



North American Energy Standards Board

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December 5, 2013

NAESB AT A GLANCE: MONTHLY UPDATE

UPDATE ON CYBERSECURITY SUBCOMMITTEE (CSS) AND PUBLIC KEY INFRASTRUCTURE (PKI) EFFORTS: Mr. Buccigross, Chair of the Wholesale Gas Quadrant (WGQ) Executive Committee and the CSS (formerly the PKI Subcommittee), provided the update on the NAESB cybersecurity efforts. The CSS will hold a face-to-face meeting with web conferencing immediately following the NAESB Board Meeting on December 12, 2013 from 1:00 PM to 3:00 PM Central. During the meeting the subcommittee will finalize 2013 WEQ Annual Plan Item 4.a.iii, an annual review of the accreditation requirements for Authorized Certification Authorities (ACAs), to determine whether changes are needed to meet market conditions. Mr. Booe stated that NAESB is continuously monitoring the National Institute of Standards and Technology (NIST) Cybersecurity Framework development effort. NIST released the *Preliminary Cybersecurity Framework* on October 22, 2013, followed by a Federal Register Notice announcing a Request for Comments on the document. The official Cybersecurity Framework, scheduled to be released in February of 2014, is a voluntary guide that will help critical infrastructure owners and operators reduce cybersecurity risks in industries such as power generation and transportation. Mr. Buccigross stated that the CSS reviewed the release of the *Preliminary Cybersecurity Framework* during its October 31, 2013 conference call and encouraged all interested participants to submit comments on the document. The CSS concluded that in many cases the relevant NAESB Business Practice Standards met or exceeded the recommendations within the document.

UPDATE ON THE OPEN ACCESS SAME-TIME INFORMATION SYSTEMS (OASIS) SUBCOMMITTEE: Mr. Pritchard, Co-Chair of the Wholesale Electric Quadrant (WEQ) OASIS Subcommittee, delivered the update on the WEQ OASIS Subcommittee and its current effort, 2013 WEQ Annual Plan Items 2.a.i 1-2 and 5.c – Preemption and Competition. The subcommittee is addressing an extensive list of issues and concerns regarding short term firm preemption and competition and will address non-firm transmission service applications later this year. One recent point of debate was how far in advance the non-firm products should be bumped or preempted. This issue was resolved with the market participants creating a buffer of one hour, prior to the start of the schedule or scheduling deadline, after which the preemption of non-firm service will not take place. The OASIS Subcommittee development efforts on the annual plan items will conclude with an analysis and possible standards development in the area of long term preemption and competition. An informal comment period for the draft recommendation is expected to take place before the submission of the recommendation to the Executive Committee in late June or early July. Mr. Booe asked whether the informal comment period would be abbreviated or last the full thirty days. Mr. Pritchard replied that the answer would depend on the complexity of the draft recommendation.

UPDATE ON PARALLEL FLOW VISUALIZATION (PFV) PROJECT: Mr. Skiba, Co-Chair of the WEQ Business Practices Subcommittee (BPS), presented an update on the status of 2013 Annual Plan Item 1.a – PFV/Mitigation for Reliability Coordinators in the Eastern Interconnection – Permanent Solution. The subcommittee has concluded its review of fifteen of the seventeen comments on the draft recommendation submitted during the February 18, 2013-March 18, 2013 informal comment period. The participants will continue to address the remaining two comments during upcoming meetings. The revised PFV Permanent Solution White Paper provides readers with a wide-framed view of the project by serving as the basis for the draft recommendation. The expected completion date for the PFV project falls within the fourth quarter of 2014. Mr. Booe noted that the next WEQ BPS face-to-face meeting will be hosted at the NAESB office in Houston, Texas from January 7, 2014 to January 8, 2014. Mr. Booe thanked Mr. Skiba for his leadership and announced that as of January 7, 2014, Mr. Davis will take Mr. Skiba's place as Co-Chair of the WEQ BPS. Mr. Skiba will remain a member of the Wholesale Electric Quadrant Executive Committee.

UPDATE ON NAESB AND NERC COORDINATION: Ms. York, Chair of the WEQ Executive Committee, provided the update on the continuous coordination between NAESB and the North American Electric Reliability Corporation (NERC). The NAESB staff and WEQ leadership continue to hold monthly conference calls with NERC staff to ensure synchronization of the standards development processes. Additional monthly calls between



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NAESB and NERC staff members are held to ensure that both organizations are supportive to the coordination between the NERC project managers and the NAESB subcommittee Co-Chairs. Current agenda topics include the harmonization of the NAESB and NERC glossaries, the NAESB PFV project, and synchronization on NERC Project 2012-05, ATC Revisions (MOD A). NAESB has worked closely with the MOD A standards drafting team which has developed a matrix of the proposed dispositions of over one hundred requirements for NAESB to review for incorporation into the NAESB body of standards. The NAESB WEQ Co-Chairs reviewed the work merely in order to ascertain a work load forecast, as any work on the project will not begin until a standards request is submitted to NAESB from NERC. After approval of the proposed MOD A standards is received from the NERC Board of Trustees and a request for standards development is received, NAESB will triage the request. In this event, NAESB and NERC must work closely with the Federal Energy Regulatory Commission (FERC) to ensure a smooth transition. The development effort has been estimated to last from six months to multiple years, depending on the complexity, volume, and prioritization of the work in relation to other standards development projects. Mr. Booe stated that a recent meeting with the FERC and NERC staff focused mainly on possible coordination efforts regarding the MOD A Standards. Mr. Booe thanked Ms. York and Mr. Harshbarger for their continuous efforts to maintain coordination between NAESB and NERC.

UPDATE ON PHASE 3 OF THE ELECTRIC INDUSTRY REGISTRY (EIR) PROJECT: Ms. Trum, NAESB Staff Attorney, delivered the update on the EIR. NAESB is continuously working with Open Access Technology International, Inc. (OATI) and the Western Electricity Coordinating Council (WECC), to complete Phase 3 of the EIR project, which includes the incorporation of the WECC registry, currently managed through the WECC Interchange Tool (WIT), into the EIR. Additionally, legacy TSIN Registry items retained within the EIR as part of the original transition will be retired, and the EIR publication will transition to XML file format only, with the CSV and MDB file formats being retired. Following a series of information sessions in May and June of 2013, parallel operations for WECC users of the EIR began on June 4, 2013 and concluded on October 29, 2013. The EIR is now the official registry for WECC users. On December 3, 2013, an online emergency request functionality replaced the interim solution that NAESB and OATI had been operating under. This shift marks an increase in efficiency and allows users to streamline the request process. Mr. Booe thanked Mr. Harshbarger, Mr. Phillips, and Ms. Trum, for facilitating the success of the transitions.

UPDATE ON GAS-ELECTRIC HARMONIZATION ACTIVITIES: Ms. Crockett, Chair of the Wholesale Gas Quadrant (WGQ) Executive Committee, provided the update on the gas-electric harmonization activities. During the last Executive Committee meetings, an informal group was formed to support the FERC Notice of Proposed Rulemaking (NOPR), "*Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators.*"¹ The NOPR was adopted by the Commission as FERC Order No. 787.² The group reviewed the aspects of the standards having to do with communications and will return a recommendation to the Executive Committees during the February meetings. On August 26-27, 2013, Ms. McQuade, President of NAESB, moderated a gas-electric harmonization panel for the Eastern Interconnection States' Planning Council (EISPC) meeting in Chicago, IL. During that same meeting, Ms. Crockett, Chair of the NAESB WGQ Executive Committee, represented NAESB on the EISPC panel which sought to examine, at a high level, ongoing or previous analyses of gas-electric harmonization issues.

UPDATE ON SMART GRID: Mr. Booe, Vice-President of NAESB, delivered the update on smart grid activities. NAESB is currently collaborating with the Ontario Ministry of Energy to implement the Green Button initiative within the province. The Green Button initiative was developed by the United States Office of Science and Technology Policy to encourage utilities in the United States to provide their customers with easy access to their energy usage data in a computer- and consumer-friendly format via a "Green Button" on electric utility websites. The NAESB Energy Services Provider Interface Model Business Practices (ESPI Standard), adopted by NAESB in 2012, has been endorsed by the United States as the basis for the Green Button, as it provides a process and interface

¹ The July 18, 2013 FERC NOPR, "*Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators*," Docket No. RM13-17-000, is available at: http://www.naesb.org/pdf4/ferc071813_nopr_geh.pdf.

² FERC Order 787, "*Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators*," Docket No. RM13-17-000, is available at: http://www.naesb.org/pdf4/ferc_order787_111513.pdf.



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for the exchange of retail customer energy usage information between their designated data custodian, i.e. utility, and an authorized third-party service provider. Ontario's utilization of the ESPI Standard to support the "Download My Data" and "Connect My Data" initiatives and an app contest held by the Ministry of Energy has led to over 250 individuals and companies requesting waivers to access to the ESPI Standard. In related news, the UCA International Users Group OpenADE Task Force has requested possible updates to the ESPI Standard. In response, the ESPI Task Force, chaired by Chris Villarreal of the California Public Utilities Commission, has been reactivated and will hold its first meeting in the first quarter of 2014. Additionally, the WEQ Version 003 standards that support smart grid applications are part of the FERC NOPR, "*Standards for Business Practices and Communication Protocols for Public Utilities*,"³ and will become federal regulation if adopted. Mr. Villarreal thanked Mr. Booe and stated that he looks forward to working with NAESB in the upcoming year.

UPDATE ON DEMAND SIDE MANAGEMENT ENERGY EFFICIENCY (DSM-EE) CERTIFICATION:

Mr. Booe delivered the update on the DSM-EE activities. In response to a written request made by Dominion Voltage, Inc. on August 6, 2013 and considered by the board at the September meeting, NAESB has initiated the development of a program for the certification of DSM-EE measurement and verification products and services that support the NAESB WEQ and Retail Energy Quadrant demand response and energy efficiency standards. The proposed certification program is similar to the PKI certification program and boasts a three-legged stool approach in which the program is supported by the NAESB Business Practice Standards, a specification document that details the requirements an entity must meet to become certified, and a certification program currently being developed by the NAESB Board Certification Program Committee which outlines the process an entity must follow to become accredited. The DSM-EE Specifications Task Force met three times before posting the draft specification for an informal comment period which ends today. During its December 18, 2013 meeting, the task force will review the comments, make any necessary modifications, and possibly vote out the specification. Mr. Booe noted that the DSM-EE Specification Task Force and the Board Certification Program Committee have been working in tandem to create the certification program.

UPDATE ON DATA PRIVACY: Mr. Booe delivered the data privacy update. The United States Department of Energy (DoE) Federal Smart Grid Task Force has met twice this year with the purpose of developing a draft Voluntary Code of Conduct (VCC) to address privacy concerns enabled by smart grid technologies. The third meeting of the task force will be held on Friday, November 22, 2013. Due to the potential overlap in many areas between the NAESB Data Privacy standards and the VCC, the NAESB REQ Data Privacy Task Force has delayed the approval of its recommendation for modifications until the VCC drafting effort is completed. Mr. Booe noted that Chris Villarreal of the California Public Utilities Commission and Christine Wright of the Public Utility Commission of Texas are carefully monitoring the VCC efforts. Mr. Villarreal stated that there was significant overlap between the VCC and other documents and that it will be interesting to see the future plans for the document. Mr. Booe asked Mr. Villarreal if he had any idea as to when the efforts may conclude and if concern with the commonality of other documents had been expressed to the DoE. Mr. Villarreal responded that the projected completion date is early late Spring or early Summer and that the next meeting may provide more information as to how the document will differentiate itself from other development efforts.

UPDATE ON NET METERING: Mr. Jones, Co-Chair of the Retail Business Practices Subcommittee, delivered the net metering update. The Retail Business Practices Subcommittee (BPS) has been asked to develop model business practices and technical implementation to be included in Book 3 – Billing and Payment Model Business Practices – for the limited purpose of providing metering data required by market participants in competitive energy markets in jurisdictions where charges to certain retail customers must account for retail net metering arrangements. The Retail BPS has developed a draft definition for the term "Net Metering" which will be reviewed by the Glossary Subcommittee and the Retail BPS at the beginning of 2014. All interested parties are welcomed to participate in the conference call. Mr. Booe stated that a nonmember interested in any project may participate in several ways and noted that state commission staff participation is always welcome. Mr. Villarreal asked Mr. Booe how the NAESB

³ The July 18, 2013 FERC NOPR, "*Standards for Business Practices and Communication Protocols for Public Utilities*," Docket No. RM05-5-022, is available at: http://www.naesb.org/pdf4/ferc_nopr_071813_weq_v003.docx.



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Retail Model Business Practices and the sharing of information are being harmonized with ESPI standard. Mr. Booe replied that NAESB has an annual plan item that requires the Retail Energy Quadrant to look at the ESPI standard and other smart grid efforts to ensure consistency. The subcommittees also have an overlap of participants to maintain coordination between the efforts.

BOARD AND LEADERSHIP UPDATE: Mr. Booe delivered the Board and Leadership meetings update. The next Board meeting will take place on December 12, 2013 and the agenda will include an approval of the budget and a review and adoption of the proposed 2014 Annual Plans. The proposed 2014 Annual Plans were recently adopted by the Executive Committees, but the Board will have the final authority. The Board Revenue Committee met on November 12, 2013 to discuss the current status of membership and participation in the organization. Mr. Desselle recommended the distribution of a letter to the retail gas market segment members asking for their participation on the Retail Energy Quadrant Executive Committee. The committee also undertook a standards pricing analysis and discussed the NAESB policy concerning the treatment of affiliates. The next Board Revenue Committee meeting will be held on December 19, 2013. The Board Strategic Plan Task Force, created after the September Board meeting, has met to continue the effort to identify strategies and the potential structures of NAESB in the future. The group is currently developing an outline for a draft report and has discussed distributing a survey to members and nonmembers regarding industry issues identified by the panelists at the September Board meeting.

REGULATORY UPDATES: Mr. Booe delivered the regulatory update. Two minor corrections were filed on November 27, 2014, correcting errata to the 2.0 and 2.1 WGQ standards⁴ and the WEQ Version 003 standards.⁵ The FERC NOPR, “*Standards for Business Practices and Communication Protocols for Public Utilities*,” Docket No. RM05-5-022, was issued on July 18, 2013⁶ and proposes to incorporate by reference into its regulations Version 003 of the NAESB WEQ Business Practice Standards. The proposal includes the adoption of the PKI and Smart Grid Standards. Comments on the NOPR were due September 24, 2013. The NAESB WGQ Version 2.1 Business Practice Standards were published on April 30, 2013, submitted to the FERC on July 23, 2013⁷ in Docket No. RM96-1 et al, and were followed by a July 24, 2013⁸ errata notice filing in the same docket. The most recent gas electric harmonization NOPR was adopted by the Commission as FERC Order No. 787 on November 15, 2013.⁹ Mr. Booe stated that an upcoming WEQ standards course would bring together a number of experts that developed the standards to teach the two day session. CLE credits are available for the seminar.

NEXT CONFERENCE CALL: The next Monthly Update conference call is scheduled for January 22, 2014 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 if you would like to receive additional information, please contact the NAESB Office by phone at (713) 356-0060 or email at naesb@naesb.org.

⁴ The November 27, 2013 WGQ NAESB Errata Notice to FERC, Docket Nos. RM96-1 et al, is available at: http://www.naesb.org/pdf4/ferc112713_wgq_versions2.0_2.1_errata.pdf.

⁵ The November 27, 2013 WEQ NAESB Errata Notice to FERC, Docket Nos. RM05-5-000 and RM05-5-022, is available at: http://www.naesb.org/pdf4/ferc112713_weq_version003_errata.pdf.

⁶ The July 18, 2013 FERC NOPR, “*Standards for Business Practices and Communication Protocols for Public Utilities*,” Docket No. RM05-5-022, is available at: http://www.naesb.org/pdf4/ferc_nopr_071813_weq_v003.docx.

⁷ The July 23, 2013 NAESB Report to FERC, “*Standards for Business Practices of Interstate Natural Gas Pipelines*,” Docket No. RM96-1 et al, is available at: http://www.naesb.org/pdf4/ferc072313_wgq_version_2.1_filing.pdf.

⁸ The July 24, 2013 WGQ NAESB Errata Notice to FERC, Docket Nos. RM96-1 et al, is available at: http://www.naesb.org/pdf4/errata_ferc072413_wgq_version_2.1_filing.pdf.

⁹ FERC Order No. 787, “*Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators*,” Docket No. RM13-17-000, is available at: http://www.naesb.org/pdf4/ferc_order787_111513.pdf.



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December 5, 2013 1:00 PM Central

Name	Organization
Lee Altan	No Affiliation Specified
Jenella Battles	NV Energy, Inc.
Rebecca Berdahl	Bonneville Power Administration
Jonathan Booe	North American Energy Standards Board
Chris Brown	Western Area Power Administration
Jim Buccigross	8760, Inc.
John Ciza	Southern Company Services, Inc.
Valerie Crockett	Tennessee Valley Authority
Dale Davis	Williams
Meghan Doss	Spectra Energy Transmission
Karen Farley	ERCOT
Blaire Fink	No Affiliation Specified
Marilyn Franz	NV Energy, Inc.
Bill Gallagher	Vermont Public Power Supply Authority
Greg Hine	Independent Electricity System Operator
Linda Horn	We Energies
Dan Jones	Duke Energy Corporation
John Kaduk	Georgia Public Service Commission
DeJuan Law	Southern Company Services, Inc.
Elizabeth Mallett	North American Energy Standards Board
Derek Mauzy	NRG Energy, Inc.
Steve McCord	Columbia Pipeline Group
Jeff McCracken	Pennsylvania Public Utility Commission
Patrick McGovern	Georgia Transmission Corporation
Will Moojen	Snohomish PUD No. 1
Mike Novak	National Fuel Distribution
Valerie Price	Enable Gas Transmission, LLC
Alan Pritchard	Duke Energy Corporation



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Name	Organization
Jonathan Pytka	PPL EnergyPlus, LLC
Narinder Saini	Entergy Services
Susan Schumann	Florida Municipal Power Agency
Corey Sellers	Southern Company Services, Inc.
Ed Skiba	Midcontinent Independent System Operator
Karl Stanley	NiSource Inc.
Leonard Tillman	Southern Company Services, Inc.
Caroline Trum	North American Energy Standards Board
Kim Van Pelt	Boardwalk Pipeline Partners, LP
Chris Villarreal	California Public Utilities Commission
John Walker	Portland General Electric
JT Wood	Southern Company Services, Inc.
Kathy York	Tennessee Valley Authority