

North American Energy Standards Board

Organizational Profile

Organization by Quadrant and Segment

Wholesale Gas - 5 Segments

1. End Users
2. Local Distribution
3. Pipelines
4. Producers
5. Services

Retail Gas - 4 Segments

1. End Users
2. Distributors
3. Service Providers
4. Suppliers

Wholesale Electric - 6 Segments

1. End Users
2. Distribution/LSE
3. Transmission
4. Generation
5. Marketers/Brokers
6. Independent Grid Operators/Planners

Retail Electric - 4 Segments

1. End Users
2. Distributors
3. Service Providers
4. Suppliers

North American Energy Standards Board

Organizational Profile

Two Governing Bodies with identical structures -

Board of Directors - strategic direction, financial well being, annual planning for standards development, coordination of activities with other groups

Executive Committee - Carries out the annual plan, develops and maintains the standards and business practices through its subcommittees and task forces

North American Energy Standards Board Organizational Profile

NAESB - Board of Directors

107 Members

Electric Wholesale
Quadrant (42)

Gas Wholesale
Quadrant (25)

Electric Retail
Quadrant (16)

Gas Retail
Quadrant (24)

The Board meets "en banc" to consider and act on all items brought before it. For the Board, each quadrant is composed of segments determined by that quadrant. For a given quadrant, each segment's representatives on the Board will have an equal number of members. Each quadrant has an equal voice in voting and each segments' interests are balanced within that quadrant.

Executive Committee (EC)

107 Members

Electric Wholesale
Quadrant (42)

Gas Wholesale
Quadrant (25)

Electric Retail
Quadrant (16)

Gas Retail
Quadrant (25)

The Executive Committee meets and acts with specific quadrants acting on applicable standards. For the Executive Committee as with the Board, each quadrant is composed of segments determined by that quadrant. For a given quadrant, each segment's representatives on the EC will have an equal number of members. Each quadrant has an equal voice in voting and each segments' interests are balanced within that quadrant.

Triage Committee

Standards Development Subcommittees

North American Energy Standards Board Organizational Profile

The WEQ uses sub-segments within segments to provide additional balance at the Board and Executive Committee:

Segment	Subsegment & Number of Board or EC Seats
IGO	7 seats
Transmission	Muni/Coop (1), Fed/State/Prov (1), IOU (2), ITC (2), At Large (1)
Generation	Muni/Coop (1), Fed/State/Prov (1), IOU (2), Merchant (2), At Large (1)
Marketers	Muni/Coop (1), Fed/State/Prov (1), Not IOU Affiliated (2), IOU Affiliated (2), At Large (1)
Distribution	Muni/Coop (2), IOU (2), Competitive Retailer (1), Other (1), At Large (1)
End Users	End Use (1), Regulator (1), Residential Commercial (1), Large Industrial (2), End Use Self Generation (1), At Large (1)

North American Energy Standards Board

2008 WEQ Executive Committee

Transmission Segment

Patrick McGovern, Georgia Transmission Corporation	Muni/Coop
Steven C. Cobb, Salt River Project	Fed/State/Prov
Dean Ulch, Southern Company Services	IOU
Edward Davis, Entergy Services, Inc.	IOU
Bob Harshbarger, Puget Sound Energy	at large
Michelle Mizumori, Western Electricity Coordinating Council	At-Large

Generation Segment

William J. Gallagher, Vermont Public Power Supply Authority	Muni/Coop
Kathy York, Tennessee Valley Authority	Fed/State/Prov
Jalal Babik, Dominion Resource Services, Inc.	IOU
John Ciza, Southern Company Services	IOU
Ron Mucci, representing Entegra Power Group LLC	Merchant
Gary Hinners, Reliant Energy, Inc.	at large
Neal Balu, Wisconsin Public Service Corporation	at large

Marketers/Brokers Segment

Clay A. Norris, North Carolina Municipal Power Agency #1	Muni/Coop
Belinda Thornton, Tennessee Valley Authority	Fed/State/Prov
Ralph Honeycutt, SUEZ Energy Marketing, NA, Inc.	Not IOU Affiliated
Mark Mitchell, Salt River Project	at large
John Apperson, PacifiCorp Energy	IOU
Roy True, ACES Power Marketing	at large
Barry Green, representing Electric Power Supply Association	at large

Distribution/Load Serving Entities Segment

Robert Williams, Florida Municipal Power Agency	Muni/Coop
W. Shannon Black, Sacramento Municipal Utility District	Muni/Coop
Alan Pritchard, Duke Energy Corporation	IOU
Jeffrey C. Mueller, Public Service Electric and Gas Company	IOU
Robert Martinko, FirstEnergy Service Company	at large
Syd Berwager, Bonneville Power Administration	Other
Andy Rodriquez, NERC	At-Large

End Users Segment

Lou Ann Westerfield, representing National Association of Regulatory Utility Commissioners	Regulator
Paul Sorenson, Open Access Technology International, Inc.	At-Large

Independent Grid Operators/Planners Segment

Stu Bresler, PJM Interconnection
Jim Castle, New York Independent System Operator, Inc.
Matt Goldberg, ISO New England, Inc.
Anjali Sheffrin, California ISO
Joel Mickey, Electric Reliability Council of Texas
Ed Skiba, Midwest ISO
Charles Yeung, Southwest Power Pool

North American Energy Standards Board Organizational Profile

A
n
n
u
a
l

P
l
a
n
s

Board of Directors

- Financial Authority
- Strategic Plans
- Direction of the Organization & Setting the Annual Plans

Strategy & Issue Definition

Organizational Structure & Support

Membership

Legal & Operational Procedures

Liaisons

Executive Committee

- Standards Development
- Tactical Implementation of the Annual Plan

Business Practices

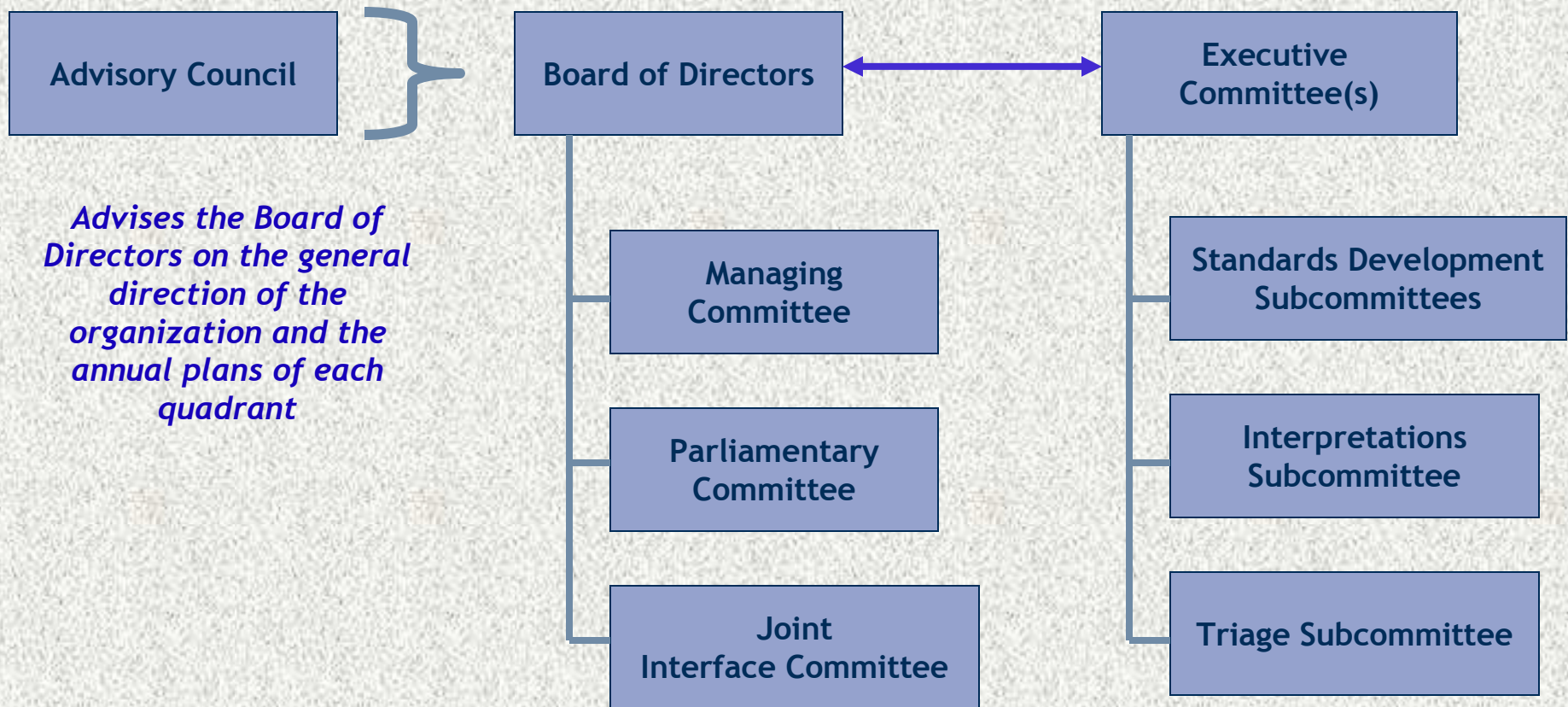
Coding & Data

Technical Mapping

Interpretations

Communication Protocols

North American Energy Standards Board Organizational Profile



North American Energy Standards Board Governing Documents

Governing Documents

North American Energy Standards Board Governing Documents

- ❖ **Certificate**
- ❖ **Bylaws**
- ❖ **Quadrant Procedures**
- ❖ **NAESB Operating Practices**
- ❖ **Board Motions**
- ❖ **Various Memoranda of Understandings**

North American Energy Standards Board

Process For Standards Development

❖ ANSI Principles of Standards Development

- ❖ Open. Any materially affected and interested party has the ability to participate.
- ❖ Balance and Lack of Dominance. The consensus body shall be balanced and shall not be dominated by any single interest category or organization.
- ❖ Due Process. All objections shall have an attempt made towards their resolution. Interests who believe they have been treated unfairly shall have a right to appeal.
- ❖ Consensus. More than a majority but not necessarily unanimity.
- ❖ Voluntary. Standards are not binding unless adopted by a governmental entity as part of a code or set of regulations.

North American Energy Standards Board

Process For Standards Development

❖ Voluntary Standards

- ❖ From the organization's perspective, all standards are voluntary and may be provided to regulatory agencies as status reports as they are published.
- ❖ The standards and model business practices may incorporate regional or operational differences
- ❖ Regulatory agencies may choose to adopt standards or model business practices, but NAESB will not advocate such action.
- ❖ The organization will not monitor for compliance, provide performance measures for compliance, nor will it define sanctions for non-compliance.
- ❖ The organization will not advocate before any regulatory body.

North American Energy Standards Board

Process For Standards Development

❖ Relationship of NAESB Standards and Model Business Practices to Policy

- ❖ NAESB does not set policy.
- ❖ We defer to state and federal agencies in determining policy.
- ❖ Our work products are intended to focus on the implementation of policy decisions by providing a road map for the interactions between the various parties.
- ❖ Our standards and model business practices recommend practices for alternative regulatory models but leave the decision as to the appropriate policy or model to the regulators.

North American Energy Standards Board

Process For Standards Development

❖ Scope of work that we can undertake to develop standards and model business practices

- ❖ NAESB's scope is cited in the NAESB Certificate (Article 2, section 1):
- ❖ “The objects and purposes of NAESB are to propose and adopt voluntary standards and model business practices designed to promote more competitive and efficient natural gas and electric service, as such standards apply to electronic data interchange (“EDI”) record formats and communications protocols and related business practices that streamline the transactional processes of the natural gas and electric industries.”

North American Energy Standards Board

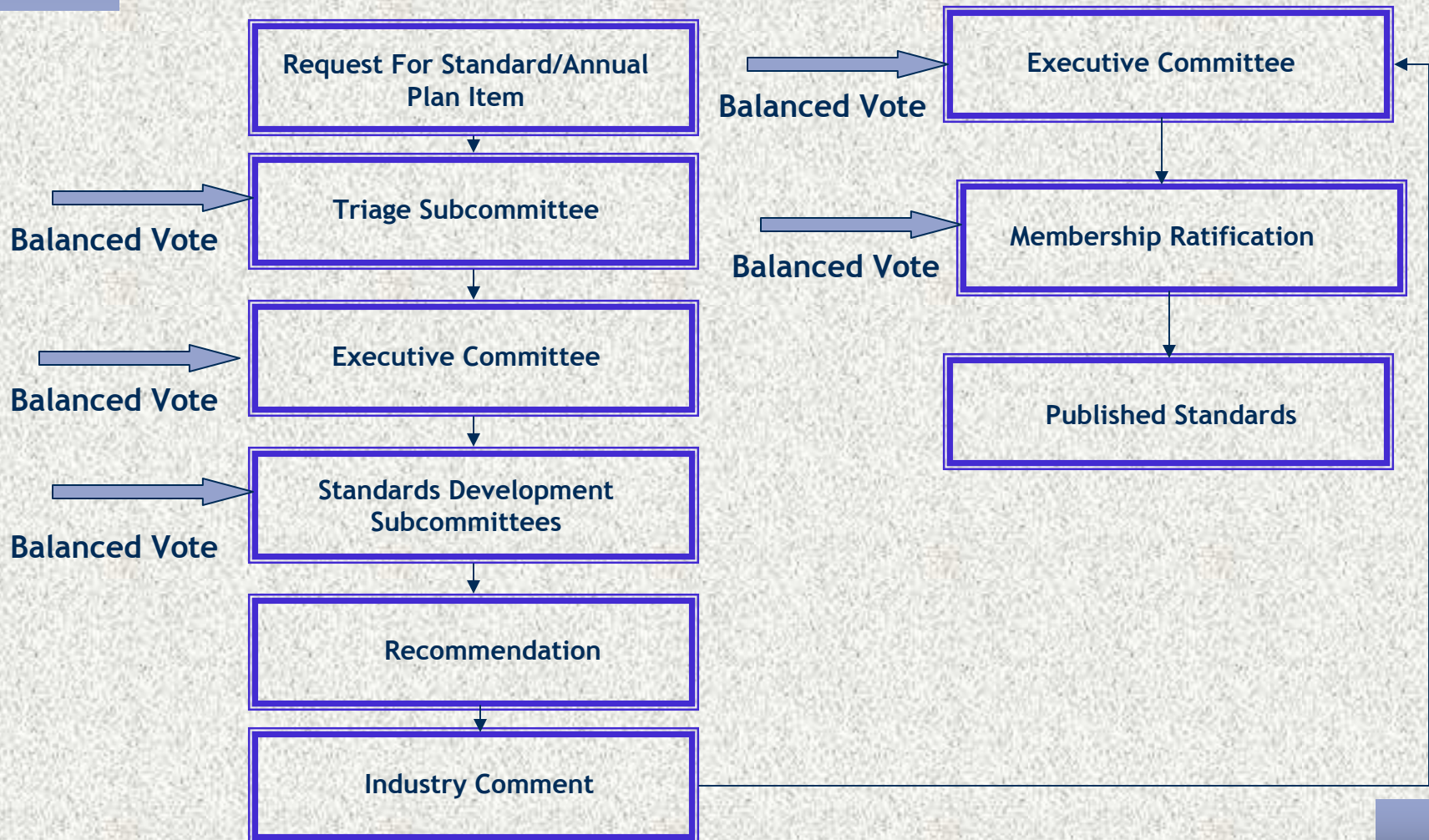
Process For Standards Development

How do the members create the standards?

- ❖ We average 30-35 meetings or calls per month
- ❖ We average more than 450 participants by phone per month
- ❖ We offer web casting to assist in the conference calls
- ❖ All participants, regardless of NAESB membership status, are welcomed to the meetings and subcommittee efforts

North American Energy Standards Board

Process For Standards Development



North American Energy Standards Board

Process For Standards Development

❖ Voting Rules

- ❖ Business subcommittees utilize a "balanced" segment voting process to forward recommendations on standards development
- ❖ Voters are not required to be members in subcommittees
- ❖ Executive Committee approval requires a "super-majority"
- ❖ Membership ultimately ratifies all standards development

North American Energy Standards Board

Process For Standards Development

Board of Directors -- (governance)	75% of each quadrant 40% of each segment
Executive Committee -- (standards)	67% of each quadrant 40% of each segment
Subcommittees -- (proposed standards)	50% Balanced Across Segments of each quadrant balanced voting in the segments**

****** Each segment has up to two votes apportioned equally over those segment attendees present; one company - one vote

North American Energy Standards Board

Process For Standards Development

❖ Other Actions

- ❖ Minor Corrections
- ❖ Models
- ❖ Interpretations
- ❖ Standards Manual Text - Illustrations, Business Process descriptions

North American Energy Standards Board NAESB Efforts - Interactions with FERC

Interactions with FERC

North American Energy Standards Board

NAESB Efforts - Interactions with FERC

NAESB Filing of standards with FERC

- ❖ All wholesale electric and wholesale gas standards that are federally jurisdictional are filed with the FERC
- ❖ The standards themselves and any standards that failed to pass due to a segment vote failure are forwarded
- ❖ The NAESB record of minutes, work papers, voting, comments related to the standards are forwarded, including all minority positions noted in comments
- ❖ Related transcripts are made available to FERC and can be purchased by any other interested party
- ❖ Any regulatory agency can request access to or copies of NAESB standards

North American Energy Standards Board

How to Contact NAESB

North American Energy Standards Board

How to Participate

- ❖ Join the distribution lists on the NAESB Web Site : www.naesb.org
- ❖ All meetings are open and accessible via telephone
- ❖ All materials are posted on the NAESB web site
- ❖ Your comments are welcome and will be posted on any NAESB standards issues
- ❖ If you are not a member, but are interested in membership, please call the NAESB Office: 713-356-0060

North American Energy Standards Board

Web Site Information and Contacts

- ❖ Web Site : www.naesb.org
 - ❖ Quadrant Procedures, Bylaws, Certificate for NAESB
 - ❖ Calendar of Meetings, Agendas, Work Papers, Comments
 - ❖ Board minutes, EC Minutes, How to order Transcripts
 - ❖ Standards and Related Work Products
 - ❖ Membership Information
- ❖ Contact Information
 - ❖ Phone - 713-356-0060
 - ❖ Fax - 713-356-0067
 - ❖ Email - naesb@naesb.org
 - ❖ For further information on the organization, please contact Veronica Thomason (713-356-0060, naesb@naesb.org)

North American Energy Standards Board

How To Monitor Activities

- ✓ **Monthly Update Calls:**
http://www.naesb.org/monthly_update.asp
- ✓ **Review updated annual plans quarterly:**
<http://www.naesb.org/materials/gov.asp>
- ✓ **Review Board minutes quarterly:**
http://www.naesb.org/weq/weq_bod.asp
- ✓ **Sign up for email distribution notices on subcommittees of interest:**
http://naesb.org/member_login_form2.asp?doc=mail_register.cfm
- ✓ **Call NAESB office (713-356-0060, naesb@naesb.org)**