



November 18, 2002

North American Energy Standards Board  
1100 Louisiana, Suite 3625  
Houston, TX 77002

Attention: Rae McQuade

Dear Rae:

Duke Energy Gas Transmission ("DEGT") supports Shell Gas Transmission, LLC's June 26, 2002 recommendation to establish a 24-month interval between publication and release of new versions of NAESB standards for the Wholesale Gas Quadrant ("WGQ"). Since the NAESB WGQ is currently in the process of developing Version 1.7 of its standards and has established a July 2003 publication date, the publication of the Version 1.7 standards should be completed according to the previously established schedule (particularly since Version 1.7 will contain all of the standards developed to accommodate the FERC requirements for Partial Day Capacity Releases and Partial Day Recalls.) Future versions of the WGQ standards should be published on the 24-month schedule.

In comments submitted on September 19, 2002, the LDC Segment argued that a 24-month publication cycle would unnecessarily delay the implementation of important changes in Commission Policy. DEGT notes that, even under the "twice per year" publication schedule defined in the current Operating Procedures, the Commission has previously required implementation of certain bodies of standards (ie: Intraday Nominations, Imbalance Netting and Trading, Partial Day Capacity Recalls) prior to NAESB's official publication of the books containing those standards. This can be expected to occur in the future (such as for the Partial Day Recall of Scheduled Quantities) regardless of whether the official publication cycle remains at 6 months or is extended to a 24-month cycle. When this situation occurs, the industry will be implementing the standards based on FERC directives – the fact that the standards have not been officially published by NAESB will not inhibit the implementation of Commission policies.

DEGT looks forward to discussing the timeline for publication and release of new versions of the WGQ standards with the Parliamentary Committee.

Very truly yours,

Richard J. Kruse, Senior Vice President  
Industry Initiatives, Pricing & Regulatory Affairs