficial to get a copy of the proposed standards from the CIBP group for review which should be available after January 21, based on the tasks outlined above. Mr. Dison stated that Appendix 3A1, the NAESB RAI Submission and Response Timetables Document, would cover business practices related to timing, submission and responses.

Mr. Schwermann summarized the timetable for the CI Standard from NERC:

- 60-day posting
- comments due back by February 20
- CIBP Task Force meets March 9-10
- Standards re-posted
- CIBP Task Force meets again and finalizes
- Standards posted for 30 days
- CI Standard passed before the end of the 2004.

Mr. Dison noted that the CI standard might not be implemented until the NERC Functional Model is revised. Revisions are currently under consideration at NERC. Mr. Scott stated that the goal for the Functional Model operational readiness is the end of 2006.



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Mr. Dison emphasized that the ESS will follow the Functional Model activity at NERC and remain aware of the horizon for OASIS II, to avoid any interim tool development. Ms. McQuade will work with NERC staff to ensure that NERC and NAESB timelines are coordinated. [After the meeting, in discussions with NERC, it was determined that Ms. McQuade would work with Mr. Benjamin on this item.]

7. Discussion of work plan for OASIS IA

The letter drafted by Andy Rodriquez to the Executive Committee regarding OASIS IA ongoing maintenance and enhancements will be posted on the NAESB website and addressed during the January 6 conference call.

• Review OSC Letter, ITS Discussions

Mr. Dison reviewed the letter from the ITS leadership that contains recommended actions on the OASIS IA issues that were left over from the OASIS Scheduling Collaborative. The letter has been posted on the NAESB website, and is from Monroe Landrum to Rae McQuade. The letter outlines issues related to compliance, business practices, and S&CP. There are five items that will be covered under a request to NAESB:

1. Redirect of Transmission Service
2. Recalls of Transmission Service
3. Multiple Submissions of Identical Transmission Requests / Queuing Issues
4. Standardized Process for NITS service on OASIS Part(b)
5. Naming Standardization

Ms. McQuade summarized that the letter is requesting business practices. Mr. Dison called for volunteers to work with the IT Subcommittee to address OASIS IA issues.

• Creation of task force to examine open issues and assign priorities

Mr. Harshbarger volunteered to chair the task force on OASIS IA issues. Melinda Montgomery and Barbara Rehman will also participate. The group's name will be "OASIS IA Business Practices Task Force". It will be working directly with the IT Subcommittee.

8. Discussion of work plan for OASIS II

• Review ESC Letter, Deliverables

The group agreed that there must be a task force created to address the deliverables. The ESC is charged with developing use cases that represent OASIS II for the physical and financial markets. There will be bare bones, cogent functional requirements that are created before handoff to NAESB. The group agreed that there is a need for a small focus group to start the work, which will probably require two to four years to complete.

• Creation of task force to examine open issues and assign priorities

Mr. Dison noted that with regard to tools, the ESS does not want to develop a set of tools for OASIS I that will be of use for only a year or two. Accordingly, he suggested that the ESS set a date to implement OASIS II that is consistent with implementation of the OASIS II Functional Model.

The group reviewed Mr. Rodriquez' letter to the EC, since posted on the NAESB website, and noted that the letter might form the agenda for a meeting with NERC. As NERC has



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not developed a firm goal date for the revisions to the functional model, such a meeting will ensure that we are coordinated.

After the group's discussion of OASIS II and agreement on the requirement to develop a tool set – either by NERC, by NAESB, or by a third party, Mr. Dison concluded that a task force is required to set milestones for these deliverables. At least for the business practices and functional requirements, the ESS will look to complete work by mid-2005. The ESS will send a message to ITS to coordinate its work schedule to support a similar delivery date. There is the expectation that NERC will be completing transition of the NERC policies to reliability standards in 2006 and NAESB should have complementary business practices developed within a similar timetable, to eliminate the need for transitional tools. There will be a task force for implementation, the "OASIS II Task Force".

Mr. Rodriquez stated that the task force will conduct:

1. Functional meetings on OASIS II,
2. Strategic meetings on how to implement and to establish phases of implementation, and
3. Planning meetings that use established strategy to set a timeline for delivery by mid-2005.

Mr. Dison called for a volunteer to chair the group, which will be tasked initially with definition of functionality, development of strategy for implementation and creation of an implementation plan for OASIS II. Mr. Rodriquez accepted the role of chair, and suggested that a co-chair might be appropriate. Ms. McQuade offered to assist in recruiting this individual. Mr. Simonelli suggested recruiting industry experts that participated in development of OASIS I. Ms. Rehmann suggested that the group's first meeting might be a conference call so that the technical experts could all attend. Ms. McQuade suggested that this group would work closely with Mr. Landrum, and set up its meetings back-to-back with the ITS meetings. Ms. McQuade also suggested that the ESS leadership work with Mr. Landrum and Mr. Johnson to schedule meetings for the next three – six months, so that the calendar may be published.

9. Future Meetings

Mr. Dison agreed to work with the ITS leadership to schedule meetings for the next six months. The next ESS meeting will be a conference call set for January 6, 2004:

1. To review the combined FERC Orders 638/605/889 business practices request and recommendation.
2. To review Mr. Rodriquez' letter to the Executive Committee.

The teleconference will be from 10:00 a.m. to noon Central. The next face-to-face meeting of the Electronic Scheduling Subcommittee will be set for February. Mr. Dison noted that the OASIS II Task Force would probably have a conference call sometime in between these two meetings. This will occur after solicitation of an OASIS II Task Force. The preliminary agenda will be:

1. Foundation standards
2. Standards and Communications Protocol.
3. NERC Status.



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10. Adjourn

Mr. Dison thanked the participants, and adjourned the meeting at 11:10 a.m. December 16.

11. Meeting Attendees

Name	Company	Attended
Leona Banning	NAESB	In Person
Ken Brown	Public Service Electric & Gas	By Phone
Jim Burlew	PJM	In Person
Ron Coutu	ISO-NE	In Person
Ed Davis	Entergy Services, Inc.	By Phone
Joel Dison	Southern Company	In Person
Ken Gates	Conectiv Power Delivery	By Phone
Larry Goins	TVA	By Phone
Bob Harshbarger	Puget Sound Energy	In Person
Jim Hartwell	NPCC	In Person
Alan Johnson	Mirant	In Person
Steve McCoy	California ISO	In Person
Rae McQuade	NAESB	In Person
Melinda Montgomery	Entergy	In Person
John Power	Midwest ISO	In Person
John Putz	Sungard	In Person
Barbara Rehman	BPA	By Phone
Andy Rodriguez	PJM	In Person
Marv Rosenberg	FERC	In Person
Jason Schwab	TVA	By Phone
Bob Schwermann	SMUD	In Person
Gordon Scott	NERC	In Person
Cesar Seymour	Tractebel Energy	In Person
Kent Shroyer	Midwest ISO	In Person
John Simonelli	ISO - NE	In Person
Lisa Szot	California ISO	In Person
Karl Tammar	New York ISO	By Phone
Steve Terelmes	Ameren Energy	By Phone
Jeff Whitehead	PJM	In Person