



NORTH AMERICAN ENERGY STANDARDS BOARD

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July 17, 2012
Filed Electronically

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street N.E., Room 1A
Washington, D.C. 20585

RE: Standards for Business Practices and Communication Protocols for Public Utilities (Docket Nos. RM05-5-000, RM05-5-020)

Dear Ms. Bose:

The North American Energy Standards Board (NAESB) herewith submits this report to the Federal Energy Regulatory Commission (“FERC” or “Commission”) regarding errata to the Wholesale Electric Quadrant (“WEQ”) Measurement and Verification of Energy Efficiency Products business practice standards currently the subject of the FERC Notice of Proposed Rulemaking in Docket No. RM05-5-020. The WEQ Measurement and Verification of Energy Efficiency Products business practice standards were ratified by the NAESB membership on May 13, 2011 and the minor corrections included in this report were adopted by the WEQ Executive Committee on June 15, 2012. This report is submitted voluntarily.

The report is being filed electronically in Adobe Acrobat® Portable Document Format (.pdf). All of the documents are also available on the NAESB web site (www.naesb.org). Should you have need of the filing in editable format, we can provide it in Microsoft® Word® 2003. Please feel free to call me at (713) 356-0060 or refer to the NAESB website (www.naesb.org) should you have any questions or need additional information regarding the errata to the NAESB WEQ Measurement and Verification of Energy Efficiency Products business practice standards or any other NAESB work products.

Respectfully submitted,

Jonathan Booe

Mr. Jonathan Booe
Deputy Director, North American Energy Standards Board



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cc without enclosures:

Chairman Jon Wellinghoff, Federal Energy Regulatory Commission
Commissioner Philip D. Moeller, Federal Energy Regulatory Commission
Commissioner John R. Norris, Federal Energy Regulatory Commission
Commissioner Cheryl LaFleur, Federal Energy Regulatory Commission
Commissioner Tony Clark, Federal Energy Regulatory Commission

Mr. Joseph McClelland, Director, Office of Electric Reliability, Federal Energy
Regulatory Commission
Mr. Michael Bardee, General Counsel of the Commission, Federal Energy Regulatory
Commission

Dr. David Kathan, Economist, Office of Energy Policy and Innovation, Federal Energy
Regulatory Commission
Mr. Michael Goldenberg, Senior Attorney, Office of General Counsel, Federal Energy
Regulatory Commission
Ms. Jamie L. Simler, Director, Office of Energy Policy and Innovation, Federal Energy
Regulatory Commission
Mr. Mason Emmett, Associate Director, Office of Energy Policy and Innovation, Federal
Energy Regulatory Commission

Mr. Michael D. Desselle, Chairman and CEO, North American Energy Standards Board
Ms. Rae McQuade, President, North American Energy Standards Board
Mr. William P. Boswell, General Counsel, North American Energy Standards Board

**UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION**

**Standards for Business Practices)
And Communication Protocols for Public Utilities)
)**

**Docket No. RM05-5-000
Docket No. RM05-5-020**

REPORT OF THE NORTH AMERICAN ENERGY STANDARDS BOARD

The North American Energy Standards Board (“NAESB”) is voluntarily submitting this report in accordance with the Commission’s Orders in the above referenced docket. The minor correction included in this report has been applied to the NAESB Wholesale Electric Quadrant (“WEQ”) Measurement and Verification of Energy Efficiency Products (“WEQ-021”) business practice standards currently the subject of the Federal Energy Regulatory Commission (“FERC” or “Commission”) Notice of Proposed Rulemaking (“NOPR”)¹ in Docket No. RM05-5-020, in which the Commission is proposing to amend its regulations at 18 CFR 38.2 to incorporate by reference the aforementioned business practice standards.

On May 30, 2012, our office received a request for minor correction MC12020, which proposed to correct seven WEQ-021 business practice standards and one related Abbreviation and Acronym (“WEQ-000”). The purpose cited for the adopted minor correction is to create consistency between the WEQ and Retail Electric Quadrant version of the standard and to eliminate any potential issues that may occur due to the non-static reference included in the business practice standard. A report notifying the Commission about the submission of the minor correction and outlining the process was submitted in Docket No. RM05-5-020 on June 14, 2012.²

In accordance with the NAESB procedures for the minor correction process, the NAESB office distributed the minor correction for WEQ Executive Committee consideration and vote on June 8, 2012 through a notational ballot. At the close of the notational ballot period on June 15, 2012, the minor correction was adopted by the Executive Committee by achieving the requisite simple majority support with 35 votes in favor and 1 vote in opposition. The minor correction was posted for a two week comment period following Executive Committee approval beginning on June 18, 2012 and ending on July 2, 2012. No comments were received and the minor correction will be implemented today, July 16, 2012.

This report is organized into appendices; the first appendix references the specific minor correction. The last three appendices reference the NAESB Wholesale Electric Quadrant (“WEQ”) Executive Committee (“EC”) action approving the WEQ minor correction, the notice to WEQ membership of the WEQ EC adoption of the minor correction, and NAESB Operating Procedures for minor clarifications and corrections to standards.

The list of appendices shown below in tabular form include the FERC docket number(s) for the amended standard(s), the version(s) of standard(s) amended, and a description of the amendments:

Appendix No.	Minor Correction Description
Appendix 1	MC12020 applies to the submittal of NAESB WEQ-021 Business Practice Standards for Measurement and Verification of Energy Efficiency Products (Docket No. RM05-5-020) in which the Federal Energy Regulatory Commission issued a Notice of Proposed Rulemaking on April 24,

¹ The FERC Notice of Proposed Rulemaking in Docket No. RM05-5-020 can be accessed from <http://www.gpo.gov/fdsys/pkg/FR-2012-04-24/html/2012-9809.htm>

² The NAESB Report Submitted in Docket No. RM05-5-020 on June 14, 2012 can be accessed from http://www.naesb.org/pdf4/ferc_061412_weq_minor_correction_ee_standards.pdf

Appendix No.	Minor Correction Description
	<p>2012.</p> <p>Minor correction to NAESB WEQ Final Action 2010 WEQ Annual Plan Item 4(d) (Ratified May 13, 2011): NAESB WEQ-021 Business Practice Standards for Measurement and Verification of Energy Efficiency Products and NAESB WEQ-000 Abbreviations, Acronyms, and Definition of Terms (NAESB WEQ Business Practice Standards, Version 003).</p>
Appendix 2	NAESB WEQ Executive Committee notational ballot results approving NAESB WEQ minor corrections.
Appendix 3	Notice to WEQ members of Executive Committee adoption of minor corrections.
Appendix 4	NAESB operating procedures for minor clarifications and corrections to standards.

Appendix 1 – Minor Correction MC12020
Errata for NAESB Wholesale Electric Quadrant Business Practice Standards Final Action
July 17, 2012

Appendix 1 contains **Minor Correction MC12020**, minor correction to NAESB WEQ Final Action 2010 WEQ Annual Plan Item 4(d) (Ratified May 13, 2011): NAESB WEQ-021 Business Practice Standards for Measurement and Verification of Energy Efficiency Products and NAESB WEQ-000 Abbreviations, Acronyms, and Definition of Terms.

MC12020

Approved by the WEQ Executive Committee via Notational Ballot on June 15, 2012
North American Energy Standards Board

Request for Minor Correction/Clarification of a NAESB Business Practice Standard, Model Business Practice or Electronic Transaction

Date of Request: May 30, 2012

1. Submitting Entity & Address:

ISO New England
One Sullivan Road
Holyoke, MA 01040

2. Contact Person, Phone #, Fax #, Electronic Mailing Address:

Name: Eric Winkler
Title: Project Manager - Demand Resource Qualification
Phone: 413-540-4513 (Office)
413-530-9713 (Cell)
Fax: 413-535-4310
E-mail: <mailto:ewinkler@iso-ne.com>

3. Version and Standard Number(s) suggested for correction or clarification:

WEQ-000 Abbreviations, Acronyms, and Definition of Terms (Version 3.0)
WEQ-021 Measurement and Verification of Energy Efficiency Products (Version 3.0)

2010 WEQ Annual Plan Item 4(d) Final Action: Business Practice Standards for Measurement and Verification of Energy Efficiency Products. - Ratified May 13, 2011

4. Description of Minor Correction/Clarification including redlined standards corrections:

WEQ-000-1	ABBREVIATIONS AND ACRONYMS
IPMVP	International Performance Measurement and Verification Protocol

WEQ- 021-3.2.5	Measurement and Verification Approach
	Plan should include justification of appropriate measurement methodology. Appropriate measurement methodology may include but is not limited to: the four International Performance standard M&V Protocol (IPMVP) ⁺ methodologies, at the measure level.

~~+~~⁺The International Performance Measurement and Verification

~~Protocol (IPMVP) provides an overview of current best practice techniques available for verifying results of energy efficiency, water efficiency, and renewable energy projects in commercial and industrial facilities.” Efficiency Valuation Organization, 2010. <http://www.evo-world.org>. The IPMVP (EVO 10000—1:2010, © Efficiency Valuation Organization 2010), may be obtained from EVO-world.org and may be periodically updated.~~

021-3.6.1.1

~~IPMVP~~ **Option A: Partially Measured Retrofit Isolation/Stipulated Measurement.**

~~IPMVP~~ Option A may involve an equipment specific retrofit or replacement, new installation or a system level Measurement and Verification assessment. The approach is intended for measures where either performance factors (such as lighting wattage) or operational factors (such as operating hours) can be measured on a spot or short-term basis during baseline establishment and post-installation periods, or for measures for which a measured proxy variable, in combination with well-established algorithms and/or stipulated factors, can provide an accurate estimate of the Demand Reduction Value.

021-3.6.1.2

~~IPMVP~~ **Option B: Retrofit Isolation/Metered Equipment.**

~~IPMVP~~ Option B involves a retrofit or system-level Measurement and Verification assessment. The approach is intended for retrofits with performance factors and operational factors that can be measured at the component or system level using interval electrical demand meters installed on the affected end-use.

021-3.6.1.3

~~IPMVP~~ **Option C: Whole facility/Regression.**

~~IPMVP~~ Option C estimates Demand Reduction Values by analyzing the overall energy use in a facility and identifying the impact of the implemented measures on the total building or facility energy use patterns. The evaluation of whole-building or facility level metered data may be completed using techniques ranging from billing comparisons to multivariate regression analysis.

021-3.6.1.4

~~IPMVP~~ **Option D: Calibrated Simulation.**

~~IPMVP~~ Option D involves calibrated computer simulation models of component or whole-building demand and energy usage to determine measure demand and energy savings. Engineering simulation models (such as DOE-2) can be used to model both residential buildings (homes, apartments and condominiums) as well as more complex commercial buildings. Operational simulations can be used for industrial processes that take into account the specifics of the process addressed by the energy efficiency actions. Both engineering and operational simulations are made more powerful by calibrating these methods to actual MW and MWh data from the site or process being examined, even if these data are available for a monitoring period shorter than or different from the required performance hours. Short-term metering and monitoring are methods that produce data that can be used to adjust engineering simulations. This approach is generally termed "calibrated engineering simulations." Linking simulation inputs

to baseline and post-installation conditions completes the calibration. Characterizing baseline and post-installation conditions may involve metering performance and operating factors both before and after the retrofit. Long-term whole-building energy use data may be used to calibrate the simulations.

021-3.6.2

Alternative Acceptable M&V Methodologies.

The EERP may propose alternative or supplemental methodologies to the ~~IPMVP-standard~~ options listed in the section WEQ-021-3.6.1. EERPs proposing alternative methodologies shall demonstrate that the alternative methodologies will be equivalent to one of the ~~IPMVP standard~~ methodologies described in section WEQ-021-3.6.1.

Alternative or supplemental methodologies shall be appropriate to the measure type and sensitivity requirements of the measurement techniques. EERP will demonstrate justifiable need for deviation from the ~~IPMVP-standard~~ methodologies described in the Section above based on unique project requirements.

021-3.11.1.12

All measurement, monitoring and data recording equipment shall be calibrated by the EERP, independent calibration contractor, or designee, to meet or exceed ~~the IPMVP,~~ the US DOE Federal Energy Management Program (“FEMP”) M&V guidelines, applicable American Society of Heating, Refrigeration and Air Conditioning Engineers (“ASHRAE”) standards, NIST, or equivalent standard for the equipment.

5. Reason for of Minor Correction/Clarification:

International Performance Measurement and Verification Protocol (IPMVP) is a registered trademark. The Wholesale Electric Quadrant does not want to introduce confusion to the NAESB Business Practice Standard by referencing another organization’s standard and protocols that may change and represents concepts differently than what the NAESB process intended. This minor correction will also align the REQ and WEQ energy efficiency standards consistent with the Board directive.

**Appendix 2 – NAESB WEQ Executive Committee Notational Ballot Results
Approving NAESB Wholesale Electric Quadrant Minor Correction
July 17, 2012**

Appendix 2 contains the notational ballot of the NAESB Wholesale Electric Quadrant Executive Committee and the action taken by the Wholesale Electric Quadrant Executive Committee to approve the following minor correction:

Appendix No.	NAESB WEQ Executive Committee Notational Ballot
Appendix 2	MC12020 as approved by the WEQ Executive Committee on June 15, 2012. Results: http://www.naesb.org/pdf4/weq_ec060812results.docx

**Appendix 3 – Notice to WEQ Members of Executive Committee Adoption of Minor Corrections
July 17, 2012**

Appendix 3 contains the correspondence sent to all Wholesale Electric Quadrant members notifying them of the Executive Committee action taken on the minor correction, requesting comments that opposed the minor correction, and informing them of future actions and timelines related to the minor correction.

Appendix No.	Correspondence/Notice
Appendix 3	MC12020 – Request for Comments due July 2, 2012: http://www.naesb.org/pdf4/weq_mc061812reqcom.doc No Comments Received

Appendix 4 contains the excerpt from the NAESB Operating Procedures detailing the procedures to be followed for minor clarifications and corrections to existing NAESB WEQ Business Practice Standards.

Procedures for Minor Corrections as excerpted from the NAESB Operating Procedures

D. Minor Clarifications and Corrections to Standards

Minor clarifications and corrections to existing standards include: (a) clarifications or corrections made by a regulatory agency to standards that are of a jurisdictional nature, or by the American National Standards Institute or its successor; (b) clarifications or corrections to the format, appearance, or descriptions of standards in standards documentation; (c) clarifications or corrections to add code values to tables; and (d) clarifications and corrections that do not materially change a standard. Any request for a minor clarification or correction to an existing standard should be submitted in writing to the executive director. This request shall include a description of the minor clarification or correction and the reason the clarification or correction should be implemented.

1. Processing of Requests

The executive director shall promptly notify the EC and any appropriate subcommittee(s) of the receipt of the request. The members of the applicable quadrant's EC shall promptly determine whether the request meets the definition of a minor clarification or correction. Through the decision of the vice chair of the applicable quadrant, this determination may be delegated to one of the quadrant's subcommittees, with the concurrence of the subcommittee chair, in which case the subcommittee shall make a prompt decision.

If the request is determined to meet the definition of minor clarification or correction, the applicable quadrant's EC, with input from any subcommittee(s) to which the request has been forwarded, shall act on the request within one month of its receipt. A meeting to discuss the request is not required; the decision may be made by notational vote. A simple majority of the votes received shall determine the outcome. The members of the applicable quadrant's EC shall be given at least three working days to consider and vote on the request.

2. Public Notice

The results of the vote on the request for a minor clarification or correction shall be posted on the NAESB website and the members of the applicable quadrant shall be notified of the request by e-mail. If the request has been approved by the applicable quadrant's EC, the notification shall include a brief description of the request, the contact name and number of the requester so that further information can be obtained, and the proposed effective date of the clarification or correction. Any interested party shall have an opportunity to comment on the request, and the comments shall be posted on the NAESB website. The comment period is two weeks.

3. Final Disposition of Approved Requests

If no comments are received on an approved request, the standard shall be clarified or corrected as specified in the approved request on the effective date proposed. If comments are received, they shall be forwarded to the members of the applicable quadrant's EC for consideration. Each comment requires a public written response from the applicable quadrant's EC. The applicable quadrant's EC shall determine whether changes are necessary as a result of the comments. Members of the applicable quadrant's EC shall be given three working days to consider the comments and determine the outcome, which shall be decided by a simple majority of the votes received. A meeting to discuss the request is not required; the decision may be made by notational vote. The standard shall be clarified or corrected in accordance with the outcome of the vote, effective with the completion of voting, and notice thereof shall be posted on the NAESB website. In the case of minor corrections which are discovered during the editorial

**Appendix 4 – NAESB Operating Procedure for Minor Clarifications and Corrections to Standards
July 17, 2012**

review process of publication of a new version and are categorized as clarifications under (b) or (c) above³, the proposed effective date may be (i) two weeks from the date of public notice, following simple majority approval by the applicable Quadrant(s) EC(s) of the shortened effective date, or (ii) one month from the date of the public notice. For all others, the proposed effective date of the minor clarification or correction shall normally be one month from the date of the public notice upon simple majority approval of the applicable Quadrant(s) EC(s).

³ Minor clarifications and corrections to existing standards include: (a) clarifications or corrections made by a regulatory agency to standards that are of a jurisdictional nature, or by the American National Standards Institute or its successor; (b) clarifications or corrections to the format, appearance, or descriptions of standards in standards documentation; (c) clarifications or corrections to add code values to tables; and (d) clarifications and corrections that do not materially change a standard.