



NORTH AMERICAN ENERGY STANDARDS BOARD

1301 Fannin, Suite 2350 • Houston, Texas 77002 • Phone: (713) 356-0060 • Fax: (713) 356-0067
email: naesb@naesb.org • Web Site Address: www.naesb.org

December 5, 2007

NAESB AT A GLANCE: MONTHLY UPDATE

ORDER 890: Mr. Wood of Southern Company, and co-chair of the WEQ Electronic Scheduling and Information Technology Subcommittee (ESS/ITS), and Mr. Sorenson of OATI, also co-chair of the WEQ Electronic Scheduling and Information Technology Subcommittee (ESS/ITS), provided a review of the NAESB progress to address FERC Order 890. The ESS/ITS has continued to draft business practices to address Group 1 of the Order 890 Work Plan. These Group 1 items include: Posting of ETC; Annotations for ATC; Load Forecast and Actual Load; Re-bid of Partial Service; Conditional Firm and Preconfirmation of Priority. The Subcommittee has also begun working on the Group 2 (Metrics; Redispatch Cost Posting) and Group 3 (Network Services on OASIS) items. The ESS/ITS has continued to develop standards with the WEQ Business Practice Subcommittee (BPS) to address two ATC related items that can be completed independently of NERC ATC standards development. The subcommittees intend to complete these items by the original FERC deadline of March 2008. Currently, NERC MOD001 (Available Transfer Capability), MOD004. (Capacity Benefit Margin), MOD008 (TRM Calculation Methodology), MOD028 (Area Interchange Methodology), MOD029 (Rated System Path Methodology) and MOD030 (Flowgate Methodology) have been posted for a 45 day comment period ending December 14, 2007. NERC filed a request for extension with FERC on November 21, 2007 concerning the reliability standard development. If granted, NAESB will file a corresponding request for extension concerning the commercial standards that require coordination with the NERC reliability standards. [[NERC request for extension of time for compliance filing in response to paragraph 223 of Order no. 890](#) was filed on November 21, 2007 with FERC and the [Notice of Extension of Time](#) was received from FERC on December 6, 2007. NAESB did not file a corresponding request for extension as the [Notice of Extension of Time](#) from FERC was sufficient. NERC deadlines were extended to May 9, 2008 and NAESB to August 7, 2008].

E-TARIFF: Mr. Sappenfield of EnCana Corp., who is a NAESB WGQ Board Member and co-chair of e-Tariff Subcommittee, provided a review of the e-Tariff Subcommittee work. A draft of the TIBP (a short implementation guide which includes the xml schema, the CSV format requirements, use cases, data tables, code values, reference tables, technical specifications of web portal and non-technical narrative for each item) has been done and the TIBP is scheduled to be completed and voted out of subcommittee during the January 23-25, 2008 meeting in Colorado Springs, hosted by El Paso Natural Gas. The Executive Committee vote will be a joint action by the WGQ and the WEQ. The standards also address the oil pipelines. FERC was heavily involved with this effort and all the meetings were well attended by FERC staff.

DEMAND SIDE MANAGEMENT/ENERGY EFFICIENCY STATUS: Mr. Wattles of ERCOT and NAESB co-chair of DSM-EE provided an update on the Demand Side Management/Energy Efficiency effort in the Wholesale Electric Quadrant and Retail Quadrants. This is a joint Retail Gas and Wholesale Electric effort. In response to the task of developing model business practice standards for measurement and verification, the subcommittee is developing three matrices: a matrix of wholesale market demand response programs in effect and administered by ISOs/RTOs; a matrix of wholesale market demand response programs in effect in non-ISO/RTOs; and a matrix of retail market demand response programs in planned or in effect. Of the three matrices, the ISO/RTOs matrix is the most complete. These matrices will be used to draft the standards and likely be completed by the end of 2008. A draft of the glossary to support the standards and an outline for a preamble to the business practice standards is also under development. During discussion, it was noted that the non-ISO/RTO matrix may be accommodated in the retail matrix as the state regulators would oversee both. The next DSM/EE meeting is scheduled for January 23, 2008 in Baltimore, MD.

ORDER 698 PROGRESS IN THE WGQ: Ms. Crockett of TVA and NAESB Board Member, provided an overview of the Order 698 activity in the Wholesale Gas Quadrant (WGQ). The WGQ Business Practice Subcommittee (BPS) has continued to review draft standards proposals. WGQ 2007 Annual Plan Item 7a is currently underway to develop capacity release index pricing. The two main distinctions are roles and responsibilities of various parties and accounting interpretations of FERC policy maximum rate caps. Work is also continuing for WGQ 2007 Annual Plan Item 7b for receipt and delivery point flexibility for flowing gas through points of constraint. Great progress has been made trying to consolidate this to a single standard with multi-segment support. Work is also continuing for WGQ 2007 Annual Plan Item 7c for modifications to the existing intra-day nomination schedule and service priorities but this is more difficult. The next meeting is scheduled for January 9-10, 2008 in Houston, TX.



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REVIEW OF THE PROPOSED 2008 ANNUAL PLANS: Ms. York, chair of the WEQ Executive Committee and co-chair of the WEQ Business Practices subcommittee (BPS), provided an update for the Wholesale Electric Quadrant 2008 Annual Plan. NAESB will continue to work closely with NERC developing complementary commercial and reliability standards. Item 1(c) (Operate Within Limits-R03017) was added back into the 2008 Annual Plan (it was originally an item back in 2003). Work has also begun to prepare recommendations for future path for TLR in concert with NERC (Item 1(d)). Also in the Annual Plan is an item to determine any needed NAESB action in support of the Interchange Distribution Calculator (IDC) and to develop any necessary business standards (Item 1(e)). Order 890 efforts and DSM are also part of the 2008 Annual Plan. Mr. Buccigross, a NAESB Board Member and WGQ Executive Committee chair, provided an update for the Wholesale Gas Quadrant 2008 Annual Plan. Damage reporting for natural gas pipeline facilities is on the Annual Plan as is Electronic Delivery Mechanisms (EDM) involving the Sandia Report. The Sandia Report is still being reviewed and will be incorporated into the standards where deemed appropriate (Items 1, 2). The NAESB Base Contract was updated in 2006 and the Canadian contract will be updated in 2008 (Item 3). On the Annual Plan is the development of a business practice standard to address threshold questions of paragraphs 56, 63 and 69 of Order No. 698 (Item 4). Also on the Annual Plan is the standardizing Customer Security Administration (Item 7). Mr. Precht, RGQ Business Practices Subcommittee co-chair, provided an update for the Retail Gas Quadrant and Retail Electric Quadrant 2008 Annual Plan. On the Annual Plan are Business rules for technical issues of electronic billing and issuing of invoices and receipt of payment by electronic means (Item 1). Also on the Annual Plan is the development of Customer Enrollment, Drop and Account Information Change using a Registration Agent and the group has an aggressive schedule to complete this item (Item 3). The Certification Checklist is on hold until completion of the model business practice (Item 6). The Sandia Report will also be addressed and incorporated into the standards where appropriate (Item 7). Similar to the WEQ, the DSM efforts are a significant part of the 2008 Annual Plan. The Board of Directors is scheduled to approve the 2008 Annual Plans during the December 13, 2007 Board Meeting in Houston, Texas.

NEXT CONFERENCE CALL: The next Monthly Update Call is scheduled on January 30, 2007 from 12 PM Central. The agenda and any work papers will be posted on the Monthly Update page of the NAESB website: http://www.naesb.org/monthly_update.asp. We hope you can join us. If there are particular topics you would like to see covered or would like to receive additional information, please contact the NAESB Office (713-356-0060, naesb@naesb.org).

NAESB Monthly Update Conference Call, Participant List December 5, 2007 -- 2:00 PM Eastern

	Name	Organization
1	Diane Barney	New York State Department of Public Service
2	Dave Eichenlaub	Virginia State Corporation Commission
3	Bill Lohrman	FERC
4	Keith Pierce	FERC
5	Janice Fisher	Missouri Public Service Commission
6	Lou Ann Westerfield	Idaho Public Utility Commission

	Name	Organization
7	Lynesha Augula	P&G DS
8	David Barr	Ontario Power Generation, Inc.
9	Stephen Bennett	Exelon
10	Bill Boswell	NAESB
11	Jim Buccigross	8760
12	Christopher Burden	Williams Pipeline
13	Dale Davis	APS



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	Name	Organization
14	Ed Davis	Entergy Services Inc.
15	Gene Fava	Great Lakes Gas Transmission
16	Bill Gallagher	Vermont Public Power Supply Authority
17	Bob Gray	Arizona Corp Commission
18	Linda Horn	Wisconsin Electric Power
19	David Huffman	NAESB
20	Bob Keithly	San Diego Gas & Electric
21	Gail McKaig	Tampa Electric Company
22	Rae McQuade	NAESB
23	Ripley Newcomb	Dominion
24	Marjorie Perlman	Energy East Management
25	Phil Precht	Baltimore Gas and Electric
26	Alan Pritchard	Duke
27	Judy Ray	Alabama Power Company
28	Keith Sappenfield	EnCana
29	Charles Severance	Integrays Energy Services, Inc.
30	Ed Skiba	Midwest ISO
31	Paul Sorenson	OATI
32	Veronica Thomason	NAESB
33	Paul Wattles	ERCOT
34	JT Wood	Southern Company
35	Kathy York	TVA