



North American Energy Standards Board

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TO: NAESB Retail Structure Review Committee and Managing Committee Members, and Posting for Interested Parties
FROM: James Cargas, NAESB Deputy Director
RE: Notes from Retail Structure Review Committee Conference Call on Feb. 20, 2006
DATE: February 23, 2006

Dear NAESB Retail Structure Review Committee and Managing Committee Members,

A Retail Structure Review Committee (RSRC) conference call was held on February 20, 2006. The following notes and assignments resulted from the meeting.

Retail Structure Review Committee:

Monday, February 20, 2006

- Administrative:
 - Mr. Cargas reviewed the anti-trust warning and took roll-call. The draft agenda was adopted by consensus.
- Results of Feb. 11 Advisory Council Meeting:
 - The discussion held on the direction of the Retail Quadrants during the Feb. 11, 2006, Advisory Council meeting was reviewed. Generally, the Advisory Council members did not provide significant feedback on the future direction of the Retail Quadrants. Rather, they emphasized the importance of improved dissemination of information on NAESB through NARUC and other means, including visits to meet with individual state commissions.
 - There was a sense that state commissions do not think to look to NAESB for pre-existing business practices they can adopt or to request that certain business practices be developed. Materials sent to the commissions need to focus on a few key messages.
 - One recent exception is Pennsylvania, where the PUC is using NAESB standards as a starting point. This was viewed positively as a step in the right direction. Actions like these will help to make questions of relevance disappear and may encourage recently resigned members to return. Task Groups are currently being formed. However, since the matter is now part of a rulemaking docket, NAESB's direct participation could be viewed as advocacy.
- Preparation for Feb. 22 Retail EC Meeting:
 - Provisions in the federal Energy Policy Act of 2005 (EPAcT) may result in more state legislatures and commissions reviewing and addressing issues that may result in the need for business standards. The NAESB process could be part of the cycle to develop uniform rules. NAESB needs to monitor these developments.
 - A summary of topics that the Retail Quadrants could consider was drafted by Mr. Eric Ackerman of EEI. Many of these topics are in response to EPAcT initiatives. Mr. Ackerman's permission will be sought before circulating the list to the Retail Executive Committees (ECs) and the March Leadership meeting.
 - The RSRC may want to conduct a survey of topics that the Retail



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Quadrants should address in the future. Although the ECs' input is vitally important to such a survey, it would also be circulated to trade associations like NARUC, EEI and AGA to seek input from their memberships. The results of these surveys will become part of the RSRC report to the Board.

- Whether the Retail Quadrants should shift their efforts to the identification of best practices for model business practices was discussed. One view is it could be very useful in generating greater interest in NAESB and further promote national uniformity. The other view is it may divert limited resources away from other activities that are already considered relevant and popular, and could be perceived as advocating a particular policy position. It was concluded that this topic needs to be discussed at the EC meeting and Leadership meeting to gauge interest from NAESB's membership.
- The standardization between RTOs and ISOs was also discussed as a need that NAESB is uniquely suited to address. Although many marketers would benefit from this, they are often short staffed and unable to participate in such NAESB efforts. Existing efforts are being under taken by the RTOs and ISOs to reduce their administrative costs. To some degree, existing efforts are also underway in the Wholesale Electric Quadrant (WEQ) where the Joint Interface Council (JIC) ensures that NAESB's role of business practice development is coordinated with RTOs, ISOs and NERC.

Preparation for March 22 Retail Leadership Mtg.:

- Mr. Bourbonnais discussed the Committee's desire to reach out to EEI membership, and Mr. Novak discussed the same with regard to AGA. In both instances, they were encouraged to send NAESB representatives to upcoming meetings to make presentations (see below).
- It was concluded that NAESB would not specifically reach out to invite trade associations to the Retail Leadership meetings until it was better known if and how NAESB can use their assistance in developing NAESB's 2007 Annual Plan. However, NAESB meetings are open and interested party may attend.
- Mr. Bourbonnais offered to draft a "teaser" reminder to be circulated to the Retail Leadership to encourage attendance at the March 22nd meeting.
- The draft agenda will be further revised based on the feedback received from the Joint Retail EC meeting this week.

Other Business:

- Mr. Bourbonnais held discussions with EEI and was encouraged to send a NAESB representative to their Regional National Accounts meeting in Chicago in April. He offered to attend this meeting.
- Ms. Kiselewich and Mr. Novak will discuss with Mr. Precht whether he can represent NAESB at the AGA Rate and Regulation Seminar in Coconut Grove, Florida on April 10-11, 2006.
- Mr. Koogler mentioned the March EEI Economic Regulation and Rates Committee (EERC) meeting in Savannah, Georgia. He offered to attend this meeting.



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Action Items:

- Mr. Bourbonnais will draft a reminder for the Retail Leadership meeting on March 22; RSRC members will return comments on his draft by Wed., Feb. 22; and Mr. Cargas will circulate it to the Retail Leadership. [COMPLETED].
- Mr. Koogler offered to look into provisions of the Energy Policy Act of 2005 requiring state commissions to open rulemaking dockets and adopt uniform rules to determine (i) whether these are topics NAESB can address, and (ii) whether NAESB's process can accommodate the statutory deadlines.
- Mr. Bourbonnais will seek Mr. Ackerman's (EEI) permission before circulating his list of potential topics at the Retail EC and Retail Leadership meetings. [COMPLETED, permission received Feb. 21, 2006].
- Ms. Kiselewich, Mr. Novak and Mr. Koogler will lead a discussion on future work plans and poll the Retail EC members at their Feb. 22 meeting on which Annual Plan "Future Activities" are likely to be taken up in 2007. [COMPLETED].

Upcoming RSRC Conference Calls and Meetings:

- **Friday, Mar. 10th, 10-11am Central (11-12 Eastern).**
- **Wednesday, Mar. 22nd, 2-5pm Central, Retail Leadership meeting.**

Attendance:

	Name:		Organization:	Quadrant(s):
1	William	Bourbonnais	WPS Resources	REQ, RGQ, WEQ, WGQ
2	James	Cargas	NAESB	
3	Dale	Davis	Williams Gas Pipeline	(observer)
4	Ruth	Kiselewich	Baltimore Gas & Electric	REQ, RGQ, WGQ
5	David	Koogler	Dominion	REQ, RGQ, WEQ, WGQ
6	Marcy	McCain	Duke Energy Gas Transmission	RGQ, WEQ, WGQ
7	Mike	Novak	National Fuel Gas Distribution	RGQ, WGQ