



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

TO: Wholesale Gas Quadrant, Wholesale Electric Quadrant, and Interested Parties

FROM: Laura Kennedy, Meeting/Project Manager

RE: Draft Minutes of e-Tariff Meeting February 1, 2007

DATE: February 10, 2007

**WEQ and WGQ E-Tariff Meeting
Washington, DC hosted by Federal Energy Regulatory Commission
February 1, 2007
Draft Minutes**

1. Opening Remarks

Chairman Kelliher made opening remarks.

2. Administrative

Ms. Kennedy gave the antitrust guidelines. Mr. Buccigross welcomed the attendees and reviewed the agenda.

3. Background on e-Tariff presented by Commission Staff

Prior to making comments, Mr. Goldenberg, Sr. Counsel, Office of the General Counsel, OMTR, stated that the views expressed by the Staff during this meeting were not necessarily the views of the FERC or any FERC Commissioner.

FERC Staff provided a work paper prior to this meeting “for advanced background information and the areas in which standards may be required to implement an eTariff database” that was posted on the NAESB e-Tariff page: [Background E-Tariff Information](#). The work paper describes the purpose of the e-Tariff Program and provides examples of basic fields required for the tariff database.

Mr. Goldenberg, Mr. Pierce, and Mr. Nutsch of the FERC provided background information for the participants.

Mr. Goldenberg stated that the FERC began working with GISB and the gas industry fourteen years ago to develop standards for electronic commerce. The FERC is now seeking to develop an efficient mechanism for tariff sheets and the filings that are submitted with tariff sheets to be submitted in a format that can be used in a tariff database. The FERC developed a database program that has been tested by the electric, gas, and oil industries. Industry participants have raised several objections to the FERC database program. As a result, FERC Staff has asked NAESB to work alongside FERC Staff to develop an efficient tariff database and to develop standards and procedures so that an e-tariff program can become a reality. Mr. Goldenberg noted that maintaining historic information is crucial to FERC Staff, especially for rate cases. FERC Staff often need to examine the tariff language as it existed at the time the issues at hand took place. This proves difficult when there have been multiple filings since the time the complaint was filed and when the proposed revisions were accepted in part; suspended in part; and/or objected in part by the FERC or any combination thereof. In addition, FERC Staff receives requests for the paper index for the effective tariff rate schedule at a particular point in time. The paper indices will not be created as the FERC moves toward an e-Tariff filings and database program. The end result will be for the FERC Staff and the industry to be able to determine the effective tariff language at a particular point in time.

Mr. Pierce stated that the e-Tariff filing system needs to manage the tariff sheets and manage the receipt of the tariff accompanying documents. Under the current process, all tariff filings



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

are made on paper. The gas industry currently has the FASTR tool that is outdated. The e-Tariff filing system also needs to have the functionality to: receive the tariff filing, receive the proposed tariff provisions (in either section or sheet format); require the inclusion of sufficient information to allow FERC Staff to duplicate and automate the current paper process of receiving and processing tariff filings and inserting and removing tariff sections while updating the status of those sections. The e-Tariff filing system should also result in providing the ability to search the tariff by metadata and by text.

Mr. Pierce reviewed the XML based tariff maintenance system developed by Staff in 2001. He noted that this system was not embraced by the industries. In 2004, FERC issued a NOPR¹ for the creation of a database of tariffs and tariff filings that supplies the metadata needed to manage tariff sheets. The Applicant's database would always be synchronized with the FERC's view of the tariff in question. The Applicants would also see the same data as the FERC Staff. FERC Staff developed Distributed Software that would allow Applicants to assemble an entire tariff filing in pieces and send the entire package once complete. The Distributed Software would also incorporate the Secretary's rules for submitting filings and would make sure the filing was complete. Thus, Applicants would be less likely to get a rejection for a filing for failure to comply with the Secretary's requirements for that particular type of filing.

4. Requirements for e-Tariff presented by Commission Staff

Mr. Pierce stated that while the FERC Distributed Software is ready to implement now, FERC Staff is open to the development of a web-based interface e-Tariff filing system or to modification of the Distributed Software. He set forth several requirements for a web-based interface e-Tariff filing system:

- FERC would maintain a website to receive tariff filings and tariff provisions or sheets
- Applicants will need to provide sufficient information to trigger docketing and tariff database rules
- Applicants must maintain own tariff database, including any Commission actions, in order to generate the necessary and correct input data for tariff filings
- 3rd Party applications must be updated for any changes in FERC filing requirements or format changes
- A web-based interface e-Tariff filing system would need standards for submission of tariff provisions or sheets to enable management of tariff sheets after receipt

In addition, Mr. Pierce noted that a web-based interface e-Tariff filing system would likely have longer upload and download times than Distributed Software. FERC internal software is not set up to work with a web-based interface e-Tariff filing system at this time and would have to be modified to do so. The current FERC NOPR in effect at this time was written for the development of Distributed Software, so a new NOPR would have to be issued if a web-based interface e-Tariff filing system were developed.

Mr. Pierce stated that he had reviewed the INGAA presentation and that the proposal was in line with what FERC Staff thinks the final product, conceptually, would look like if it is the consensus to develop a web-based e-Tariff filing system.

¹ [Docket No RM05-1-000 "Notice of Proposed Rulemaking, Prototype Testing, and Technical Conference", July 8, 2004.](#)



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

5. Comments from Association of Oil Pipelines

Mr. Milbourne was the speaker on behalf of Association of Oil Pipelines (AOPL). The comments are posted in their entirety on the NAESB e-Tariff page: [Comments from the Association of Oil Pipelines \(AOPL\)](#).

To summarize Mr. Milbourne's comments, AOPL supports the FERC's e-Tariff filing initiative. AOPL shares the FERC's goals as expressed in the e-Tariff NOPR (RM01-5-00). It is AOPL's position that the benefits of an e-Tariff filing solution must outweigh the burdens. Mr. Milbourne emphasized several differences between oil pipeline tariff filings and tariff filings for the gas and electric industries. AOPL supports an alternative to an e-Tariff filing solution for oil pipelines: to continue to allow oil pipelines to submit tariff filings electronically in PDF format using the existing eFiling system.

Mr. Milbourne stated that members of AOPL are concerned about how the e-Tariff effort will proceed. He and other members of the industry are not familiar with NAESB and the NAESB process. He noted that the oil pipeline industry is different from the other FERC regulated industries. The oil pipeline tariffs are very simple. AOPL and its members do not want an e-Tariff filing system to result in requirements that would be overly burdensome for the oil pipeline industry when compared to current oil pipeline tariff filing requirements.

Mr. Buccigross noted that NAESB's scope does not provide for development of standards for oil pipelines. NAESB develops business practice standards for the electric and natural gas industries. All NAESB standards are voluntary. Only when a jurisdictional entity, such as FERC, chooses to adopt NAESB standards as regulations would an organization regulated by the FERC be required to comply with NAESB standards. Mr. Buccigross added that he hoped that whatever standards are developed in the e-Tariff effort would not be inconsistent with the needs of the oil pipeline industry.

Mr. Milbourne asked FERC Staff whether the FERC would go through its NOPR process for any e-Tariff standards submitted by NAESB. Mr. Goldenberg stated that should NAESB submit e-Tariff standards to the FERC, if the FERC chose to adopt those standards, the FERC would issue a supplemental NOPR to incorporate the standards by reference and ask for comment on the new standards.

6. Comments from Interstate Natural Gas Association of America

Mr. Kirk was the speaker on behalf of the Interstate Natural Gas Association of America (INGAA). The comments are posted in their entirety on the NAESB e-Tariff page: [Comments from INGAA](#).

To summarize Mr. Kirk's comments, INGAA supports an e-Tariff filing process. It is INGAA's position that "the transition to e-Tariff should be as simple, efficient and least costly to the industry as possible". The use of sheet-based tariffs should be maintained and gas pipelines should be allowed to continue to use their tariff management programs, while adapting for the metadata required to implement an e-Tariff filing process.

INGAA proposed a solution that would result in a modification to the FERC Online eFiling system using an XML similar format for submission of metadata. Other filing documents would be filed in native format. In addition, Applicants would submit a PDF file of the filing in its entirety to be posted on the FERC eLibrary. Notification of filing acceptance and notification of orders would be made via e-mail. The posted INGAA comments include additional detail of an e-Tariff Filing Architecture Proposal. Mr. Kirk noted that the proposal leaves many details yet to be developed and was intended to serve as general guidance. He added that INGAA and



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

its members have expended considerable time and effort to assist the FERC Staff in the development of an e-Tariff system and are committed to continue with that support.

7. Comments from EEI

Mr. Bartholomot, Ms. Key, Mr. Hairston, and Mr. Lotto were speakers on behalf of the Edison Electric Institute (EEI). The presentation used by EEI is posted on the NAESB e-Tariff page: [EEI Presentation](#). EEI also submitted two additional work papers to aid in their comments: [EEI Sample Tariff in Two Views](#) and [EEI Essential Elements Analysis](#).

Mr. Bartholomot stated that EEI supports FERC's goal of receiving all documents electronically. He stated that the elibrary and efilings systems are dependable, efficient, and easy to use. EEI supports making revisions to the current elibrary and efilings systems to achieve the goals of receiving all documents electronically. Mr. Bartholomot stated that EEI and its members have tested the distributed software and have come to the conclusion that the distributed software is not workable. EEI has included in its presentation an overview of an alternative approach to the distributed software that uses the elibrary and efilings systems to receive electronic filing of tariffs and the related documents and organizes those documents in a way that can be searched and maintained by the FERC.

Ms. Key stated that the database should be used to locate tariffs and related documents, not to create the documents themselves. Ms. Key noted that the documents in question: the tariff and related documents are meant to serve as stand alone legal documents. The database FERC uses to maintain these documents should not have any impacts on the effect of the documents and the documents should not be linked to each other to give the appearance that the documents are not stand alone documents. Ms. Key stated that in most cases, when the documents are created they are e-mailed, redlined, commented on and finalized in most cases in Microsoft Word® format. Technology now provides the ability to search text in a PDF formatted document and in scanned documents using OCR software. Ms. Key stated that elibrary currently has 20-30 pieces of metadata associated with filed documents. Simple enhancements to the current elibrary system by adding the fields of metadata that are needed would be sufficient to meet the FERC's goals to update the FERC tariff filing and maintenance system. The e-Tariff distributed software would require the industry to disaggregate documents into smaller sections of text and then put the sections back together to be viewed or printed. When industry participants tested the distributed software it often took hours to input the information.

Mr. Lotto noted that he spent hours trying to import a table in his existing tariff into the distributed software. The document posted for this meeting titled "EEI Sample Tariff in Two Views" shows a snapshot of a page of Southern California Edison's tariff viewed using Adobe Acrobat Reader®. The second slide shows a snapshot of the same page of Southern California Edison's tariff viewed using the public viewer of the distributed software. Mr. Lotto stated that he was unable to format the table so that it could be viewed correctly.

Mr. Hairston stated that the goal of this effort is to have a database to be used by FERC Staff and the affected industries to include each utility's tariffs, rates, and rate schedules. The proposal presented by EEI would result in the modification of the efilings and elibrary systems to include the metadata fields FERC Staff deems necessary. The EEI proposal would change the advanced search capabilities on the FERC website to enable an elibrary user to search documents. Mr. Hairston stated that it is more feasible to adopt the EEI proposal instead of the FERC distributed software because: efilings and elibrary are widely used by the industry today; the efilings and elibrary currently contain more than a decade's worth of filings and interventions that are linked to the existing and previous tariffs; many of the metadata



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

elements included in the work paper provided by FERC Staff for this meeting already exist in the FERC eLibrary; and modifications to eFiling and eLibrary would be easy to implement: changes could be made without undue delay. Mr. Hairston reviewed EEI's proposal for modifying the current eFiling and eLibrary systems.

Mr. Buccigross asked the EEI speakers to identify the common points of the EEI and INGAA proposals. Mr. Hairston stated that both proposals would provide the ability to file an agreement and retract a current version. Both proposals also concluded that using the current eFiling and eLibrary systems with some modifications would be the most efficient way to obtain the metadata FERC Staff is seeking. Mr. Bartholomot stated that the INGAA and AOPL presentations are supportive of the software already in place.

Mr. Kirk stated that both INGAA and EEI support using FERC Online as the portal and using the eFiling system as the interface. Mr. Kirk added that INGAA's proposal would accommodate FERC Staff's desire to have a tariff management system so filing would be submitted through the FERC Online portal to be loaded into the FERC database, but would also include the ability to attach a PDF version of the filing for posting on eLibrary.

Mr. Milbourne stated that the oil pipeline industry shares the concerns of EEI about the e-Tariff distributed software. Mr. Milbourne added that AOPL does not support the use of the distributed software to create the document because it would be interruptive to business process when trying to create and approve documents to be filed with the FERC. AOPL and its members do not support the requirement to disaggregate the document and support filing as a finished product. AOPL supports using either eLibrary or a separate customer database. Mr. Milbourne added that there should be a way to determine what metadata needs to be collected and at what level the metadata should be attached without undue difficulty.

8. Comments from Texas Pipeline Association

Mr. Baskin was the speaker on behalf of the Texas Pipeline Association (TPA). The comments of the TPA are posted in their entirety on the NAESB e-Tariff page: [Comments from Texas Pipeline Association](#). Mr. Baskin provided an overview of the filing requirements for intrastate pipelines providing 311 service. Mr. Baskin stated that TPA supports an electronic filing system that accommodates the differences in filing requirements that would not result in burdensome filing requirements for intrastate pipelines. Mr. Baskin concluded his remarks by stating that the TPA hopes to work with the participants to "develop a system that will work for all stakeholders without unduly burdening any one of the stakeholders."

9. Plan for Addressing Needs of Industry and FERC

Mr. Buccigross stated that NAESB will publish a calendar of meeting dates. The meetings will take place in Houston unless someone volunteers to host elsewhere. Mr. Buccigross provided an overview of the NAESB process and noted that all NAESB meetings are accessible by phone and when applicable web conferencing. For the next meeting, NAESB will post a presentation that describes the NAESB process in graphic format. The effort will be assigned to a cross quadrant subcommittee of the WEQ and WGQ. The subcommittee will develop the standards. The final product will be posted as a recommendation for thirty day comment period during which any interested party can submit comments. After the expiration of the comment period, the WEQ and WGQ Executive Committees will consider all comments and vote on the recommendation. The Executive Committee voting requirement for adoption of standards requires a super majority vote. The Executive Committees can modify the standards based on discussion and comments. If the Executive Committees adopt standards, the standards are posted for a thirty day ratification ballot. All members of the WEQ and WGQ will be eligible to vote on the ratification ballot. The standards are then filed with the FERC.



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

Mr. Grimm asked whether FERC Staff would set forth the requirements they need for the e-Tariff metadata elements, etc. before the NAESB Subcommittee drafts standards that may or may not meet FERC Staff's requirements. Mr. Pierce stated that the standards and requirements needed will vary depending on the platform the industries choose to move forward. Mr. Pierce stated that the document FERC Staff submitted as a work paper for this meeting focused on filing of tariffs.

Mr. Milbourne stated that while the members of AOPL are free to attend NAESB meetings and free to make comments, members of AOPL do not have a place within NAESB to vote on standards. In addition members of AOPL do not have the resources to attend numerous meetings. In light of the simple nature of the oil pipeline tariffs and tariff filings, AOPL and its members are concerned about an end result that would require a burdensome filing process for oil pipelines that does not exist today. Mr. Buccigross stated that any standards ratified by NAESB are voluntary. NAESB does not have the ability to require that any organization, whether member or non-member, comply with its standards. Assuming standards are adopted for this effort, they will be filed with the FERC. It will be the decision of the FERC whether to require industries to comply with the standards submitted by NAESB through incorporation into the Federal Regulations. It is likely that the FERC would propose to incorporate the standards through the NOPR process, which would provide the oil pipeline industry the ability to submit comments.

Mr. Goldenberg stated that FERC Staff is willing to work with NAESB to move forward with this e-Tariff effort. FERC Staff plans on attending some of the meetings. Mr. Goldenberg stated that the requirements should include a method to create an effective tariff from a sheet; should include the ability to see the historical status to show what the tariff language was at a particular point in time. Mr. Goldenberg noted that for smaller kinds of tariffs and contracts FERC would be willing to accept the entire filing as one sheet. That type of filing would not be acceptable for the typical gas pipeline tariffs or ISO and RTO tariffs.

Ms. Nagle asked if the electric tariffs and gas tariffs have to use the same platforms. Mr. Pierce stated that FERC does not have the desire to support five different filing and database management systems.

Mr. Bartholomot asked whether a proposed elibrary application would be considered by FERC Staff. Mr. Goldenberg stated that the problem with using elibrary is that elibrary maintains documents filed for the entirety for the document. He stated that if everyone agreed to file the entire document every time a tariff filing is made, then elibrary may be a solution. He stated that he did not think that entities would want to file the entire tariff each time a modification is requested.

Ms. Nagle asked whether FERC Staff supported using a section based tariff system and if so does everyone need to move to the section based system. Mr. Pierce stated that FERC Staff does not prefer one method over the other. Mr. Pierce added that the INGAA presentation is similar to what FERC Staff would be willing to accept as long as the metadata needed is included.

Ms. Van Gordon stated that FERC Staff wants to be able to reference the page before and the page after the proposed revision. The goal is to create a baseline tariff in the software. Ms. Van Gordon asked if elibrary could be modified to include the baseline and then include the sheet by sheet filings. Mr. Pierce stated that elibrary is an archival database not designed to be a dynamic database. He stated that the task of the NAESB Subcommittee is to create the appropriate metadata standards to create filings. FERC Staff maintains the decision on how they will process using downstream software and database maintenance remains with FERC.



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

FERC Staff also maintains the determination of how to provide the information to the public. Mr. Goldenberg added that FERC Staff is not fixed on using the distributed software, but once the industry determines how the information will be submitted, FERC Staff will determine what will be done with the information.

Ms. Van Pelt stated that NAESB standards govern the relationship between parties in the industry or the performance and expectations. NAESB standards do not typically affect the relationship between a regulating entity and parties in the industry. She stated that Panhandle Eastern Pipe Lines thought that NAESB would take on an administrative role to bring parties together for this effort rather than act as a standards setting body. She stated that when the Docket for e-Tariff was included as a Provisional Item on the WGQ 2007 Annual Plan it was an effort to be responsive to what came out of the FERC Docket.

10. Organization, Tasks and Assignments

After further discussion, Mr. Buccigross stated that a series of meetings would be scheduled with the first meeting taking place no sooner than one month from now. Mr. Bartholomot volunteered EEI to host one of the meetings. All meetings will be accessible via phone and web conference.

Mr. Buccigross stated that the WEQ and WGQ would form a joint Subcommittee for this effort.

11. Next Steps and Meetings

NAESB will work with those who volunteer to host meetings to schedule several meetings with the next meeting no sooner than one month from today. NAESB will post a call for work papers once the next set of meetings is scheduled.

12. Adjournment

The meeting adjourned at 3:23 PM Eastern.

13. Attendees in Person

Attendee	Organization
Michael Alexander	Duke Energy
Marianne Alvarez	Exelon Corporation
Pat Barry	Northern Natural Gas
Henri Bartholomot	Edison Electric Institute
Lee Baskin	Kinder Morgan & Texas Pipeline Association
Louise Bradford	Panhandle Energy Pipelines
Mary Brosnan	NiSource
Jim Buccigross	8760, Inc.
Kathryn Burch	Spectra Energy Transmission
Christopher Burden	Williams Gas Pipeline
Jay Carriere	Mid American Energy Holdings Co.
Amy Castronovo	Enbridge, Inc.
Marg Caurardello	Transco
John Ciza	Southern Company Generation
Breanne Clarke	El Paso Corporation - Western Pipelines
Patty Cox	CenterPoint Energy



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

Valerie Crockett	Tennessee Valley Authority
John Cutting	New York ISO
Kate Daley	INGAA
Dale Davis	Williams Gas Pipeline
Rhonda Denton	BP Energy Company
Roy Dewitt	El Paso Corporation - Western Pipelines
Elizabeth Dieterich	Entergy
Bud Earley	Allegheny Energy, Inc.
Chris Folkes	FERC
Les Fyock	APGA
Michael Goldenberg	FERC
Mark Gracey	Tennessee Gas Pipeline
Machelle Grim	Dominion
Jerry Gross	Questar Pipeline Co.
KC Hairston	Balch & Bingham
Brian Hall	CenterPoint Energy
Maurene Hamilton	Panhandle Energy Pipelines
Larry Jensen	Discovery/Black Marlin
Brian Kaeser	Dominion
Andrea Katz	Northeast Utilities
Andrea Kells	Bracewell & Giuliani
Laura Kennedy	NAESB
Jennifer Key	Steptoe & Johnson
Steve Kirk	Northern Natural Gas
Sneha Kohli	FERC
Ralph Kravis	Unicon
Gary Kravis	Unicon
Len Levine	Leonard B. Levine & Associates
Marcus Lotto	Southern California Edison Company
Paul Love	Natural Gas Pipeline
James Mauldin	FERC
Marcy McCain	Spectra Energy Transmission
Rae McQuade	NAESB
Dan Mihalik	AOPL
Steve Milbourne	AOPL/Buckeye Partners
Jeff Molinaro	Enterprise Products
Lynn Myers	Southern California Edison Company
Molly Nagle	Tennessee Gas Pipeline
David Nick	DTE Energy



North American Energy Standards Board

1301 Fannin, Suite 2350, Houston, Texas 77002

Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org

Home Page: www.naesb.org

Casey Nutsch	FERC
Gordon Pennington	Attorney for United Illuminating
Keith Pierce	FERC
Mark Pierce	Spectra Energy Transmission
Jan Rogers	Chevron Pipe Line
Sue Rosenberg	Self
Marv Rosenberg	Self
Matthew Royalty	Southern Star
Cesar Seymour	Suez Energy
Toni Sharp	Kern River Gas Transmission
Demce Simpson	Ameren
Virginia Snyder	PJM Interconnection
Mike Stender	El Paso Natural Gas
Priya Swamy	Dominion
Cindy Thompson	Southern Star Central Gas Pipeline
Kathy Thornton	Enbridge, Inc.
Marianna Toma	Morgan Lewis & Bockius
Pat Van Midde	SDG&E
Michelle Van Gordon	Midwest ISO
Kim Van Pelt	Panhandle Energy Pipelines
Mark Vaughn	NiSource
Marshia Youngleed	Williams
Don Zeiszler	Williston Basin Pipeline