

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Standards of Conduct for Transmission  
Providers

Docket No. RM01-10-006

Investigation of Terms and Conditions  
Of Public Utility Market-Based  
Rate Authorizations

Docket No. EL01-118-005

Amendments to Blanket Sales Certificate

Docket No. RM03-10-002

SUPPLEMENTAL NOTICE OF TECHNICAL CONFERENCE AND WORKSHOP

(April 26, 2005)

As previously announced on April 5, 2005, the Federal Energy Regulatory Commission (Commission) will hold a technical conference and workshop on Standards of Conduct for Transmission Providers and Market Behavior Rules on May 6, 2005, at the Millennium Knickerbocker Hotel in Chicago, Illinois. The meeting will begin at 9:30 a.m. (CST) (a time change from that announced in the April 5 Notice) and conclude at approximately 4:00 p.m.

The purpose of the conference and workshop is to discuss the Standards of Conduct for Transmission Providers under Order No. 2004<sup>1</sup> and the Market Behavior Rules.<sup>2</sup> Attached is a tentative schedule and agenda with invited speakers.

Hotel rooms at the Millennium Knickerbocker Hotel, 163 East Walton Place, Chicago, Illinois, can be reserved by calling 1(800)621-8140 or 1(312)751-8100.

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<sup>1</sup> Standards of Conduct for Transmission Providers, Order No. 2004, FERC Stats. & Regs., Regulations Preambles ¶ 31,155 (2003), order on reh'g, Order No. 2004-A, III FERC Stats. & Regs. ¶ 31,161 (2004), 107 FERC ¶ 61,032 (2004), order on reh'g, Order No. 2004-B, III FERC Stats. & Regs. ¶ 31,166 (2004), 108 FERC ¶ 61,118 (2004), order on reh'g, Order No. 2004-C, 109 FERC ¶ 61,325 (2004), order on reh'g, Order No. 2004-D, 110 FERC ¶ 61,320 (2005).

<sup>2</sup> Order Amending Market-Based Rate Tariffs and Authorizations, 105 FERC ¶ 61,218 (2003), reh'g denied, 107 FERC ¶ 61,175 (2004); Order No. 644, Amendment to Blanket Sales Certificates, FERC Stats. & Regs. ¶ 31,153 (2003), reh'g denied, 107 FERC ¶ 61,174 (2004).

There is no registration fee to attend this conference. However, we request that those planning to attend register online on the Commission's website at <http://www.ferc.gov/whats-new/registration/comp-05-06-form.asp>

Capitol Connection offers the opportunity for remote listening of the conference. It is available for a fee, live over the Internet, by phone or via satellite. Persons interested in receiving the broadcast, or who need information on making arrangements, should contact David Reininger or Julia Morelli at Capitol Connection (703-993-3100) as soon as possible or visit the Capitol Connection website at <http://www.capitolconnection.org> and click on "FERC."

Audio tapes of the meeting will be available from VISCOM (703-715-7999).

Questions about the conference and workshop should be directed as follows:

Regarding Standards of Conduct:

Demetra Anas  
Office of Market Oversight and Investigations  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
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202-502-8178  
[Demetra.Anas@ferc.gov](mailto:Demetra.Anas@ferc.gov)

Regarding Market Behavior Rules:

Ted Gerarden  
Office of Market Oversight and Investigations  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426  
(202) 502-6187  
[Ted.Gerarden@ferc.gov](mailto:Ted.Gerarden@ferc.gov)

Magalie R. Salas  
Secretary

Attachment: Agenda

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**TECHNICAL CONFERENCE AND WORKSHOP AGENDA**

May 6, 2005

**9:30-9:45: Welcome and Greetings**

Commissioner Nora Brownell, FERC  
Commissioner Suedeen Kelly, FERC

**9:45-10:10:45: Standards of Conduct – General**

Speakers:

William Hederman, Director, Office of Market Oversight and Investigations  
(OMOI)

Demetra Anas, Managing Counsel, Enforcement, OMOI

Bryan Craig, Director Operational Audits, OMOI

Janice Garrison Nicholas Director Financial Audits, OMOI

Topic for Discussion: During this session, staff from OMOI will discuss efforts to monitor compliance with the Standards of Conduct, including the review of Transmission Providers' OASIS and Internet websites and Standards of Conduct Compliance Audits. In addition to providing guidance from lessons learned in recent audits and investigations, OMOI staff will also respond to questions that have been submitted regarding training and posting requirements.

**10:45-12:15: Market Behavior Rules Panel**

Moderator:

Ted Gerarden, Managing Counsel, Enforcement, OMOI

Panelists:

Jim Allison, Regional Risk Manager, Gas and Power, North America,  
ConocoPhillips

Debra Raggio Bolton, Vice President, Federal Affairs and Assistant General  
Counsel, Mirant

Mark Perlis, Dickstein Shapiro Morin and Oshinsky LLP

Michael Sweeney, Troutman Sanders

Topic for Discussion: When the Commission adopted the Market Behavior Rules, it noted that the rules were intended to provide tools to detect and remedy market abuses, but not to create uncertainty or disruption for market participants. Because markets are dynamic, the Commission required that the “effectiveness and consequences” of the rules be evaluated on a regular basis.

Matters to be discussed by the Market Behavior Rules panel include:

- How have companies incorporated the Rules in training and supervision of employees?
- What steps have companies taken to assure compliance with the Rules?
- What is the relationship of the Rules to other regulatory obligations?
- Have the Rules improved the functioning of energy markets?
- What best practices can be used to align company operations with the requirements of the Rules?
- What issues have arisen in the course of companies implementing the Rules?
- Have the Rules caused companies to change their operations and, if so, in what respects? Have the changes had a positive or negative impact on energy markets?
- Have the Rules had unintended consequences, that is, have the Rules inhibited positive and healthy behavior by market participants? If so, in what ways?

**12:15 – 1:30: Lunch Break**

**1:30 – 2:30: Standards of Conduct – Independent Functioning, Operational Issues and Best Practices**

Moderator:

Demetra Anas, Managing Counsel, Enforcement, OMOI

Panelists:

William Allen, Manager Federal Standards Compliance, Dominion Resources  
Services Inc.

Lenard Wright, Questar

Topic for Discussion: The Standards of Conduct include the requirements: (1) that a Transmission Provider must function independent of its Marketing and Energy Affiliates; and (2) that a Transmission Provider must treat all transmission customers in a manner that is not unduly discriminatory. This session will focus on issues related to implementing these requirements, specifically the independent functioning requirement with respect to operational issues, as well as identifying best practices for complying with these requirements. We will also provide answers to some of the questions that have been submitted regarding independent functioning and operational issues.

Matters to be discussed by the Independent Functioning/Operational Issues Panel include:

- Best practices being used to comply with the independent functioning requirement.
- Discussion of shared services employees as they compare to transmission function employees
- Complying with the independent functioning requirement vis-à-vis regional planning or integrated resource planning.
- How to treat certain individuals/groups involved in Energy Affiliate activities, such as those purchasing natural gas for generation of electricity.
- Access to transmission facilities by shared support and field and maintenance employees.
- How Transmission Providers should implement the requirements regarding posting of discretionary tariff provisions.

### **2:30 – 3:30: Standards of Conduct –Information Sharing Prohibitions and Best Practices**

Moderators:

Julia Lake, OGC and Deme Anas, OMOI

Panelists:

Noel Symon, Skadden Arps

Richard Kruse, Texas Eastern Transmission Company

Topic for Discussion: When the Commission issued the Standards of Conduct, it included prohibitions on the sharing of transmission and customer information between a Transmission Provider and its Marketing and Energy Affiliates. This session will focus on issues related to implementing the information sharing prohibitions and best practices for complying with the information sharing prohibitions. We will also provide answers to questions that have been submitted regarding information sharing prohibitions.

Matters to be discussed by the Information Sharing Prohibitions Panel include:

- What best practices can be used or are being used to ensure compliance with the Information Sharing prohibitions.
- Complying with the information sharing prohibitions during meetings between the Transmission Provider and Marketing and/or Energy Affiliate regarding infrastructure development.
- What information can be communicated to an Energy Affiliate that is a transmission customer? Specifically, where is the line drawn between transmission information, transaction-specific information and operational communications?
- What are the best practices for meetings and other communications between the Transmission Provider and Marketing and/or Energy Affiliates for the purpose of negotiating a new transmission contract?
- Is historical transmission information that is no longer relevant for trading (such as historical load data or data concerning purchases and sales that transpired several years ago) considered “transmission information” under the Standards of Conduct?

**3:30 – 3:45: Wrap-up and Concluding Remarks**

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