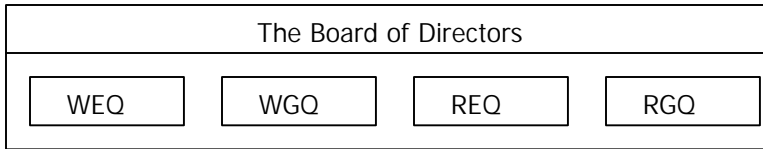
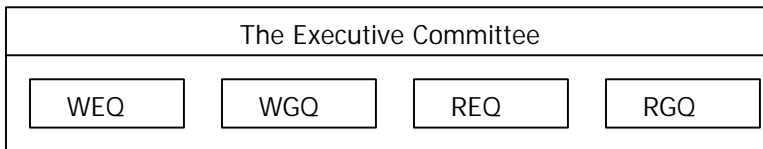


North American Energy Standards Board The Board, the Executive Committee and Quadrants

NAESB is organized by quadrants, and within quadrants, by segments. All members belong to one or more of the four quadrants – wholesale electric (WEQ), wholesale gas (WGQ), retail electric (REQ) and retail gas (RGQ). The members of each quadrant determine their own segments and how many Board members and how many Executive Committee members will represent them.



The Board sets and approves the budget, determines the overall strategic direction of the organization, approves the annual plans of standards development and maintenance for each of the quadrants and determines all governance issues. All decisions by the Board are made en banc. At the Board level, the quadrants do not operate separately. Each quadrant on the Board has 25% of the decision making, regardless of how many members they have seated. Where a majority is needed for a decision (all but the governance issues), it is a majority of each quadrant – not a simple majority across the Board. In this manner each quadrant's interests are protected. A super majority with segment voting minimums is required for approval of governance issues (at least 75% affirmative from each of the Board quadrants at least 40% affirmative from each of the segments within a Board quadrant). All votes are public and posted.



The Executive Committee (EC) approves and may modify the triage committee recommendations on subcommittee assignments to develop standards including relative urgency for development, approves and may modify standards that have been recommended by the standards development subcommittees and monitors subcommittee progress on standards development. Decisions by the EC may be by quadrant if it is determined that the recommended standard applies to specific quadrant(s) rather than the organization as a whole. Each quadrant on the EC has 25% of the decision making, regardless of how many members they have seated. Where a majority is needed for a decision (all but the standards approval), it is a majority of each quadrant – not a simple majority across the EC. In this manner each quadrant's interests are protected. A super majority with segment voting minimums is required for approval of standards (at least 67% affirmative from each of the EC quadrants at least 40% affirmative from each of the segments within a EC quadrant). All votes are public and posted.