

North American Energy Standards Board

NAESB Review

The North American Energy Standards Board

The Standards Process

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.

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

NAESB Review

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.

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.”*

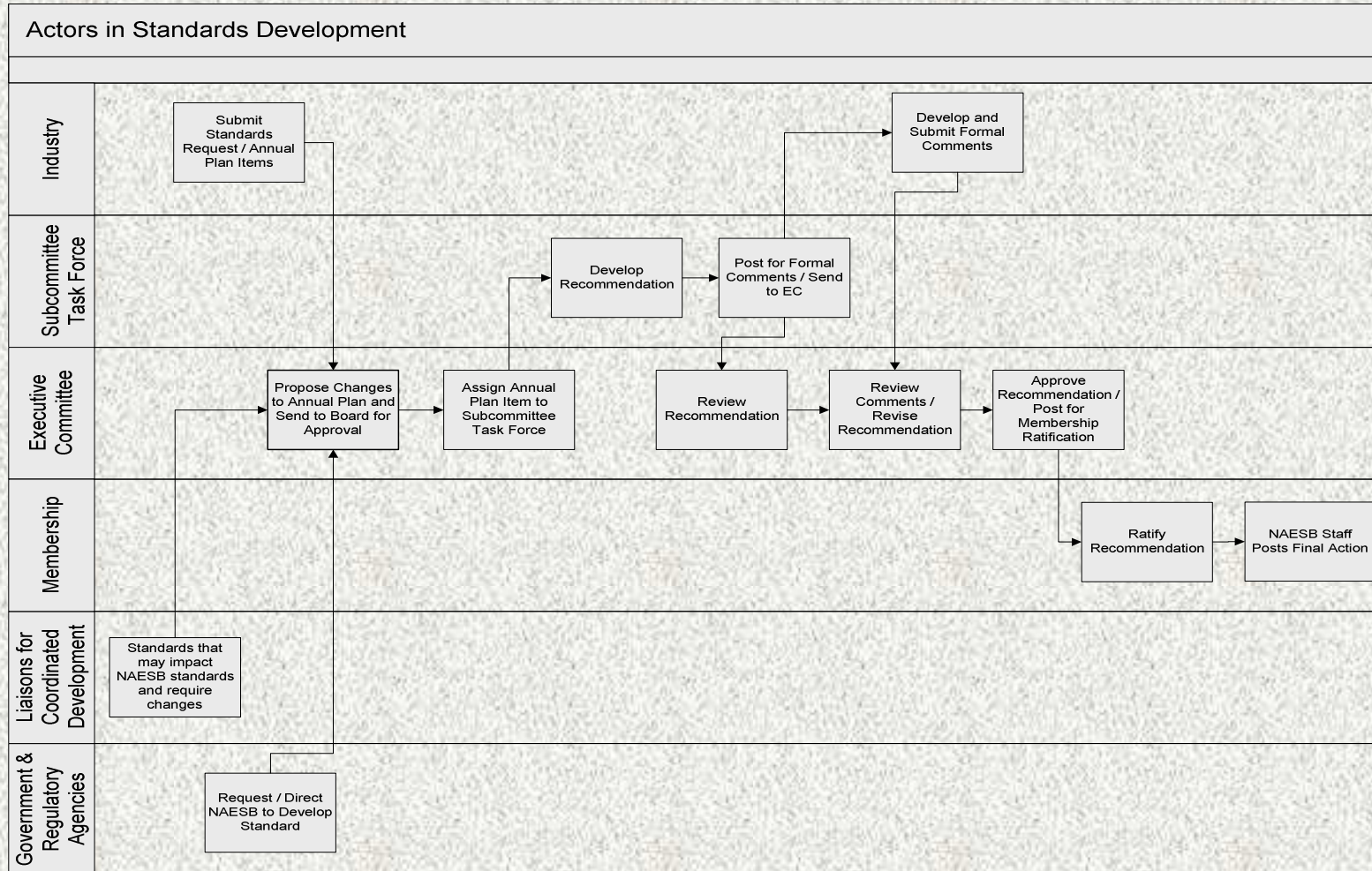
How do the members create the standards?

- ❖ We average more than 300 meetings or calls per year
- ❖ We average more than 800 participants by phone/attendance 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 and can draft standards and vote on recommendations in subcommittees

How fast can standards be developed?

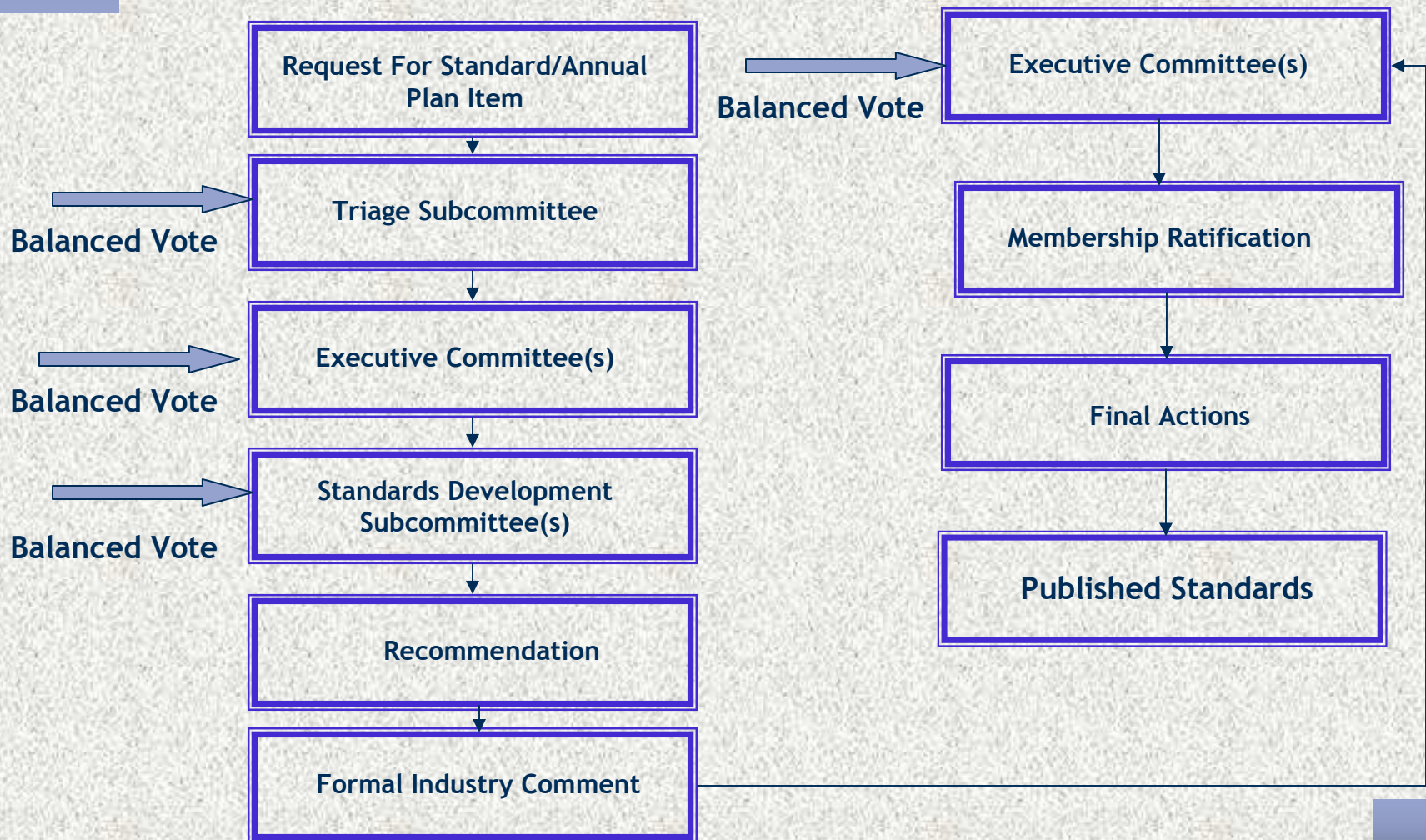
- ❖ Typically standards development takes 12 months
- ❖ It can take longer when the underlying policy is not well understood, the subject matter is complex with many regional or operational differences to be accommodated or the industry has significant opposition
- ❖ It can be accelerated (down to 4 months) if the policy is well understood, executives are willing to champion it, regulators are clear that it should have priority

North American Energy Standards Board NAESB Review



North American Energy Standards Board

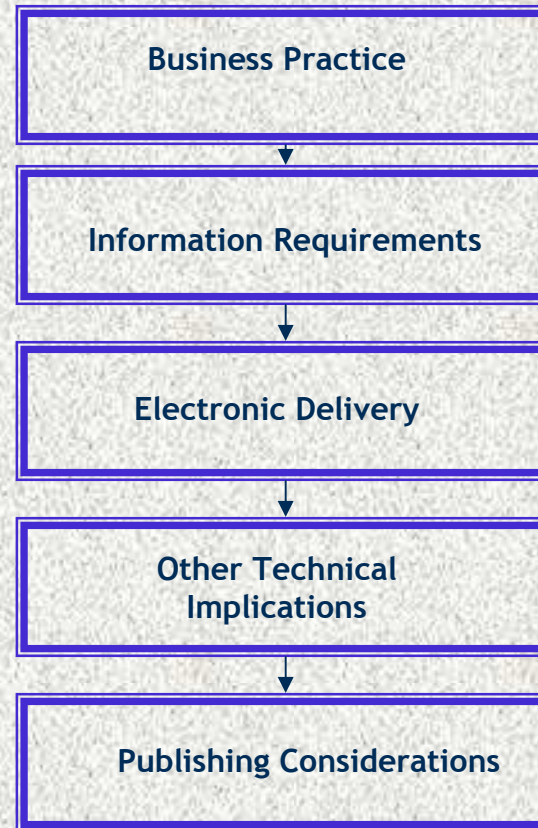
NAESB Review



North American Energy Standards Board

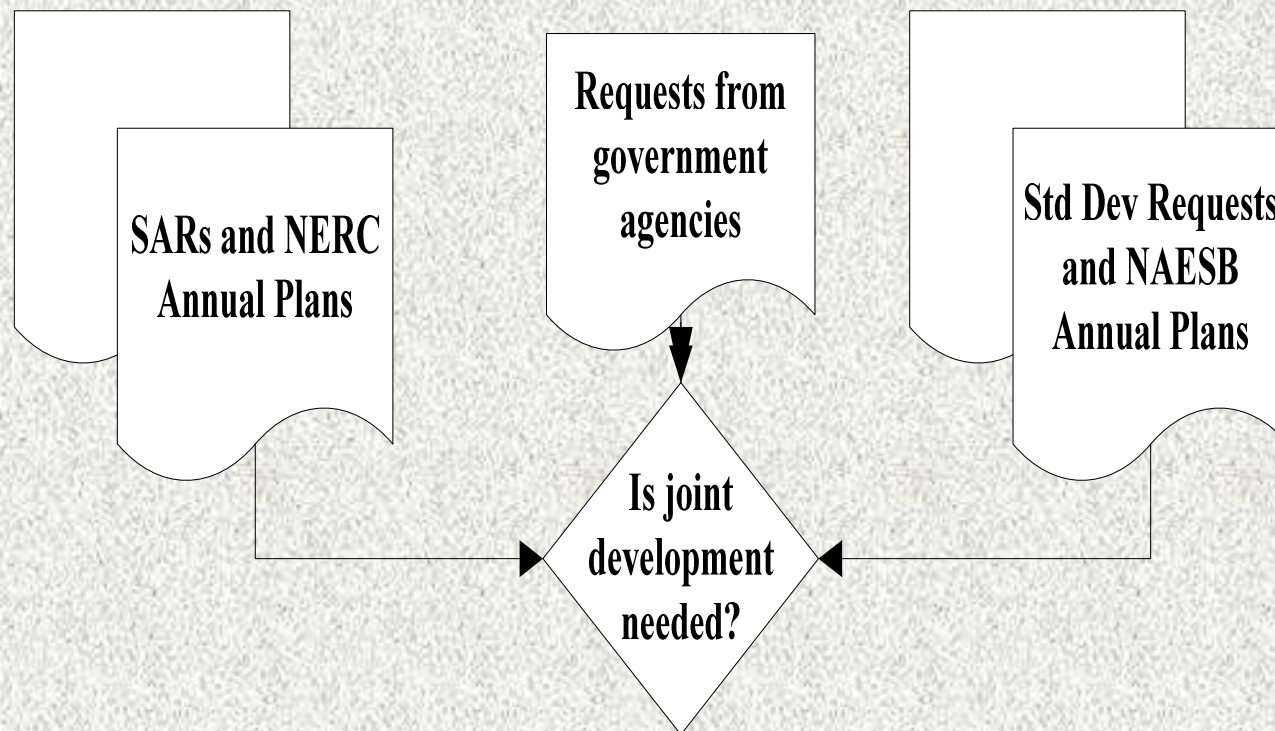
NAESB Review

**Full
Staffing**



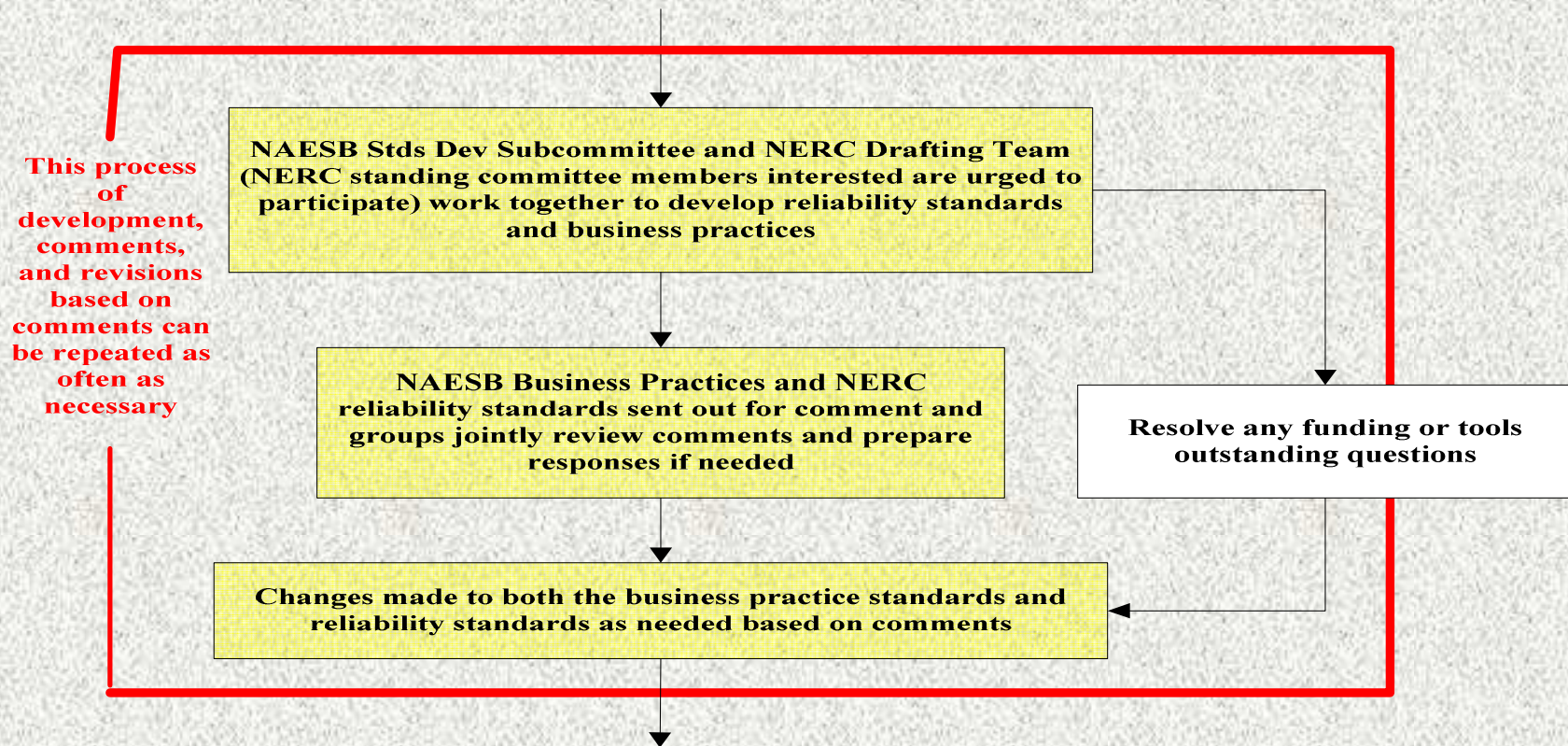
North American Energy Standards Board NAESB Review

NERC-NAESB Joint Standards Development



North American Energy Standards Board NAESB Review

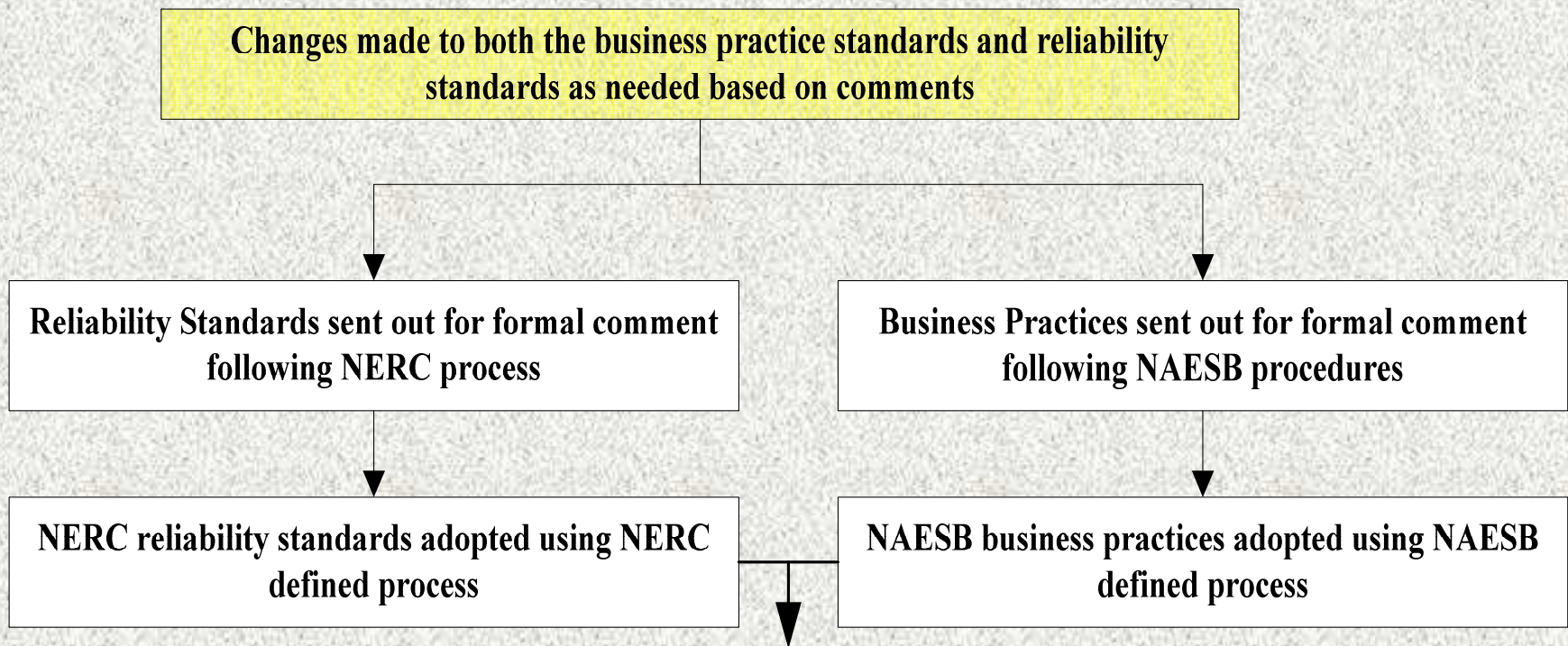
NERC-NAESB Joint Standards Development



North American Energy Standards Board

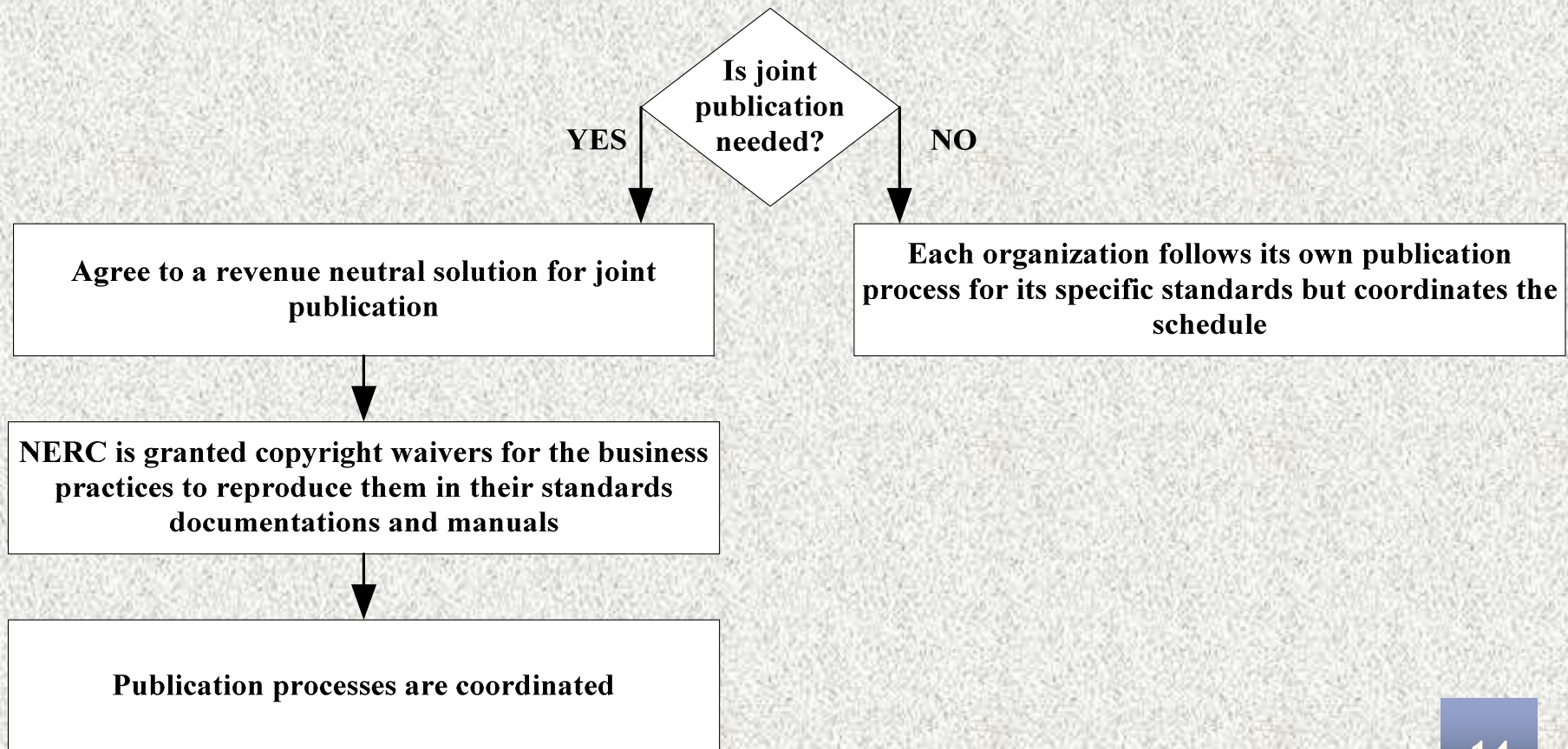
NAESB Review

NERC-NAESB Joint Standards Development



North American Energy Standards Board NAESB Review

NERC-NAESB Joint Standards Development



North American Energy Standards Board

NAESB Review

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

NAESB Review

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**

* Segment voting is applied to fully populated segments

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

❖ Other Actions

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

North American Energy Standards Board

NAESB Review

- ❖ Standards development based on an Annual Plan and initiated by request or annual plan item
- ❖ Balanced voting structure at EC and subcommittees
- ❖ Multiple opportunities for involvement and comment
- ❖ Defined process for standards development with several tiers of voting to ensure broad based support

NAESB Copyright Policy

North American Energy Standards Board

NAESB Review

- ❖ All NAESB standards are copyrighted:
 - ❖ Exclusive Rights provided under the Copyright Act are held by the owner
 - ❖ These rights include: reproduction, distribution, adaptation and display
 - ❖ Limited monopoly over use
- ❖ Copyright Infringement
 - ❖ Copyright infringement is normally dealt with by the owner
 - ❖ Rights include: injunction, impoundment, destruction, actual damages, seizure of profits, court costs and attorney's fees, and
 - ❖ Statutory damages from \$750 to \$150,000 per infringement
 - ❖ Willful infringement is more punished

North American Energy Standards Board

NAESB Review

- ❖ **NAESB Reasons for Copyrighting:**
 - ❖ We want our standards to be distributed by us alone to ensure their integrity and to be certain that the most current standards are used
 - ❖ NAESB's income, by which we discharge our mission, depends upon revenue from the sale of our standards

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

NAESB Filing of standards with FERC

- ❖ Filings at the Commission take the form of:
 - ❖ A full version or set of standards,
 - ❖ A set of standards (final actions) for a single topic that will later be incorporated into a full version,
 - ❖ Minor corrections, and
 - ❖ Comments or status reports.

NAESB Filing of standards with FERC

- ❖ For full version filings or filings of final actions that address a specific topic, the format is similar:
 - ❖ A listing of the standards that have changed or been created and the related final actions
 - ❖ The requests or annual plan items that initiated the standards or standards changes
 - ❖ The EC meetings, transcripts, voting records and comments related to the standards and standards changes
 - ❖ For full version filings, a listing of any of the standards that were also a subject of single topic filings

North American Energy Standards Board

NAESB Review

Using the NAESB Web Site

North American Energy Standards Board

NAESB Review

- ❖ How to find a request?
- ❖ How to follow a subcommittee, Board or Executive Committee?
- ❖ How to sign up for email notices for subcommittees?
- ❖ How to follow a recommendation?
- ❖ Who is on the Board or EC, who is a member?
- ❖ Who has legal copies of standards?
- ❖ How to access standards? interpretations? minor corrections?
- ❖ How to access the governance documents?
- ❖ How to access NAESB filings, bulletins?
- ❖ How to access action items and calendars?

North American Energy Standards Board

NAESB Review

How to find a request?

- ❖ Link: http://www.naesb.org/weq_request.asp - the quadrant main page
- ❖ Requests are listed most current first
- ❖ Requests are numbered with the year they were submitted followed by a sequential number
- ❖ Requests are separated by quadrant
- ❖ Requests include a brief description, the requestor, and the subcommittee to which it was assigned

North American Energy Standards Board

NAESB Review

How to follow a subcommittee, Board or Executive Committee?

- ❖ Link: <http://www.naesb.org/weq/default.asp> - the quadrant main page
- ❖ General Information is listed first, followed by active groups, then inactive groups
- ❖ For the groups, the meetings are listed by date, most current first
- ❖ Location, status of web casting, agenda, minutes and work papers are posted by meeting date
- ❖ Work papers can include maps to the meetings and nearby hotels
- ❖ Access any of the materials posted through the links provided in the table

North American Energy Standards Board

NAESB Review

How to sign up for email notices for subcommittees?

- ❖ From the Home Page - email subscriptions
- ❖ With few exceptions, this is a membership benefit and you will need a username and password
- ❖ Usernames and passwords are individually assigned to employees of member companies
- ❖ NAESB reserves the right to restrict registration and participation in NAESB Mail to enforce the NAESB Privacy Policy or to otherwise protect the interests of its member companies.
- ❖ Upon completing the general registration form (below), an e-mail will be sent to your designated e-mail address, confirming your e-mail address and signifying your willingness to participate in NAESB Mail.

North American Energy Standards Board

NAESB Review

How to sign up for email notices for subcommittees?

- ❖ Contained in that confirmation message will be a link where you will select the individual mailing lists you wish to join. You can expect to begin receiving e-mails from naesbmail@naesb.org within twenty-four hours of completing the registration process.
- ❖ If you already participate in NAESB Mail but would like to change the NAESB quadrants or subcommittees to which you are subscribed, instructions will be provided in the NAESB Mail Account Manager form.

North American Energy Standards Board

NAESB Review

How to follow a recommendation?

- ❖ Link: http://www.naesb.org/weq_request.asp
- ❖ Recommendations are listed by request number or annual plan number, most current first
- ❖ Comments filed on the recommendation are provided
- ❖ EC meeting(s) during which the recommendation is considered and voted out are indicated.
- ❖ Ratification of an approved recommendation is by date the ballot is provided to the members. In addition to the recommendation, the ballot results and any comments are provided.
- ❖ Final actions can be accessed from the quadrant page.

North American Energy Standards Board

NAESB Review

Who is on the Board or EC, who is a member?

- ❖ The Board roster is on the Board page
- ❖ The EC roster and roster of alternates is on the EC page
- ❖ The members can be found on the main page
- ❖ The leadership roster is found on the main quadrant page

North American Energy Standards Board

NAESB Review

Who has legal copies of standards?

- ❖ The copyright report can be accessed from the home page
- ❖ The report is updated monthly
- ❖ All interested parties have access to the report, including regulators
- ❖ The report includes the copyright policy and language for each publication as well as the non-member companies who have purchased the standards
- ❖ The entries on the report are sorted by company name

North American Energy Standards Board

NAESB Review

How to access standards? interpretations? minor corrections?

- ❖ Standards are accessed from the quadrant main page and require a username and password
- ❖ Standards can be ordered from the forms available on the home page
- ❖ Interpretations are treated as standards and can be accessed from the quadrant main page - both for the requests and the interpretations resulting from the requests
- ❖ Minor Corrections can be accessed from the quadrant main page - both for the requests and the minor corrections resulting from the requests

North American Energy Standards Board

NAESB Review

How to access the governance documents?

- ❖ Governance documents are accessed from the home page
- ❖ They include the certificate, bylaws, quadrant procedures, standard operating practices, policies and other documents
- ❖ The YE annual plans for prior years and the current year annual plans are also provided.

North American Energy Standards Board

NAESB Review

How to access NAESB filings, bulletins?

- ❖ The reports NAESB provides to the Commission and other regulatory bodies can be accessed from the home page
- ❖ The NAESB bulletin can be accessed from the home page

North American Energy Standards Board

NAESB Review

How to access action items and calendars?

- ❖ The action items and calendar of events can both be accessed from the home page
- ❖ They are excel spreadsheets and can be downloaded and sorted or filtered in any manner the user chooses.
- ❖ They are calendar from January to December of a given year

North American Energy Standards Board

NAESB Review

How to Contact NAESB

North American Energy Standards Board

NAESB Review

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

NAESB Review

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

NAESB Review

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://www.naesb.org/listserv/mail/mail_register.cfm
- ✓ **Call NAESB office (713-356-0060, naesb@naesb.org)**