



## North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

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Home Page: [www.naesb.org](http://www.naesb.org)

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**via email and posting**

**TO:** NAESB WEQ Market Operations Subcommittee (MOS) Meeting Participants and Posting for Interested Parties  
**FROM:** Rae McQuade, Executive Director  
**RE:** Meeting July 9, 2003  
**DATE:** July 7, 2003

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Dear WEQ MOS Interested Parties,

As previously announced, the MOS will meet in Colorado Springs, CO on July 9, 2003 from 9:00 a.m. to 10:00 a.m. mountain time at El Paso Western Pipelines' offices. Work papers will be posted for the meeting as they are received. A draft agenda is shown following.

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. Lou Oberski of Dominion and Mary Ellen Paravalos of U.S. National Grid will preside over the meeting. This, as with all NAESB meetings, is an open meeting. We look forward to your attendance.

### **Draft Agenda**

- |      |    |  |
|------|----|--|
| 9AM  | 1. | Welcome <ul style="list-style-type: none"><li>• Antitrust Guidelines</li><li>• Welcome to attendees</li><li>• Adoption of minutes from May 7, 2003</li></ul> |
|      | 2. | Review of Progress Toward Annual Plan Deliverables   |
|      | 3. | Actions Needed as a Result of Annual Plan Review   |
|      | 4. | Other Business   |
|      | 5. | Future Meetings  |
| 10AM | 6. | Adjourn  |



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## NORTH AMERICAN ENERGY STANDARDS BOARD

### 2003 WEQ Annual Plan Modified by the Executive Committee – June 3, 2003

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	Item Description	Completion <sup>1</sup>	Assignment
<b>1</b>	<b>Develop business practices standards as needed to complement reliability standards.</b>		
	a) Apply NERC/NAESB MOU provisions in reviewing proposed reliability standards for their business practice implications.	2 <sup>nd</sup> Qtr 2003	Standards Review Subcommittee (SRS)
	Status: Underway		
	b) Review existing NERC reliability policies and standards for their business practice implications.	2 <sup>nd</sup> Qtr 2003 Low priority	SRS
	c) Review each of the SARs in light of the NERC/NAESB MOU.	Ongoing High priority	SRS
	Status: Underway		
<b>2</b>	<b>Develop business practices standards for OASIS and Electronic Scheduling</b>		
	a) Develop business practice standards as needed for OASIS and electronic scheduling including determining which, if any, ESC/OSC and other related industry groups' business practices and standards should be developed into NAESB standards.	4 <sup>th</sup> Qtr 2003 Medium/High priority <sup>2</sup>	Market Standard Subcommittee (MSS)
	b) Develop standard communication protocols and cybersecurity requirements as needed for OASIS and electronic scheduling including determining which, if any, ESC/OSC and other related industry standard communication protocols and cybersecurity requirements should be developed into NAESB standards.	4 <sup>th</sup> Qtr 2003 Ongoing High priority	MSS
<b>3</b>	<b>Develop business practices standards in Support of a Standard Market</b>		
	a) Develop standards and model business practices in accordance with FERC orders and rules issued in the SMD docket (RM01-12-000), or pursuant to Order Nos. 888 or 2000, or otherwise directed by the FERC.	Per FERC Order High priority	MSS
	b) Respond to FERC inquiries pertaining to business practice standard development and keep FERC informed on the nature and effectiveness of coordination activities with other standards setting organizations.	Ongoing High priority	MSS
<b>4</b>	<b>Develop business practices standards to Improve the Current Operation of the Wholesale Electric Market</b>		

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<sup>1</sup> 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.

<sup>2</sup> The EC determined that this item should carry a medium priority in terms of substance and a high priority in terms of organizational relations.



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## NORTH AMERICAN ENERGY STANDARDS BOARD

### 2003 WEQ Annual Plan Modified by the Executive Committee - June 3, 2003

Item Description	Completion <sup>1</sup>	Assignment
a) Establish a standardized electric trading day. Status: Suspended pending EC guidance.	See Note 1.	Market Operations Subcommittee (MOS)
b) Identify and develop business practices on the public dissemination of market information.	See Note 1.	MOS
c) Establish standard business practices relating to:		
i) Definition and treatment of firm/nonfirm power;	See Note 1.	MOS
ii) Definition and treatment of firm/nonfirm transmission;	See Note 1.	MOS
iii) Provision of reserves for transactions across multiple control areas.	See Note 1.	MOS
d) Develop business standards as necessary to resolve seams issues between ISOs and RTOs. Status: Underway.	See Note 1.	MOS
e) Develop standards for data requirements, data exchange and scheduling of day-ahead and real-time bilateral markets.	See Note 1.	MOS
f) Examine business practices and definitions currently in use to determine applicability on a North American basis. Status: Underway	See Note 1.	MOS
g) Catalogue, assess and prioritize existing "standards" that have significant business practice implications. Status: Underway	See Note 1.	MOS
h) Review activities of NERC CIPAG in light of NERC-NAESB MOU regarding cyber security requirements for their business practice and system communication standards implications. Status: Initial task force members identified, including NERC representation.	See Note 1.	MOS

#### 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. Status: Underway	2 <sup>nd</sup> 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	2 <sup>nd</sup> Qtr 2003 High priority for outreach	Contracts Subcommittee



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## NORTH AMERICAN ENERGY STANDARDS BOARD

### 2003 WEQ Annual Plan Modified by the Executive Committee - June 3, 2003

	Item Description	Completion <sup>1</sup>	Assignment
	agreements above)		
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 <sup>th</sup> Qtr 2003 High priority for outreach	Contracts Subcommittee
d)	A review of the International Swaps and Derivatives Association (ISDA) cross commodity netting agreement  Status: Complete. It was determined that this item was addressed by EEI and no further action was needed.	2 <sup>nd</sup> 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.  Status: Working group established.	3 <sup>rd</sup> Qtr 2003 High priority for outreach	Contracts Subcommittee
f)	Develop the Funds Transfer Agency Agreement.  Status: Complete.	2 <sup>nd</sup> Qtr 2003 High priority for outreach	Contracts Subcommittee
6	<b>Develop business practices standards for Inadvertent Interchange Payback Practice.</b>  Status: Underway	2 <sup>nd</sup> Qtr 2003 High/Medium priority	MOS
7	<b>Develop business practices standards related to FERC's forthcoming generation interconnection orders</b> (large and small generators), in Docket Nos. RM02-01-000 and RM02-12-000.	4 <sup>th</sup> Qtr 2003 <sup>3</sup> High priority	MSS

#### Notes:

1. The WEQ EC Subcommittee will prioritize these items as appropriate and update the Board.

<sup>3</sup> The completion date is dependent upon the issuance date of the generation interconnection orders.