

NORTH AMERICAN ENERGY STANDARDS BOARD

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December 6, 2006

NAESB AT A GLANCE: MONTHLY UPDATE

REVIEW OF PROPOSED WGQ 2007 ANNUAL PLAN: Mr. Buccigross, Vice President, 8760, Inc., WGQ Board member, and chair of the WGQ Executive Committee, provided the review of the proposed WGQ 2007 Annual Plan that will be presented to the Board of Directors on December 14, 2006. Item 1 - Review and develop standards as appropriate to support posting of information as noted in Docket No. RM06-18-000, Order No. 682, was added to the plan in response to FERC Order 682. It is the plan to review similar practices in the electric industry for transmission line damage reporting to identify commonality during business practice standards development for the Wholesale Gas Ouadrant. Items 2-4 include the activities of the Electronic Delivery Mechanisms Subcommittee including reviewing security standards, development of technical standards to address the surety assessment issued by the Department of Energy in conjunction with Sandia National Laboratories, and an analysis of the AS2 and AS3 protocols as compared to the NAESB IET (this activity will be conducted jointly with the Retail Quadrants). Items 5 and 6 are the follow up items to the recent update to the NAESB Base Contract for Purchase and Sale of Natural Gas including the development of a Frequently Answered Questions document and an update to the Canadian Addendum. Item 7 covers the response to the directives issued in Docket Nos. RM05-5-001 and RM96-1-027 regarding Gas-Electric Interdependency. The plan also includes the ongoing standards maintenance activities due to the volume of existing standards that apply to the WGO. There are also Provisional Activities that may be moved as Annual Plan Items including response to requests as received related to Docket No. RM05-1-000 (e-Tariff) and response to requests as received that are related to Docket No. AD06-11-000 (Market Transparency Reporting).

REVIEW OF PROPOSED WEQ 2007 ANNUAL PLAN: Ms. York, Specialist, Energy Markets and Policy, Tennessee Valley Authority, and chair of the WEQ Executive Committee, provided the review of the proposed WEQ 2007 Annual Plan that will be presented to the Board of Directors on December 14, 2006. Item 1 - Develop business practice standards as needed to complement reliability standards, includes all of the joint development activities the WEQ has undertaken with NERC. These activities include Version 1 changes, modification to the Coordinate Interchange business practices to support rounding schedules with partial mwh's, development of business practice standards to support Operate Within Limits, Transmission Loading Relief, and development of business practice standards as necessary to support the Interchange Distribution Calculator. Item 2 – Develop business practice standards in support of the FERC RM05-25-000 and RM05-17-000 (OATT Reform) includes development of Version 1 business practice standards to better coordinate the use of the transmission system among neighboring transmission providers and the development of the needed business practices to companion with the NERC standards for ATC related efforts. Item 3 - Develop business practice standards to improve the current operation of the wholesale electric market and development and maintain business practice and communication standards for OASIS and Electronic Scheduling, includes the ongoing incremental enhancements to the OASIS business practices and OASIS S & CPs to address requests that have been assigned to the OASIS subcommittees. This item also includes identification of e-Tag enhancements, the response to the surety assessment issued by the Department of Energy in conjunction with Sandia National Laboratories, and development of business practice standards for organization/company codes for NAESB standards to address current issues on the use of D-U-N-S® Numbers. It is the expectation that members of the wholesale electric industry will become involved in the efforts in the Retail Quadrants to address the request submitted for demand side management and energy efficiency initiatives.

Review of Proposed Joint Retail 2007 Annual Plan: Ms. Edwards, Customer Choice Analyst, Dominion Virginia Power, and member of the Retail Electric Quadrant Executive Committee, provided the review of the proposed WEQ 2007 Annual Plan that will be presented to the Board of Directors on December 14, 2006. Item 1 – Billing & Payment, is the item assigned to the Information Requirements Subcommittee to develop the technical implementation documents to implement the model business practices that have been adopted by the Retail Business Practices Subcommittee. Item 2 – Electronic Retail Billing, is the item assigned to the Technical Electronic Implementation Subcommittee to continue the development of the technical implementation documents for the Electronic Retail Billing model business practices. Item 3 – Customer Enrollment, Drop and Account Information Change, has been divided into three sections: the Customer Enrollment piece, the Customer Drop piece, and the Account Information Change piece. To date the Retail Business Practices Subcommittee has completed the model business practices for Customer Enrollment. Item 4 – Customer Enrollment, Drop and Account Information Agent, is the parallel effort to Item 3 that will result in model business practices for those areas based on the Texas model. The Retail Executive Committees created a Texas Task Force to create these model business practices simultaneously with the efforts of the



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Retail Business Practices Subcommittee. The two new items that will likely result in increased interest in the efforts of the Retail Quadrants are Item 9 - Consider and develop as needed model business practices to support Gas Design Day Forecast and Item 10 - Review and develop needed model business practices for a standardized method for quantifying benefits, savings, and cost avoidance and/or the reduction in energy demand and usage derived from the implementation of demand side response, energy efficiency programs and metering, including the 'curtailment service provider' program.

NEXT CONFERENCE CALL: The NAESB office will schedule the Monthly Update Calls for 2007 shortly. The dates will be posted on the Monthly Update page of the NAESB website: <u>http://www.naesb.org/monthly_update.asp</u>. 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).

	Name	Organization
1	Philip Bedingfield	Georgia Public Service Commission
2	Anunciata Marino	Pennsylvania Public Utility Commission
	Name	Organization
3	Barbara Alexander	State of Maine Public Advocate
4	Ken Brown	PSEG
5	Jim Buccigross	8760, Inc.
6	Valerie Crockett	Tennessee Valley Authority
7	Mary Edwards	Dominion Virginia Power
8	Bill Griffith	El Paso Natural Gas
9	Linda Horn	Wisconsin Electric Power
10	Laura Kennedy	NAESB
11	Rae McQuade	NAESB
12	Judy Ray	Alabama Power
13	Lisa Simpkins	Constellation Energy Commodities Group
14	Kathy York	Tennessee Valley Authority
15	Lori Zabrecky	PPL Energy Plus, LLC

NAESB Monthly Update Conference Call, Participant List December 6, 2006 -- 2:00 PM Eastern