

NAESB Pre-REQ Conference Call Minutes

4/10/02

Participants: Barbara Alexander, Bill Barkas, Bill Bourbonnais, Cade Burks, Yvette Camp, Eric Cody, Misty Khan, David Koogler, Jean Mason, Jim Minneman, Terry Moran, Stacey Park, Tom Ringenbach, Keith Sappenfield, Steve Zavodnick

- I. Jim reviewed the anti-trust policy.
- II. Jim provided an update on finalizing Segment Procedures. Jim received updated procedures from each Segment on Monday and forwarded them to the NAESB legal counsel for review on Tuesday. The group agreed that Jim will distribute the final procedures after the NAESB legal counsel provides comment which is expected to happen shortly.
- III. Recruitment Status:
 - Jim reported that the latest count of REQ intents to join listed on the NAESB web site is 37 and RGQ intents to join is 29. Keith also reported that the detailed descriptions of Executive Committee Members and Directors were also posted.
 - Stacey reported that the reason that Entergy and Calpine have not yet declared an REQ Segment affiliation is because they are looking into the rules for joining multiple Segments. Stacey is working with the NAESB office to get them information and they will likely have decisions by the end of the week.
 - Stacey also followed up with Craig Goodman at NEMA and is working with JoAnn from the NAESB office to get the updated press release approved for inclusion in the next NEMA weekly flyer.
 - Stacey is also working with Pam Nemo of Esource to help recruit additional large end users. Esource is a trade association for energy managers in manufacturing companies.
 - The group discussed clarified the rules regarding proxies. Proxies are only used for ratification voting and in the event that a company does not respond to a ratification vote, the Board interprets the non-response as a vote in favor of the resolution proposed by the Board. A proxy is different than agency designation. There is not formal process for designating a person that has the power to vote for a company at a subcommittee meeting.
 - Jim reported for Eric that there are plans to update the EEI /UBP web site and then phase it out when NAESB is formally up and running in July. No messages have been sent out over the UBP list server yet and Jim took an action to post the revised press release that Stacey and JoAnn are working on to the list server as soon as it becomes available.
 - Bill Bourbonnais sent out summary of responses to the recruitment form. A few call participants said they will be sending in forms shortly.

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IV. Segment Elections:

There was no activity regarding segment elections this week. The subcommittee is awaiting further response to the recruitment forms.

V. REQ Annual Plan Subcommittee Update:

- Misty reported that the Annual Plan Subcommittee had a conference call on Monday to review and incorporate internal comments to the Draft Annual Plan. The Draft Annual Plan was then forwarded to interested retail electric parties and also some participants in the Retail Gas Distributor group. Terry Moran presented the document on that call.
- Terry, Bill Bourbonnais and Steve reported that in general the Draft Annual Plan was well received by the RGQ Distributor group. The RGQ decided to use the REQ Draft Annual Plan as a starting point for their own discussions and most participants agreed that both Annual Plan documents should be as similar as possible. Terry is working to answer questions about what was meant specifically in some sections of the REQ Draft Annual Plan and will submit those answers to Mariam Arnaout of the AGA for distribution. Another item of discussion involved the committee format that is a little different than the GI SB format. Call participants also raised some concerns regarding target dates and priorities. Another concern involved how plan development would proceed if the REQ was formed before the RGQ. The group suggested that the REQ might proceed with electricity specific items and delay crossover items until the RGQ is formed. The group also discussed sending the Draft Annual Plan to the current members of WGQ and eventually the WEQ when it is formed. Another item of interest regarded how voting would be handled for companies with memberships in the same segment across quadrants. Bill Boswell suggested on the RGQ call that the one member one vote rule in GI SB may need to be re-visited for this situation once all four quadrants are up and running.
- Steve reported two concerns raised by Ruth Kiselewich. The first was that there are too many provisional activities listed and it may be difficult to complete them in one year. The second was that by splitting up the UBP activities into separate subcommittees, some of the compromises agreed to in their creation may be lost and work may be repeated. The group agreed that most likely this work will have to be revisited and repeated anyway because of the new participants involved in the process.
- Moving forward the group agreed that the Annual Plan Subcommittee will have another call on the 19th to discuss and review the comments matrix for the Draft Annual Plan. The matrix will then be distributed to the rest of the REQ group for discussion during the REQ conference call on

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the 24th. A revised Draft Annual Plan and/or comments matrix will then be forwarded to the RGQ to be included in their conference call on the 26th. A joint REQ/RGQ conference call to discuss the comments matrix will then be scheduled for the first week in May. During that call the groups will jointly discuss distribution to state regulators for comment.

- VI. Jim will put Eric Cody on the agenda for the call on the 24th to discuss recruitment of former UBP participants from the Northeast in NAESB.
- VII. The call was adjourned.