| **NORTH AMERICAN ENERGY STANDARDS BOARD 2012 Annual Plan for the Wholesale Gas Quadrant Executive Committee** **As Approved by the Board of Directors on December 6, 2012** | | | | |
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| **Item Description** | | | **Completion[[1]](#endnote-1)** | **Assignment[[2]](#endnote-2)** |
| **1. Reorganize Standards Manuals for Ease of Use[[3]](#endnote-3)** | | | | |
|  | a. | Investigate how to make standards referencing, which may include reorganization, more user friendly for implementation. ([Reorganize Standards Request](http://www.naesb.org/pdf4/wgq_aplan102010w2.doc))  Status: Underway | 3rd Q, 2012 | IR/Technical |
|  | b. | Determine the scheme for applying the changes identified in the above item (1a), which could include the order in which to make the modifications to the standards manuals.  Status: Underway | 4th Q, 2012 | IR/Technical |
|  | c. | Make the modifications to the standards manuals as described in the output of the above item (1b).  Status: Not Started | Date dependent on Annual Plan Item 1b. | IR/Technical |
| **2. Sample Paper Review3** | | | | |
|  | a. | Execute Plan to Review and Update Sample Papers and ASC X12 Samples for all data sets with the exception of the Offer – Standard No. 5.4.24, Bid - Standard No. 5.4.25, Award Download - Standard No. 5.4.26 and the Operational Capacity - Standard No. 0.4.2 and Unsubscribed Capacity - Standard No. 0.4.3 data sets in Capacity Release to ensure consistency with the related data dictionaries.[[4]](#endnote-4)  Status: Underway | 2nd Q, 2013 | IR/Technical |
| **3. Development of EBB Code Values3** | | | | |
|  | a. | Execute the plan for the review code values and code value descriptions in all data sets to make them easier to understand on the TSPs’ EBB web sites.[[5]](#endnote-5)  Status: Underway | 2nd Q, 2013 | IR/Technical |
| **4. Development of Error Code Standards3** | | | | |
|  | a. | Execute the plan for the development of meaningful error code values in all data sets to make them easier to understand on the TSPs’ EBB web sites as compared to the X12 DISA error codes.  Status: Completed | 3rd Q, 2012 | IR/Technical |
| **5. Electronic Delivery Mechanisms** | | | | |
|  | a. | Review minimum technical characteristics in Appendices B, C, and D of the WGQ QEDM Manual, and make changes as appropriate. (Reference NAESB Standard No. 4.3.59)  Status: Completed | 2nd Q, 2012 | EDM |
| **6. NAESB Base Contract Addendum for Federal Acquisition Regulations (FAR) and Government Contract Compliance (GCP) clauses** | | | | |
|  | Review requirements and develop an addendum to the NAESB Base Contract for FAR and GCP clauses.[[6]](#endnote-6) | | | |
|  | a. | Model FAR and GCP Addendum  Status: Completed | 1st Q, 2012 | Contracts Subcommittee |
| **7. Natural Gas Liquids Master Agreement** | | | | |
|  | a. | Consider and determine if a NAESB Natural Gas Liquids Master Agreement, is needed and if so determine the grades of liquids to be included[[7]](#endnote-7)  Status: Completed | 2nd Q, 2012 | Contracts Subcommittee |
|  | b. | Develop the NGL Master Agreement according to the analysis completed in item above (7a).  Status: Completed | 4th Q, 2012 | Contracts Subcommittee |
| **8. Common Codes** | | | | |
|  | a. | Modify standards to remove location common code from NAESB WGQ standards.  Status: Completed | 1st Q, 2012 | IR/Technical |
| **9. Session Encryption** | | | | |
|  | a. | Investigate and determine if changes to standards are needed to support adequate session encryption (SSL/TLS issues [**US-Cert Vulnerability Note VU#864643**](http://www.kb.cert.org/vuls/id/864643)**)**  Status: Completed | 2nd Q, 2012 | EDM |
|  | b. | Modify or develop standards as needed to apply the analysis of the above item (9a)  Status: Completed | 2nd Q, 2012 | EDM |
| **10. Capacity Release Program** | | |  |  |
|  | a. | Review NAESB WGQ Standard No. 5.3.2 and modify as necessary  Status: Completed | 2nd Q, 2012 | BPS |
|  | b. | Modify the Capacity Release Data Sets (NAESB WGQ Std Nos. 5.4.x) as needed based on the actions taken for the above item (10a)  Status: Completed | 3rd Q, 2012 | IR/Technical |
| **11. Usage designation for data (NAESB WGQ Standard No. 1.2.2)** | | | | |
|  | a. | Investigate and determine if the designation of “sender’s business conditional” usage for data and the use of defaults for mandatory usage would be appropriate on a prospective basis  Status: Underway | 4th Q, 2012 | BPS |
|  | b. | Modify NAESB standards as needed to apply the analysis of the above item (11a)  Status: Underway | Date dependent on Annual Plan Item 11a. | BPS |
| **12. Review and Analyze the Interpretations of Standards** | | | | |
|  | a. | Analyze the Interpretations to determine if they should be implemented as standards  Status: Not Started | 1st Q, 2013 | WGQ EC, WGQ BPS & Interpretations |
|  | b. | Based on the results of 12a, incorporate interpretations / interpretations language, as appropriate, into the WGQ business practice standards  Status: Not Started | TBD | WGQ EC, WGQ BPS & Interpretations |
|  | c. | Determine if other courses of action are needed upon completion of 12b.  Status: Not Started | TBD | WGQ EC, WGQ BPS & Interpretations |
| **13.**  **Final Rules published by the Commodity Futures Trading Commission (CFTC) and implications to the NAESB contracts[[8]](#footnote-1)** | | | | |
|  | a. | Review final rules published by the Commodity Futures Trading Commission (CFTC) to determine if new rules on various definitions will impact the NAESB Base Contract’s General Terms and Conditions  Status: Underway | 1st Q, 2013 | Contracts Subcommittee |
| **14. FERC Order No. 587-V issues and implications to NAESB standards[[9]](#footnote-2)** | | | | |
|  | a. | Address issues other than design capacity and modify standards as needed.  Status: Completed | 4th Q, 2012 | WGQ BPS |
|  | b. | Address design capacity issues present in paragraph 30 of FERC Order No. 587-V[[10]](#footnote-3)  Status: Completed | 4th Q, 2012 | WGQ BPS |
| **Program of Standards Maintenance & Fully Staffed Standards Work** | | | | |
|  | Business Practice Requests | | Ongoing | Assigned by the EC[[11]](#endnote-8) |
|  | Continue review against plan for migration to ANSI ASC X12 new versions as needed and coordinate such activities with DISA. | | Ongoing | ANSI X12 Subcommittee |
|  | Information Requirements and Technical Mapping of Business Practices | | Ongoing | Assigned by the EC3 |
|  | Interpretations for Clarifying Language Ambiguities | | Ongoing | Assigned by the EC3 |
|  | Maintenance of Code Values and Other Technical Matters | | Ongoing | Assigned by the EC3 |
|  | Maintenance of eTariff Standards | | As Requested | Assigned by the EC3 |
| **Provisional Activities** | | | | |
| 1. | Review and develop standards as needed related to [Docket No. RM11-1-000](http://www.naesb.org/pdf4/ferc102110.doc), Capacity Transfers on Intrastate Natural Gas Pipelines (Notice of Inquiry issued on October 21, 2010). | | | |
| 2.. | Review and develop standards as needed and requested based on the National Petroleum Council (NPC) findings as communicated by the NAESB Board of Directors, government agencies or reliability organizations, as applicable. (9-15-11 NPC Report: [Transmittal Letter, Preface, and Executive Summary](http://downloadcenter.ConnectLive.com/events/npc091511/Executive_Sumary-91511.pdf), Ch 1:[Resource and Supply](http://downloadcenter.ConnectLive.com/events/npc091511/Resource_Supply-091511.pdf), Ch 2: [Operations and Environment](http://downloadcenter.ConnectLive.com/events/npc091511/Ops_Environment_091511.pdf), Ch 3: [Demand](http://downloadcenter.ConnectLive.com/events/npc091511/Demand-092911.pdf), Ch 4: [Carbon and Other End-Use Emissions](http://downloadcenter.ConnectLive.com/events/npc091511/Carbon-091511.pdf), Ch 5: [Macroeconomics](http://downloadcenter.ConnectLive.com/events/npc091511/Macroeconomics_091511.pdf), Ap A: [Request Letters, Description of the NPC, and NPC membership roster](http://downloadcenter.ConnectLive.com/events/npc091511/Appendix_A-91511.pdf), Ap B: [Study Group Rosters](http://downloadcenter.connectlive.com/events/npc091511/Appendix_B.pdf) , Ap C: [Additional Materials Available Electronically](http://downloadcenter.ConnectLive.com/events/npc091511/Appendix_C.pdf)) | | | |
| 3. | Develop standards as needed in support of Variable Energy Resources (VERs) final order (RM10-11-000). ([NAESB Comments 3-2-11](http://www.naesb.org/pdf4/naesb_comments_ver_integration_nopr_030211.pdf), [FERC NOPR RM10-11-000](http://www.naesb.org/pdf4/ferc_111810_vers_nopr.doc), FERC Final Order RM10-11-000[[12]](#footnote-4)) In review of the NAESB standards, the Gas/Electric Operational Communications Standards may require changes, and other standards may be required or modified to support gas-electric coordination. | | | |

**Wholesale Gas Quadrant**

**Executive Committee (WGQ EC)**

**Business Practices Subcommittee (BPS)**

**Contracts Subcommittee**

**Information Requirements Subcommittee (IR)**

**Technical Subcommittee**

**Electronic Delivery Mechanism Subcommittee (EDM)**

**Technical**

**Implementation**

**Task Forces & Working Groups**

**Practices**

**Development**

The translation of business practices to usable uniform business transactions is accomplished through the definition of information requirements for the data, and mapping of that data into specific electronic transactions. This translation is performed by IR and Technical subcommittees and completes the standards development process, often referred to as “full staffing.” Both IR and Technical work in tandem to complete this crucial technical implementation activity. Until these steps have been completed, the process is incomplete, and in many cases, the business practices cannot be used.

**Interpretations Subcommittee**

**NAESB 2012 WGQ EC and Subcommittee Leadership:**

Executive Committee: Jim Buccigross, Chair and Dale Davis, Vice-Chair

Business Practices Subcommittee: Kim Van Pelt, Lori Lynn Pennock, Sylvia Munson and Richard Smith

Information Requirements Subcommittee: Dale Davis

Technical Subcommittee: Mike Stender, Kim Van Pelt

Contracts Subcommittee: Keith Sappenfield

Electronic Delivery Mechanism Subcommittee: Leigh Spangler

Interpretations Subcommittee: Paul Love

1. **End Notes, WGQ 2012 Annual Plan:**

   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 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. [↑](#endnote-ref-1)
2. The assignments are abbreviated. The abbreviations and committee structure can be found at the end of the annual plan document. [↑](#endnote-ref-2)
3. As business issues are presented to the Information Requirements Subcommittee and Technical Subcommittee, those business issues will be given precedence over WGQ 2012 Annual Plan Item Nos. 1, 2, 3 and 4. [↑](#endnote-ref-3)
4. Comments Provided by Spectra Energy in the 2010 Annual Plan process: <http://www.naesb.org/pdf4/wgq_aplan102010w3.doc>. [↑](#endnote-ref-4)
5. Comments Provided by Spectra Energy in the 2010 Annual Plan process: <http://www.naesb.org/pdf4/wgq_aplan102010w4.doc> [↑](#endnote-ref-5)
6. The development will be based on the comments provided by [BG Group](http://www.naesb.org/pdf4/wgq_aplan101411w2.docx) and [ExxonMobil](http://www.naesb.org/pdf4/wgq_aplan101411w3.docx). [↑](#endnote-ref-6)
7. The development will be based on the request and will include a review of the work products of [LEAP](http://energyleap.org/contents/92) and [ISDA](http://www2.isda.org/functional-areas/market-infrastructure/). [↑](#endnote-ref-7)
8. Final rules could reference, but most probably only the rule on which committee work will be based is to be published on August 13, 2012:

   May 23, 2012 CFTC Further Definition of “Swap Dealer,” “security-Based Swap Dealer,” “Major Swap Participant,” ‘Major Security-Based Swap Participant,” and “Eligible Contract Participant,”: <http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2012-10562a.pdf>

   July 10, 2012 CFTC Final Rule on End-User Exception to Clearing Requirement for Swaps: <http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/federalregister071012.pdf>

   July 10, 2012 CFTC Final Rule on Further Definition of “Swap,” “Security-Based Swap,” and “Security-Based Swap Agreement”; Mixed Swaps; Security-Based Swap Agreement Recordkeeping: <http://www.cftc.gov/ucm/groups/public/%40newsroom/documents/file/federalregister071012c.pdf>

   August 13, 2012 CFTC Final Rule on “Swap Definition” <http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/msp_ecp_factsheet_final.pdf> (Fact Sheet), <http://www.cftc.gov/ucm/groups/public/@lrfederalregister/documents/file/2012-18003a.pdf> (Final Rule) [↑](#footnote-ref-1)
9. FERC Order No. 587-V can be accessed from the following link: <http://www.ferc.gov/whats-new/comm-meet/2012/071912/G-1.pdf> [↑](#footnote-ref-2)
10. Paragraph 30 notes that: “We will deny INGAA’s request for clarification. NAESB defines Operating Capacity as “the total capacity which could be scheduled at (or through) the identified point, segment or zone in the indicated direction of flow.” The Commission’s information posting requirements in section 284.13(d), however, require pipelines to post “Design Capacity.” not operating capacity. It is not clear that NAESB’s term “Operating Capacity,” although useful, is equivalent to the term “Design Capacity” used in the Commission regulations. We therefore request that the industry, through NAESB, consider whether the two terms are functionally equivalent or specify different types of information and to include this information in its next version update. Should the industry conclude the terms are not equivalent, NAESB should make appropriate revisions to the standards in NAESB’s next version by adding a design capacity as a separate reporting category. If industry members believe that operating capacity is a more useful measure than design capacity, they will need to request a revision of 284.13(d). While these issues are being considered, we will not require pipelines to make changes to their current posting procedures. [↑](#footnote-ref-3)
11. The EC assigns maintenance of existing standards on a request-by-request basis. [↑](#endnote-ref-8)
12. For FERC Final Order, Docket No. RM10-11-000, specifically paragraph nos. 146 and 182 should be reviewed:

    146. The Commission concludes that an independent review of NERC standards and NAESB business practices is not necessary prior to the implementation of intra-hour scheduling. As noted by NERC, several entities currently offer intra-hour scheduling without any apparent conflict with Reliability Standards. NERC comments that it does not believe there are any existing standards that prohibit industry from implementing intra-hour scheduling, and no commenters have pointed to specific NAESB business practices that prevent industry from implementing intra-hour scheduling. The Commission therefore concludes that it is not necessary to delay adoption of the intra-hour scheduling requirements of this Final Rule pending further review of NERC Reliability Standards and NAESB business practices. To the extent industry believes it is beneficial to refine one or more existing NERC Reliability Standards or NAESB business practices to reflect intra-hour scheduling, stakeholders can use existing processes to pursue such refinements.

    182. Some commenters request that the Commission standardize protocols for reporting meteorological or forced outage data required by this Final Rule. The Proposed Rule did not contain standard protocols for data reporting and, as a result, the merits of such a requirement have not been fully addressed in the record.  Whether standardization of data communications would facilitate or hinder development of power production forecasting may implicate a variety of data and communications issues that would benefit from broad industry input through standards development processes such as those used by NAESB and other organizations. [↑](#footnote-ref-4)