

801 Travis, Suite 1675 • Houston, Texas 77002 • Phone: (713) 356-0060 • Fax: (713) 356-0067 email: naesb@naesb.org • Web Site Address: www.naesb.org

December 18, 2014 via email

Ms. Jana Zabinski EESCC Program Manager American National Standards Institute 25 West 43rd Street, 4th Floor New York, NY 10036

RE: ANSI Request to Consider the Development of Additional Energy Efficiency Standards

Dear Ms. Zabinski -

Thank you for contacting NAESB regarding potential standards development resulting from the creation of the Energy Efficiency Standardization Coordination Collaborative (EESCC or Collaborative) Standardization Roadmap. As always, we are happy to support ANSI in its endeavors and to continue the strong working relationship that our organizations share. As you know, NAESB, and its predecessor organization the Gas Industry Standards Board, has been an ANSI accredited standards development organization for over one and a half decades. The NAESB Bylaws, Operating Practices and other governing documents detailing our process for standards development were drafted to exemplify the ANSI principles of independence, openness and inclusivity, among many others, and the continued maintenance of our accreditation is a top priority of the organization.

When NAESB was asked to participate as a member of the EESCC in the fall of 2012, the leadership of the organization fully supported the opportunity, and NAESB has actively participated in the development of the EESCC Standardization Roadmap through a volunteer member, Eric Winkler of ISO New England over the last several years. This decision was made by the NAESB leadership to support the efforts of ANSI and the industry at large as we attempt to maximize the benefits of energy efficiency technologies through standardization. In addition to participating in the EESCC, NAESB has provided regular updates concerning the activities of the Collaborative to its membership and broader audiences and encouraged participation when given the opportunity. NAESB is appreciative of the consideration of the NAESB WEQ-021 Business Practice Standards for Measurement and Verification of Energy Efficiency Products and the NAESB REQ.19 Model Business Practices for the Measurement and Verification of Energy Efficiency Programs in the development of the Roadmap, and believes that the information provided in the document will be helpful to the industry.

Per your request, we have circulated information concerning the potential standards development opportunity among the NAESB membership and have discussed it during several NAESB meetings over the last month. Through these discussions, we have identified three potential standards development areas out of the eighteen requested for consideration that NAESB may be suited to support. These areas are the establishment of a standardized format and content guide for technical reference manuals, standardized terms and definitions for reporting energy efficiency program and project data and standardized reporting characteristics of audit and implementation data. [Attachment A]. While support for consideration of standards development in these areas was expressed, both the NAESB Retail Markets Quadrant (RMQ) Executive Committee [Minutes included as Attachment B] and the RMQ Leadership [Notes included as Attachment C] requested that the NAESB respond to ANSI and request additional information before committing to the initiation of a new project. Specifically, the participants noted concerns in the following areas.

 Sufficient Volunteer Resources: As you know, NAESB is an industry driven organization that fully relies on volunteer subject matter experts to draft NAESB standards. Since the completion of NAESB REQ.19



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and NAESB WEQ-021 in 2012, the number of energy efficiency subject matter experts regularly participating in NAESB activities has decreased and it has been discussed whether NAESB currently has enough subject matter experts participating to support a larger standards effort. To ensure that a sufficient number of volunteer subject matter experts are available to participate, some outreach by NAESB and ANSI may be required.

2. Activities of Other Organizations: While NAESB is capable of addressing the three areas for potential standards development identified above, it may be that other organizations currently have activities underway to address these items or that other organizations would be better suited to provide standardization. Specifically, related to the standardized format of technical reference manuals, it was noted that the Northeast Energy Efficiency Partners (NEEP) is currently defining a set of minimal requirements that should be provided in technical reference manuals. Additionally, the State and Local Energy Efficiency Action Network (SEE Action) facilitated by the Department of Energy currently maintains a data base of commonly used terms and definitions that may serve as a basis for national standardization. In discussion concerning the national standardization of reporting characteristics of audit and implementation data, it was noted that several state regulatory agencies have already established requirements in this area and that outreach through the National Association of Regulatory Utility Commissioners (NARUC) would be helpful to determine the need for a national standard.

While we are grateful for the opportunity to support the industry through the ANSI request, we would appreciate any information you could provide concerning expected levels of participation, activities of other standards developers and any outreach ANSI will conduct to other organizations. Pending additional information regarding the request, NAESB stands ready to support standards development in the areas noted and on December 11, 2014 the NAESB Board of Directors added a provisional item to the RMQ 2015 Annual Plan for this activity. Should NAESB receive information satisfactory to our Board of Directors that ensures a successful standards development project, the provisional item will be made active and NAESB staff will complete the online EESCC Standardization Action Form providing details on the scope of our activity and anticipated timeline.

Again, we are always happy to support ANSI activities and look forward to continuing our collaborative relationship both now and in the future. If you have any questions or need additional information, please do not hesitate to contact me at any time.

With Best Regards,

Jonathan Booe

Vice President, North American Energy Standards Board

cc: Ms. Valerie Crockett, Chairman and CEO, North American Energy Standards Board

Mr. J. Cade Burks, Vice Chair Retail Markets Quadrant, North American Energy Standards Board

Mr. William P. Boswell, General Counsel, North American Energy Standards Board

Ms. Rae McQuade, President, North American Energy Standards Board



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Areas Identified for Potential Standards Development				
Chapter Four: Evaluation, Measurement, and Verification (EM&V)	Technical Reference Manuals (TRMs)	4.1.4	A. Establish a standard format and content guide In order to promote consistency and wider adoption of TRMs, establish a standard format and content guide. The format could be developed by an independent contractor (National Lab, University, Industry Group) acting under an Advisory Group of TRM Users. Such a guide could come in the form of model business practices, business practice standards, or through other stakeholder-led processes. One area to explore that may create consistency in this area is to define the component factors of the TRMs that may be established as state or federal policy objectives rather than objective engineering analysis. In this manner there would be transparency on the differences between TRMs rather than the assumption that the fundamental engineering analysis is not applicable across sectors or regions.	This effort is on several stakeholders' work plans, though is yet to be completed. This is an area that is ripe for standardization and considered a near-term priority. This work should be conducted in the near-term: 0-2 years.
Chapter Four: Evaluation, Measurement, and Verification (EM&V)	Reporting and Tracking Systems: Tracking Systems	4.2.1	A. Set of standard terms and definitions that can be applied nationally A set of standard terms and definitions for designating and reporting energy efficiency program and project data at all levels (from technologies to projects to programs to portfolios) that can be applied nationally is recommended. This project would leverage the new work being planned under BEDES and coordinate with SEE Action to establish standard reporting requirements for energy efficiency projects and programs.	This should be accomplished in the midterm: 2-5 years.



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Areas Identified for Potential Standards Development				
Chapter Four: Evaluation, Measurement, and Verification (EM&V)	Reporting and Tracking Systems: Standardized Data Collection	4.2.2	B. Standardizing reporting characteristics of audit and implementation data An additional gap was identified regarding standardizing reporting characteristics of audit and implementation data which may be routinely communicated to evaluation professionals, including how installation of individual EE measures is tracked. Standardization could improve data quality, EM&V implementation timelines, and reduce cost in the preparation of that data for EM&V purposes. This could be considered as part of future EM&V standardization.	This should be done in the mid-term: 2-5 years.



Attachment B
RMQ Executive Committee Working Session Minutes
December 9, 2014
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NORTH AMERICAN ENERGY STANDARDS BOARD

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December 18, 2014

TO:

NAESB RXQ Executive Committee Members, Alternates and Interested Industry Participants

FROM:

Elizabeth Mallett, NAESB Staff Attorney

RE:

Retail Energy Quadrant Executive Committee Working Session Draft Minutes

NORTH AMERICAN ENERGY STANDARDS BOARD RETAIL ENERGY QUADRANT EXECUTIVE COMMITTEE WORKING SESSION Tuesday, December 9, 2014

DRAFT MINUTES

1. Welcome

Mr. Jones called the meeting to order and welcomed the Retail Energy Quadrant (RXQ) Executive Committee (EC) members and other participants. Ms. Trum provided the NAESB antitrust guidance and meeting policies reminder and called the roll of the RXQ EC. Quorum was not established and the meeting was deemed a working session. The draft agenda was adopted by consensus.

2. Review and Consider request submitted to NAESB from the American National Standards Institute (ANSI) concerning potential standards development to support energy efficiency.

Mr. Winkler delivered the background on the ANSI request. He stated that the origin of the ANSI Energy Efficiency Standardization Coordination Collaborative (EESCC) began when the Department of Defense (DoD) approached various entities and federal agencies regarding the issues of energy security within the military structure. The DoD set out to identify state of the art conditions in order to modernize the energy infrastructure within the military complex. That effort prompted ANSI to look to the industry for opportunities to catalog and potentially improve the national standards for energy efficiency and lead to the development of the ANSI EESCC Standardization Roadmap. The purpose of the Road map was to improve energy and water efficiency by conducting a gap analysis of the existing standards in the efficiency space. Through the participation of Mr. Winkler, the NAESB WEQ and REQ Energy Efficiency Measurement and Verification Standards (WEQ-021 and REQ.19) were included in the gap analysis and NAESB has been identified as a standards development organization that could potentially address a number of the 109 standardization gaps identified. A description of the areas where NAESB's expertise and standards development process may be utilized is included in the following document: https://www.naesb.org//pdf4/retail_ec120914w1.docx.

Mr. Winkler stated that the gaps are technical issues that are related to the understanding and implementation of measurement and verification. For example, the best way to measure a baseline or relationships between net and gross reduction values requires scientific expertise and laboratory research. He stated that, with the exception of discussions around baseline, the gaps identified are at a more technical level than the standards and model business practices that NAESB has historically developed in the EE space. Mr. Precht asked whether it would be possible for NAESB standards to offer a guide on the different ways of measuring the baseline using different methodologies. He stated that the model business practices have taken similar action in RXQ.3 – Billing and Payment. Mr. Winkler stated that the role will most likely belong to a national laboratory with the ability to perform the basic necessary research. He stated that NAESB could possibly establish the requirements for data and controlling data, without mention to validation and estimation. For example, the standards would address systems and the data elements,



Attachment B RMQ Executive Committee Working Session Minutes December 9, 2014 Page 2 of 3

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along with characteristics of the data and its management. Mr. Winkler noted that if the industry had standards on the data and its presentation, it may result in a consistency that benefits the industry. He noted that Northeast Energy Efficiency Partners is developing a standard for the presentation of studies in energy efficiency and that data reporting is garnering attention from states who maintain public databases allowing people to see a picture of what an energy efficiency portfolio is doing. NAESB could also establish minimum criteria in that area.

Mr. Miyaji stated that many of the gaps identified in the ANSI request will require a team of engineers. He noted that the last three items on the ANSI list – (1) establishing a standard format and content guide (Technical Reference Manuals), (2) the development of a set of standard terms and definitions for designating and reporting energy efficiency program and project data at all levels (from technologies to projects to programs to portfolios) that can be applied national, and (3) Standardizing reporting characteristics of audit and implementation data – are addressing business reporting aspects regarding tracking and reporting. Mr. Precht stated that, should NAESB develop any standards, a plea to the board should be made in order to acquire volunteers to work on the efforts.

Mr. Booe stated that the response to the ANSI request outlining the topics that NAESB could possibly address is expected back by the end of the year. He stated that ANSI also sent the request out to other standard development organizations. Mr. Watson stated that each state is in various stages of development and adoption of energy efficiency standards as part of their regulatory policy and there is a desire to create transparency in that process with tracking systems. He stated that there are issues about privacy that could be tricky. On the wholesale side, those entities that are procuring efficiency as part of markets have minimum data requirements.

Mr. Booe concluded that during the Board Leadership meetings, an addition to the annual plan will not be recommended. The response to ANSI will list the three items that the organization could consider, but notify ANSI that NAESB has a number of concerns and cautions before we will consider taking action, such as resource adequacy. Mr. Booe suggested that a small group, possibly Mr. Winkler, Mr. Miyaji and Mr. Watson, develop the response to ANSI and submit the document to the RXQ leadership. Mr. Precht stated that the topic will be discussed during the board meeting. Mr. Booe agreed and stated that the Managing Committee will make the final decision as to what is communicated to ANSI.

3. Other Business

There was no other business to address.

4. Adjourn

The meeting adjourned at 10:03 AM Central on a motion by Ms. Ray, seconded by Mr. Do.

5. Attendance

RETAIL ELECTRIC UT	TLITIES SEGMENT -		
Phil Precht	Management Consultant – Pricing and Regulatory Services Department, Baltimore Gas & Electric Company		
Judy Ray	Industrial Segment Manager - Contract Administrator, Alabama Power Company		
RETAIL GAS MARKET	Interests Segment		
Dan Jones	Senior Account Manager - Customer Choice, Duke Energy		
RETAIL ELECTRIC SE	RVICE PROVIDERS/SUPPLIERS SEGMENT		
Wendell Miyaji	Vice President – Energy Sciences, Comverge, Inc.		



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6. Other Participants

Participant

Jonathan Booe

Mary Do

Elizabeth Mallett

Wendell Miyaji Caroline Trum

Jill Vaughan

Sam Watson

Organization

NAESB

Latitude Technologies, Inc.

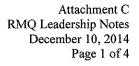
NAESB

Comverge, Inc.

NAESB

Court Reporter

NCUC





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December 16, 2014

TO:

NAESB Retail Electric Quadrant (REQ) and Retail Gas Quadrant (RGQ) Board Members, Executive

Committee Members, and Interested Industry Participants

FROM:

Elizabeth Mallett, NAESB Staff Attorney

RE:

Retail Leadership Meeting Notes - December 10, 2014

Dear Retail Leadership Committee,

A leadership meeting was held on December 10, 2014. Below are notes from that meeting:

Topic

Discussion

Welcome and Administration

 Mr. Precht opened the meeting and the participants introduced themselves in person and over the phone. Ms. Trum provided the Antitrust Guidelines and Other Meeting Policies reminder. Mr. Precht reviewed the agenda. No modifications were offered. Mr. Miyaji, seconded by Mr. Cargas, moved to adopt the agenda. The motion passed without opposition.

Review of Membership Levels

• Ms. McQuade reviewed the membership statistics with the participants. The RXQ currently has 44 members, WEQ has 144 members, and the WGQ has 124 members. The NAESB membership reached 312 in 2014, up from 303 total members in 2013. The RXQ gained 1 new member during this year. A look at the RXQ segments reveals 16 members in Retail Electric End Users/Public Agencies, 13 members in Retail Gas Market Interest, 7 in Retail Electric Utilities, and 8 in the Retail Electric Service Providers/Suppliers segment.

Update on Publication Activities

- Ms. Rager reviewed the <u>publication activities</u> document which outlined the final actions to be applied to Retail Version 2.1 to create the Retail Version 3.0 Model Business Practices publication. Currently Version 3.0 is scheduled to be published on December 19, 2014. Ms. McQuade asked whether any Minor Corrections have become necessary due to the review. Ms. Rager explained that <u>MC14028</u> was submitted in order to delete a reference to a WGQ Interpretation within RXQ.7 Internet Electronic Transport. The WGQ Interpretation No. 7.3.50 was deleted by the WGQ and, therefore, the reference to the interpretation should be deleted from the Retail Book as well. <u>MC14026</u> modifies RXQ.0 Overview of Model Business Practices and Master List of Defined Business Terms, RXQ.3 Billing and Payment Model Business Practices, and RXQ.8 Retail Customer Information Model Business Practices, to reflect previously eliminated definitions by the RXQ Glossary Subcommittee.
- Ms. McQuade stated that once Version 3.0 of the RXQ Model Business Practices
 is published, a letter will be sent to the National Association of Regulatory Utility
 Commissioners (NARUC) detailing those companies who participated in the
 standards development process, are members of the quadrant, and/or those with
 access to the Model Business Practices.



Attachment C RMQ Leadership Notes December 10, 2014 Page 2 of 4

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Mr. Booe stated that during the <u>November 20, 2014</u> Managing Committee meeting, the participants discussed a request to NAESB from the WGQ and WEQ leadership to offer the NAESB standards in a word format. The Managing Committee devised a process for an interested member to request a native format of the standard to be used under certain conditions. For example, the document(s) may not be distributed or made available to others.

Update on DSM-EE standards and ANSI request

- Mr. Booe delivered the update on Demand-Side Management and Energy Efficiency (DSM-EE) and a request to NAESB from the American National Standards Institute (ANSI). He explained that ANSI submitted a request to NAESB in November to consider the development of standards in certain identified areas. Through the ANSI working group, Energy Efficiency Standards Coordination Collaborative (EESCC), a gap analysis was conducted of all existing standards and protocols within the energy efficiency space to determine whether any standards could be developed to help the progress of energy efficiency. Mr. Winkler participated in the working group on NAESB's behalf. Eighteen separate items are listed on the request for NAESB's consideration and a response is requested by the end of the year. Initial meetings were held with the Retail DSM-EE Subcommittee co-chairs and the RXQ Executive Committee held a working session to consider the request and identified specific areas NAESB could consider. Numerous cautions were noted by the participants and the item was not added to the 2015 Annual Plan regarding the potential project, as other standards development organizations may be chosen to develop the standards. Mr. Cargas noted that the Mayor of the City of Houston is moving forward with a project to get buildings STAR certified. He stated that ASHRAE and engineering firms perform that certification, but part of the project will be data monitoring/data set collection.
- Mr. Booe noted that there was concern expressed by participants about the level of
 volunteers and resources that NAESB has available to dedicate to the technical
 standards development. Ms. McQuade stated that ANSI may help to find
 interested parties who will benefit from the development of the standards.
- Mr. Booe delivered the Smart Grid <u>update</u>. The participants discussed issuing a press release regarding the Green Button efforts in Ontario.

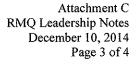
Mr. Jones delivered the Net Metering update. He noted that the scope of the net

metering model business practices is limited to customer choice markets. Four Retail books will be impacted by the net metering annual plan items: RXQ.3 – Billing and Payment Model Business Practices; RXQ.8 – Retail Customer Information Model Business Practices; RXQ.10 – Retail Customer Enrollment, Drop, and Account Information Change Model Business Practices; and RXQ.11 – Retail Customer Enrollment, Drop, and Account Information Change Using a Registration Agent Model Business Practices. The subcommittee has voted out the modifications to RXQ.8 and expects to complete RXQ.3 within the first quarter of 2015. Mr. Jones thanked the participants in the Retail BPS and Retail

IR/TEIS Subcommittees.

Smart Grid

Net Metering





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Review of the Revised 2014 RXQ Annual Plan

- Mr. Precht reviewed the <u>Revised 2014 RXQ Annual Plan</u>. He stated that the completion date for 2014 RXQ Annual Plan Item 8.b should be moved out to the first quarter of 2015. The status of 2014 RXQ Annual Plan Item 11 was changed to underway.
- Ms. Kiselewich, seconded by Mr. Miyaji, moved to adopt the modified Revised 2014 RXQ Annual Plan. The motion passed a simple majority vote.

Review Proposed 2015 RXQ Annual Plan

- Mr. Precht reviewed the Proposed 2015 RXQ Annual Plan. The completion date of 2015 RXQ Annual Plan Item 3.g was changed to 2016. Mr. Precht noted that Session Encryption was removed from the 2015 RXQ Annual Plan. The "Not Started" statuses of 2015 RXQ Annual Plan Items 6.a and 6.b were added to the document. The status of 2015 RXQ Annual Plan Item 7 was changed to "Underway." Mr. Cargas suggested adding the ANSI request as a provisional item on the 2015 RXQ Annual Plan. Mr. Winkler stated that it may be premature to add the potential project to the annual plan at this time. He stated that he would like to refrain from creating an expectation that standards may be developed until NAESB has responded to the ANSI request.
- Mr. Cargas moved to add a provisional item to the 2015 RXQ Annual Plan regarding the ANSI request. Ms. Jones seconded the motion. The motion passed with Mr. Winkler and Mr. Jones opposed.
- Mr. Desselle, seconded by Mr. Cargas, moved to adopt the modified Proposed 2015 Annual Plan as revised. The motion passed with Mr. Winkler and Mr. Jones in opposition.

Review of Other Board or Leadership Issues • Ms. McQuade stated that several items will be considered for vote during the December 11, 2014 Board of Directors meeting, including items from the Parliamentary Committee and the Revenue Committee. The Managing Committee will present a vote to formally recognize the merger of the Retail Electric and Retail Gas Quadrants. The Retail Energy Markets (RXQ) will now be referred to as the Retail Market Quadrant (RMQ). Additionally, the Board will vote on the budget, and the 2015 Annual Plans. Ms. McQuade thanked Ms. Crockett, Mr. Desselle, Mr. Burks, and Mr. Spangler for their leadership in the Board Committees.

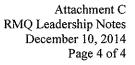
Old and New Business • There was no old or new business discussed.

Adjourn

 The meeting adjourned at 12:33 PM Central on a motion by Ms. Kiselewich, seconded by Mr. Desselle.

Attendance

Name	Organization	Attendance
Jonathan Booe	NAESB	In Person
Jim Cargas	City of Houston	In Person
Valerie Crockett	TVA	In Person
Michael Desselle	SPP	In Person





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Name	Organization	Attendance	
Mary Do	Latitude Technologies	By Phone	
Jesse Hurley	Shift Research Inc.	By Phone	
Dan Jones	Duke Energy	By Phone	
Sandy Jones	Accenture	In Person	
Ruth Kiselewich	Baltimore Gas and Electric	By Phone	
Elizabeth Mallett	NAESB	In Person	
Rae McQuade	NAESB	In Person	
Wendell Miyaji	Comverge	In Person	
Joe Nilsestuen	Accenture	In Person	
Joshua Phillips	SPP	By Phone	
Phil Precht	Baltimore Gas and Electric	By Phone	
Judy Ray	Alabama Power	By Phone	
Megan Schlain	Sequent Energy	In Person	
Caroline Trum	NAESB	In Person	
Eric Winkler	ISO NE	By Phone	

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