

NORTH AMERICAN ENERGY STANDARDS BOARD

1301 Fannin, Suite 2350 • Houston, Texas 77002 • **Phone:** (713) 356-0060 • **Fax:** (713) 356-0067 **email:** naesb@naesb.org • **Web Site Address:** www.naesb.org

September 12, 2007

NAESB AT A GLANCE: MONTHLY UPDATE

PROJECT UPDATES

DEMAND SIDE MANAGEMENT/ENERGY EFFICIENCY STATUS: Mr. Wattles provided an update on the Demand Side Management/Energy Efficiency effort in the Wholesale Electric Quadrant and Retail Quadrants. To date, there have been four meetings in response to the initiative with large and varied participation. The last meeting was held in Washington, D.C., hosted by AGA on July 26, 2007. During this meeting the group continued standards development, focusing on measurement and verification of energy savings and peak demand reduction. The participants reviewed existing demand response measurement and verification protocols, and 41 possible topics and subtopics for NAESB model business practices development. These 41 issues were reviewed, ordered, and grouped. A request for comments on a list of potential DSM/EE topics, grouped into nine areas (program statistical analysis rigor, data accuracy, error propagation, bias control, regression analyses, field verification, measure installation verification, measure continuation verifications, measure operations verifications) was distributed on August 24, 2007. Comments must be submitted by September 14, 2007 and will be reviewed during the next meeting on September 25, 2007. This meeting will be held in Austin, Texas and hosted by ERCOT.

ORDER 890: Mr. Sorenson, co-chair of the WEQ Electronic Scheduling and Information Technology Subcommittee (ESS/ITS), and Mr. Wood, co-chair of the WEQ ESS/ITS provided a review of the NAESB progress to address FERC Order 890. The ESS/ITS has continued to update the OASIS Standards and Communication Protocols, the OASIS Data Dictionary, and the OASIS Implementation Guide in response to submitted comments, and is close to completing the Group 1 activities (Posting of ETC; Annotations for ATC; Load Forecast and Actual Load; Re-Bid of Partial Service; and Preconfirmation of Priority) of the Order 890 Work. The subcommittee has also met jointly with the Joint Interchange Scheduling Working Group to address conditional curtailment of long term firm service in the e-Tag system. The ESS/ITS and BPS has continued to work with the NERC ATC Drafting Team to develop the companion business practice standards to NERC Reliability Standards for MOD001 (Available Transfer Capability), MOD004 (CBM), MOD008 (TRM), MOD028 (NRATC), MOD029 (RSPATC), and MOD030 (FGNRATC) and to address additional Order 890 ATC items. The subcommittee has also posted the Order 890 modifications to WEQ-001Sections 1.6 and 1.7 for a formal comment period ending September 21, 2007.

ORDER 698: Ms. Crockett, a NAESB Board Member, provided an overview of the Order 698 activity in the Wholesale Gas Quadrant (WGQ). The WGQ Executive Committee met on August 3, 2007 and decided to delegate the task of addressing the NAESB assigned Order 698 items to the WGQ Business Practice Subcommittee (BPS). These items include creating index based pricing for capacity release (WGQ 2007 Annual Plan Item 7a), creating receipt and delivery point flexibility (WGQ 2007 Annual Plan 7b), and modifying the existing intra-day schedule to better coordinate gas and electric scheduling (WGQ 2007 Annual Plan Item 7c). It was determined that the subcommittee would give equal priority to all items, and announcements regarding the initial Order 698 meeting would be distributed to both WGQ and WEQ members. After the initial meeting, interested industry participants will be asked to sign up for the Order 698 distribution list. It was also determined that the WGQ BPS would hold Order 698 specific meetings, and a schedule through the end of 2007 was created. The WGQ BPS held its first Order 698 specific meeting on August 30 and 31, 2007 in Houston, Texas. During this meeting the group heard presentations and proposals from those in the industry with experience addressing the issues presented by Order 698. The participants also discussed potential scoping issues, and began developing a scoping statement to for each of the three items that address Order 698. The next Order 698 specific meeting of the WGQ BPS will be held on September 18 and 19, 2007 in Glen Allen, Virginia, hosted by Dominion.

TLR UPDATE: Ms. York, chair of the WEQ Executive Committee, and co-chair of the WEQ Business Practices Subcommittee (BPS), provided a review of the development of the Transmission Loading Relief (TLR) standards. Ms. York reported that the three year project is nearing completion. The NERC TLR Drafting Team posted the NERC TLR Standard for a ballot period ending August 29, 2007. The NERC TLR Drafting Team and NAESB WEQ BPS met on September 6, 2007 to review the negative comments and draft responses before posting the standard for the second balloting period. The joint team plans to meet next in Minneapolis, Minnesota, hosted by OATI on October 4 and 5, 2007 to continue Phase III work. The NAESB business practice companion standard is on track to be filed with the FERC by the end of September.



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E-TARIFF PROGRESS: Mr. Sappenfield, co-chair of the e-Tariff Subcommittee representing the WGQ, and Dick Brooks, co-chair of the e-Tariff Technical Task Force representing the WEQ provided a review of the work of the e-Tariff Subcommittee. The e-Tariff Subcommittee met in Washington, D.C., hosted by EEI on July 27, 2007. During that meeting the group decided to create a Technical Task Force to develop the xml schema that will be created in conjunction with the e-Tariff business practice standards. The group also took a straw poll to approve proceeding with Option A – the web portal option. The e-Tariff Technical Task Force met for the first time on August 23 and 24, 2007 in Washington D.C., hosted by the FERC. During this meeting the task force discussed the FERC Backend system of processing of e-Tariff XML data, and reviewed work papers. The e-Tariff Technical Task Force is scheduled to meet on September 13 and 14, 2007 and the e-Tariff Subcommittee is scheduled to meet on October 11 and 12, 2007. Both meetings will be held in Houston, Texas, hosted by NAESB.

2008 ANNUAL PLANS: Ms. McQuade provided the participants with information regarding the 2008 Annual Plans. The Annual Plans will be drafted for the November Executive Committee meetings for the Executive Committees to review. After the Annual Plans are approved by the Executive Committees they will undergo a comment period, before presented to the Board of Directors for approval at the December Board meeting. The WEQ Annual Plan will likely not contain many additions, due to the focus on the Order 890 and DSM/EE activity that will carry over from the 2007 Annual Plan. The NAESB office is working to schedule conference calls for each quadrant to discuss the 2008 Annual Plans. Ms. McQuade encouraged those in attendance to get involved with the development of the 2008 Annual Plans either through the committee or through the comment process.

NEXT CONFERENCE CALL: The next Monthly Update Call is scheduled on December 5, 2007 at 2 PM Eastern. The agenda and any work papers will be posted on the Monthly Update page of the NAESB website: 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 (713-356-0060, naesb@naesb.org).



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NAESB Monthly Update Conference Call, Participant List September 12, 2007 -- 2:00 PM Eastern

	Name	Organization
1	Alan Bax	Missouri Public Service Commission
2	Phillip Bedingfield	Georgia Public Service Commission
3	Billy Kwan	Colorado Public Utility Commission
4	Lou Ann Westerfield	Idaho Public Utility Commission
	Name	Organization
5	David Barr	Ontario Power Generation
6	Diane Barney	New York State Department of Public Service
7	Christopher Burden	Williams Pipeline
8	Jennella Battles	Nevada Power
9	Jonathan Booe	NAESB
10	Dick Brooks	ISO New England
11	Valerie Crockett	TVA
12	Dale Davis	Williams Pipeline
13	Les Fyock	APGA
14	Bill Gallagher	Vermont Public Power Supply Authority
15	Terry Grabiak	Allegheny Power
16	Bill Griffith	El Paso Natural Gas
17	Matthew Hammel	FPL Energy
18	Gail McKaig	Tampa Electric Company
19	Rae McQuade	NAESB
20	Mike Novak	National Fuel
21	Marjorie Perlman	Energy East
22	Terri Peschka	Portland General Electric
23	Susan Pollonais	FERC
24	Marv Rosenberg	
25	Keith Sappenfield	EnCana
26	Ed Skiba	MISO
27	Paul Sorenson	OATI
28	Don Tench	Independent Electricity System Operator
29	Veronica Thomason	NAESB
30	John Tremble	Progress Energy
31	Dean Ulch	Southern Company
32	Kim Van Pelt	Panhandle Energy Pipelines
33	Paul Wattles	ERCOT
34	JT Wood	Southern Company
35	Kathy York	Tennessee Valley Authority