



North American Energy Standards Board

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May 15, 2013

NAESB AT A GLANCE: MONTHLY UPDATE

UPDATE ON VERSION 2.1 PUBLICATION: Mr. Buccigross, chair of the WGQ Executive Committee, delivered the update on the April 30, 2013 publication of the NAESB WGQ Business Practice Standards, Version 2.1 (Version 2.1 publication). The Version 2.1 publication includes 10 new standards, 23 revised standards, and 41 data sets. It eliminates the requirement of common location codes and returns the industry to the utilization of pipeline proprietary codes. Mr. Booe noted the significant effort that went into publishing the standards and thanked Jim Buccigross, Dale Davis, and Denise Rager for their meticulous work in maintaining the WGQ Business Practice Standards. He stated that the publication can be accessed from the NAESB web site¹ and noted that it was expected that NAESB will file the Version 2.1 publication with the Federal Energy Regulatory Commission (FERC) in July.

UPDATE ON PUBLIC KEY INFRASTRUCTURE (PKI) & CYBERSECURITY EFFORTS: Mr. Buccigross provided the update on the PKI Subcommittee and NAESB cybersecurity activities. The PKI Subcommittee worked extensively on the NAESB WEQ-012 PKI Standards throughout 2012. On January 29, 2013², NAESB filed an update to the Commission regarding modifications to the PKI standards and other related standards to support the NAESB WEQ-012 PKI Standards. Since that time, the PKI Subcommittee has met to address 2013 WEQ Annual Plan Item 4.a.ii—Review of the August 27, 2012 FERC report, “*Report on Use of North American Energy Standards Board Public Key Infrastructure Standards*” (Docket No. EL12-86-000).³ He stated that the subcommittee reviewed the NAESB Accreditation Requirement for Authorized Certification Authorities, discussed the suggestion made by the FERC that NAESB review the lifespan of root keys utilized in the PKI standards, and developed a white paper to detail the subcommittee’s findings on issues raised in the FERC report. As part of 2013 WEQ Annual Plan Item 4.a.i., the PKI Subcommittee will also undertake a review of the standards that support session encryption [Secure Socket Layer/Transport Layer Security (SSL/TLS)]. Mr. Buccigross noted that the 2013 WEQ Annual Plan Item 4.a.iii directs the PKI Subcommittee to review annually, at minimum, the accreditation requirements for Authorized Certification Authorities to determine if any changes are needed to meet market conditions. The next PKI Subcommittee meeting will take place on May 16, 2013 and all interested parties are welcome to attend.

Mr. Booe informed the participants that NAESB had completed and posted two fact sheets- *NAESB Wholesale Electric Market Cybersecurity Standards Fact Sheet*⁴ and the *NAESB Wholesale Natural Gas Market Cybersecurity Standards Fact Sheet*.⁵ The fact sheets describe, in simplified terms, the NAESB cybersecurity related standards, how they are used, and how they affect the wholesale markets for both natural gas and electricity. On April 8, 2013, NAESB submitted the cybersecurity fact sheets as general comments in response to the February 26, 2013 request for information from the U.S. Department of Commerce through the National Institute of Standards and Technology (NIST).⁶ While cybersecurity has become a focus of attention at the federal level, the state commissions have also led efforts to develop an open dialogue. Mr. Booe extended his thanks to Commissioner Wayne Gardner with the Pennsylvania Public Utility Commission for his work to involve NAESB in state and local cybersecurity developments.

¹ NAESB WGQ Business Practice Standard, Version 2.1 is available at: <http://www.naesb.org/wgq/Imp.asp>.

² The January 29, 2013 NAESB report is available at: http://www.naesb.org/pdf4/ferc012913_pki_standards_report.pdf.

³ The August 27, 2012 FERC report, “*Report on Use of North American Energy Standards Board Public Key Infrastructure Standards*,” may be accessed at the following link: <http://www.ferc.gov/EventCalendar/Files/20120827175825-EL12-86-000.pdf>.

⁴ *NAESB Wholesale Electric Market Cybersecurity Standards Fact Sheet*: <http://www.naesb.org/pdf4/update031413w3.docx>.

⁵ *NAESB Wholesale Natural Gas Market Cybersecurity Standards Fact Sheet*: <http://www.naesb.org/pdf4/update031413w4.docx>.

⁶ *Response to the Request for Information on “Developing a Framework to Improve Critical Infrastructure Cybersecurity*”: http://www.naesb.org/pdf4/nist_040813_naesb_rfi_comments.pdf.



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UPDATE ON THE OPEN ACCESS SAME-TIME INFORMATION SYSTEMS (OASIS) STANDARDS: Mr. Wood, co-chair of the WEQ OASIS Subcommittee, delivered the update on the OASIS Standards development progress. He explained that the OASIS Subcommittee was currently working on the 2013 WEQ Annual Plan Items 2(a)(i) 1-2 and 5(c)–Preemption and Competition. During previous meetings, the subcommittee identified 125 issues and requirements including the following questions: “What is a Challenger?”, “What is a Defender?”, “What is Preemption and Competition?”, and “Which entity has the Right of First Refusal?”. To date, the subcommittee has voted on over 50 motions and worked through 84 of the 125 issues and requirements. During the April 30, 2013 WEQ Executive Committee meeting, the completion date for the Preemption and Competition annual plan items were deferred to the fourth quarter of 2013. The subcommittee’s efforts will result in revisions to the NAESB WEQ-000, WEQ-001, WEQ-002, WEQ-003, and WEQ-013 sets of business practices standards. He invited interested parties to participate in the May 29-30, 2013 face-to-face WEQ OASIS Subcommittee meeting with web conferencing hosted by Southwest Power Pool in Little Rock, AR. Mr. Pritchard noted that the WEQ OASIS Subcommittee had developed these standards in a time span stretching over one year and thanked the members of the subcommittee for their continued participation. Mr. Booe stated that the chairs of the WEQ OASIS Subcommittee – JT Wood, Alan Pritchard, and Paul Sorenson – were instrumental to the development of the standards. He noted that the development and revisions to the OASIS Standards (comprised of the WEQ-000, WEQ-001, WEQ-002, WEQ-003, and WEQ-013 sets of business practices standards), among several other 2013 WEQ Annual Plan items, are responsive to suggestions made in FERC Order No. 890.

UPDATE ON PARALLEL FLOW VISUALIZATION PROJECT (PFV): Mr. Saini delivered the update on the PFV project. He stated that the WEQ Business Practices Subcommittee (BPS) has been focusing on the PFV project for over three years. The key objectives to be achieved by the PFV recommendation include the reporting of generation to load impacts to the Interchange Distribution Calculator on a real-time basis and a more accurate assignment of relief obligations to entities causing congestion. An informal comment period was held from February 18, 2013 – March 18, 2013 on the draft recommendation, which includes modifications to WEQ-000, WEQ-001, WEQ-002, WEQ-003, WEQ-004, WEQ-008, and WEQ-013 sets of business practices standards, and other documents. The subcommittee has been working to resolve all issues raised by the informal comments in an effort to move forward with a formal recommendation for PFV. Mr. Saini explained that the subcommittee anticipates a formal recommendation to be voted on during the fourth quarter of 2013. Mr. Booe noted that as a part of the full staffing approach to these standards, a 12-18 month test had been discussed. Mr. Saini replied that more information regarding the length of the testing would become available after the completion of the standards. The WEQ BPS Subcommittee has announced the following face-to-face meetings: May 22-23, 2013, June 19-20, 2013, July 17-18, 2013, and August 14-15, 2013.

UPDATE ON NERC/NAESB COORDINATION: Ms. York, Chair of the WEQ Executive Committee, delivered the update on recent coordination efforts between NERC and NAESB. NERC has taken a more aggressive approach to standards development and accelerated the expected completion dates of many projects. In anticipation of requests from NERC that NAESB develop and maintain complementary business practices, the NAESB WEQ Executive Committee moved many NERC project-related provisional items onto the active annual plan. She stated that in order to maintain consistency with NERC, the NAESB staff and the WEQ leadership have continued to hold monthly calls with NERC staff to ensure that both organizations are supportive and helpful to the coordination between the NERC project managers and the NAESB subcommittee co-chairs as they address the items moved from provisional to the active section of the 2013 WEQ Annual Plan. Mr. Booe stated that NAESB staff has also participated in monthly calls with the NERC Standards Directors to ensure further synchronization between the two organizations.

UPDATE ON DEMAND SIDE MANAGEMENT ENERGY EFFICIENCY (DSM/EE) ACTIVITIES: Mr. Winkler delivered the update on the NAESB DSM/EE Activities. He stated that the ASHRAE Standard Project Committee 201 (SPC 201) Facility Smart Grid Information Model was scheduled for completion by the end of 2013. The purpose of the standard is to define an abstract, object-oriented information model to enable appliances and



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control systems in homes, buildings, and industrial facilities to manage electrical loads and generation sources in response to communication with a smart electrical grid and to communicate information about those electrical loads to utility and other electrical service providers. He stated that the ASHRAE process was very attentive to NAESB business practice standards and activities. Mr. Winkler and Mr. Booe are continuing to represent NAESB in its collaboration with the ANSI Energy Efficiency Standardization Coordination Collaborative (EESCC). He stated that Work Group 4: Evaluation, Measurement, and Verification, encompasses EM&V, energy performance metrics and standardized and portable data collection and reporting. Mr. Winkler stated that FERC Order No. 676-G, issued on February 21, 2013 (Docket No. RM05-5-020), adopted the NAESB Phase II Demand Response Measurement and Verification standards, as they apply to the wholesale electric market.⁷ He noted that a request for rehearing regarding the standards had been submitted to and granted by the FERC, and the standards became effective on May 6, 2013. Mr. Booe stated that the U.S. Department of Energy (DOE) and the DOE National Renewable Energy Laboratory (NREL) have published protocols for estimating energy savings for residential and commercial energy efficiency programs and measures in a new report titled *Uniform Methods Project: Methods for Determining Energy Efficiency Savings for Specific Measures*. He stated that NAESB had reviewed the report and would continue to follow the progress of the project. [JB1]

UPDATE ON DISCUSSIONS TO DEVELOP DATA SETS TO SUPPORT NET METERING: Mr. Jones stated that the Retail Business Practices Subcommittee (BPS) has been working on revisions to Book 3 of the Retail Model Business Practices. He stated that during its review of usage transactions the subject of net metering data elements arose and will be presented for consideration as an annual plan item during the August EC meeting, specific only to data elements. Additionally, the Retail Executive Committee adopted the Retail BPS recommendation for the NAESB 2012 Retail Annual Plan Item No. 1.a – Develop Technical Electronic Implementation Standards and Data Dictionaries for RXQ.10 - Retail Customer Enrollment, Drop and Account Information Change during its May 1, 2013 meeting.

UPDATE ON BOARD ACTION ON RETAIL RESTRUCTURING: Mr. Minneman gave the update on the retail restructuring activities. He stated that the “*North American Energy Standards Board Retail Structure Review Committee Report*”⁸ was adopted during the April 4, 2013 Board of Directors meeting. Part Two of the report represents the implementation of the restructuring project, the merger of the Retail Gas Quadrant and the Retail Electric Quadrant into one Retail Energy Quadrant. The new structure allows all members and existing roles to continue their membership with NAESB. The implementation of the two year interim solution has been completed and the RSRC will deliver retail membership progress reports during each Board of Directors meeting. Part One of the RSRC report and the direction of the RSRC was considered and approved by the NAESB Board of Directors during the December 6, 2012 meeting. Mr. Minneman noted that the new Retail Energy Quadrant held its first Executive Committee meeting with the new quadrant voting structure on May 1, 2013. Mr. Booe commented that the transition and merger of the two quadrants had been smooth thanks to the work of the RSRC, retail leadership and Denise Rager.

UPDATE ON COPYRIGHT WAIVER PROCESS: Ms. Rager delivered the update on the copyright waiver process. She stated in response to concern voiced during the December board meeting, Mr. Desselle convened the Board Revenue Committee to examine the NAESB copyright policy and the surrounding discussions. During the April 4, 2013 Board of Directors meeting, the Board Revenue Committee presented the Irrevocable, Self-Executing, Limited Waiver of NAESB Copyright for NAESB Members and Non-Member Purchasers of NAESB Standards⁹ and the NAESB Copyright Procedure Regarding Member and Purchaser Self-Executing Waiver.¹⁰ Ms. Rager stated that both documents were adopted by the Board and may be found on the NAESB web site.

⁷ FERC Order No. 676-G can be accessed at the following link: <http://www.ferc.gov/whats-new/comm-meet/2013/022113/E-3.pdf>.

⁸ *North American Energy Standards Board Retail Structure Review Committee Report*: <http://www.naesb.org/pdf4/rsrc022213a1.docx>.

⁹ *Irrevocable, Self-Executing, Limited Waiver of NAESB Copyright for NAESB Members and Non-Member Purchasers of NAESB Standards*: http://www.naesb.org/pdf4/self-executing_waiver.pdf.

¹⁰ *NAESB Copyright Procedure Regarding Member and Purchaser Self-Executing Waiver*: http://www.naesb.org/pdf4/self-executing_waiver_procedure.pdf.



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REGULATORY UPDATES: Mr. Booe delivered the regulatory updates. FERC Order No. 676-G, issued by the Commission on February 21, 2013 (Docket No. RM05-5-020), adopted the NAESB Energy Efficiency and Phase II Demand Response Measurement and Verification standards, as they apply to the wholesale electric market.¹¹ On April 8, 2013, NAESB submitted the cybersecurity fact sheets as general comments in response to the February 26, 2013 request for information from the U.S. Department of Commerce through the National Institute of Standards and Technology (NIST).¹² On April 18, 2013, NAESB filed the NAESB Copyright Procedure Regarding Member and Purchaser Self-Executing Waiver (Docket Nos. RM05-05-000 and RM96-1-000). This report describes the NAESB Copyright Procedure Regarding Member and Purchaser Self-Executing Waiver adopted by the NAESB Board of Directors on April 4, 2013 as part of the NAESB Copyright Policy.¹³ Additionally, FERC recently held a technical conference on April 25, 2013 addressing gas and electric scheduling issues and has scheduled an upcoming technical conference on July 9, 2013 regarding the reliability of the Bulk Electric System.

NEXT CONFERENCE CALL: The next Monthly Update conference call is scheduled for June 27, 2013 from 1:00 PM - 2:00 PM Central. The agenda and any work papers will be posted on the Monthly Update page of the NAESB website, accessible at the following link: 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 at (713)356-0060 or naesb@naesb.org.

¹¹ FERC Order No. 676-G can be accessed at the following link: <http://www.ferc.gov/whats-new/comm-meet/2013/022113/E-3.pdf>.

¹² Response to the Request for Information on "Developing a Framework to Improve Critical Infrastructure Cybersecurity": http://www.naesb.org/pdf4/nist_040813_naesb_rfi_comments.pdf.

¹³ NAESB Copyright Filing to the Commission: http://www.naesb.org/pdf4/ferc041813_copyright_waiver_procedure_report.pdf.



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NAESB Monthly Update Conference Call, Participant List	
May 15, 2013 1:00 PM Central	
Name	Organization
Jonathan Booe	North American Energy Standards Board
Jim Buccigross	Group 8760 LLC
Ernie Cardone	NYISO
Chuck Cook	Chevron
Carmen Davis	Not Specified
Blaine Erhardt	Basin Electric Cooperative
Chuck Feagans	Tennessee Valley Authority
Keith Flynn	TransCanada US Pipelines
Marilyn Franz	NV Energy
Bob Harshbarger	Puget Sound Energy, Inc.
Kevin Klavill	RCA
Frank Koza	PJM
Debbie Kupczyk	National Fuel Gas Supply
Melissa Lauderdale	Integrus Energy
Elizabeth Mallett	North American Energy Standards Board
Vanessa Mathieu	Noble Americas Corp.
Richard McCall	North Carolina Electric Membership Corporation
Jim Minneman	PPL Solution
Gene Nowak	NGPL
Matt Pawlowski	FPL
Joshua Phillips	Southwest Power Pool
Phil Precht	Baltimore Gas and Electric
Alan Pritchard	Duke Energy
Judy Ray	Alabama Power
Susan Schumann	Florida Municipal Power Agency
Kathy Thornton	Enbridge
Keith Tiggelaar	WBI Energy Transmission, Inc.
Chris Villareal	California PUC
John Walker	Portland General Electric
Craig Williams	WECC



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Name	Organization
JT Wood	Southern Company
Matt Wurst	Pennsylvania Public Utility Commission
Kathy York	Tennessee Valley Authority