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UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

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IN THE MATTER OF: : Docket Number
ELECTRIC QUARTERLY REPORTS WORKSHOP : RM01-8-000
: ER02-2001-000
- - - - - x

Commission Meeting Room
Federal Energy Regulatory
Commission
888 First Street, NE
Washington, D.C.

Wednesday, November 29, 2006

The above-entitled matter came on for user group
meeting, pursuant to notice, at 9:00 a.m.

PRESIDING:
MICHELE VELOSO, Chief of the Forms Administration
Group, Division of Financial Regulation, Office of
Enforcement

1 P R O C E E D I N G S

2 (9:00 a.m.)

3 THE OPERATOR: Welcome and thank you for standing
4 by. At this time, all participants are in a listen-only
5 mode.

6 Throughout the presentation, we will conduct a
7 question and answer session. To ask a question, please
8 press star-1. I will now turn the presentation over to
9 Michele Veloso. Ma'am, you may begin.

10 MS. VELOSO: Good morning. My name is Michele
11 Veloso, and I'm the Chief of the Forms Administration Group
12 in the Division of Financial Regulation under the Office of
13 Enforcement.

14 We have a new organization, and I'm also new to
15 this role, so, with that, I'd like to turn things over to
16 Susan Court, our Director of the Office of Enforcement.

17 MS. COURT: Good morning, ladies and gentlemen
18 here at the FERC in Washington, D.C., and also welcome to
19 all of those who are joining us this morning on the phone.

20 As Michele indicated, my name is Susan Court, and
21 I'm the Director of the Office of Enforcement.

22 The first thing I want to say is thanks to
23 Michele, who is going to chair this meeting, and not only
24 for that, but also for joining the Office of Enforcement as
25 the Chief of the Forms Administration Branch.

1 As Michele indicated, we have a new organization
2 in the Office of Enforcement. The last time there was an
3 EQR Users meeting, the Office was called the Office of
4 Markets, Oversight, and Investigation.

5 Since that time, actually very soon after the
6 last meeting, we reorganized the office. There are
7 organizational charts available today for those of you who
8 are here at our headquarters, but also for those of you who
9 are on the telephone, our org chart is on our website.

10 I suggest that you look at that org chart,
11 because you'll have, I think, a better sense of where the
12 EQR role and function is now located in the FERC or at the
13 FERC.

14 Before, EQR administration was a function and
15 aspect of the Oversight Division within OMOI. Today, it is
16 part of the Financial Regulations Division and it has --
17 it's part of the Forms Administration Branch.

18 Since the last time the EQR Users met, the Office
19 of Enforcement obtained ownership of many forms and data
20 collection, not just EQRs. So we now are also responsible
21 for the financial forms, Forms 1, 2, and 6, among others,
22 that the Commission requires.

23 So it's very important, I think, for the EQR
24 Users to have an understanding of exactly where the function
25 dealing with EQRs, is located. It is now in the Forms

1 Administration Branch of the Division of Financial
2 Regulation in the Office of Enforcement.

3 As I said, I'm really pleased that Michele Veloso
4 has joined the Office of Enforcement. She was in the Office
5 of Energy Markets and Reliability before, and I'm very happy
6 that she joined the Office of Enforcement.

7 She has vast experience in the electric utility
8 industry here at the FERC, and also has some very specific
9 experience regarding forms and data collection. So that's
10 why she was such a perfect choice for this job.

11 Also, since our last meeting, as a function of
12 the reorganization, the head of the Division for Financial
13 Regulation and Michele's boss, is Janice Nicholas, who is
14 here also today. Janice is, in addition to her Division
15 Director responsibilities, she is also the Agency's Chief
16 Accountant.

17 Finally, I'd like to introduce Anna Cochran, who
18 is the Deputy Director of the Office of Enforcement. Anna
19 also is new to the Office, and we're really pleased that she
20 has joined the Office as its Deputy.

21 So, with that, I'm going to turn the program back
22 over to Michele. Again, I thank you for your participation.

23 The agenda today is large. There's a lot on it,
24 and it's going to be, I think, a very productive day. I
25 hope, anyway, that it's a very productive day. Thank you.

1 MS. VELOSO: Thank you, Susan. And I'd like to
2 introduce the rest of our people working on the EQR today.
3 We have Mark Klose, next to me, who is our Deputy Director;
4 we have Steve Reich, a familiar face to everyone; Michele
5 Reaux, also a familiar face; and around the table, Mark
6 Blazejowski, who I know a lot of you have been working with
7 for a number of a years; and a new face to our group, Jan
8 Newman.

9 So, I'd like to thank everyone for coming today
10 and thanks to everyone who is participating by phone. On
11 our agenda today, we have two major items: The mapping of
12 the ISO/RTO Settlement Reports to the EQR reporting, and
13 also the Staff Draft of the Data Dictionary. We look
14 forward to your input.

15 I also want to mention that anyone who would like
16 to file comments on either of these items or any other item,
17 can do so under RM01-8 or ER02-2001, and we'd like you to do
18 that by January 12th.

19 We have a Court Reporter here today, which is a
20 change from past practice, so please state your name before
21 you offer your question or comment, so that we can get it
22 down for the transcript. The transcripts of the meeting
23 will be available immediately after the meeting, for a fee,
24 from Ace Reporting, for which you can obtain the information
25 on our website.

1 Also, about a week later, you can find the
2 transcript on the FERC website.

3 I have to make the usual disclaimer that any of
4 the views and comments that you hear today by Staff, are our
5 own and do not reflect the views or the positions of the
6 Commission.

7 So, today's program will begin with a discussion
8 of the mapping of the ISO Settlement Statements for EQR
9 reporting, and then we'll go ahead and talk about the data
10 dictionary.

11 We've given ourselves until 5:00 p.m. today to
12 cover all this stuff, but, if, by chance, we can move
13 through it more quickly, then that's great for all of us.

14 With that, I'm going to turn it over to Michele
15 Reaux, who is going to lead the discussion about the ISO
16 Mapping Settlement Statements.

17 MS. REAUX: Hi. We have, first up, speaking,
18 Mike Patterson, who is here from the New York ISO. The New
19 York ISO does have these EQR formatted reports, and he's
20 going to speak a little bit about that.

21 MR. PATTERSON: Hi, everybody. As was stated by
22 Michele Reaux, we do offer two different file formats
23 through the New York ISO DSS, Customer Settlements Data
24 Warehouse.

25 These include a FERC EQR bilateral contract file,

1 as well as a transport transaction import file, which
2 includes ancillary service energy and ICAP-related sales
3 information.

4 This information is available through the DSS,
5 the ADD interface. Users of the DSS should be able to
6 access this off the main page, and it will be a technical
7 bulletin under the ADD link, labeled "Technical Bulletin
8 139."

9 Non-users of the DSS, if you would like to see
10 this tech bulletin, if you go to nyiso.com, under Documents,
11 Technical Bulletins, again, it's Technical Bulletin 139.

12 We haven't made any major changes in over a year,
13 and I guess that would be it, thank you.

14 MS. REAUX: All right, great, thank you, Mike.
15 Next up, we have -- we're supposed to have Jeff Evans, and
16 if -- Jeff, if you're on the line with Ronnie, could you
17 signal to the Operator?

18 (No response.)

19 THE OPERATOR: Press star-1. One moment, please.

20 (Pause.)

21 MS. REAUX: They're not on there? Okay. Jeff
22 has not called in today, so we are going to go to Harry
23 Dessender.

24 THE OPERATOR: Ma'am, I'm sorry to interrupt you,
25 but it looks like Ronnie has just signaled. One moment,

1 please.

2 Ronnie, your line is open.

3 MS. RONNIE: Thank you. Yeah, this is Ronnie
4 with the ISO here in California. Jeff is available. He
5 stepped out of the room for a few minutes to pick up some
6 papers and notes that he has, but he will be back in just a
7 few moments, so he is here and ready to -- or will be in
8 just a few moments, ready to answer any questions.

9 MS. REAUX: Okay, we'll go to Harry Dessender,
10 while we're waiting for Jeff to come back on the line.

11 So, Operator, could you open the line for Harry
12 Dessender.

13 THE OPERATOR: Sure, one moment, please.

14 (Pause.)

15 THE OPERATOR: Sir, your line is open.

16 MR. DESSENDER: Hello, this is Harry Dessender.
17 Am I reaching you all?

18 MR. REICH: Yes, we can hear you.

19 MR. DESSENDER: Okay, just a brief update: We do
20 not currently provide any reports to facilitate the FERC
21 EQR, however, we have had many sometimes long discussions at
22 our Settlements Working Group meetings on how to map the
23 data.

24 I think we've come close to getting the
25 definition of the mappings, knowing which billing data we do

1 need, which we do not, and we're just hung up a little bit
2 on how to treat -- how to find the energy sales amidst a lot
3 of other energy trading activity, both virtual and physical,
4 based on our netting locational aspect of energy, as well as
5 the netting of energy and the inclusion or not of bilateral
6 energy schedules, which we may or may not have reported from
7 the customer, since they're not mandatory.

8 So, although this rolled together makes the
9 energy difficult, I think our ancillary services are fairly
10 well mapped.

11 I most recently got a hold of the product mapping
12 that ISO New England has done, and since our market
13 structure and billing systems are most similar to New
14 England's, I think, than the other ISOs, and after looking
15 at their mapping spreadsheet, I definitely feel comfortable
16 that we can push this to conclusion and get the mapping
17 defined over the next couple of working group meetings.

18 The next one is actually in the middle of
19 December. I don't have the date, offhand. I think it's the
20 16th.

21 At that conference call, we will regroup on where
22 we stand with the EQR initiative at PJM, and, hopefully,
23 within a month or two, we can finalize the design, so that
24 it can get in as part of our settlement system replacement
25 project, which is scheduled to go live January 1, 2008.

1 So that would be when I would see that we could
2 start having these EQR reports in production for our
3 customers, assuming that the design does come to closure
4 over the next couple of months.

5 MS. REAUX: Okay, thank you, Harry.

6 MR. DESSENDER: Thanks.

7 MS. REAUX: If you could just remain on the line,
8 because, after everyone's done speaking, we're going to have
9 questions, after the next couple of ISO speakers are done.

10 MR. DESSENDER: Okay.

11 MS. REAUX: Operator, could you please let Ronnie
12 on the line?

13 THE OPERATOR: I'm sorry? Ronnie?

14 MS. RONNIE: Yes?

15 THE OPERATOR: Is that who you needed open?

16 MS. REAUX: Yes, thank you. Is Jeff there?

17 MS. RONNIE: Just one moment. I think he just
18 stepped in. Just one second here.

19 (Pause.)

20 MS. REAUX: I also wanted to let everyone know
21 that there is Chris Parent from ISO New England, who is
22 scheduled to speak. His flight was delayed, so if he comes
23 in later on in the meeting, we'll give him a chance to
24 speak, because they have some -- they are scheduled to start
25 producing the reports for the first quarter of 2007, so he

1 does have some information to put out for us.

2 MS. RONNIE: Okay, this is Ronnie, and Jeff is
3 here right now.

4 MS. REAUX: Okay, Jeff?

5 MR. EVANS: Oh, wow, is this the start? Am I
6 live?

7 MS. REAUX: Yes.

8 (Laughter.)

9 MS. REAUX: This is Jeff Evans from the
10 California ISO.

11 MR. EVANS: Good morning, everyone. My name is
12 Jeff Evans and I'm a lead settlement design analyst for the
13 California ISO. I work in our Settlement Projects
14 Department.

15 I just wanted to -- Michele had asked me to kind
16 of give an update, and actually a lot of participants have
17 been asking, through our External Affairs Department,
18 specifically where we are at the EQR, since we had our
19 mapping session back in May of 2004, 5?

20 MS. RONNIE: A while back.

21 MR. EVANS: Basically, to take you back to that
22 time, we did have a session here, a two-day seminar, and one
23 of the days was mapping our existing charge codes to the
24 FERC product codes, performing our mapping.

25 Based on that meeting, I went through to gather

1 the requirements that we'd need to put into place in our
2 settlement system for implementation.

3 The barriers that we've kind of hit since then --
4 and it was kind of pressing at the time, as well -- was our
5 MRTU project, which is our Market Redesign and Technology
6 Upgrade.

7 Along the way, along the time of the project, at
8 the time we finished our mapping, was around, for people who
9 are familiar with the California market, was our Phase 1-B
10 implementation.

11 That took precedence over any of the side
12 projects that we wanted to put into place.

13 So, later, we were trying to decide between --
14 part of the MRTU program also includes a replacement of our
15 existing settlement system.

16 So, right now we're in the midst of testing --
17 well, actually, part of my responsibility was to actually
18 test this new settlement system we had developed for -- it
19 was an off-the-shelf product that we had customized for the
20 California market.

21 So, because of the -- we basically were looking
22 at an implementation of our market redesign and technology
23 upgrade by November of 2007, so they basically removed
24 anything that was seen as non-essential, so to speak.

25 But I can tell you that I personally kept all of

1 my requirements and all our mapping documents on my desk,
2 ever since our mapping, because I have been spearheading,
3 behind the scenes -- I know some of you may not be aware of
4 --

5 MS. RONNIE: Our efforts.

6 MR. EVANS: But I have continued this drive for
7 getting this implemented.

8 The unfortunate thing about our mapping that we
9 did, is that we will need to have another mapping session in
10 the future, because a lot of our charge codes as part of
11 this technology upgrade, will be changed. We do have a lot
12 of new charge codes and some are changing slightly and some
13 are changing significantly, so we really should have another
14 mapping session sometime in the near future.

15 Timeline-wise, I'm not exactly sure if we'll be
16 able to do something like that before the November 2007
17 timeline.

18 Right now, we're in the midst of -- we've already
19 accepted the product itself for our new settlement system,
20 but we're moving forward to testing our charge codes
21 themselves and making sure that it's, one, meeting our
22 tariff, and FERC did recently rule on our tariff filing, and
23 we do have to go back and make some changes to those, and
24 moving us forward.

25 So, we should really kind of have this all in

1 before we attempt to do a mapping session, if that makes
2 sense.

3 Am I allowed to ask for questions?

4 MR. REICH: Jeff, we'll leave questions till the
5 end.

6 MS. REAUX: Stay on the line. And then, let's
7 see, we should have Ken Donald and Al Borno on the line.

8 MR. REICH: If Sally is there, Sally or, are
9 either Al or Ken available there with you.

10 THE OPERATOR: I'm sorry, who am I looking for?
11 Sally?

12 MR. REICH: Sally Clore.

13 THE OPERATOR: Sally Clore. Anyone else?
14 Sally's line is open.

15 MS. CLORE: Yes, this is Sally. Ken and Al were
16 --

17 MS. REAUX: Could you speak up a little bit,
18 Sally?

19 MS. CLORE: Yes. Both Ken and Al had notified me
20 that they were going to be signing on. We're in different
21 buildings. I assumed they were on.

22 I will check into it and see what the problem is.

23 THE OPERATOR: I have a David Croy that has
24 logged in.

25 MS. CLORE: Great.

1 THE OPERATOR: David, your line is open.

2 MR. DONALD: This is actually Ken Donald, sitting
3 at David Croy's desk.

4 (Laughter.)

5 MR. DONALD: By way of introduction, I am Ken
6 Donald, and I am the tech lead of market settlements here at
7 the Midwest ISO. With me are two of the senior business
8 analysts who also work closely with the EQR reports: David
9 Croy and Khali Crespo.

10 Our update goes a little bit differently than the
11 ones I've heard so far, in that we are actually generating
12 EQR reports, both on a monthly and quarterly basis right
13 now, such as they are.

14 The new revelations, I think, are that in the
15 very near future, we will have an additional charge type to
16 add to the 35 which we went through the mapping discussion
17 on.

18 I believe that this charge type is very similar
19 to a revenue sufficiency guaranteed make-whole payment type,
20 so it will be included as the uplift type, as an EQR
21 transaction.

22 That's to come within the next two to two and a
23 half months or so.

24 Also on the horizon, is the ancillary services
25 market here at the Midwest ISO, after which, I'm assuming

1 there may be more charge types to add to the EQR reports, as
2 well.

3 I'm thinking some form of a -- the mapping
4 discussion like we had way back when. I guess it was 2004.
5 It might be appropriate, before that happens, as well.

6 The ancillary market in the Midwest is scheduled
7 to go live in the second quarter of 2008, I believe.

8 One of the interesting things about the reports
9 that we generate: I'm sure that many of you are aware of
10 the number of re-settlements that the Midwest is having to
11 go through, all the way back to the first day the market was
12 open on April 1, 2005.

13 We have continued to generate revisions of the
14 EQR reports, based on each time we go back and resettle,
15 which has been done now, I want to say, something like four
16 or five times.

17 Actually, the very last one, we have not come to,
18 and we have not yet gotten the requests from the
19 participants. But we regenerate these reports on an ad hoc
20 basis.

21 I would be interested in hearing from this group,
22 what participants' thoughts are on the need for those
23 reports. It's sort of an arduous process that we have to go
24 through to generate these things, and I'm not sure that
25 everyone recognizes that they're necessary.

1 That's about it for our update.

2 MS. REAUX: Okay, thank you, Ken. Now, we'll
3 take questions. First, are there any questions from staff?

4 MR. REICH: Ken, I was just wondering, is there a
5 timeframe on implementing the ancillary service market, and
6 when do you think that you'll have the settlement items down
7 in enough of a stable form to kind of go through and map
8 them?

9 MR. DONALD: Within six months, we should have
10 the new -- all of the new charge types that will be a part
11 of the ancillary market, and the go-live, as I said, is
12 probably six to eight months beyond that.

13 That might be a much easier discussion than the
14 first time around, because there were so many different
15 flavors of charge types the first time we talked to them.

16 These are all very much the same. I think there
17 are -- I could probably give you the basis right now. There
18 are day-ahead and real-time versions of charge types for
19 three products: That's regulation, spinning reserve, and
20 supplemental reserve.

21 And whatever decision we make on whether to
22 include those in the reports or not, would probably be
23 common to all of those charge types, I guess.

24 And there's that added difficulty of whether the
25 concept of a negative sale would apply to any of those in

1 real time, and so we'd be looking for feedback from this
2 group, I guess, on that.

3 MR. REICH: Okay, and just for your benefit, I'd
4 like to add that I think we have product names for each of
5 those three items, and it does seem like a pretty strong
6 match.

7 MR. DONALD: Okay, good.

8 MR. REICH: Jeff, I was just wondering -- now,
9 you said that your timetable -- well, did you say that the
10 timetable for going live with the new settlement system, is
11 November 07?

12 MR. EVANS: That's right..

13 MR. REICH: And so do you have a sense of when
14 the structure of the settlement items will be fixed for you
15 to be able to go live in November?

16 MR. EVANS: I think that once we're live, we'll b
17 able to still perform the needed configuration of a report,
18 or with the EQR, beyond November 2007, so because we're
19 going to be going into production and we have 135 charge
20 codes that we're going to be implementing, that's part of
21 the redesign, so I think, to answer your question, the
22 charge codes will be implemented, themselves, in November of
23 2007, so, after that, is when we'd be able to start looking
24 at the mapping again.

25 MR. REICH: Would you have any sense about, you

1 know, once it goes live, how long it might take to implement
2 a mapping and a report, based on the new live system? Can
3 you give me a guess on that?

4 MR. EVANS: I would honestly be guessing at this
5 point, because part of our technology upgrade is in
6 releases, most of it is going in with our Release 1. There
7 are things that may not have made it in, that I don't think
8 they have finalized scope on.

9 So, it's really under discussion, and my goal is
10 to get this in as soon as possible, so I've continued to
11 bring this up every time we have a discussion, and making
12 sure that we can actually get this into the new system,
13 because that was definitely a consideration for me when I
14 was testing the system, as to how we would be able to still
15 do this, because wasn't sure, initially, that we would be
16 able to.

17 MR. REICH: You mentioned a technology upgrade.
18 I know that New York has a very nice system where
19 essentially the data is available and can be moved around
20 fairly flexibly.

21 Am I correct, Mike, that's the data warehousing,
22 the DSS?

23 MR. PATTERSON: Yes. Our data comes from a
24 warehouse, not directly from the settlement system. It's a
25 little bit different.

1 MR. REICH: Okay, do you have a sense -- is there
2 going to be that flexibility built into your technology
3 upgrade, or is it still kind of having to develop the
4 queries and whatnot behind the reporting system?

5 MR. EVANS: Yeah, we will still need to develop
6 the query structure on the back end. That was one of the
7 reasons we went with this system, we wanted the flexibility
8 of being able to update or report data as needed.

9 And the way that participants are going to -- at
10 least the vision I see for the participants to access the
11 EQR reports, will be through a new mechanism that's part of
12 this technology upgrade through a portal where the
13 participant will log in.

14 It's similar to -- we have this thing called a
15 scheduling infrastructure workspace where participants log
16 in and they do their own -- they submit schedules and they
17 also download settlement statements from this GUI interface.

18 And as part of this technology upgrade, there
19 will be a GUI where participants will be able to download
20 their settlement statements and their invoices, and I want
21 to -- I'd like to see the FERC EQR reports being downloaded,
22 as well.

23 And one thing Ronnie was passing to me, is, part
24 of our requirements that we put together with our EQR
25 reporting, was put together on a daily basis, so that every

1 time we published a statement, we would re-publish a FERC
2 EQR report for that statement, so it was at least
3 consistent.

4 We have right now, a pretty wide resettlement --
5 well, we publish reruns here where they can be unexpected at
6 any time, so we wanted to definitely add that flexibility
7 into the reporting.

8 MR. DONALD: This is Ken Donald with MISO. Can
9 Jeff hear me?

10 MR. EVANS: Yes.

11 MR. DONALD: Jeff, let me ask this: We've
12 actually considered doing something very similar to what you
13 just described, I think.

14 Is your vision for direct access to the EQR
15 reports, that your customers would actually generate them
16 for themselves, when they logged into the report, or are you
17 just placing them on a drive there?

18 MR. EVANS: We would actually place them on a
19 drive.

20 MR. DONALD: Oh, okay.

21 MR. EVANS: So we'd have to do them basically on
22 the back end, and that's how we're putting it together.

23 Yeah, it would be done ahead of time, and then
24 placed on this what we're calling the business associate
25 portal interface.

1 MR. DONALD: We're looking a little further, even
2 to support the participants pulling the data whenever they
3 go in and click the button, to kind of alleviate the
4 problems we have with the continued running and rerunning of
5 the reports after settlement, that participants could decide
6 for themselves, when it was appropriate to go get an EQR
7 report.

8 MR. REICH: Mike, that's how New York works,
9 correct?

10 MR. PATTERSON: Yeah, that's how the New York ISO
11 runs it. It's incumbent upon the market participant to
12 decide when they are going to pull the data, based on when
13 an invoice is done, and if it's re-invoiced.

14 MR. REICH: In fact, one of the reasons why I
15 think we wanted to have this get-together with the ISOs, is
16 to kind of give the various ISOs, the sense of how the
17 others were doing it or were planning on doing it, so that
18 there would be perhaps contacts being able to be made, and
19 information garnered that way.

20 So, I would suggest, Ken, that you might want to
21 give Mike at the New York ISO, a call and kind of talk about
22 their solution on that problem.

23 MR. DONALD: I would be very interested in doing
24 that.

25 MR. DONALD: I think --

1 MR. REICH: Can you say who this is talking?

2 MR. EVANS: Sorry, this is Jeff Evans, California
3 ISO.

4 During our mapping session, we did talk to
5 participants on exactly how they wanted or how often they
6 wanted to receive the reports, and this was driven by their
7 requests. That's how we made our decision to do it on a
8 daily basis with our statements, if he understands.

9 MS. REAUX: Okay, I would like to ask --

10 MR. KLOSE: I have a question. This is Mark
11 Klose at FERC. I have a question for Ken at the Midwest
12 ISO.

13 I'm trying to get my arms around the need to
14 rerun reports four or five times.

15 MR. DONALD: Well, in our system, the primary
16 thing that changes between settlement runs, is meter data.
17 And half of the charge types that we report on, those real-
18 time charge types, are dependent on what the meter data
19 actually reads.

20 So, we have now -- our official final settlement
21 is 105 days after the operating day, but we then, for the
22 purpose of solving a lot of disputes that arose early in the
23 market and a couple of rule changes and FERC Orders, we've
24 done one, 155 days; three at 195 days; and now 546 days
25 after the operating day.

1 And for each one of those runs, the meter data
2 changes, which can change the megawatts involved in the EQR
3 transaction.

4 The day-ahead stuff doesn't really change, but
5 certainly the real-time does.

6 MR. KLOSE: Thank you.

7 MS. VELOSO: Other questions from Staff?

8 MR. REICH: I have one more question for Harry.
9 Harry, I'm just trying to -- you gave us -- you said your
10 target date is January 2008. Can you give us a sense of any
11 risk factors you might see that might impact that
12 significantly?

13 (No response.)

14 MR. REICH: Is Harry still there?

15 (No response.)

16 MR. REICH: Lorie?

17 THE OPERATOR: Harry's line has disconnected.

18 MR. REICH: Oh, okay.

19 MS. VELOSO: All right, other questions from
20 others?

21 (No response.)

22 MS. VELOSO: From the audience here at FERC?

23 (No response.)

24 MS. VELOSO: Other questions from callers?

25 THE OPERATOR: Thank you. If you'd like to ask a

1 question, please press star-1. One moment, please. Sandy
2 Murray, you may ask your question.

3 MS. MURRAY: Hi, this is Sandy Murray.

4 MR. REICH: Could you speak up a little, Sandy?

5 MS. MURRAY: Sure. This is Sandy Murray. I have
6 a comment in regards to a statement that Ken Donald
7 regarding the regenerated statements.

8 We feel that we do need to have those statements
9 on a continuing basis. I wasn't aware that you would create
10 those on a request basis.

11 If so, could you please let us know who we need
12 to ask to have an EQR, say, based on the R-546 made?

13 MR. REICH: Lorie, can you put Ken through again?

14 THE OPERATOR: One moment.

15 MR. DONALD: Hi, can you hear us now?

16 MR. REICH: Yes.

17 MR. DONALD: Okay. The answer to the question --

18 I think I didn't hear it all, but the answer to the
19 question is, yes, these reports are done only after
20 participants request them.

21 We don't do just one participant's reports; we
22 run the whole batch over again. So, after enough
23 participants express interest in having them, we run the
24 reports.

25 MS. MURRAY: Okay, so, would this be -- I did

1 bring this up one time at one of the settlements working
2 groups, and there wasn't much discussion on it at that time.
3 Should I bring it up again and try to see if we can get
4 another EQR statement out there, based on later statements?

5 MR. DONALD: Right. You're right, in that there
6 wasn't much discussion. I remember that meeting.

7 I think that at that time, we hadn't really begun
8 the resettlements yet, so maybe it wasn't an issue with most
9 participants, but we are now, I think, today, in fact, 60
10 days into a resettlement, so in another month, we will have
11 finished an quarter of resettlements and, therefore, can
12 generate another set of Q-2005, EQR reports.

13 Yeah, I think we should try to address that. The
14 next MSWG is December 12th. Just to make sure that
15 participants are all on the same page, that they would like
16 another version of those.

17 I do -- I suspect that there are some
18 participants who are out there modifying their own reports,
19 because we haven't heard -- we don't hear from them all when
20 we do a resettlement, so I think that on the participants'
21 side, sometimes they monitor their own data and decide
22 whether any of the transactions have changed or not, and
23 don't start over from scratch with what we send them.

24 MS. MURRAY: Okay. Right, I do feel it's very
25 important, especially with all the major changes we had with

1 the uplift. The energy portion may be immaterial, but I
2 know there have been a lot of changes with uplift, so that
3 could be a big impact.

4 MR. DONALD: All right, and, of course, this
5 isn't the last time we're doing to do it, either.

6 MS. MURRAY: Right.

7 MR. DONALD: Yeah. There will be something like
8 an R-700 going back to the beginning of the market, and,
9 again, I think the major thing that's going to change, will
10 be that uplift, because of the FERC Order on RSG.

11 So, yeah, maybe we want to talk about at the
12 meeting, whether it's important to do now, knowing that
13 we're going to go back and resettle it one more time, if we
14 just want to wait and do it one last time.

15 Ultimately, as I heard from Mike Patterson and
16 Jeff Evans there, I would prefer to, in the long run, set up
17 something whereby all the data was readily accessible to
18 participants and they, themselves, could decide when and how
19 to go get it. I'd love for that. I just need to figure out
20 how to justify that to the people who hold the purse strings
21 here.

22 MS. MURRAY: Could I ask FERC a question? If we
23 know that there are future resettlements coming, would they
24 still need an EQR, based on every statement? It gets
25 tedious on our end, but I understand how you need the most

1 recent information.

2 But how should we handle it, to be most
3 efficient? I guess that's a question up in the air, too.

4 MS. VELOSO: We'd like you to go ahead and file,
5 by the due date, whatever information you have, and then if
6 you need to update that with a refiling, that's how we'd
7 like you to handle it.

8 MR. DONALD: I think that in our market, there
9 are participants who don't file reports, because they have
10 decided that there are no material changes to the data
11 contained in them.

12 And certainly for someone who wasn't impacted by
13 any of the RSG rule changes or someone whose meter data was
14 dead-on after 105 days, they shouldn't expect for things to
15 change automatically.

16 MS. VELOSO: Are there other questions from
17 callers?

18 (No response.)

19 MS. VELOSO: We have a question here at FERC.

20 MR. DOWD: Good morning. My name is Mike Dowd.
21 I'm with S&L Financial.

22 We are currently looking into collecting this EQR
23 data, and I was just curious as to whether these ISO-
24 generated EQR reports are going to be made available to the
25 public, or if it's just going to be accessible to the market

1 participants of that ISO?

2 MR. REICH: Conceptually, the idea is that the
3 ISO reports are provided to the market participants, to
4 enable them to file the EQRs, and so, to the extent that the
5 market participants use those reports, they're incorporated
6 into the EQRs already.

7 So it's -- I guess the answer is that it --

8 MS. VELOSO: Why don't we let the ISOs answer?

9 MR. PATTERSON: The way the New York ISO treats
10 it, is that it's not public data. For somebody requesting
11 the data, each person, market participant, is allowed to
12 access only their data.

13 If you were a market participant inside of the
14 ISO, you certainly would be able to access that data.

15 MR. DONALD: Right, this is Ken Donald from the
16 Midwest ISO. It is our opinion, as well, that this is
17 confidential and proprietary data that we supply only to the
18 participant that has the digital certificate required in
19 order for them to retrieve it.

20 If that participant then decides to share it with
21 the world, that's certainly their own business, but we
22 wouldn't.

23 MR. EVANS: This is Jeff Evans with the
24 California ISO. This is also true for our market, as well.
25 We wouldn't provide any information that was proprietary,

1 unless the market participant themselves chose to do so.

2 MR. DOWD: Thank you.

3 MS. VELOSO: Questions from callers?

4 THE OPERATOR: Yes, thank you. Karen Bell, you
5 may ask your question.

6 MS. BELL: Yes, my question is for FERC. My
7 question is essentially whether FERC will have a preference
8 --

9 MR. REICH: Karen?

10 MS. BELL: Yes, hello?

11 MR. REICH: Could you state your name?

12 MS. BELL: Sure. My name is Karen Bell, and I'm
13 calling from Edison Mission Marketing and Trading.

14 MR. REICH: Thank you.

15 MS. BELL: And the question is for FERC; whether
16 there will be a preference whether filers use the ISO-
17 provided data, or whether we use data that we compile
18 ourselves from our own systems?

19 MS. VELOSO: Well, filers are responsible for
20 their own data, so to the extent that you're comfortable
21 with your own data, you're welcome to file that, if the
22 settlement statement helps you.

23 But you are ultimately responsible for the data
24 you file with us.

25 MS. BELL: Okay, so, essentially, there's no

1 preference on FERC's part, for which method is used?

2 MS. VELOSO: Right; it's up to you.

3 MS. BELL: Okay, thank you.

4 THE OPERATOR: Thank you. Our next question
5 comes from Lorie --

6 MS. HALAR: This is Sandra Halar at Kansas City
7 Power and Light. I have a question --

8 MR. REICH: Sandra, could you speak up a little?

9 MS. HALAR: Sure. This is Sandra Halar from
10 Kansas City Power and Light, and I have a question for FERC.

11 With the Southwest Power Pool RTO startup coming
12 up early next year, I was wondering if FERC would be working
13 with SPP on development of any EQR reporting?

14 MS. VELOSO: Certainly we'd be happy to
15 coordinate with you on that.

16 MR. REICH: We've had some initial discussions
17 with SPP, but we probably do need to revisit that and wake
18 it up a bit.

19 MS. VELOSO: Are there other callers with
20 questions?

21 THE OPERATOR: Yes, thank you. Our next question
22 comes from John Schmidt.

23 MR. GRAHAM: This is Jim Graham from PSEG.
24 Getting back to, in particular, the New York ISO, with the
25 constant reissuing, I guess, of monthly bills and whatnot,

1 would it be a safe factor to download those EQRs that have
2 already been published, kind of an a regular basis, rather
3 than just, you know, wait till you see something big
4 happening in your billing?

5 MR. PATTERSON: Personally, I think that you
6 probably should download your EQR report and do a difference
7 between the two, to see if there was a change. This is
8 Michael Patterson from the New York ISO.

9 I do think that you probably -- it would be in
10 your best interest to download these files, when a file
11 invoice is issued for a billing month.

12 MR. GRAHAM: Right. Okay, so, like I say, there
13 are still so many un-finalized bills out there, it just
14 seems like a redundancy that, at this particular point,
15 should be unnecessary.

16 I mean, these unfinished bills go back, I think,
17 as far as April 05 or thereabouts.

18 MR. PATTERSON: Yeah, right now, we are at a 12-
19 month billing cycle. We are moving to a six-month billing
20 cycle and this will start in January of 07.

21 At that point, you should not have the issues
22 that you are currently having. They should be mitigated
23 quite a bit.

24 But, again, because of the rebills and what may
25 happen in a rebill and how it would affect you in our EQR

1 report, I can't say specifically that you wouldn't be
2 affected during a final invoice or rebill.

3 MR. GRAHAM: Okay, thank you.

4 THE OPERATOR: At this time, there are no further
5 questions from the phone line.

6 MS. VELOSO: We had one here in the Commission
7 meeting room.

8 MS. REXRODE: Yes, this is Karen Rexrode with BP
9 Energy. I had a question for the California ISO.

10 Jeff, I believe I heard you mention that you
11 would be publishing EQR statements whenever a new settlement
12 statement was published, potentially daily.

13 My question was, do you envision that these daily
14 EQR settlements would have to be rolled up manually, or will
15 you have the ability to download them on a quarterly basis?

16 MR. EVANS: Well, how I envision the -- I
17 envision that every time we publish a statement, it would be
18 on that same location of the GUI that the statements are
19 downloaded, so every time you saw a statement for a specific
20 trade day being published, you could see the EQR-weighted
21 data associated to it.

22 So, I don't believe that was something that we
23 talked about during our mapping session, based on what
24 participants were kind of looking for.

25 They were comfortable and happy -- actually, you

1 know what, they may have actually said -- I think there is a
2 possibility of setting up a flexibility to do it over time.

3 Since we haven't done this, we do have the
4 flexibility to kind of, you know, re-look at how we're going
5 to implement this.

6 So we're definitely open to suggestions on how
7 we're going to, you know, accommodate this, but, initially
8 the vision was to do it just on a daily basis.

9 Our data, as part of our MRTU program, is that
10 the statements will remain online for a three-month period,
11 so it kind of may hinder the possibility, depending on when
12 the FERC EQR reports are due on each quarter, when and what
13 statement is available for download, so that may be
14 something we're going to have to look at, as well.

15 MS. REXRODE: Thank you. I appreciate that. I
16 wonder if I might ask a question of the FERC while I'm at
17 the microphone?

18 MS. VELOSO: Yes.

19 MS. REXRODE: Thank you. As a followup on
20 questions regarding the FERC's preference on whether we file
21 our own transaction data or data supplied by the ISO, I
22 think, echoing back to a comment I believe Harry Dessender
23 made, we share the concern that there is a difficulty
24 sometimes in defining what an energy sale is.

25 And if you look at the data that's being supplied

1 by MISO and being contemplated by ISO New England, there is
2 a certain amount of netting, as far as netting individual
3 purchases and sales to come up with net sales, and sometimes
4 netting of virtual transactions, which aren't reportable, so
5 we're just wondering if this really meets the -- if this
6 really meets the requirements of Order 2001, and if the FERC
7 has any guidance on that in terms of whether or not that
8 does meet the requirement for reporting sales to the ISOs,
9 if they are reported on a net basis, which is what is being
10 supplied b most of the ISOs?

11 MS. VELOSO: That's something we will have to
12 take a look at. We don't have an answer for you right now.

13 MS. REXRODE: Thank you.

14 (Pause.)

15 MS. VELOSO: Are there any further questions?

16 THE OPERATOR: Once again, if you'd like to ask a
17 question from the phone lines, please press star-1.

18 (No response.)

19 THE OPERATOR: There are no questions at this
20 time.

21 MS. VELOSO: Okay, then maybe we can proceed
22 directly to the first chunk of the data dictionary. Thank
23 you, Mike. Michelle?

24 MR. KLOSE: I also want to thank all the ISO reps
25 for calling in today. Actually, we have one more who has

1 made it in, just in the nick of time, Chris Parent, whose
2 flight was delayed.

3 Are you ready to go ahead?

4 MR. PARENT: Good morning. I apologize for being
5 a little tardy this morning. My name is Chris Parent and I
6 work at ISO New England.

7 We are actually in the process of rolling out our
8 EQR solution now. It's actually going to be available
9 starting on January 17th for Q4-06. It is different,
10 conceptually, than some of the other solutions that are
11 available.

12 The technology that we use, is actually more of a
13 push technology where we push files out to customers, as
14 opposed to New York where they actually request that
15 information.

16 So, right now, we generate two files by month for
17 the customers, every time we issue a monthly bill.

18 Our settlement cycle is currently only 90 days,
19 so we're planning on issuing these once after the initial
20 billing of it, and then once after the final billing of it.

21 These will be issued every time, so there will be
22 no requesting or on-demand from our customers.

23 Customers, if they want, can request specifically
24 for themselves, a past EQR report, if, for some reason, they
25 didn't download it or they lost it or they just didn't have

1 it available. They can call our Customer Service Department
2 and we can provide that for them again.

3 These files do sit out on our FTP server for
4 about 45 days, so, if, for some reason, they didn't download
5 in that 45-day period, they would be able to request it and
6 it would be available for an additional 45 days.

7 In addition, I heard mentioned that there were
8 FERC Orders and billing disputes and things like that, which
9 could result in reruns. Per our normal process, we will
10 reissue revised reports, anytime we have a rerun-type
11 situation, and that information will be available to be
12 downloaded.

13 The reports are monthly. They are issued once we
14 issue the monthly bill, and all of that information is
15 final. The customers can either choose to download that
16 information at that time, or wait, in some cases, until the
17 90 days or the final resettlement is issued.

18 Generally, when you look at a quarter, the first
19 month of that quarter is actually going to be resettled
20 prior to the requirement of filing with the FERC, so you
21 will actually have that first quarter -- or the first month
22 of the quarter filed with the final resettlement, so there's
23 really only one rerun. There is no rerun in that case.

24 This is going to be available starting on January
25 17th. The reports will be available to the customers, via

1 the normal market information server technology that we have
2 which is an FTP server. It's secure and only available to
3 participants, similar to the other ISOs, per our information
4 policy, where that information is confidential.

5 It will only be for Q4-06 and forward, but that
6 includes any new markets or market changes that have been
7 implemented in that time, so, for example, our ICAP market
8 is being phased out and we're moving towards a forward-
9 capacity market, starting in December, and the forward-
10 capacity market changes will be included in that EQR report.

11 For those participants or customers out there who
12 may not be aware, there's a conference call set up for
13 December 6th, which is actually next Wednesday, at 1:30, to
14 go through the final implementation and talk about a lot of
15 the things that I just talked about today, answer questions
16 on mapping, if there may be any that are still outstanding.

17 I think that when we went through that the last
18 time, we didn't have a lot of questions and that was pretty
19 well set.

20 I guess that's an overview of where we are, and
21 I'm excited we're going to be able to start producing this
22 for the customers, because I know they have been looking for
23 it for at least two years, if not longer. Thank you.

24 MS. VELOSO: Well, that sounds like good news
25 from the ISO New England. Does anyone have questions for

1 Chris?

2 MR. REICH: Chris, do you have a sense of any
3 factors that might push the January 17th date?

4 MR. PARENT: We're actually about halfway through
5 testing and we haven't had any major issues. We're
6 actually, to some extent, almost ahead of the schedule,
7 knock on wood, so we feel that the 17th is a very achievable
8 date.

9 MR. KLOSE: Chris, early on, there was a question
10 to the other ISOs/RTOs regarding whether your reports would
11 be made public to others than your members. Do you have any
12 plans to make or do you make your reports public?

13 MR. PARENT: That data -- I mean, per our
14 information policy, this is all very confidential
15 information around trading practices, and in some cases,
16 generators are operating, so there's really no way that that
17 information could be made public under the current
18 governance structure or the current rules that we have in
19 place.

20 MS. VELOSO: Any questions from anyone here in
21 the Commission meeting room?

22 (No response.)

23 MS. VELOSO: How about callers?

24 THE OPERATOR: Once again, to ask a question
25 please press star-1. Our first question comes from Rose

1 Pysh.

2 MS. PYSH: Good morning. This is Rose Pysh from

3 --

4 THE OPERATOR: One moment, please.

5 (Pause.)

6 MS. PYSH: Hello?

7 THE OPERATOR: I'm sorry, your line became
8 closed. Go ahead, please.

9 MS. PYSH: Good morning. This is Rose Pysh from
10 the United Illuminating Company.

11 Chris, I have a question for you regarding the
12 reports that are going to be available. You said that they
13 will be available in a monthly format, and, because of the
14 90-day settlement at ISO New England, you will automatically
15 be reposting the first month of each quarter.

16 Will you be compiling the individual months into
17 a quarterly report, also?

18 MR. PARENT: We will not be. The goal was to
19 issue -- the decision was made to issue just monthly
20 reports, for a couple of reasons: One is size. These can
21 be very large files for some of our customers.

22 The other is that if we're only rerunning or
23 resettling a month, it helps narrow the customers, the
24 amount of data we're providing to customers, to just the
25 month that was impacted, as opposed to potentially providing

1 an entire rerun of a quarter.

2 MS. PYSH: Okay, thank you.

3 MS. VELOSO: Any other questions from callers?

4 THE OPERATOR: Yes, thank you, our next question
5 comes from Diane Pickett.

6 MS. PICKETT: Hello? Can you hear me?

7 MR. PARENT: Yes.

8 MS. PICKETT: Hi, good morning, this is Diane
9 Pickett from National Grid. This is just a quick question
10 for Chris.

11 I think I understood him to say that there will
12 be a conference call on December 6th? Are all of us out
13 there that work with ISO New England, involved in this call?
14 Is it something that I can participate in? I'm very
15 interested.

16 MR. PARENT: You can definitely participate in
17 it. It is on the website, how to register and sign up for
18 it. It will be a spider-phone type of call. If you can't
19 find that, please call our Customer Service Department and
20 they will give you the appropriate information.

21 We did try to send it to a very broad group, but
22 sometimes --

23 MS. PICKETT: I'm surprised that I didn't get a
24 notice on it, so that's why I wanted to make sure that I was
25 able to participate in the call.

1 MR. PARENT: It is an open call.

2 MS. PICKETT: Okay, thank you.

3 THE OPERATOR: At this time, there are no further
4 questions from the phone lines.

5 MS. VELOSO: Okay, thanks very much to our ISO
6 panelists. We appreciate your participation.

7 With that, I think we'll turn to the next portion
8 of the data dictionary, which is the ID data.

9 MS. REAUX: I'm just going to -- for those of you
10 who are on the phone, this Excel spreadsheet is located on
11 the EQR web page with the Notice.

12 I'm going to start with the filer unique
13 identifier. It's identified in the Excel template as FR for
14 filer respondent, FS for seller, and FA for agent.

15 Respondent name, respondent name is a restricted
16 text, 70 characters, and the definition of that is the name
17 of the company and the representative the same as listed in
18 the Dunn report.

19 Okay --

20 (Reaux confers with colleagues.)

21 MS. REAUX: Okay, seller name, unrestricted text,
22 70 characters and it's the name of the company as it's
23 represented --

24 (Reaux confers with colleagues.)

25 MS. VELOSO: Michele, we're just asking people to

1 chime in, if they have anything they would like to share or
2 suggest as to the definition, correct?

3 MS. REAUX: That's right.

4 MS. VELOSO: As we go, yeah. I'm sure some of
5 them will be of interest, and some of them we can just gloss
6 right over.

7 MS. REAUX: Okay. Filing agent company, the
8 current definition is a --

9 MR. PARENT: I just wanted to make a comment.
10 This is Chris Parent from ISO New England.

11 As we were going through the process for our
12 reporting, one of the items we noticed was that the way we
13 register our customers' names, doesn't necessarily line up
14 directly with the Dunn and Bradstreet names.

15 So it's just something to be aware of for the
16 other ISOs and the other customers. We have on name on
17 record, and it's the name that the customer registered with
18 us, which, theoretically, is the same as the Dunn and
19 Bradstreet name, but, I mean, ampersands and -- I mean
20 there's a variety of --

21 MS. REAUX: So when they get that file, they may
22 have to change the name?

23 MR. PARENT: Correct.

24 MS. VELOSO: Chris, do you have a process for
25 registering that name? Is there some documentation that you

1 go through, or do you just take the name that they give you?

2 MR. PARENT: We generally take the name that they
3 give us. I'll have to go back and confirm.

4 We also have a size limitation on the name, which
5 further impacts it, so in some cases, we may need to try --
6 this was an item that was identified as an possible
7 improvement area for us, so that we could eventually get the
8 Dunn name and the use that, rather than --

9 MS. VELOSO: So you're comfortable with the
10 Dunn's as a standard? It's just not what you're currently
11 using?

12 MR. PARENT: It's not necessarily what we
13 currently have in all cases.

14 MS. REAUX: Okay, I'm going -- no one has any
15 questions --

16 MR. REICH: There are a couple questions on the
17 phone.

18 MS. REAUX: Okay.

19 MS. VELOSO: Questions from callers?

20 THE OPERATOR: Yes, Juan Diaz, you may ask your
21 question.

22 MR. DIAZ: I'm following along with the report
23 that was sent out --

24 MS. VELOSO: Please say your name.

25 MR. DIAZ: My name is Juan Diaz, with Customized

1 Energy Solutions.

2 I'm following along with the report that was sent
3 out as part of this training, but I'm also looking at a
4 spreadsheet that I believe originated from a FERC source
5 that has field names on top of the spreadsheet.

6 As I'm following along, I'm noticing that the
7 field names on the Excel spreadsheet, or, just the
8 spreadsheet, in general, is not matching with what's on your
9 report.

10 For example, the second field on my spreadsheet
11 simply says Company Name, but then in going through the
12 material, I see that there are three different field names
13 for Item No. 2, none of which is Company Name.

14 And as I look forward, in advance to some of the
15 other fields, I'm noticing that there's no match. I'm
16 wondering, again, assuming that this spreadsheet originates
17 from FERC, why the names wouldn't match.

18 MR. REICH: Juan, this is Steve Reich. The
19 reason why it doesn't match for the ID data and the ID data
20 tab alone, is because the ID data files are set up so that
21 you can enter the respondent seller or agent name in that
22 same file.

23 So, essentially the seller company name or the
24 company name in the ID tab, is either the seller, the
25 respondent, or the agent, and what we're trying to do in the

1 dictionary here, is to define each of those as part of that
2 field.

3 I can understand how that could be confusing, and
4 I think we probably need to address that and take it back an
5 look at it.

6 MR. DIAZ: It's probably just more important to
7 follow through with the field number and not so much worry
8 about the field name, at least for the ID data portion of
9 the training here.

10 MR. REICH: Yeah, that is correct. Essentially,
11 there may be another -- that should probably be addressed,
12 but the field numbers should match.

13 MR. DIAZ: Okay, thank you.

14 MS. VELOSO: Is there another call?

15 THE OPERATOR: Thank you. Our next question
16 comes from Robbin Tine. Your line is open. Please check
17 your mute button.

18 MS. TINE: Hello, this is Robin Tine from Select
19 Energy. I believe the last person speaking was from ISO New
20 York -- not the person that just spoke, but with regard to
21 the Dunn's numbers.

22 MS. REAUX: That was Chris Parent from ISO New
23 England.

24 MS. TINE: Is there any way we can ask that
25 companies call into the ISO and update that data, as best as

1 possible, with the limitation of characters that New England
2 has?

3 MR. PARENT: I mean, that's definitely an option.
4 I mean, what we've presented in our meetings with the
5 customers, is that the name will be standard, the customer
6 name that you will have in your file, and that should be a
7 fairly easy find-and-replace, if it doesn't match up exactly
8 with what needs to be reported.

9 But I don't see any reason why you couldn't call
10 and have that updated, if for some reason, the name on the
11 record didn't match your Dunn and Bradstreet name.

12 MS. TINE: Yeah. I just think that if we put the
13 onus on us to make sure that it's accurate at the ISO, I
14 think it would make it a lot easier for all of us when we
15 report the data, versus trying to constantly cut-and-paste
16 and patch.

17 It makes it hard to be efficient about getting
18 the information together.

19 MR. PARENT: I agree.

20 MS. TINE: Any comments, FERC?

21 MS. VELOSO: We'll add that one to our list.

22 MS. TINE: Great, thank you.

23 THE OPERATOR: Thank you. Our next question
24 comes from Linda Peavy.

25 MS. PEAVY: Hi, this is Linda Peavy from

1 Cogentrix Energy, Inc.

2 And relative to the Dunn's number, we had two
3 facilities that had name changes this past year. When I
4 contacted Dunn's, they said that they would maintain their
5 Dunn's number, even though their name changed, so, being
6 consistent with what's listed in the Dunn's report, would
7 not really be accurate for at least those two facilities,
8 and I know there are probably more out there like that.

9 Once a Dunn's -- it's like a Social Security
10 Number, is what I was told, that once you're assigned that
11 number, that's the number for that physical facility from
12 now on, no matter what the name is.

13 MS. REAUX: I can't speak for Dunn, but I believe
14 we may -- even though they keep the number the same, they
15 will change the name in the report, because those lead back
16 to credit reports, but if that is -- that part of the
17 definition is what we have currently, as far as for naming
18 the company, but I guess the more general definition that
19 that, you know, we think would be appropriate, would be the
20 name of the company taking responsibility for the filing.

21 That's for respondent name, as opposed to listing
22 it as the name of the company listed in the Dunn's report.
23 If you look over to the next column -- and for the sellers,
24 the name of the reporting entity authorized to make the
25 sale, so what you see in the -- if you're looking at the

1 spreadsheet, in Column E, it has currently defined and
2 Column G is how we change that, so taking that Dunn's out of
3 the equation would probably be better in looking at the
4 definition, if that's what you're suggesting.

5 MS. PEAVY: Right. I guess my question is, you
6 want the current name and the correct Dunn's number, is what
7 I would assume; is that correct?

8 MS. REAUX: We want the current name and the
9 current Dunn's number, yes.

10 MS. PEAVY: Okay, even though it may not match
11 with the Dunn's report.

12 MS. VELOSO: Perhaps this raises a problem that
13 may exist, so if you feel that there is a problem with the
14 Dunn's number, we'd like to hear from you, and if you'd like
15 to file comments in regard to that, or if you have some
16 suggestions on what would be more appropriate, we'd like to
17 hear that.

18 MS. PEAVY: Okay, thank you.

19 MR. REICH: Also, I'd say one more thing to step
20 back a little and look at the data dictionary a little more
21 globally, and that is, the reason why we've put this
22 together, based on comments we've had at previous meetings
23 and calls that we've gotten, is that we were -- what we're
24 trying to do, is to put together a single source that could
25 be easily referenced, that includes the official definitions

1 of all of the fields in the EQR.

2 And in doing that and going back and putting this
3 together, we've identified what the current official
4 definitions are from the original documents in the EQR.

5 And there are suggested changes that we'd like to
6 discuss, that -- for example, in this case, the original
7 definition discusses the name in the Dunn's report, but the
8 suggested definition does not include that reference.

9 So, throughout this discussion, what we're
10 looking at, is a way of creating a definition that we all
11 can work with, that's reasonable, or at least working toward
12 definitions that seem reasonable, that help you understand
13 what we're looking for in the filings.

14 MS. PEAVY: This is Linda Peavy. Am I still on?

15 MR. REICH: Yes.

16 MS. PEAVY: Basically, what I did, because the
17 name changed legally, and I used the name that I filed with
18 EIA reports, and then I contacted Dunn's and then that's
19 when I was told that the Dunn's number would not change,
20 simply for a name change.

21 So, EIA and FERC has the current legal name, and
22 the Dunn's number remained consistent and that's how I've
23 been doing my filings. I just want to make sure that that's
24 correct.

25 MR. REICH: Sure, yes.

1 MS. PEAVY: Okay, thank you.

2 THE OPERATOR: Our next question is from Debbie.
3 Debbie, your line is open.

4 MR. FRACASSI: This is George Fracassi with the
5 Consolidated Edison Company of New York, Incorporated.

6 MR. REICH: Could you speak louder and repeat
7 your name and where you're from?

8 MR. FRACASSI: This is a question for FERC, in
9 regard to the Dunn's number.

10 MR. REICH: Could you repeat your name and where
11 you're from?

12 MR. FRACASSI: George Fracassi from Consolidated
13 Edison Company of New York, Incorporated.

14 MR. REICH: Thank you.

15 MR. FRACASSI: There were certain municipalities
16 that had transfer rights where energy is delivered by
17 transmission, and they do not have Dunn's numbers, as such.
18 I've been leaving the field blank.

19 Does FERC have a preference that I fill in
20 something at that point, or does -- should I continue to
21 leave it blank?

22 MR. REICH: I think what you're talking about is
23 in the contract section of the EQR, which we're not to yet,
24 because these are customers, and I think the traditional
25 guidance on that has been that you either put one zero or

1 nine zeros in that field.

2 MR. FRACASSI: Thank you.

3 THE OPERATOR: Our next question is from Jay
4 Dibble. Your line is open.

5 MR. DIBBLE: Yes, this is Jay Dibble with Calpine
6 Corporation. I just wanted to chime in and say I'm very
7 supportive of this effort that FERC's taking. I really
8 appreciate this.

9 This is going to be very helpful to get so many
10 filers, and I just wanted to be clear that Staff's suggested
11 definition, as Steve was talking about, we're supportive of
12 that, as it is, removing the Dunn's number reference.

13 I can't think of an example right now, but with
14 so many reporting entities, I know that we have one or two
15 examples where the FERC Order giving market-based rate
16 authority, is a slightly different name, due to
17 abbreviations or punctuations, than the Dunn's number.

18 But, clearly, it's the same entity; it's just
19 different abbreviations or something that puts the two
20 apart.

21 MR. REICH: Thanks, Jay.

22 THE OPERATOR: Our next question is from Rose
23 Pysh. Rose, your line is open.

24 MS. PYSH: Yes, thank you. This is Rose Pysh
25 from the United Illuminating Company. This question is

1 specifically for Chris Parent.

2 Chris, you had mentioned that there is a
3 limitation in your company name field. I'm sure we'll get
4 this on the 6th of December, but what is that limitation?

5 MR. PARENT: It's a size limitation, and I don't
6 know what it is, offhand, so I apologize for not having that
7 information. I will take note to answer that question on
8 the 6th, though.

9 MS. PYSH: Okay, thank you.

10 MR. PARENT: You're welcome.

11 THE OPERATOR: At this time, there are no further
12 questions.

13 MS. REAUX: Okay, I'm going to continue on with
14 the ID data, and just for clarification, I'm going to read
15 the current definition and then the definition with
16 suggested changes.

17 Seller Dunn's number, it's nine -- that's just
18 the nine-digit number assigned by Dunn and Bradstreet.
19 Contact name, currently, it's the name -- the definition is
20 the name of the contacts of the filing, must be -- may be
21 from the filing respondent and/or seller, and we're not
22 proposing any change to that.

23 The contact title, title of contact, we're not
24 proposing any change to that. Address, city, state, zip,
25 same, no changes for that.

1 Contact country name, what we have available now,
2 is Canada, Mexico, United States, and United Kingdom. It is
3 not a field, a free text field, so I know there have been
4 one or two companies who have had something outside of that,
5 who have expressed something that needs to be added.

6 Let's see, contact phone, e-mail, those are all
7 no change, and then the filing quarter, it's just a
8 reference number used by the EQR software to indicate the
9 quarter, and it's expressed in year and month.

10 Do we have any questions from Staff?

11 (No response.)

12 MS. REAUX: The audience here?

13 (No response.)

14 MS. REAUX: Any questions on the phone about any
15 part of the ID data before we move on to the contract data?

16 (No response.)

17 MS. LEE: This is Nancy Lee from Con Edison
18 Energy. I have just a question on some of these fields.
19 Some of them are self-populated by your system, like self-
20 generated internally, and they're not always available for
21 us to use or to see.

22 Can you also indicate that on your definitions,
23 which ones those are?

24 MR. REICH: We'll put that on our list.

25 MS. LEE: Thank you.

1 (Pause.)

2 MS. VELOSO: Okay, I guess that covers that for
3 the ID data table, so why don't we go ahead and move on to
4 the contract data table?

5 You know, maybe this is a good time to take a
6 break, since the contract data table is going to be probably
7 more extensive. So, we'll break. It's 20 after 10:00 now,
8 and we'll come back at 10:35. Thanks.

9 (Recess.)

10 MS. VELOSO: If we can get started again, if
11 everybody would take their seats?

12 (Pause.)

13 We're going to pick back up with the data
14 dictionary and we're going to have Steve Reich discuss the
15 contract table, and then we have a couple of appendices that
16 are actually pretty detailed, and Jennifer Newman, after
17 Steve, is going to talk about the product name table and the
18 hubs table.

19 So, hopefully, depending on how it goes, we can
20 get done before lunch, both of those things. So, I hand it
21 over to Steve.

22 MR. REICH: Thanks, Michelle.

23 I'm going to be going through the definitions on
24 the contract table, and please stop me, if we come to
25 anything that you have any questions about.

1 We've got a couple of questions via e-mail before
2 the meeting, and I'll try to remember where those questions
3 were, but I'm sure that the people who sent in the
4 questions, are not shrinking violets and will let me know
5 when we get there.

6 The first four fields, contract unique ID, seller
7 company name, customer company name -- sorry, let's go with
8 the first three fields. They are all fairly
9 straightforward, and they're just kind of the base
10 information that goes into the filing.

11 The important thing about the customer company
12 name, is that it match in the contract, the contract file,
13 the transaction file. We've simplified or we're suggesting
14 a simplified definition, once again taking out the Dunn's
15 reference and just indicating the name of the counterparty
16 in the contract.

17 Dunn's number, that's just kind of a restatement
18 of the current definition. Contract affiliate, what we've
19 done here in our suggested new definition, which is, the
20 customer is an affiliate if it is controlled by or is under
21 common control with the seller, is -- now we're referencing
22 existing Commission regulations defining what an affiliate
23 is.

24 So, we would suggest, possibly, a change in that,
25 in the definition, just so we clarify in a manner consistent

1 with the Commission definition of what an affiliate is.

2 FERC tariff reference, what was provided
3 previously as kind of the official definition, is more of an
4 example of what valid entries are, and so the suggested new
5 definition for that is the authority applied for and granted
6 to a seller that specifies the terms and conditions under
7 which the seller can make power sales.

8 As it turns out, anybody with a market-based rate
9 authorization, has a tariff where they can make their
10 market-based sales, and the concept is that we want the name
11 of the tariff there.

12 Contract service agreement ID is something that
13 the company defines, and we're not planning on changing any
14 definition there. Contract execution date, this is a --
15 this is not a required field.

16 (Pause.)

17 It's not a required field, and it's -- I'm sorry,
18 it is a required field, and it's the date the contract was
19 signed, and the contract commencement date, once again, is a
20 required field.

21 We're not planning on changing the definition
22 that was provided back in 2002.

23 Contract termination date, I think the main -- I
24 think the change in definition that we're recommending, the
25 date specified -- the date, if specified in the contract,

1 that the contract expires, is primarily just a clarification
2 of the existing official definition.

3 Actual termination date, no change there in the
4 definition.

5 Extension provision description, once again, I
6 think we're moving -- what we'd like to do, is move toward
7 an actual definition, as opposed to an example. In this
8 case, it's the description of the terms that provide for the
9 continuation of the contract.

10 I see Jeff Salway would like to speak.

11 MR. SALWAY: Hi, I'm Jeff Salway from AEP.

12 I kind of wanted a point of clarification on the
13 contract execution date. We had relied on, let's see here,
14 the stock, the Electric Quarterly Report Filing Requirements
15 Guide, and it basically said that the contract execution
16 date is the date the contract was signed or agreed to by the
17 seller and customer.

18 Now, the one that's on the data dictionary, I
19 mean, that one gets back to the actual Order, but it's got a
20 couple of extra words in the middle of it, which are what I
21 wanted to talk about.

22 It says: The date the contract was signed; if
23 the parties signed on different dates, or there are
24 different contract amendments, the latest date signed.

25 My basic question or clarification is, take a

1 situation where we've got a ten-year deal, and, seven years
2 into it, we go ahead and amend it, just to change the
3 delivery location. Does that mean that -- and so let's say
4 the power started flowing January 1, 2005, and it flows
5 through December 31, 2015, well, in 2010, we amend and add
6 this second delivery point, do we then have to go into that
7 contract and say the contract execution date was, you know,
8 July 5, 2010, even when we're clearly showing that the
9 transaction started, you know, January 1, 2005?

10 Where we're getting tripped up, is the amendment
11 date.

12 MS. VELOSO: You're having a question about the
13 current definition; you're not proposing a change?

14 MR. SALWAY: Yes. I guess, what the Commission
15 has done, they clarified this a little bit more than the
16 definition that I was actually using, which were in the
17 Filing Requirements Guide.

18 MS. VELOSO: So there's some confusion about how
19 you've been filing it?

20 MR. SALWAY: Yes.

21 MS. VELOSO: Well, why don't we handle that one
22 separately?

23 MR. SALWAY: Okay, thank you.

24 MR. REICH: And just to clarify, the issue is, if
25 there's an amendment, how does that -- does that change the

1 execution date?

2 MR. SALWAY: The contract execution date,
3 correct.

4 MR. REICH: And are there various qualities of
5 amendments, and how do we deal with amendments when we deal
6 with contract execution date?

7 MR. SALWAY: Correct. I mean, we're hoping that
8 it stays -- when you executed the contract, you've got one
9 date, and you stay there, and that you don't have to go back
10 and change the execution date as you, you know, have
11 amendments to the agreement.

12 MS. VELOSO: Why don't we give that one some
13 thought and get back to you on that?

14 MR. SALWAY: Okay, we would appreciate it.

15 MS. VELOSO: Operator, can you let the caller in
16 that has a question, Juan Diaz?

17 THE OPERATOR: I'm sorry, can you say that again?

18 MS. VELOSO: Can you let the caller through who
19 has a question?

20 THE OPERATOR: Sure. Juan Diaz, you may ask your
21 question.

22 MR. DIAZ: Hi, this is Juan Diaz with Customized
23 Energy Solutions. I have a question on Field No. 19, FERC
24 tariff reference.

25 Is this just a -- that my client is conducting

1 business in PJM, is this simply just putting in PJM tariff,
2 or is it something other than that?

3 MR. REICH: In the case of, if you're client is
4 doing business with PJM, presumably your client has market-
5 based rate authority, and it should be the tariff under
6 which they have -- the tariff that they were granted market-
7 based rate authority under.

8 So it's not their agreement with PJM; it's their
9 -- the tariff that they're allowed to sell power under.

10 MR. DIAZ: Okay. I'm not sure if that helps me
11 understand. If it's not the PJM tariff, then -- and my
12 client does have market-based authority, as approved by
13 FERC, I'm not sure, if it's not the PJM tariff, what other
14 tariff it would be.

15 MR. REICH: When a company receives market-based
16 rate authority -- when a company files for market-based rate
17 authority, part of that filing includes a FERC tariff and
18 that tariff is the tariff that they are authorized to do
19 business under.

20 MR. DIAZ: Okay, so the FERC tariff reference is
21 just simply the FERC tariff?

22 MR. REICH: Yes, it's their tariff. In most
23 cases, it's FERC Tariff No. 1, but it would be attached to
24 their market-based rate authority application, as approved
25 or revised in the FERC Order.

1 MR. DIAZ: Are there any cases where it's not the
2 FERC Tariff Reference Number 1?

3 MR. REICH: Certainly if a company has filed for
4 -- you know, has revised its market-based rate authority,
5 the terms of its authority significantly, it might be
6 different.

7 MS. VELOSO: Are there any other questions?

8 THE OPERATOR: Yes, Linda Peavy, you may ask your
9 question.

10 MS. PEAUVY: This is Linda Peavy from Cogentrix.

11 Relative to the previous gentleman's, the one
12 before this, on Field 21, contract execution date, the
13 current definition indicates to use the latest date of any
14 amendments.

15 Just to clarify, that is still what FERC
16 requires, correct? That's how we've been filing. If a
17 contract was signed in 2000 and the Amendment 1 was in 2001,
18 and then another one in 2004, we entered the 2004 amendment
19 date.

20 MS. VELOSO: That's correct.

21 MS. PEAUVY: Okay, thank you.

22 THE OPERATOR: Thank you. Rose Pysh, you may ask
23 your question.

24 MS. PYSH: Yes, thank you. This is Rose Pysh
25 from the United Illuminating Company. This question is for

1 Steve or whoever prepared this table for our use.

2 I was wondering if any consideration had been
3 given to providing all of the data, including where you say
4 "no change," and then just highlighting the cell where
5 things had changed from the previous version? It would just
6 help people that are needing to use these documents as they
7 go through and review all of their data.

8 MS. VELOSO: I'm sorry, but I don't think I
9 understand what you're suggesting.

10 MS. PYSH: The table that we have currently in
11 front of us, is color-coded, but it's color-coded, every
12 other line. And what I'm suggesting, is, you have a Staff-
13 suggested definition, and I assume, unless there are any
14 changes to these, these will probably become final.

15 But to the extent that there are changes to the
16 definition, if those cells could be highlighted, using some
17 sort of color, where there is no change, put the current
18 information as it exists, un-highlighted, and that way, you
19 could use one document that is current, that has both the
20 new information, as well as the old information that was
21 unchanged.

22 MS. VELOSO: Well, let me just clarify that. All
23 of the changes that we're suggesting, are simply Staff
24 suggestions, and in order to change the definitions, it
25 would require a Commission action, and we would have a NOPR

1 process and we'd have notice and comment, opportunity for
2 people to weigh in.

3 So we're not implementing any changes now, so the
4 current definition is what everyone should be using, until
5 we would initiate some sort of a process to change it.

6 MS. PYSH: Okay, and then at that time when this
7 table is reissued, do you include everything, in total, and,
8 again, would highlight what was changed?

9 MR. REICH: So, are you suggesting -- this is
10 Steve. Are you suggesting a redline version?

11 MS. PYSH: Yes. It would be so helpful, Steve.

12 MS. VELOSO: We can consider that, if we take
13 this further. At the moment, this is just Staff
14 suggestions, but a further document, if we were to make
15 changes and propose something for the Commission to
16 consider, we could certainly consider that as part of that
17 process.

18 MS. PYSH: Okay, thank you very much. I know
19 that when we make tariff changes, we have to submit a
20 redline and a clean version, and the redline, I know, is
21 very helpful to everyone. Thank you.

22 MR. REICH: Thanks for the suggestion.

23 THE OPERATOR: At this time, there are no further
24 questions from the phone lines.

25 MS. VELOSO: We have a question.

1 MS. LEE: Nancy Lee. I believe Field 15 on the
2 contract table, is the same as Field 2 on the ID table, so,
3 if it is, can you make the field name, and, therefore, the
4 definition, consistent, because they don't read the same
5 right now?

6 MR. REICH: Okay, we'll look at that.

7 MS. LEE: Also, to clarify on 21, contract
8 execution date, so if I had a contract that was signed in
9 October of 05, amended July of 06, and amended in October of
10 06, would I go backwards to each quarter to put in the
11 latest effective date or contract date?

12 MS. VELOSO: I think these contract execution
13 questions, we're going to have to defer for another time.

14 MS. LEE: So I put it out to you on an e-mail for
15 clarification.

16 MS. VELOSO: That would be great.

17 MS. LEE: And, similarly, on 22, contract
18 commencement date, it's the first date the contract was
19 effective, frequently the first date of service. I have
20 contracts that have both an effective date, for example,
21 1/1, and then an attachment that says the start service date
22 was July 1, so is it July 1 or is it 1/1?

23 MR. REICH: I mean, the traditional guidance
24 we've given, is that it's the effective date in the
25 contract. It's just that a lot of contracts don't have an

1 effective date stated, and so in those cases, it's when the
2 service begins.

3 MS. LEE: Okay, so you would prefer, first, an
4 effective date, and if there is no effective date, then the
5 start date or service date?

6 MR. REICH: And I believe that's the way the
7 definition is phrased. It's consistent with that, that the
8 effective date frequently is the first day of service, but
9 not necessarily the first day of service.

10 MS. LEE: Okay.

11 THE OPERATOR: We do have another question from
12 the phone lines. Henry Tilghman, you may ask your question.

13 MR. TILGHMAN: Good morning, this is Henry
14 Tilghman with Pacificorp.

15 Back on the FERC tariff reference, the current
16 tariff reference seems to be limited to -- I mean, the
17 definition seems to suggest that you're just talking about
18 the market-based rate authority.

19 MR. REICH: I don't see that. It's the FERC
20 definition of what the tariff under which the contract --

21 MR. TILGHMAN: Yeah, that's what I always thought
22 it was, but the way you've got it defined, is that the FERC
23 tariff reference is the authority applied for and granted to
24 a seller and specifies terms and conditions.

25 I mean, the WSPP isn't -- and we haven't been --

1 that's filed by somebody else. It's filed by the WSPP
2 organization. It's not filed by Pacificorp.

3 I mean, I just want to make sure that your
4 definition includes what's commonly understood which
5 includes all those specific cost-based rate schedules and
6 all the other tariffs that we sell under. It's not just the
7 market-based rate authority.

8 MR. REICH: Well, I mean, the WSPP is a special
9 case that we need to continue looking at, and so we'll take
10 that part under advisement. Beyond that, I still don't
11 understand how this is restricted to just market-based rate.

12 MR. TILGHMAN: Some of the terms used, make it --
13 a lot of some of the language, for me, seems specific to
14 market-based rate authority.

15 MR. REICH: All right, we'll --

16 MR. TILGHMAN: I'm just asking. You're not
17 changing the definition to be just market-based rate
18 authority, are you?

19 MR. REICH: That was not the intention. We'll
20 look at that.

21 MR. TILGHMAN: Thank you.

22 MS. BOURQUE: This is Barbara Bourque with APS.
23 I have just have one question on the FERC tariff reference,
24 and this might be what Henry was alluding to, but it doesn't
25 include transmission sales.

1 So, for an integrated utility, we have to report
2 transmission contracts, as well as power sales, so it's not
3 restricted, the current definition isn't restricted to
4 market-based rate sales, but it does say "power sales," so
5 we might want to include transmission for those of us who
6 have transmission contracts?

7 MR. REICH: A point well taken.

8 MS. VELOSO: Thanks.

9 MR. REICH: Any other questions on the easy
10 fields?

11 (Laughter.)

12 MR. REICH: Okay, then, let's move on to class
13 name, which is the firm, non-firm unit power sales.

14 Once again, these are terms as defined in
15 contracts. We're talking right now about the contract tab.

16 We got a comment from AEP regarding the
17 definition of "firm." Why don't I go through what we have
18 here, and then I'll ask Jeff to discuss his comment?

19 For firm, the definition -- we have two
20 alternatives proposed, one from the OASIS definition, which
21 is a service that always has a priority over non-firm
22 service. The other is from the definition that's included
23 currently in the Form 1, which is: Service that cannot be
24 interrupted for economic reasons, and is intended to remain
25 reliable, even under adverse conditions.

1 Non-firm is service that is reserved and/or
2 scheduled on a as-available basis, and is subject to
3 curtailment or interruption at a lesser priority compared to
4 firm transmission service. That's based on the OASIS
5 definition.

6 Over time, as part of Order 2001(e), we've added
7 unit power sales, which is a dedicated sale of energy and
8 capacity from one or more than one generation unit. That
9 definition came from the discussions associated with
10 developing Order 2001(e).

11 And the other new definition, which is for not-
12 applicable, is intended to make it clear that "not
13 applicable" is only supposed to be used if none of the other
14 definitions apply.

15 So that's the Staff's suggestions provided in the
16 document that we sent out. We got a comment from AEP, and
17 why don't you -- I'll just ask Jeff Salway to come start the
18 discussion and then we can go from there.

19 MR. SALWAY: Yes, this is Jeff Salway from AEP.

20 Let's start out with the definition that you have
21 for firm, in fact, either one of them. If these definitions
22 are adopted, two of the main contracts that we use for
23 transactions with neighbors, you know, bilateral contracts,
24 are the WSPP Agreement, and, also, too, we use, on a quite
25 regular basis, the EEI Agreement.

1 And in those particular documents, WSPP has a
2 Schedule C, which is firm, Schedule C firm power and energy,
3 and EEI has a product called Firm LD, liquidated damages.

4 But both of those products can be interrupted at
5 any point in time, for any reason that you want, as long as
6 you're willing to pony up and write the check for liquidated
7 damages.

8 So, it was my concern that if these definitions
9 are adopted, it would seem to me that anytime that we sell
10 firm LD under EEI or WSPP Schedule C, then the appropriate
11 choice here is going to be to designate those transactions
12 as non-firm.

13 And, you know, right now, we're designated all
14 those transactions as firm, so, you know, it would be a huge
15 departure from what we're currently doing, again, which
16 we're absolutely fine with, but, you know, how do you want
17 the data reported to you guys?

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1 MR. REICH: Jeff, do you know the genesis of
2 where the EEI definitions come from, especially in this
3 context?

4 MR. SALWAY: Well, I think it goes back to the
5 fluid market and things like that where you had marketers
6 that were buying and selling power that didn't have control
7 over generation. Basically, it was a way to allocate
8 damages. So I think that where they were coming from. They
9 were not looking at it as a true control area type sale and
10 things like that. Not having participated in those
11 discussions, creating those definitions, that's my best
12 guess on that.

13 MR. REICH: And so, essentially, the definition
14 of firm is a financial obligation.

15 MR. SALWAY: You're starting to get into that
16 whole discussion that maybe that the WSPP contract
17 subcommittee going down the road of financial firm versus
18 fiscal firm. For example, again, if we provide power under
19 the EEI agreement and we cut that, we're just liable to
20 write a check. Now we do have some transactions -- the
21 stand alone cost-based tariffs, things like that with
22 municipalities that truly in them with fit this particular
23 definition of firm. They're relying on us to keep the
24 lights on and we're going to do everything possible and
25 contractually we've got the whole curtailment provisions

1 where we're going to curtail all our non-firm, all our
2 system firm. We're going to do everything physically
3 possible to make sure that that power flows. So under those
4 select contracts, we would go ahead and again, if these
5 definitions are adopted for those particular transactions
6 and contracts, we would designate those transactions as
7 firm. It's just that for the industry and again, reporting
8 to you, it seems to me that with these definitions, firm LD
9 and the EEI agreement and WSPP Schedule C firm I think would
10 have to be categorized as a non-firm transaction based upon
11 these definitions.

12 MS. VELOSO: Do you think an idea would be to
13 have an additional category or more than one category so
14 that these transactions would fit in some other --

15 MR. SALWAY: That is clearly another way of doing
16 that. If you're going to designate a transaction as
17 financially firm, then go ahead and define that. Then yes,
18 in my opinion. transactions we do on EEI and WSPP would be
19 in that financially-firm category.

20 MR. REICH: These are just power contracts.
21 We're not dealing with transmission in any of these?

22 MR. SALWAY: No this is the sell of physical
23 power.

24 MS. VELOSO: It'll be interesting to hear any
25 other comments on that.

1 MS. COURT: Let me just add something here. Any
2 time we get into definitions in any of the Commission's
3 regulatory programs, there's always the issue of consistency
4 and regardless of how a company might think of its service,
5 it seems that we're going to have to go with a consistent
6 definition that's used by the Commission. So I think your
7 comments are very important here and relevant to inform the
8 decision-making process, but that doesn't necessarily mean
9 we're going to get into trying to basically alter a
10 definition just to fit a lot of different companies views of
11 how they characterize their service. So they're going to
12 think it informs the decision-making process. What the
13 impact is of using an OASIS definition, for example. But in
14 any type of program as large as this is we have to go -- I
15 mean it helps to keep a consistent definition across the
16 agency's electric programs. I don't know if I'm missing
17 something here or what.

18 MR. SALWAY: I guess my point is that these are
19 well-traded products and basically we would just be asking
20 for guidance saying, hey, when we sell a firm LD under the
21 EEI what is your recommendation as to how we categorize it.
22 So we're looking for guidance. Whatever direction you want
23 us to go in, absolutely, we'll do it. But I just want to
24 bring to the forefront if these things are called "firm LD"
25 and they're called "WSPP Schedule C firm". So the challenge

1 also too would be if you come down and say, you know, you
2 should categorize them as non-firm. We're also concerned
3 that everybody report consistently also so you have
4 meaningful data to go by.

5 MS. COURT: I mean OASIS is also an important
6 part of the Commission's open access program. So if we
7 start getting a lot of differences or any differences
8 between different electric programs here, we end up from a
9 much bigger perspective, if you step back, when the
10 Commission is considering other policy matters that we're
11 comparing apples and oranges and that doesn't work either.

12 MR. SALWAY: Yes, just basically tell us what you
13 want us to do.

14 MS. COURT: Right. I think this very important.
15 I think it's something that should inform and we should
16 bring this to the Commission's attention at an appropriate
17 time. So thanks.

18 MS. LOWE: This is Margaret Lowe, Consumers
19 Energy. We were just going to weigh in that this definition
20 uses basically a transmission definition and in the EQR it
21 covers both. So I can again sell an FFLD product bundled
22 with NS2 transmission which is non-firm. So when we sell
23 that bundled product, do we use the energy definition of
24 "firm" or the transmission definition of "firm" because we
25 often do a combination depending on the financial risk

1 you're willing to take.

2 MS. VELOSO: I think for any specific questions
3 like that we're going to have to sort them out one at a time
4 and we can't give guidance on that here and now. But why
5 don't you get in touch with our staff and we can talk to you
6 about it.

7 MR. KLOSE: This is Mark Klose. I do have one
8 question.

9 What are you currently doing now in that
10 situation?

11 MR. SALWAY: Jeff Salway with AEP. Again, we're
12 reporting those transactions right now as firm transaction.

13 MS. LOWE: We report as firm and there an area in
14 the EQR where you can break out your transmission portions
15 so the dollars are broken out, but we use the energy
16 contract as the basis to go from.

17 MS. REAUX: We have one caller on the line.
18 Operator, can you let her through.

19 OPERATOR: Ms. Aria, you may ask your question.

20 MS. ARIA (Via telephone): Yes, this is Lora Aria
21 with E-ON US and I just wanted to agree with what Jeff and
22 Margaret are saying. I do agree that there's a difference
23 in this definition versus what the industry sees as firm and
24 non-firm. And what I hear FERC saying is they want to
25 compare it to a transmission definition and the two are

1 totally separate. The OASIS definition specifically talk
2 about open access and transmission, but they don't talk
3 about how the power is sold in the industry.

4 And Margaret is correct. You can put different
5 transmission with different energy and get different
6 compilations of how that power is going to flow. But from
7 an energy sales standpoint, firm is a separate definition
8 from a transmission sales point of firm.

9 MS. COURT: I think that's a very good point and
10 I think what we probably do need to do -- I mean there has
11 to be some consistency across the power and transmission --
12 consistency of some sort. I think we just need to probably
13 go back and revisit this definition and be informed by
14 whatever comments that you -- not only the comments we
15 receive today, but any that the callers or anyone else here
16 would like to provide to us, especially if these aren't
17 defined yet. Right? We're talking about areas that aren't
18 defined yet. So I think that's really important that we do
19 that.

20 MR. SALWAY: This is Jeff Salway again.

21 What I think what we would maybe recommend is
22 that, as the Commission is looking at this, if they could
23 look at Schedules A, B, and C and the WSPP agreement and
24 Schedule P in the EEI agreement and there's about a dozen or
25 so products, I think, between those two agreements and kind

1 of look through those and perhaps give some guidance as to
2 what FERC would recommend that, hey, if you sell system firm
3 under the EEI or if you sell firm LD under the EEI a
4 mapping, if you will, of those particular products, which
5 are heavily traded in the industry to the FERC's EQR
6 products so it's crystal clear as to what's expected and
7 what we should do.

8 MS. REAUX: Operator, can you let the next caller
9 through?

10 OPERATOR: Rick Maly, you may ask your question.

11 MR. MALY (Via telephone): Hi. This is Rick Maly
12 with Mid-American Energy.

13 In earlier EQR user group meetings this topic has
14 been discussed before. The transmission that gets listed in
15 the transaction or contract data doesn't specify what
16 firmness of transmission you're using. You just list a
17 cost. It's always been the energy intent, what the sale of
18 the energy is as to what firmness is being assigned and this
19 issue has been discussed before. So I'm not sure where
20 we're going with this now.

21 MS. VELOSO: Again, the definition that we have
22 here is just a staff suggestion and it's clear that not
23 everybody is happy about that suggestion. So we will
24 certainly be interested in everybody's comments on what
25 would be appropriate.

1 MR. MALY: Thank you.

2 MR. REICH: If there aren't any more
3 conversations, discussions, issues on the firm, non-firm,
4 moving a head to long-term and short-term and actually this
5 is an instance where the staff suggestion is based on
6 discussions that we've had previously and there are
7 references in FERC documents that have this distinction
8 between power sales and transmission contracts, but I don't
9 see them in the document we have here. But there is a
10 distinction in the identification that power sales contracts
11 have a duration of greater than one year long-term.
12 Transmission contracts with a duration of one year or
13 greater for long term and anything with a lesser duration is
14 short term. I think we've gone through this a number of
15 times and there is Commission precedent for that
16 differentiation. And I think that's actually kind of the
17 working distinction that we've been using.

18 No comments appearing, go on to increment name
19 and this is actually an area that I'm looking forward to a
20 great deal of discussion on. The increment name is -- we
21 have a couple of suggested alternatives and the suggested
22 alternatives are essentially -- one version of the
23 alternative is identifying a contract that's designated as
24 hourly as that the terms of the contract set for specific
25 hours or blocks of hours less than full peak or off peak,

1 includes sales in ISO spot markets, most likely a spot sale.
2 For daily terms of the contract set for a single day or
3 small number of days, sale can be limited to only peak or
4 off-peak hours, most likely a spot sale includes exchange
5 traded and next day sale; weekly -- terms of a contract set
6 for a week or a particular portion of a week, for example, a
7 5x16 block; monthly -- terms of the contract set for one
8 month or the balance of the month if longer than a week
9 includes next month's sales; yearly -- terms of the contract
10 set for all or most of the year or more than a year and not
11 applicable to be used only when other increment names do not
12 apply.

13 So one alternative is to take the existing terms
14 that we have and flesh them out and define them to provide
15 the information that we're intending to get based on what
16 the increment name represents. The other alternative,
17 because of all the issues and all the gray area in terms of
18 the definitions in the past for the increment name, a
19 possible alternative is to change the hourly, daily, weekly,
20 monthly option, change that to the number of hours that the
21 term of the contract is intended to last. So if there's a
22 contract that lasts a year, it would be 8760. If it's an
23 ongoing contract there would probably be some kind of
24 designation to indicate that it was an ongoing contract. If
25 it were a monthly contract, it would 30 or 31 days,

1 depending on the length of the month.

2 And so I'd like to open the floor to discussion
3 about, first of all, the two paths of the approach and then
4 secondly to the extent that we need to talk about the first
5 path, the first alternative, which is definitions for the
6 existing options. We can talk about the specific
7 definitions there. So first the paths of either using the
8 existing options or redefining the fields to indicate the
9 duration of the contract.

10 Does anyone here wish to speak about that?

11 MS. BOURQUE: This is Barbara Bourque again from
12 APS.

13 The second option, I think, would require
14 programming for all of us and I know some of us discussed
15 this last night. We weren't crazy about it. Anything that
16 would require us to go back to our IT people and reprogram
17 stuff. So I think you can understand that.

18 MR. REICH: I guess I would ask -- I mean my
19 sense has been with the current breakdown in the current
20 definitions that once definitions are firmed up, whatever
21 they are, whenever they're firmed up that to a certain
22 extent many people will have to do reprogramming.

23 MS. BOURQUE: Right.

24 MR. REICH: In other words --

25 MS. BOURQUE: I don't think we're departing that

1 greatly from what I've seen that we would have to go back --
2 if we were doing it correctly before, that we'd have to go
3 back and reprogram. I haven't seen anything thus far.

4 Then the other just small comment on if you keep
5 with the current thing, I would take out of the daily most
6 likely a spot sale just in terms of who does it on our
7 trading floor. It's not our real-time traders that would
8 usually do a daily and I think a spot sales and the real-
9 time traders.

10 MR. REICH: Thanks.

11 Anyone else here in the room have any comment
12 regarding required reprogramming having to do with the
13 alternative versus what's here in the definitions? I see
14 Nancy Lee.

15 MS. LEE: Nancy Lee from Con Energy.

16 One or two is going to require some kind of
17 programming. I'm just not sure what you meant by
18 "standardized increment to hourly." So if you had a
19 contract that was weekends only from November, would you
20 have all hours for November or just the weekend hours for
21 November if we're going in that direction. So we would
22 still need additional guidance and we still have to do extra
23 calculations.

24 The other thing that troubles me with some of the
25 field definitions when you say "a single day" or "a small

1 number of days." So does five days make it daily or does
2 five days become weekly and similarly, for example, monthly.
3 Is six months considered monthly now or is it yearly?
4 Because the yearly definition says most of a year. So what
5 I've done internally is came up with my own set of
6 definition for what the "most" means. So I would appreciate
7 some clarification on what those definitions are when you
8 say "most of."

9 And also I didn't understand increment named for
10 monthly what includes next month's sales meant. I just drew
11 a total blank on that one. So whether we choose one or two,
12 I would have to do some program. Whichever case we choose,
13 I would just ask that you be very clear about the
14 calculation.

15 MS. VELOSO: Vance, we have a question for you.
16 Since we're hear to get feedback, what are you currently
17 using when you say --

18 MS. BOURQUE: Five days it's most of a week, so I
19 move it to a week and if it's passed six months then it's
20 most of a year. I move it to a year and that's how I
21 structured my calculations because computers can only take
22 calculations like that. Right? It can't take most of.
23 They don't know what "most of" means.

24 MS. VELOSO: So if I'm hearing you carefully, you
25 sort don't care which. You just want it to be very clear.

1 MS. BOURQUE: Yeah, exactly.

2 MS. VELOSO: Jeff.

3 MR. SALWAY: Jeff Salway from AEP. One of our
4 main concerns is, if a situation comes and we're audited,
5 are we going to pass the audit. So we're looking for -- we
6 don't want to find out then that, oh, gee whiz, you're
7 outside of the parameters as to where you needed to be based
8 upon what we determined in house for a day to be a week to
9 be a month. We want a bright line as to what's expected.
10 What will pass? What won't pass? Knowing sooner is better
11 than knowing later.

12 MS. COURT: This is Susan Court again. I keep
13 popping up.

14 As the director of the Office of Enforcement we
15 hear you and we completely agree that you need to have
16 clear, specific definitions and that these requirements need
17 to be very clear because of the compliance issues that are
18 involved here and the ramifications of non-compliance. So
19 you have my assurance and the assurance of the entire office
20 that that is our goal because we do appreciate how the
21 different divisions within the office operate.

22 MR. HAIRSTON: K.C. Hairston from Bouston and
23 Bingham. I just wanted to follow up on Nancy's comment.
24 Under this second alternative, how would you put the hours
25 in? Would you just put the weekend -- the total number of

1 the weekend hours or if it was the first week end of
2 November and the last weekend of November, would you put the
3 total hours for November in?

4 MR. REICH: I think we'd need to think about the
5 alternatives there, especially in the context of what this
6 field is supposed to tell us, which is how long is the
7 contract going on. I mean that's the main reason why we
8 have this field as I understand it is we want something to
9 tell us is this a one time quick contract? Is it an ongoing
10 contract, ongoing obligations with the same corollary on the
11 transaction side. We would need to figure out how that
12 information would be conveyed in a numerical basis and I
13 think we need to sit back and talk about that and figure it
14 out here.

15 MS. REAUX: Operator, we'll take the calls from
16 the callers.

17 THE OPERATOR: Thank you. Lora Aria, you may ask
18 your question.

19 MS. ARIA (Via telephone): Yes, this is Lora Aria
20 with E-ON U.S. again and I guess I just want to repeat what
21 everybody else is saying. I like the alternate definition
22 in 1 much better than the alternate definition in 2 because
23 I think calculating the hours for different contracts as
24 well as when we get to the transaction level could become a
25 nightmare. But I'm just wondering if the alternate

1 definitions in 1 can be done similar to what was done with
2 the term name where you say an hourly transaction is
3 something that's less than 24 hours or daily transaction is
4 something that's between 24 and 48 hours or something like
5 that. If it would be easier just to bracket it that way and
6 that we'd have clarity as to how long something lasts and we
7 could go on from that definition.

8 MS. REAUX: Thank you.

9 THE OPERATOR: Thank you. Robin Tine, you may
10 ask your question.

11 MS. TINE (Via telephone): Hi. This is Robin
12 Tine, Select Energy.

13 I think I'd just like to reiterate that if we
14 took the definitions of the word "hourly" being less than
15 "daily" being less than "weekly" being less than "monthly"
16 and "annual" being over 365 days. That's all. Thank you.

17 MS. REAUX: Thank you.

18 THE OPERATOR: Thank you. Rich Maly, you may ask
19 your question.

20 MR. MALY (Via telephone): It's been answered.
21 Thank you.

22 THE OPERATOR: Thank you. Anne Marie Duncan, you
23 may ask your question.

24 MS. PANELLA (Via telephone): Yes, this is Marie
25 Panella sitting with Anne Marie.

1 MR. REICH: Could you repeat your name and where
2 you're from?

3 MS. PANELLA (Via telephone): Marie Panella,
4 Northeast Utilities. I'm with Anne Marie Duncan in a
5 meeting here listening in. I just want to clarify on the
6 hourly, daily, weekly, monthly, yearly definitions. For our
7 transmission contracts, we have a blanket agreement that can
8 cover a variety of various increments, depending on the
9 OASIS report. Basically, that's how we determine whether
10 it's an hourly, daily, monthly request or yearly even. But
11 the contract itself doesn't specify that.

12 Now the way we've been reporting it is based on
13 our billing. So if the billing for that customer usually
14 are monthly billing, then we report it as a monthly. If it
15 is a yearly request, we usually report it as a Y, a yearly.
16 But the contract itself doesn't specify that. So am I doing
17 it the right way or do you have any other suggestions?

18 MR. REICH: We can talk with you offline and go
19 through your specific issue here. I think in general,
20 though, I think we would like to get to the concept that
21 there is the increment name for the contract, which should
22 be applied to the duration of the contract itself versus the
23 increment name of transactions, which I agree isn't relevant
24 in your context with the transmission contracts, although
25 the field shows up in the OASIS. But the increment name is

1 supposed to describe the duration of the contract itself and
2 not separate transactions under the contract.

3 MS. PANELLA (Via telephone): So if I contract
4 those for 10 years or 20 years, basically, a Y will be
5 sufficient?

6 MR. REICH: Yes, just coming from the description
7 so far that's what I'd say, but I think we could probably
8 talk about this a little further.

9 MS. PANELLA (Via telephone): Who should I
10 contact through the website, through the e-mail, basically?

11 MR. REICH: I'll tell you what, send an e-mail to
12 EQR.FERC.gov and one of the people who deals with the
13 mailbox all of them are around the table here will get back
14 to you.

15 MS. PANELLA (Via telephone): Okay. Thank you.

16 MS. REAUX: May I have the next caller.

17 THE OPERATOR: Cathy Manual, you may ask your
18 question.

19 MS. MANUAL (Via telephone): I'm just concerned
20 on the increment name for evergreen contract I've been
21 putting in n/a. Should I be putting in yearly?

22 MS. REAUX: Cathy, can you please state your name
23 and your company, please.

24 MS. MANUAL (Via telephone): Sorry. Cathy
25 Manual, TransAlta.

1 My question is on evergreen contracts should we
2 be putting the increment name as yearly or not applicable
3 for evergreen?

4 MS. VELOSO: This sounds like another one we
5 should answer offline. We're basically trying to work on
6 what the current definition is and what the revised
7 definition ought to be. So we'd be happy to answer that
8 question, but maybe not in this venue.

9 MR. REICH: I also see that question as
10 appropriate in terms of kind of generally defining where the
11 breaks are for hourly, yearly, et cetera as to if an
12 evergreen contract -- in terms of an evergreen contract, is
13 it yearly or maybe that's not applicable.

14 MS. NICHOLAS: This is Janice Nicholas.

15 How are you currently reporting the evergreen
16 contract?

17 MS. MANUAL (Via telephone): I put it under n/a,
18 not applicable, because there's no set term on those
19 contracts whether I trade with them daily, monthly or
20 yearly.

21 MS. NICHOLAS: Thank you.

22 MS. REAUX: Can we have the next caller, please?

23 THE OPERATOR: Michelle Robinson, you may ask
24 your question.

25 MS. ROBINSON (Via telephone): This is Michelle

1 Robinson with Portland General Electric.

2 MS. REAUX: Please speak up.

3 MS. ROBINSON (Via telephone): This is Michelle
4 Robinson with Portland General Electric.

5 My question actually is in line with the last two
6 callers and my first question applies to the monthly
7 designation and what the statement includes "next month's
8 sales" means is my first question.

9 MR. REICH: I guess, as written in the definition
10 "next month's sales" was intended to mean that if you sell
11 for the next month -- if you have a power contract and you
12 sell power over the course of the next month, that would
13 classify as a monthly sale as opposed to on a day-to-day
14 basis. Can you help us understand why that might be
15 confusing?

16 MS. ROBINSON (Via telephone): Well, I'm just
17 trying to understand some of this. I'm new to kind of the
18 whole EQR process and so I'm just trying to formulate this
19 all in my mind and the next month's sale kind of threw me
20 off for one and so I just wanted to get that straight in my
21 mind.

22 The last caller also discussed the evergreen
23 contract and that's a topic or an item that we also have
24 here at Portland General Electric, whether or not we
25 consider those yearly or not applicable.

1 MR. REICH: How are you currently reporting
2 those?

3 MS. ROBINSON (Via telephone): I think we're
4 reporting them as yearly.

5 MS. VELOSO: The impression that I'm getting from
6 the questions is that we could use a better definition on
7 this one.

8 MS. ROBINSON (Via telephone): Yeah. And then --
9 I'm sorry.

10 MS. REAUX: Did you have an additional question?

11 MS. ROBINSON (Via telephone): Yeah, I'm sorry.
12 I went blank for a minute.

13 MS. REAUX: Okay. We're going to move on to the
14 next caller. If it comes to you again, you can call back
15 again.

16 Can we have the next caller, please?

17 THE OPERATOR: Joann Schmidt, you may ask your
18 question.

19 MS. SCHMIDT: The question's been answered.
20 Thank you.

21 THE OPERATOR: Thank you.

22 Juan Diaz, you may ask your question.

23 MR. DIAZ: Thanks. Juan Diaz, Customized Energy
24 Solutions.

25 I have the same question the hourly increment

1 name hourly versus yearly and that sort of thing. I think
2 I'm supposed to be using the yearly and not the hourly,
3 which represents the transaction for my client, but given it
4 sound like more information will be coming out, I'll wait
5 for that.

6 Secondly, I know a few times during the training
7 -- and I do appreciate that we're having this session
8 because it's been very helpful -- but I know a few times
9 during the training some of the questions that were asked
10 and then some of the answers were that more information is
11 going to come back to maybe the individual who asked the
12 question offline. But what I wanted to suggest is that
13 perhaps since many of the questions may also apply to others
14 and maybe others also have the same questions that when this
15 information comes out or when this information goes to those
16 that are going to have those offline discussions that maybe
17 this information can be shared with everyone that's in the
18 training today because many of us will probably be able to
19 benefit from those answers to those offline questions.

20 MS. REAUX: We will take that under
21 consideration.

22 MS. VELOSO: Thank you for your comment.

23 THE OPERATOR: Thank you. Robin Tine, you may
24 ask your question.

25 MS. TINE: Robin Tine, Select Energy.

1 I know that you said that wanted to put off the
2 evergreen conversation. However, we're currently reporting
3 non-ending or endless contracts as evergreen. Is that
4 currently correct or is that something I should change now.

5 MR. REICH: I mean you're reporting them as
6 evergreen in the extension provision field. We're talking
7 about the increment name field and evergreen is not an
8 option in that field.

9 MS. TINE: Yes. What I'm asking, though, is
10 we're keeping consistent with the basis of the contract and
11 not necessarily that one transaction. If I have a contract
12 that's typically annual or monthly or weekly, I might have a
13 transaction that's a different bases than that.

14 MR. REICH: I was just going to say for
15 individual transactions there's an increment name field in
16 the transaction table that you characterize the transaction
17 and that should be separate from how you characterize the
18 contract.

19 MS. TINE: Okay, so it's both. Thank you.

20 MS. VELOSO: I think we have a question here in
21 the Commission meeting room.

22 MR. ANDERSON: Yes. Jonathan Andrews, Andrell
23 Solutions.

24 Working with a number of the market generators
25 and companies, the trade predominately based on master

1 agreements and from a lot of the questions I'm hearing, a
2 lot of the comments I'm hearing this morning if there could
3 be a way in the contract field to identify, either through
4 the increment or through a separate field -- probably the
5 increment would be the easiest from a programmatic
6 standpoint -- a contract as a master agreement where the
7 individual increments are tagged at the transaction levels
8 and force all those transactions to be tagged as hourly,
9 daily, monthly. That might solve a lot of the problems that
10 we're talking about rather than having some people declare
11 it as yearly. Some people declare ongoing contracts is not
12 applicable in this definition and so forth. Just a
13 suggestion.

14 MS. VELOSO: Thanks.

15 MR. REICH: Thanks.

16 MS. REAUX: Can we have the last two callers,
17 please.

18 THE OPERATOR: Mary Shaw, you may ask your
19 question.

20 MS. SHAW (Via telephone): Yes, this is Mary Shaw
21 calling from American Electric Power.

22 First, I want to just say my preference to this
23 increment name is the alternate No. 1 and I also do want to
24 reiterate one comment that someone else had made about how
25 hard it is for programmers to put into logic the wording

1 "small number of days." Also, I want to say we have talked
2 to FERC staff in previous months about what AEP is using for
3 these increment names and I think we're pretty well on with
4 most of your suggested definitions. However, like for
5 weekly getting down to what is a week? Five days versus
6 seven days and the same thing with a month. What is a
7 month? 28 days. We do have one that's 28 and sometimes
8 it's 29 versus the 30 and the 31. I think hourly is pretty
9 well-defined and I really think yearly is also. It's those
10 three in the middle and Steve does have what AEP is
11 currently using. So if this is going to be a discussion
12 offline, I just want to make sure that what we're using
13 today and what seems to be pretty easy to program is taken
14 into consideration. End of comments.

15 MS. VELOSO: Thank you.

16 MR. REICH: Thank you. We have your e-mail and
17 I've circulated it.

18 THE OPERATOR: Thank you. Michelle Robinson, you
19 may ask your question.

20 MS. ROBINSON (Via telephone): Michelle Robinson
21 with Portland General Electric.

22 I just wanted to reiterate a comment that was
23 made earlier concerning monthly versus yearly transmission
24 and how those get defined. Under the contract table --
25 because some of our yearly contracts are billed on a monthly

1 basis, so I guess it's asking for clarification on whether
2 the contract gets listed as a monthly or a yearly contract.

3 MR. REICH: I think we're going to discuss this -
4 - and once again, I'll reiterate that this field is meant to
5 describe the increment of the contract and not individual
6 transactions under a master agreement. And I think we'll
7 take all these things under advisement and we'll discuss
8 them offline.

9 MS. VELOSO: To the extent you have a specific
10 issue that you want to try to resolve with staff, we can do
11 that offline.

12 MS. ROBINSON (Via telephone): Thank you.

13 MS. GALTMAN: Pat Galtman with Idaho Power.

14 I propose to or suggest that maybe we could just
15 strike that section because if it really is just describing
16 the contract, don't we capture that language or that
17 timeframe in the contract commencement date and contract
18 termination date section? That's all.

19 MS. VELOSO: Thanks. That's a good suggestion.

20 MS. REAUX: Can you put the next caller through,
21 please.

22 THE OPERATOR: Ms. Aria, you may ask your
23 question.

24 MS. ARIA (Via telephone): Yes, this is Lora Aria
25 with E-On U.S.

1 I just wanted to pretty much agree with that
2 comment about possibly striking this because, if you look at
3 this field from a contract perspective, my chances of
4 writing a contract for an hour contract is pretty nil.
5 Those are probably done under master contracts where it's
6 defined in the transaction not at the contract level. The
7 only time I could see this is if I'm writing a contract for
8 a month-long deal that's not under a master contract or
9 something for a year-long deal that's contract specific, not
10 a confirmation under a master contract. So some of these
11 definitions probably won't even come into play, but I
12 personally can't fathom writing an hourly contract or a
13 daily contract. So I just wanted to reiterate what the last
14 caller said that it may be a moot point to try and define
15 these at a contract level.

16 MR. REICH: Thank you.

17 MR. DOWD: Mike Dowd with SNL Financial.

18 I would suggest that we not strike that section
19 and the reason being, as an independent data provider, our
20 users would like to sort contracts by hourly, monthly,
21 yearly or otherwise. And yes, the contract begin and
22 termination date is helpful and it does help us sort through
23 some of that information, but to download and compile
24 information hourly, monthly, weekly or otherwise would be
25 very helpful to us. Thank you.

1 MS. VELOSO: Thanks.

2 Do we have any more callers?

3 MR. REICH: No.

4 MS. VELOSO: Any more questions?

5 MR. REICH: Thank you for the discussion and the
6 conversation. I think you've given us a lot to think about
7 on this field as we have in the past.

8 The next filed is increment peaking name and
9 that's peak or off peak or full period. The suggested
10 definitions are for full period -- the product described may
11 be sold during all hours under the contract. Let me just
12 clarify that we're talking now about specific products under
13 a contract and how sales of those products are defined. So
14 for full period the product described maybe sold during all
15 hours under the contract; off peak -- the product described
16 may be sold only during those hours designated as off peak
17 in the relevant NERC region because the off peak varies
18 between NERC regions or among NERC regions. Peak is the
19 product described may be sold only during those hours
20 designated as on peak in the relevant NERC region and not
21 applicable to be used only when the other available
22 increment peak names do not apply.

23 Do we have any questions, suggestions, comments.

24 THE OPERATOR: We do have a question from the
25 phone line. Lora Aria, you may ask your question.

1 MS. ARIA: I don't have a question. I'm fine.

2 Thank you.

3 MR. REICH: Thank you.

4 Let's go on to product type name. This is the
5 designation of whether a product is cost-based, market-
6 based, service or transmission. The suggested definitions
7 are for cost-based -- energy or transmission sold under a
8 FERC-approved cost-base tariff; market-based -- energy or
9 transmission sold under the seller's FERC-approved market-
10 based rate tariff; service -- services not related to power
11 transmission sales such as scheduling, coordination and
12 interconnection; transmission -- the product is sold under a
13 FERC-approved transmission tariff.

14 I want to clarify that the cost-based/market-
15 based definitions we got input from the market-based rate
16 group to provide some input on how those should be defined.
17 And we have a comment from the floor.

18 MS. BOURQUE: This is Barbara Bourque again from
19 APS.

20 Just a suggestion on the services. You say
21 service not related to power or transmission sales and just
22 I know, when I was on the other side of the fence taking
23 calls, I got a lot of calls of what services contracts
24 needed to be included. And I think if it weren't related to
25 a power or transmission sale, it wouldn't be in the EQR. So

1 I don't know if I would suggest -- pardon me?

2 MR. ANDREWS: For a capacity contract.

3 MS. VELOSO: You need to identify yourself,
4 please.

5 MR. ANDREWS: Jonathan Andrews.

6 MS. VELOSO: Excuse me. You need to use the
7 mike, please.

8 MS. BOURQUE: I'm not saying there aren't
9 services that should be listed. I think there are. But I
10 think a capacity it's related to me.

11 MR. ANDREWS: Jonathan Andrews, Andrell
12 Solutions.

13 They're pure capacity bilateral contracts where
14 capacity obligations are being met through a bilateral
15 obligation that I've recommended be tagged under the service
16 portion since they're not energy related specifically.

17 MS. BOURQUE: I think it's related. You know,
18 they were talking about their cleaning contract. People
19 would call me and ask me all sorts of wild contract that the
20 company had entered into and did they need to be included
21 because it said "contract" and so I was just trying to
22 clarify that it does need to be somewhat related to their
23 sales.

24 MR. ANDREWS: I think your point is well taken.

25 THE OPERATOR: We have a question from the phone

1 lines. Joann Schmidt, you may ask your question.

2 MS. SCHMIDT (Via telephone): This is Joann from
3 Xcel Energy.

4 The way that we do it I was just wondering if we
5 do it right. If we are selling under a market-based tariff
6 and we have ancillary services we put everything to do with
7 the contract the same classification. If it's under the
8 market-based tariff and it says "service," we call it
9 market-based because the whole contract is market-based.

10 MR. REICH: That is correct.

11 MS. SCHMIDT: Okay.

12 MR. REICH: We have a comment here.

13 MS. GALTNEY: Betsy Galtney with Idaho Power.

14 I'm directing this question to the staff. Where
15 do you envision WSPP deals -- how do you envision which
16 definition is applicable for an energy sale under the WSPP?

17 MR. REICH: As I understand the WSPP, there can
18 be cost-based or market-based sales under the WSPP and it
19 just depends on which is applicable whether it is cost-based
20 or market-based, which part of the tariff it applies to.

21 MS. GALTMAN: For the majority of the deals then
22 let's say we'd put market-based, but it's not energy sold
23 under my FERC-approved market-based rate tariff, is it?

24 MR. REICH: In other words, to see if I
25 understand it correctly, is that deals under -- first of

1 all, deals under the WSPP is under the same tariff whether
2 it's market-based or cost-based. It's just a different part
3 of the tariff, correct?

4 MS. GALTMAN: Yes.

5 MR. REICH: And so this may be problematic. We
6 get back into the whole definition that we've had to
7 struggle with in the past regarding whether sales made under
8 the WSPP tariff are made under the WSPT tariff or whether
9 they're made under your tariff and you're part of the WSPP.
10 I think that those are issues we have to talk about over
11 here.

12 MS. GALTMAN: So we're tabling that one?

13 MR. REICH: Yes.

14 MS. GALTMAN: One more question. We're tabling
15 questions. People are communicating via e-mail, but there's
16 also a request for some questions to be formally presented
17 to the Commission under this docket. When do we get all
18 those answers back? Are they going to be one by one?

19 MS. VELOSO: I'm sorry I can't give you that
20 answer right now.

21 MS. GALTMAN: Are we really addressing all of
22 these questions in separate form. Some via e-mail.

23 MS. VELOSO: To the extent that questions are
24 specific to your company and you have a question about the
25 current definition and how to file your EQR, you should take

1 those up with staff. But to the extent that we're talking
2 about the larger question of what should the definition be,
3 that's sort of what we're here to talk about today. We're
4 not going to have answers today, but we're here to get input
5 and we can't say when we're going to have answers or when
6 the Commission will take action. But we'd like to get as
7 much input as we can so that we can come up with the best
8 possible definition.

9 MS. GALTMAN: I guess what I really care about
10 right now is the current definition. So even though some
11 people have the same questions I do, I should compile all my
12 questions in an e-mail and send them to the EQR and get them
13 answered one by one?

14 MS. VELOSO: Right.

15 MS. GALTMAN: Thanks.

16 MS. REAUX: We'll take the next caller, please.

17 THE OPERATOR: At this time there are no more
18 questions.

19 MR. REICH: Thank you.

20 Are there any other questions about product type
21 name?

22 (No response.)

23 MR. REICH: The next field is product name and
24 because product name is so expansive because we've gone
25 through and defined those previously, we're going to set

1 those aside to discuss later as part of discussion at the
2 end of going through the rest of the contract fields. So
3 I'll move on through the rest of the contract fields and
4 then, depending on the time, we'll do it either before or
5 after lunch.

6 The next field is quantity and we're not
7 suggesting any change from what's in Order 2001. Units --
8 we have two alternatives for how we would define that. The
9 first alternative is, as a suggestion, would be calling it
10 the measure appropriate to the product sold. That tends to
11 be a key issues with us in that there are a number of times
12 that energy sales are identified in units that have nothing
13 to do with energy sales like kilobar reactive power,
14 capacity sales and we're trying to make it so that the
15 information in filing is correct and accurate and one thing
16 we can tell is inaccurate if you're selling energy on the
17 kilobar basis there's probably something incorrect there.

18 There's another alternative and one of the things
19 that we've kind of stepped back and tried to look at in
20 putting this document together is fields that may, given our
21 four years of experience in receiving the EQRs, be redundant
22 or could be approved in another way. So one of our
23 alternatives in this field and also in field rate units
24 essentially to get rid of the units field that describes the
25 units for the quantity in the contract section because

1 there's no comparable field in the transaction section. In
2 the transaction field it's just assumed that, if you put in
3 a quantity and you have a rate unit, the denominator for the
4 rate unit, whether it's dollars per megawatt hour, dollars
5 per KVR or whatever that that unit applies to the quantity
6 that's being sold. And so one possibility would be to get
7 rid of this field and just assume that the rate units -- the
8 units that are described in the rate units are the same as
9 the units that are described in the units in the contract
10 field.

11 I see a comment over there.

12 MS. LEE: This is Nancy Lee from Con Energy.

13 What I've done with that is -- I've actually have
14 had contracts where the quantity is specified in megawatts
15 and the rate unit is actually specified in cents per
16 kilowatt hour. And so on the transaction side I've actually
17 converted it. So if it's okay for you guys that I can do
18 that conversion from kilowatts to megawatts, then I can do
19 that and I don't get in to any trouble.

20 MR. REICH: In fact, one of the alternatives that
21 we want to take about on the rate units -- and we might as
22 well jump a little ahead on that -- is whether we should be
23 requiring everything to be in a consistent unit. In other
24 words, if you're selling energy in dollars per kilowatt
25 hour, cents per kilowatt hour that you report on the

1 contract section and in the transactions always using
2 dollars per megawatt hour and that you make the conversion
3 there, and that's just one of the alternatives that we
4 wanted to throw out for discussion if anyone's interested in
5 discussing that.

6 Opposed?

7 THE OPERATOR: Excuse me, we do have a question
8 from Joann Schmidt.

9 MR. REICH: Thank you.

10 THE OPERATOR: You're welcome. Your line is
11 open.

12 MS. SCHMIDT: What we do on the contract data is
13 we put the units as to the contract. So like kilowatts or
14 kilowatt hours and that's what our contracts typically in,
15 but on the transaction data we always convert it to
16 megawatts because we have a lot of dismal places and we
17 don't meet the price times quantity check. If we don't put
18 in the 44 places, so we need to convert to megawatts. So
19 what's the option? We would either be putting the contract
20 data and megawatts isn't what the contract specifies.

21 MR. REICH: So Joanne what you're saying is
22 essentially right now what you're doing is you're holding to
23 the contract and essentially transcribing what's in tex
24 contract in the document at the unit's level. But when you
25 get to the transactions, you are making that conversion?

1 MS. LEE: Yes, because otherwise we won't meet
2 that price times quantity check. We'll be more than a
3 dollar off or 1 percent.

4 MR. REICH: So there may be some value in
5 maintaining the flexibility and unit description in the
6 contract side because it's a description of the contract
7 versus maybe getting rid of that flexibility on the
8 transaction side because it's how the transactions actually
9 go down.

10 MS. LEE: It would just be your preference, but
11 to meet the price time quantity we have to convert to
12 megawatts. Or we could go outside the contract and convert
13 the contract to megawatts as well to be consistent, but then
14 we're not agreeing exactly with the contract terms.

15 MR. REICH: Thank you, Joanne.

16 We have a comment at the table.

17 MS. BOURQUE: This is Barbara Bourque actually
18 that it was the opposite from when I was still at FERC that
19 there times that if they weren't in kilowatts that it wasn't
20 going to meet the price times quantity check. But I know
21 there were instances where they needed the specificity of
22 the four decimal points after the cents per kilowatts. So
23 I think you might -- if you convert everything to megawatts,
24 you'll at least lose some specificity and it may be that
25 there are cases that it won't be able to multiply across

1 because of the lost decimals points.

2 MR. REICH: That's certainly that we would have
3 to keep in mind if we made that change.

4 Does anyone else have any comments on the whole
5 units, rate units issue?

6 (No response.)

7 MR. REICH: Well, then why don't we talk about
8 the next sections which are -- well, the four fields that go
9 together are rate minimum, rate maximum, rate description.
10 In the version that we sent out the current definitions for
11 rate minimum/rate maximum are switched so that form rate
12 minimum you should have the minimum rates to be charged.
13 Rate maximum should be the maximum rate charge. Remember
14 that in the filing at least one of these four fields must be
15 filled in and it's either a specific rate if a rate is
16 designated in the contract or the rate range if that's
17 designated in the contract or some written description of
18 what that rate is.

19 The alternatives for rate that we're proposing is
20 -- the first alternative is the charge for the product per
21 unit as stated in the contract. The second alternative is
22 instead of having those rate fields, essentially we
23 reprogram the system so that there's a pull down for rate
24 minimum/rate maximum and rate description and then a field
25 next to that that supplements it. So in other words, you'd

1 have whether it's a rate, rate minimum/rate maximum
2 description and then whichever one you'd choose is what you
3 would fill in, in the next field. If it's rate description,
4 you'd describe the rate. If you choose rate, you'd put in
5 what the rate is.

6 Have I confused the issue?

7 MS. BOURQUE: That would require programming.

8 MR. REICH: That would require programming.

9 MS. BOURQUE: And you also might, if you can only
10 pick one, you might lose -- this is Barbara Bourque from
11 APS. You may lose -- if you can only pick one of those,
12 there may be instances where -- and I sure there are --
13 where people are filling out more than one of those fields,
14 so you might lose some of your data that you currently have.

15 MR. REICH: Does anyone else have any comments on
16 possibly restructuring that. Or if we don't restructure it,
17 the more streamline definitions that we have for rate and
18 rate description. I'm sorry just rate.

19 MR. HAIRSTON: K.C. Hairston from Boucher and
20 Bingham. I'm just visualizing this. If we print out the
21 contracts that would go to utility, download the spreadsheet
22 and print it out, even if you utilize this drop down list, I
23 think you still have to an individual column for each one of
24 these for because if you roll them all into one column and
25 it's just one column adding, you're not going to know is

1 this rate min or rate max.

2 MR. REICH: There would be two columns.

3 MR. HAIRSTON: Or two columns it seems to me you
4 would still have to break it out on the printout view for
5 the rate min/rate max. For rate min/rate max, you would
6 have to enter on a single line essentially and what would
7 the column heading say?

8 MR. REICH: There would a column heading that
9 says "rate type." There would be rate min/max and then the
10 second column would be "rate" and it would be, you know,
11 \$30, \$50.

12 MS. BOURQUE: It would say rate description?

13 MR. REICH: Under rate type it would be rate
14 description and then rate it would say market-based.

15 No other comments?

16 (No response.)

17 MR. REICH: Yes, Jeff.

18 MR. SALWAY: This is Jeff Salway from AEP and
19 just wanted some clarity on the rate on what ought to go in
20 the rate description field. I've got the electronic
21 quarterly report filing requirements guide. I'm just going
22 to read from part of it and this is some information that
23 actually in the Commission's order. It says "At least one
24 of the four fields "rate min/max rate description must be
25 filled out." Then it says "For example, most market-based

1 rates should state market-based rate in the rate description
2 field." So great, you know, that's what I used in the rate
3 description field whenever I have market-based rates.

4 Now if a contract is cost-based that means it's a
5 non-conforming tariff. That means that that cost-based
6 tariff is on file with the Commission. It's looked at.
7 It's got an acceptance, so on and so forth and a discussion
8 that I've had a little bit is it was kind of indicated to me
9 that, well, for cost-based tariffs now you have to go into
10 a bit of a liney and start describing and putting formulas
11 in. That's perhaps what the intent of this field was and I
12 guess what had me scratching my head a little bit was, well,
13 those tariffs are a matter of public record. Those tariffs
14 have been looked at by FERC and you've blessed them and so
15 on and so forth.

16 I mean what we do for the cost-based tariffs that
17 we have is we have a description of cost-based power
18 (formula-based rate on file with FERC) and that's pretty
19 much where we are. Now are you requesting that we type the
20 tariff in, in that field? I mean, for example, some of our
21 tariffs will have 10, 12, 15 pages of how our formula-base
22 rate works. So there would be just a -- I guess what we
23 don't know is what will suffice. What is not suffice. We
24 need some clarity on our cost-based tariff where it's taking
25 us 10, 20, 30 pages to develop our particular cost-based

1 rate. How much of that we have to put that in there. And
2 again, like I say, we're scratching our head a little bit
3 because all of this is sitting on file with FERC in the
4 first place. So we need some guidance as to how to be in
5 compliance for those select agreements and what to put in
6 that field.

7 MR. REICH: To deal with the questions that I
8 feel I can deal with and I'll defer over to Michelle for her
9 comments. But the reason why we have the EQR -- one of the
10 primary reasons for the EQR is to provide an electronic
11 repository for jurisdictional contracts and so saying that
12 it's on tariff is contrary to the purpose of the EQR and the
13 EQR is there to provide an electronic source for people to
14 go to identify what's in your tariff.

15 In terms of the specificity in the description --
16

17 MS. VELOSO: I'm not sure I have more to add on
18 that. I get the impression that you don't feel that we have
19 a clear enough definition of what should be provided and so
20 you're feeling uncertain about what you should provide
21 currently. Right?

22 MR. SALWAY: Correct. Yes, for those very few
23 and select cost-based agreements that I have and those
24 things are traditionally massive. I mean they easily can
25 weigh in at 100 plus pages and a great majority of that

1 tariff is how we develop those particular formulas and those
2 particular rates and things like that. So should I put the
3 whole tariff in there?

4 MS. VELOSO: Certainly, we don't want to
5 overburden you and we don't want to be absurd about it. So
6 that's something we should probably take a look at.

7 MR. SALWAY: Okay. And I can provide in an e-
8 mail specific examples and say, hey look, here are these
9 three agreements and what in your opinion would be suffice
10 and we'll try to make the appropriate changes.

11 MR. REICH: The guidance has always been there's
12 space for 150 characters and you can have the product
13 repeated in the number of lines that you need to further
14 describe it. So I think it was designed with the intent to
15 get as much information as possible so that you have -- so
16 that what's in the EQR is an electronic representation of
17 what's in the contract.

18 MS. REAUX: This is Michelle Reaux from FERC.

19 There is specific language on what needs to be
20 reported for performing versus non-performing contracts. So
21 I think once we go back and take a look at that language, it
22 will be pretty clear within the order.

23 MR. SALWAY: Any guidance that can be provided
24 specifically on this and it has been something we've asked
25 about before. What do we do and provided examples

1 previously as to what we're currently doing and again just
2 looking for guidance.

3 MR. REICH: I guess the last set of fields are
4 the control area and specific location fields on the
5 contract side. Because if it's on the contract side it
6 allots and there's the possibility for transmission
7 contracts being listed. There's a receipt control area,
8 point of receipt-specific location and then there is point
9 of delivery control area, point of delivery specific
10 location. There's no change in the control area fields
11 because those were sent in 2001-E and on the specific
12 location fields I guess the proposed definition is the
13 specific location at which the product is received for point
14 of receipt if designated in the contract. If the receipt
15 occurs at a trading hub, a standardize hub name must be
16 used. We'll talk a little later, I guess when we get back
17 on the list of hubs. But essentially, the concept is just
18 to define that field as something a little more -- as
19 something a little less reflective than what's currently in
20 Order 2001 or at least that's the suggestion.

21 Are there any comments on those definitions, per
22 say, and not getting behind that into specific control areas
23 or hubs?

24 (Pause.)

25 MR. REICH: It looks like someone from the

1 audience?

2 MR. REXRODE: Karen Rexrode with BP Energy.

3 I might reiterate a suggestion that was made
4 earlier with regard to the increments in the contract data
5 as far as for the PODCA and the PODSL. In the case of where
6 you are using a master agreement that this is more
7 appropriate to the transaction file, perhaps, than in the
8 contracts file. Otherwise your contract file may have an
9 inordinate amount of control areas and specific locations
10 listed if you're operating under a master agreement.

11 MR. REICH: I think the intent here is, since
12 this is on the contract file, the intent is that you only
13 need to fill these in when those are designated in the
14 specific contracts. Is there an issue in the master
15 agreement where they're designated control areas?

16 MS. REXRODE: Not usually. Yea, okay. Thank you
17 for the clarification.

18 MR. REICH: Are there any other questions having
19 to do with these items?

20 THE OPERATOR: We have a question from the phone
21 lines. Joann Schmidt, you may ask your question.

22 MS. SCHMIDT (Via telephone): I'm calling from
23 Xcel Energy. If we're generating power and selling it,
24 would there be a point of receipt?

25 MR. REICH: Once again, these four fields are

1 optional in the contracts table and you only need to fill
2 them out when under contract there is a point of receipt or
3 a point of delivery.

4 MS. SCHMIDT (Via telephone): I can understand
5 the point of delivery. We often specify that in the
6 contract, but what would be a point of receipt?

7 MR. REICH: In particular, the reason why we have
8 point of receipt in there is because there are a number of
9 transmission reports that are also filed which include both.
10 So if you don't have point of receipt, you can leave those
11 fields blank.

12 MS. SCHMIDT (Via telephone): Okay. Can I ask
13 you a question on the rate minimum/rate maximum?

14 MR. REICH: Sure.

15 MS. SCHMIDT (Via telephone): If you've got a
16 contract that the capacity rate is listed out for 10 years,
17 is it your preference that we add a product name of capacity
18 10 times with the rate for each year? Or would we put one
19 line and just put the minimum rate of those 10 years and the
20 maximum rate of those 10 years?

21 MR. REICH: The guidance we've always given is
22 choice A. If there's a price path that's defined in the
23 contract, you define the price. And if it's a specific
24 price path, then you have a new line for each rate for each
25 year.

1 MS. SCHMIDT (Via telephone): Okay.

2 THE OPERATOR: At this time there are no further
3 questions from the phone lines.

4 MR. REICH: Nothing further here. I hand it back
5 over to Michelle.

6 MS. VELOSO: This looks like a good time to break
7 for lunch. It's almost 10 after 12:00 now, so why don't we
8 reconvene at 1:15.

9 (Lunch recess.)

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1 defined in Order 2001-E, Appendix D. So going to booked out
2 power, energy or capacity, contractually committed
3 bilaterally for delivery, but not actual delivery due to
4 some offset or countervailing trade. Capacity -- a quantity
5 of demand that is charged on a dollar for kilowatt or dollar
6 per megawatt basis; customer charge -- fixed contractual
7 charges assessed on a per customer basis that could include
8 billing service; direct assignment facilities charge --
9 charges for facilities or portions of facilities that are
10 constructed or used for the sole-use benefit of a particular
11 customer; emergency energy -- contractual provisions to
12 supply energy or capacity to another entity during critical
13 situations. Energy is a quantity of electricity that is
14 sold or transmitted over a period of time. Energy imbalance
15 -- service provided when a difference occurs between a
16 scheduled and the actual delivery of energy to the load
17 obligation and then exchange agreement is transaction
18 whereby the receiver accepts delivery of energy for supplier
19 account and returns energy later at times, rates and amounts
20 as mutually agreed.

21 I believe we had a comment by Barbara. Do you
22 want to discuss it?

23 MS. BOURQUE: Thanks. Barbara Bourque from APS.

24 I can't recall. When we originally set up the
25 product names we had exchange for both the transaction and

1 the product in the contract tabs and somehow when we did the
2 first round of definitions with this user group we ended up
3 taking the exchange -- anything that was related to energy
4 we sort of took out. We had power and all sorts of stuff
5 and we took them out and just called them "energy" because
6 we wanted one single thing for energy. But I know that when
7 I was still on the FERC side got a lot of calls -- and some
8 of them were probably from my company -- asking that we put
9 exchange energy back in as a transaction product and there's
10 some logic to do that if you're trying to look at prices.
11 If you end up with just a net price on exchange energy,
12 that could queue what price you're getting for energy if
13 you're just calling it energy and also I understand -- and
14 this is not my field of expertise, but Janice may know this
15 -- but that in the Form 1 when you report exchange energy
16 you report basically the net and so it would be more
17 consistent with Form 1 reporting. So I just wanted to make
18 a pitch for bringing back -- maybe changing the name. It
19 could be either exchange or exchange agreement because now
20 we changed it. When we took it out of the transaction, we
21 changed from just exchange energy to exchange agreement and
22 had it just put under the contract. I can't remember all of
23 the discussion that went on, but it was many of the same
24 players here that discussed that. So I just wanted to make
25 a pitch for bringing it back as a transaction product

1 because we have a lot of transactions where it's exchange
2 and we're listing it as energy and the price is zero. So
3 then it gets kicked out in the screens as a possible problem
4 data and then we have an explanation, but it just seems like
5 it might make more sense.

6 MR. REICH: If my memory serves correctly, I
7 think you're correct in identifying the reason why we took
8 out exchange energy was there was a number of cases where
9 energy was sold as part of a different agreement and we
10 wanted to make sure that all of that energy was identified
11 as energy as opposed to something specific, a specific kind
12 of energy so that we can put all the energy together. The
13 problem is, and I think you raise a good point, also is that
14 when we're talking about exchange energy the prices that go
15 in can have an impact on the averages and kind of looking at
16 overall pricing for a given company if Company X has half
17 their sales are through exchange agreements and half their
18 sales are just pure trading, you'll get 50 percent of the
19 price because all the exchange agreements are very low
20 prices. All the regular energy pricing is energy pricing,
21 so it might be -- unless we take the step or unless the
22 analyst is aware of the energy sold under this contract is
23 exchange energy and you do that step, then it's very easy to
24 mis-value or miscalculate the price of the energy being sold
25 by a company. I think it's something we should take under

1 advisement.

2 Does anyone else have any comments?

3 (No response.)

4 MS. NEWMAN: Okay. I'm going to go ahead and
5 move on. Thanks, Barbara.

6 Moving onto fuel charge charged on the cost or
7 amount of fuel used for generation.

8 THE OPERATOR: I'm sorry. We did get a question.
9 Did you want to take it?

10 MS. NEWMAN: Yes, go ahead.

11 THE OPERATOR: Joann Schmidt, your line is open.

12 MS. SCHMIDT: Hi, this is Joann from Excel Energy
13 and I've got a question regarding the emergency energy. We
14 have lots of or we have some MAPP sales that are strictly
15 emergency. Why is it only on the contract side that you
16 want this reflected and not also on the transaction side?

17 MR. REICH: In fact, this actually goes back to
18 the issue that we were talking about on the exchange
19 agreement energy and that is that all of the transactions
20 are tied back to contracts and so energy sold under a
21 contract that has emergency energy we can identify as
22 emergency energy being sold. At least, conceptually that's
23 the reason why that there are provisions for emergency
24 energy as a product in a contract. But when it actually
25 comes down to energy being sold, it's energy.

1 MS. SCHMIDT: If the contract states that we can
2 sell both energy and emergency energy, it still comes back
3 down to it just being energy?

4 MR. REICH: I think you raise a good point and
5 that may be something worth looking at.

6 MS. SCHMIDT: Okay. Thank you.

7 MS. NEWMAN: Moving on with grandfathered
8 bundled, which is services provided for bundled
9 transmission, ancillary services and energy under contracts
10 effective prior to Orders OATT. Interconnection agreements
11 is contract that provides the terms and conditions for a
12 generator distribution system owner, transmission owner,
13 transmission provider or transmission system to physically
14 connect to a transmission system or distribution system.
15 Membership agreement is an agreement to participate and be
16 subject to rules of a system operator.

17 Must run agreement -- an agreement that requires
18 a unit to run; negotiated transmission is transmission
19 performed under an negotiated rate contract applies to only
20 merchant transmission companies; network -- transmission
21 service under contract providing networks service; network
22 operating agreements and executive agreement that contains
23 the terms and conditions under which a network customer
24 operates its facilities and the technical and operational
25 matters associated with the implementation of network

1 integration transmission service.

2 Other product name not otherwise included --
3 point-to-point agreement is transmission service under
4 contract between specified points of receipt and delivery;
5 reactive supply and voltage control -- production of
6 absorption of reactive power to maintain voltage levels on
7 transmission systems; real power transmission loss is a loss
8 of energy resulting from transporting power over a
9 transmission system; regulation and frequency response --
10 service providing for continuing balancing of resources,
11 generation or interchange with load and for maintaining
12 schedule interconnection frequency by committing online
13 generation where output is raised or lowered as necessary to
14 follow the moment-by-moment changes in load; requirement
15 service -- firm load following power supply necessary to
16 serve a specified share of customers aggregate load during
17 the time of the agreement. Requirement service may include
18 some or all of the energy capacity and ancillary service
19 products; scheduled system control and dispatch --
20 scheduling, confirming and implementing interchange schedule
21 with other control areas, including intermediary control
22 areas providing transmission service and ensuring
23 operational security during the interchange transaction;
24 spinning reserve -- unloaded synchronized generating
25 capacity that is immediately responsive to system frequency

1 and that is capable of being loaded in a short time period;
2 supplemental reserve -- service needed to serve load in the
3 event of a system contingency available with greater delay
4 than spinning reserve; system operating agreements -- an
5 executed agreement that contains the terms and conditions
6 under which a system or network customer shall operate its
7 facilities and the technical and operational matters
8 associated with the implementation of network.

9 Tolling energy is one that has not been defined
10 by orders and our suggested definition is energy sold from a
11 plant whereby the buyer provides fuel to a generator, seller
12 and receives power in returned for pre-established fees.

13 MR. REICH: This is the definition we've been
14 working under. Tolling energy is in the products list in
15 the current software. It's just that it wasn't part of
16 Order 2001-E and so the working definition is what's in the
17 suggested definition.

18 MS. NEWMAN: Thanks.

19 Transmission owner's agreement is the agreement
20 that establishes the terms and conditions under which a
21 transmission owner transfers to an ISO operation control
22 over designated transmission facilities. And uplift is also
23 not yet defined by an order and our suggested definition is
24 a make whole payment by an ISO to a utility.

25 Are there any questions in the room?

1 THE OPERATOR: Henry Tilghman, you may ask your
2 question.

3 MR. TILGHMAN (Via telephone): Hi. This is Henry
4 Tilghman with PacifiCorp.

5 I have a question about energy imbalance. The
6 definition talks about the service. Is that the ancillary
7 service under the transmission tariff?

8 MR. REICH: We're pondering that.

9 MR. TILGHMAN (Via telephone): The next part of
10 the question is the situation arises where a line goes out.
11 We actually received payment for over delivering energy
12 under a neighboring control area transmission tariff. So I
13 get a payment for that. I've been reporting that as energy
14 and technically that's not under any of my tariffs. I mean
15 that's a payment I get under the OATT of the neighboring
16 transmission owner's tariff.

17 MR. REICH: That's a good question, Henry.

18 MR. TILGHMAN (Via telephone): I just thought of
19 it.

20 MR. REICH: I think traditionally we've used
21 other ways to define payments associated with over delivery
22 and I think we probably need to take that back and discuss
23 it.

24 MR. TILGHMAN (Via telephone): Okay.

25 MR. REICH: Nancy?

1 MS. LEE: Nancy Lee from Con Energy.

2 Under most agreements, dollars received under
3 that as a transaction product what do I choose? Is that
4 energy or capacity? It's a lump sum payment.

5 MR. REICH: I think traditionally we've given the
6 guidance to use capacity.

7 MS. LEE: Use capacity. Okay, great. Thank you.

8 MR. REICH: Is there someone on the phone?

9 THE OPERATOR: Yes, Joann Schmidt, your line is
10 open.

11 MS. SCHMIDT (Via telephone): Hi. I just
12 wondered what's the membership agreement Part 9 if we're
13 selling to MISOs or New York ISOs, are we supposed to be
14 having that product name as opposed to energy?

15 MR. REICH: Remember that this is a comprehensive
16 filing that even the ISOs have to file. So I believe it's
17 the ISOs that use the membership agreement because
18 essentially they're reporting the membership agreements with
19 their members.

20 MS. SCHMIDT (Via telephone): But we would list
21 the MISO as a person that we're selling to, but our product
22 name would be energy?

23 MR. REICH: Yes.

24 MS. SCHMIDT (Via telephone): Okay. Thanks.

25 MS. NEWMAN: Any more questions?

1 THE OPERATOR: No, not at this time. One moment.
2 Rose Pysh, you may ask your question.

3 MS. PYSH: Thank you. I'm not sure who this
4 question is for, but perhaps Steve because I think I heard
5 you speak to it. In the instance where you have made
6 recommendations to people on how to handle certain things,
7 is there any push by FERC or the new folks to actually
8 include that in the definition, you know, such as the RMR
9 agreement that was just spoken about where you would
10 actually add to the current definition perhaps a comma
11 saying including RMR agreements or is there any drive to
12 actually solidify some of the guidance that you've provided
13 in the past?

14 MR. REICH: I mean I think in terms of the
15 function of what we're doing here, part of what we're doing
16 here is to put on the table whether we need additional
17 products and to discuss the possibility of that. Beyond
18 that, we appreciate your comments and we'll endeavor to
19 address them as appropriate.

20 MS. VELOSO: This is Michelle Veloso.

21 I think this is part of that effort and to the
22 extent that you see an area that needs to be addressed we'd
23 certainly like to hear about that.

24 MS. PYSH: Okay, thank you.

25 MS. VELOSO: Any other questions?

1 THE OPERATOR: No further questions at this time.

2 MS. VELOSO: Chris?

3 MR. PARENT: This is Chris Parent from ISO New
4 England.

5 Just a comment on the uplift definition. You say
6 make whole payment by an ISO to a utility and my only
7 question is, is that too narrowly defined. I don't know
8 what you're referring to in utility and I know what an ISO
9 is, but should that be RTO/ISO? Should that definition be
10 enlarged to cover a broader spectrum of possibilities?

11 MR. REICH: I think that's reasonable, although
12 I'll add that according to the legal definition that we work
13 under anybody who has the authorization to sell power is
14 considered a utility. But I mean there may be some merit to
15 revisiting that.

16 MS. NEWMAN: If there are no other questions, I'm
17 going to move on to Appendix C, which is the hub table.

18 Steve, you wanted to say something about that.

19 MR. REICH: There's a call.

20 THE OPERATOR: Yes, sir. Eric Osborn, the line
21 is open.

22 MR. OSBORN (Via telephone): Yeah, we had a
23 question about tolling energy and how you --

24 MR. REICH: Eric, could you state your name and
25 where you're from?

1 MR. OSBORN (Via telephone): Eric Osborn from
2 Reliant Energy.

3 We had a question about tolling energy and how
4 you would actually permit a price for that considering it's
5 an exchange for the gas that you receive for the energy
6 that's sold and how the price is determined from that. The
7 fees that are associated with that is that all that would be
8 reported or how would you want that price reported?

9 MR. REICH: In fact, that is why we set up
10 tolling energy as a separate product is to identify
11 essentially that you report the fees associated with the
12 tolling energy, the tolling agreement.

13 MR. OSBORN: So just the fees that are there, so
14 you won't really get an energy price, per say. It's more
15 the fees for the agreement.

16 MR. REICH: At least as I understand tolling
17 agreement, there tends not to be an energy price.

18 MR. OSBORN: Yes. All right. I was just trying
19 to see what you were looking for there. Thank you.

20 MS. NEWMAN: Thanks.

21 Are we ready to move onto the hub table.

22 MR. REICH: I just wanted to briefly introduce
23 the hub table by saying that I believe it was at our last
24 meeting or the meeting before someone suggested that we
25 really needed definitions for the hubs and the research that

1 I've done with the help of some other people here has
2 indicated that there are varying ways to define certain
3 market hubs. So the path that we've taken or at least the
4 proposed suggested definition -- the suggested definitions
5 in here are of two different kinds.

6 There are definitions associated with ISO-defined
7 hubs, in which case the definition relies on the ISO
8 definition of what the hub is and a good example of the
9 first one for the PJM, the APP Dayton Hub, which is what the
10 collection of points that PJM calls the APP Dayton Hub. The
11 other market hubs in here are defined because the way the
12 definition have been written are in a way to not take any
13 sides regarding one publication or one market source or
14 another and just say that the hub is, if both counter-party
15 agree that this is a hub and if the market believes that
16 it's a hub, then that's what the hub is.

17 So I just wanted to give kind a general
18 introduction to the differentiation between the two kinds of
19 hubs listed here. There are a number of hubs listed here
20 that are recent additions to the market based on the various
21 market publications and ICE and all that. Not all the hubs
22 here are currently reflected in the pull down menus and what
23 we'd be interested in, in terms of the discussion and
24 comments is, is the reflected definition sufficient or is
25 there some gold standard for a definition that we should be

1 looking at as a possible definition. And secondly, are
2 there serious market hubs that we might be missing that need
3 to be included to make this complete?

4 MS. NEWMAN: I'll just start. First up is add
5 hub and AEP gen hub. We have the COB.

6 MR. REICH: Hold on a second.

7 Operator, is Harry Tilghman a new comment?

8 THE OPERATOR: He was up before, but he just cued
9 up again for another question.

10 MS. NEWMAN: Do you want to take that?

11 MR. REICH: Yes.

12 THE OPERATOR: Mr. Tilghman, your line is open.

13 MR. TILGHMAN: Thank you. Henry Tilghman with
14 PacifiCorp.

15 Actually, I was hoping to get in before you
16 talked about hubs because my comment went back to --
17 actually goes to control areas. NERC doesn't use that
18 terminology anymore. They've gone to balancing authority
19 and since you cite the NERC definitions you might want to
20 update your definitions to change the term to "balancing
21 authority."

22 MS. VELOSO: The point is well taken. Thank you.

23 MS. NEWMAN: Thanks.

24 The COB the synergy into, synergy hub, MISO
25 comment into Entergy into FE Hub, Four Corners of the

1 Illinois Hub MISO, Med, Michigan Hub MISO, Mid-Columbia or
2 Mid-C, Minnesota Hub MISO, New Pool Mass Hub, Ni Hub, Nob,
3 NP15, MWMT, the PGM East Hub, PGM South, PGM West Hub, Palo
4 Verda, Soho into SP15, TVA N2 and there's EP26.

5 Does anyone in the room have any comments they'd
6 like to make?

7 MS. BOURQUE: This is Barbara Bourque with APS.

8 Just a quick one on Four Corners. You have the
9 set of delivery points at the Four Corners Power Plant. It
10 should be plants, plural, because there's a bunch of them.

11 MS. NEWMAN: Thanks, Barbara.

12 Any other comments in the room?

13 (No response.)

14 MS. NEWMAN: Any comments on the phone, please.

15 (No response.)

16 MS. VELOSO: Looks like we're done with hubs.

17 Why don't we turn things over to Mark Blazejowski
18 who is going talk about the transaction data table.

19 MR. BLAZEJOWSKI: I'll begin at the top of the
20 list. Transaction unique ID, a reference number used by the
21 EQR software for the purpose of importing data into the CSV
22 file; seller company name -- the name of the company
23 authorized to make the sale as indicated in the company's
24 FERC tariff; customer company name -- the name of the
25 counter-party to the contract; customer DUNS number -- the

1 unique nine-digit number assigned by Dunn & Bradstreet to
2 the counter-party to the contract; FERC tariff reference --
3 the FERC tariff reference is the authority applied for and
4 granted to a seller that specifies terms and conditions
5 under which the seller can make power sales.

6 And the next term, contract service agreement ID
7 -- unique company given name to each service agreement. It
8 may be the number assigned by FERC for those service
9 agreements that have been filed and approved by the
10 Commission and can be the internal numbering system;
11 transaction unique identifier is a unique reference number
12 assigned by the seller for each transaction; transaction
13 begin and end dates -- the begin date is the first day and
14 time the product is sold during the quarter at the specified
15 price. The end date is the last time and date the product
16 is sold during the quarter at the specified price.

17 Page 2, time zone. We have a special appendix
18 for that. Should we review that now?

19 MR. REICH: No.

20 MR. BLAZEJOWSKI: Point of delivery control areas
21 is the registered control area abbreviation used in OASIS
22 applications; point of delivery specific location just
23 discussed in Appendix C is the specific location at which
24 the product is delivered. If C occurs at a trading hub, a
25 standardized hub name must be used. Class name can be firm,

1 non-firm unit power sale or billing adjustment and I'll
2 discuss the suggested definitions.

3 For firm, alternate 1 -- service that always had
4 priority over non-firm. This is based on OASIS definition.
5 Alternate 2 -- service that cannot be interrupted for
6 economic reasons and is intended to remain reliable even
7 under adverse conditions based on the Form 1 definition.
8 Non-firm is service that reserved for and/or schedule on an
9 at-available basis and is subject to curtailment or
10 interruption at a lesser priority compared to firm
11 transmission service. This is based on OASIS definition.
12 The unit power sale -- a dedicated sale of energy and
13 capacity from one or more generation units. A billing
14 adjustment is an incremental positive or negative material
15 change in previous EQR totals and "not applicable" should be
16 used only when none of the other available class names
17 apply.

18 MR. REICH: This is Steve Reich again.

19 I just want to note the same items that we took
20 from the discussion this morning on contracts will certainly
21 be applied in looking over the transaction side on the class
22 name.

23 MR. BLAZEJOWSKI: Which means we should be able
24 to run through this quicker with fewer questions because we
25 already have them.

1 The next term, term name -- long-term, short-
2 term, not applicable. Power sale transactions with a
3 duration greater than one year are long term. Transactions
4 with a shorter duration are short term.

5 Increment name can be hourly, daily, weekly,
6 monthly, yearly or not applicable. Terms of the particular
7 sales except for specific hours or blocks of hours less than
8 full peak or off peak. They include sales in ISO spot
9 markets, most likely a spot sale for hourly. Daily -- in
10 terms of the particular sale except for a single day or a
11 small number of days. Sale to be limited to only peak or
12 off-peak hours, most likely a spot sale, includes exchange,
13 traded and next-day sales.

14 Weekly -- in terms of the particular sale set for
15 a week or a particular portion of a week. For example, a
16 5x16 block. Monthly -- terms of the particular sale set for
17 one month or the balance of a month if longer than one week
18 includes next month's sales. Yearly -- terms of the
19 particular sale set for all or most of the year and "not
20 applicable" should only be used when none of the other
21 available increment names apply.

22 Moving on, increment peaking names can be full
23 period, off peak, peak or not applicable. Full period the
24 sale occurs during all hours; off peak the sale occurs only
25 during those hours designated as off peak in a relevant NERC

1 region; peak -- the sale occurs only during those hours
2 designated as peak, un-peak in the relevant NERC region and
3 "not applicable" should only be used when the other terms --
4 full period, off peak and peak do not apply.

5 Next, product name -- the description is listed
6 in Appendix A, which we reviewed.

7 Page 4, transaction quantity -- the quantity of
8 the product in this transaction. This could be a whole
9 number or it could include decimals. Rates is the rate
10 charged for this product per unit; rate units we have a few
11 alternatives. Alternative 1 -- measure appropriate to the
12 price of the product sold; Alternative 2 -- standardized
13 fields so that there is a single unit to measure each type
14 of product. For example, only megawatt hour and not
15 kilowatt hour for energy; Alternative 3 -- eliminate this
16 field as redundant with Field No. 38, rate units.

17 The next term, total transmission charge is
18 payments received for transmission services when explicitly
19 identified and the final term, total transaction charge --
20 the transaction quantity multiplied by the price plus the
21 total transmission charge should be your total transaction
22 charge within one dollar or 1 percent, I believe.

23 Do you have any questions? Staff, audience?
24 Barbara?

25 MS. BOURQUE: This is Barbara Bourque again, APS.

1 It's kind of redundant was what we said before,
2 but I think there's a little different twist on it now that
3 we're in the transaction. But when we talk about the rate
4 units, Alternative 3, eliminate this field as redundant with
5 Field 38. Field 38 is in the contract products, right, so I
6 think if you're doing the spreadsheet download you're not
7 going to have that information there and just in terms of
8 the whole EQR table and the database I certainly wouldn't
9 recommend that.

10 MR. REICH: That's a good point.

11 MS. BOURQUE: I'll just reiterate my problem with
12 eliminating kilowatts, but we've already got that. I don't
13 want to drag things out.

14 MR. REICH: This is Steve Reich.

15 A question about that. I know you had a problem
16 with one million kilowatts in the contract section. Does
17 that objection problem carry over on the transaction side?

18 MS. BOURQUE: Actually, it's probably more
19 accurate in the transaction section than it is the contract.
20 I still there might be concern. If you're doing a price per
21 megawatt and you have a kilowatt, there's only four decimal
22 points that are allowed. After the four-digit that allowed
23 after the decimal point, if I recall correctly, in both the
24 contract and the transaction sheets. So if you have a price
25 in kilowatts and you're putting it into megawatts, you may

1 lose everything. It may end up being zero if it's that
2 small. So I think you have to keep the kilowatts and then
3 it might not allow you to file. That's not going to keep
4 you from filing. Your filing won't be as accurate on the
5 contract, but on the transaction it may cause you not to be
6 able to multiply across and it may give you an error if you
7 don't have the specificity.

8 THE OPERATOR: We do have some questions from the
9 phone lines.

10 MR. REICH: We have another comment.

11 THE OPERATOR: Okay, thank you.

12 MR. DOWD: Mike Dowd, SNL Financial.

13 I noticed there was a contract affiliate provided
14 flag No. 18, but we've omitted an affiliated flag for the
15 transaction data and I was wondering if there was a reason
16 why.

17 MR. REICH: Because you have it in the contract
18 data.

19 MS. REAUX: Every transaction that's in the
20 transactions file has to be associated with the contract, so
21 if you have a contract those transactions that are affiliate
22 transactions will connect to the contract.

23 MR. BLAZEJOWSKI: And the four fields that match
24 up between the contract and transaction -- the buyer, the
25 seller, the FERC tariff reference and the contract service

1 agreement ID. So when you try to bring a transaction into
2 the EQR, it checks those four fields to make sure you
3 already have it in the contract file. If you don't have it,
4 you get an error and it won't let you put it in. If you do
5 have, it then it matches it all.

6 MR. DOWD: Thank you very much.

7 MR. REICH: We have some people on the phone.

8 THE OPERATOR: Juan Diaz, you may ask your
9 question.

10 MR. DIAZ (Via telephone): Thank you. Juan Diaz
11 with Customized Energy Solutions.

12 I'm just going forward and seeing that the fourth
13 quarter EQR can be done as soon as about five weeks from now
14 and I appreciate your training today, but who can we call to
15 answer specific questions on the data field. Not so much
16 general questions, but specific questions so that we make
17 sure we're filling out these fields correctly?

18 MR. REICH: You can e-mail to EQR.FERC.gov should
19 get your questions answered.

20 MR. DIAZ: In addition to e-mail, is there a
21 phone number we can use?

22 MS. REAUX: You can contact any of the staffers
23 here. You can call me. I'm at 202-502-8363.

24 MR. DIAZ: 502-8363. And you said any other
25 staffers. Is there a list of names and numbers that you can

1 share.

2 MR. REICH: This is Steve.

3 My number is online on the EQR page and really
4 the best way to ensure that you can get a response is if you
5 go through the EQR at FERC.gov mailbox. We have people
6 covering that every day. So someone will get that and
7 respond.

8 MS. REAUX: There's also the documents on the
9 website. So the EQR requirements guide, the EQR user's
10 guide for the software as well as Order 2001 that you can
11 refer to and the import templates. Copies of those are also
12 on the website.

13 MR. DIAZ: Okay. Than you.

14 THE OPERATOR: Our next question comes from Joann
15 Schmidt.

16 MS. SCHMIDT (Via telephone): I'm calling from
17 Xcel Energy.

18 Just wondering on the time zone definition. Do
19 we report the time zone that the seller is in or the time
20 zone that the buyer is in?

21 MR. REICH: I think traditionally the guidance
22 has been the time zone where the sale occurs, so where the
23 power is delivered.

24 MS. SCHMIDT: Okay, so basically the buyer.

25 MR. REICH: I mean both the buyer and seller may

1 be not co-located with where the power is being delivered,
2 but where the power is being delivered is where it's
3 delivered.

4 MS. SCHMIDT: Okay.

5 MR. REICH: Anybody else.

6 THE OPERATOR: There are no questions from the
7 phone lines.

8 MR. REICH: It looks like there's another
9 question here.

10 MS. GALTNEY: Betsy Galtney, Idaho Power.

11 I'm sure if I opened up this spreadsheet at home
12 I could enlarge the box and read the notes associated with
13 Field No. 60 "If completed correctly, it would provide
14 insight as to whether" -- I don't know maybe you're able to
15 do that and I can just read it.

16 MR. BLAZE: You mean column I, the last column?

17 MS. GALTMAN: Yes.

18 MR. REICH: Yes.

19 MR. BLAZE: What wasn't printed out or the full
20 text in the final column is "The increment name field is
21 intended to provide information regarding the duration of
22 the terms agreed in the transaction. If completed
23 correctly, it would provide insight as to whether the sale
24 at a given price for a full day was the result of a daily
25 sale or possibly a monthly sale with a daily index."

1 Unfortunately, the field provides discrete choices for a
2 continuous idea, possible alternative, changes of field to
3 the number of hours for the particular sale and I think we
4 discussed the pitfalls of that earlier on the contract
5 section.

6 MR. REICH: Any questions on the phone?

7 (No response.)

8 MR. BLAZE: We're done with that section.

9 MS. VELOSO: Let me say everybody is in their
10 post-lunch food coma.

11 Is there any other business that people would
12 like to raise before we adjourn, either related to the data
13 dictionary, related to the morning program or any other
14 questions or comments?

15 THE OPERATOR: We do have some questions from the
16 phones.

17 Eric Osborn, you may ask your question.

18 MR. OSBORN (Via telephone): This is Eric Osborn
19 from Reliant Energy.

20 Just a minor comment on rate units and the
21 definitions. The dollar per unit is probably more
22 appropriate for those definitions there, but that's just a
23 minor item.

24 The question I did have was related to the tables
25 associated rate units and with the unit, specifically, the

1 last item on each of those table was "cents" and the "flat
2 rates." For the rate units table, every rate unit there is
3 listed as a dollar per kilowatt hour, a dollar per megawatt
4 month, dollar per megawatt and then "cents" is down at the
5 bottom there. It's very difficult to translate all of those
6 other dollar amounts that we have to cents if we're
7 reporting everything into dollars. It seemed to make sense
8 that that one should be a dollar instead of a cents item for
9 that table.

10 MR. REICH: I think the point is well taken. I
11 think "cents" is there -- I think probably "cents" was
12 originally put in as an alterative, essentially a flat rate
13 alternative, but I certainly will defer to someone who may
14 know.

15 MR. OSBORN: My other issue was that in the past
16 we've used flat rates in that location for things like
17 uplift that don't really have any kilowatts or megawatts
18 associated with them. We just put flat rate instead of
19 cents or dollars or anything and that's not indicated on
20 this table. It's indicated on the units table, but not the
21 rate units table.

22 MR. REICH: What you're suggesting is perhaps a
23 definition for flat rate should be specifically defined as
24 amount that not available in an energy unit that is
25 described in dollars.

1 MR. OSBORN: Right. I think that would probably
2 be appropriate.

3 MS. BOURQUE: This is Barbara Bourque, APS again.
4 The flat rate is in dollars when they actually
5 make the payment, but I was up for this cents per kilowatt
6 and it gets back to what I was saying before. The reason
7 that's there is the needing the four digits after the
8 decimal point.

9 MR. REICH: On the pull down, there's also just
10 "cents."

11 MS. BOURQUE: And it may be the total charge. If
12 it's 10 cents per kilowatts and you sell 3 kilowatts, it
13 would be 30 cents, wouldn't it. No. Am I missing it.
14 Okay, sorry.

15 MR. OSBORN: We normally use that for anything
16 that doesn't have a defined kilowatt or megawatt is uplift
17 where it's just specifically a dollar, the dollar amount
18 that's provided to us in some sort of a make whole payment
19 of some sort. In the past we've just put flat rate. We
20 haven't put cents and that flat rate has been accepted.

21 MR. REICH: Thanks for pointing that out. We'll
22 put that down on our list.

23 THE OPERATOR: Ms. Reese, you may ask your
24 question.

25 MS. REESE (Via telephone): Yes, Ronnie Reese,

1 California ISO.

2 I know that we mentioned earlier that we were
3 going to discuss at a later point any other questions we may
4 have relative to the contract execution date, particularly
5 where it involves an amendment and I was wondering if this
6 was an appropriate time because I still have a little bit of
7 a question regarding the date that should be entered into
8 the EQR? It maybe something specific to the agreements that
9 we have, for example, with our scheduling coordinator
10 agreement, the agreement is structured in such a way that if
11 the company changes, for example, its bank account number
12 that is not on a schedule that's actually part of the
13 agreement. So we will make an amendment to change that
14 information, however, the original SCA has never been
15 terminated. It's still in effect. We just made a change to
16 that portion. Does that mean, according to the definition
17 for contract execution that we discussed earlier where
18 amended signature dates are used, that we would then have to
19 go in and change the execution date on that SCA?

20 MS. VELOSO: I think we're going to have to look
21 at the specifics of your question offline at a later time,
22 but we'll be happy to answer your question. You can send an
23 e-mail to EQR@FERC.gov or you can call one of us.

24 MS. REESE (Via telephone): All right.

25 MS. VELOSO: We have a question here.

1 MS. GALTNEY: Betsy Galtney, Idaho Power.

2 I think it was either last spring or last year
3 staff ran some data integrity checks and when we met last
4 year there was discussion about does testing rerun on all
5 the sellers. I just wondered the status of that, if that
6 had been done.

7 MS. VELOSO: We're in the process of reviewing
8 our technical compliance program and we don't have anything
9 to talk about right now, but at some point we will have an
10 update on that.

11 Are there callers on the line?

12 THE OPERATOR: Yes, Joann Schmidt, you may ask
13 your question.

14 MS. SCHMIDT: I have three questions and the
15 first was the contract commencement date, execution date. I
16 just wanted to confirm that the commencement date, if
17 there's an amendment, the commitment date is still the
18 initial date of the first contract. So if the contract was
19 put in place in 1990, that would be the commencement date
20 and then if we had an amendment in 2006 that would be the
21 execution date, like a 16-year lag. Is that's what was
22 intended?

23 MS. VELOSO: I think we're going to have to deal
24 with this one offline as well. Again, we'll be happy to
25 help you, but maybe it would be better to do this person-to-

1 person.

2 MS. SCHMIDT: Okay. And my next question was on
3 requirement service. A number of customers we supply,
4 especially called full requirement service and on that
5 contract data we list out every product that we're selling
6 to them. Should we instead be having one line item for
7 requirement service?

8 MR. REICH: The guidance on that in the past has
9 been that you identify -- on the contract section you
10 identify the requirement service and then if there are
11 particular products provided under that requirement service
12 you list those products as part of the requirement service
13 because you're describing the contract -- what you're filing
14 is an electronic description of the contract.

15 MS. SCHMIDT (Via telephone): So you infer that
16 if we said it's full period as the increment name or we just
17 go and add a line with requirements and there would be zero
18 quantity, zero price because all of that would be detailed
19 below?

20 MR. REICH: Once again, the contract section is a
21 description of what's in the contract. So if you don't have
22 specific prices or quantities or anything like that
23 identified for the products or you don't have specific
24 products identified, you don't have to include those. Those
25 are required fields.

1 MS. SCHMIDT (Via telephone): But what our
2 contracts they do specify them, so we do list them out and
3 we list the price and quantity. So my question is do I need
4 to add an additional line called requirement service.

5 MR. REICH: Yes.

6 MS. SCHMIDT (Via telephone): That would be zero.
7 It would be no quantity.

8 MR. REICH: Right.

9 MS. SCHMIDT (Via telephone): Okay. And if it's
10 partial requirements, would that fall under requirements?

11 MR. REICH: I think we'd need to talk about
12 individually.

13 MS. SCHMIDT (Via telephone): Okay. And my last
14 question, on the time zones, our contracts never
15 specifically say we're selling at this delivery point and at
16 Atlantic Standard time zone. So our contract data we always
17 put n/a. But then on the transaction date we do put the
18 time zone in. I just want to confirm that that was
19 acceptable.

20 MR. REICH: If the contract doesn't define the
21 time zone, then that's acceptable, yes.

22 MS. SCHMIDT (Via telephone): Okay. So if it
23 defines a delivery point, we don't have to go research. We
24 have AR and then figure out what the time zone is.

25 MR. REICH: Correct.

1 MS. SCHMIDT (Via telephone): Okay. Thank you.

2 MS. VELOSO: Further questions?

3 MR. SALWAY: Jeff Salway from AEP.

4 I just want to clarify something I just heard.
5 In the contract database and the transaction database, do
6 the products need to match one for one? For example, I've
7 got a grandfathered bundled contract executed in 1972, so on
8 and so forth. It was clearly a grandfathered bundled
9 contract, but in that contract I've got capacity energy. My
10 capacity is based upon my transmission assets, my generation
11 assets. I do provide them with energy and I also provide
12 them with, for example, a fuel charge. Now I thought we'd
13 kick this around a little bit. The way I had reported was I
14 reported it as grandfathered bundled in the contract section
15 because I had more specific information and I wanted to give
16 the Commission as much information as I can on the
17 transaction reported capacity, energy and the fuel. But
18 then I was asked to go back and on the contract side pull
19 out grandfathered bundled and put in, in it's place,
20 capacity, energy and fuel. Actually, in my rate description
21 that's where I say, by the way, this is a grandfathered
22 bundled contract and that's the guidance that I was
23 previously given. Is that still correct? That's the one-
24 to-one match of what's in the contract database versus
25 what's in the transaction database.

1 MR. REICH: No, that's not necessarily the case.
2 That's not the guidance that I believe we've given. The
3 guidance is in many cases there will be a one-to-one match
4 because there what's being offered in the contract are a
5 series of products and if those series of products are being
6 offered, then there should be a one-to-one correspondence.
7 Nothing that you sell -- if it's a series of a products,
8 nothing that you sell should not be included in the
9 contracts. However, there are certain kinds of contract
10 products that imply a number of different products that are
11 wrapped up in there. In those cases, if you have a true
12 grandfathered bundled service that you're providing service
13 that doesn't enumerate the price of each individual item.

14 MR. SALWAY: But in this case that I have it
15 does. In fact, actually it failed -- those contracts that
16 I'm talking about where it was grandfathered bundled in the
17 contract and it was capacity, energy and fuel in the
18 transaction, it had actually failed the data screen for
19 products not matching. And that's where again I was told
20 that I have to have a match of everything that's in my
21 product side to be on my contract side.

22 MR. REICH: First of all, and I reiterate what
23 Michelle said earlier, we are in the process of reviewing
24 the data screens. Just a general course, there are certain
25 contract products which will not match what's in the

1 transaction side and I believe we've reckoned with that.

2 MR. SALWAY: So in this case, again, how should
3 it be reported? Grandfathered bundled that has capacity,
4 energy, fuel. What a compliant person do?

5 MR. REICH: A compliant person, if the contract
6 enumerates prices capacity, energy and fuel --

7 MR. SALWAY: Which it does.

8 MR. REICH: -- you should identify each of those
9 elements in there.

10 MR. SALWAY: On both the contract side and the
11 transaction side?

12 MR. REICH: If you are also being paid on -- if
13 the settlement has -- if you're being paid on the basis of
14 capacity, energy and fuel.

15 MR. SALWAY: Yes, I am on both side.

16 MR. REICH: At least that's my understanding of
17 what the guidance has always been.

18 MR. SALWAY: So I don't use grandfathered
19 bundled. I use capacity, energy and fuel on the contract
20 side. I use capacity, energy and fuel on the transaction
21 side.

22 MR. REICH: Correct.

23 MR. SALWAY: Okay. Then one other question I
24 had. I just wanted to verify the Commission's preference on
25 this. On ending dates, at one point in time I think a lot

1 of people like if a day ended a reporting, you know, 2400.00
2 and that also kicked out on some of the data screens, so I
3 think some of the way that we've been kind of instructed to
4 handle ending dates, for example, the end of the day is
5 23:59:59.

6 MR. REICH: Right. And either is acceptable.

7 MR. SALWAY: So you're still of the opinion that
8 either is acceptable.

9 MR. REICH: That's my recollection.

10 MR. SALWAY: I just was curious if that was going
11 to be clarified? Is it going to keep going that way?

12 MR. REICH: I think that will be listed. That
13 will be put in the hopper to make sure that will be
14 addressed.

15 MR. SALWAY: All right. Thank you.

16 MR. REICH: On the phone?

17 THE OPERATOR: Thank you. Linda Peavy, you may
18 ask your question.

19 MS. PEAVY (Via telephone): Hi. This is Linda
20 Peavy from Cogentrix Energy.

21 I just wanted to clarify. The gentleman earlier
22 mentioned flat rate and I noticed it is no longer listed on
23 Appendix F. Has that been eliminated or may we still use
24 it?

25 MR. REICH: Which Appendix?

1 MS. PEAVY (Via telephone): Appendix F, rate
2 units.

3 MR. REICH: It's there. There's no suggested
4 definition by there and I think we discussed a little
5 earlier that there should be a definition there and we
6 discussed what the possible definition is. But yes, it's
7 still there.

8 MS. PEAVY (Via telephone): So I can still use
9 flat rate?

10 MR. REICH: When appropriate, yes.

11 MS. PEAVY (Via telephone): Okay. Thank your.

12 MR. REICH: Can we put through Eric?

13 THE OPERATOR: Yes, Eric Osborn, you may ask your
14 question.

15 MR. OSBORN (Via telephone): Hello, this is Eric
16 Osborn from Reliant again.

17 Getting back to the question of contract
18 execution date for amended contracts, we were kind of
19 thinking here about the potential to add a new field for
20 amendments dates for that contract and that way you would
21 retain the original execution date and also have an
22 indication for the latest amendment date. I don't know how
23 feasible that is, but I thought that would be an
24 alternative.

25 MR. REICH: There are a number of sour looks in

1 the room I would say.

2 MR. OSBORN (Via telephone): I thought there
3 might be, but I just wanted to voice that and see what kind
4 of feedback there was.

5 MR. REICH: I think that's an interesting
6 suggestion at least and from my point of view, it actually,
7 I think, serves our purposes pretty well. Better than
8 perhaps the current definition.

9 MS. VELOSO: Thanks.

10 MR. REICH: I don't have anything else.

11 MS. VELOSO: Another question?

12 MS. LOWE: Margaret Lowe, Consumers Energy.

13 I think I'm getting picky, Steve. On the
14 transaction tables for termination, we have long-term,
15 short-term and not applicable where the definition is a
16 power sales transaction with a duration greater than one
17 year for long term. Transactions of a shorter duration are
18 short term and not applicable is not applicable. It's
19 either long or short by the definition.

20 MR. REICH: I don't understand. What's your
21 question?

22 MS. LOWE: We have long-term, short-term and not
23 applicable and then by the definition it either has to be
24 either long term or short term. There is not more "not
25 applicable." It's data item 59.

1 And the other thing is we refer to it as power
2 sale transaction. Again, it can refer to a transmission
3 transaction, which is not a power sale. Right?

4 MR. REICH: Not in the transaction section.

5 MS. LOWE: Okay. We had talked earlier about how
6 we were going to -- there's a lot of one off questions, a
7 lot e-mails. Is it possible to compile those into a non-
8 company specific FAQ and post it out to the website?

9 MS. VELOSO: We'll give that some thought and see
10 what we can do.

11 MS. LOWE: By the way, the Office of Enforcement
12 has instituted FAQ with respect to standards of conduct, for
13 example and definitely FAQs is one of the areas that we have
14 seriously discussed regarding EQRs. So it has been
15 discussed.

16 MS. VELOSO: Other further questions today?

17 (No response.)

18 MS. VELOSO: I'd like to thank everybody for
19 coming today and for giving us all your input and if you'd
20 like to give us more, we'd certainly love to have it. So
21 any comments can be filed under Docket Nos. RMO1-8 and ERQ2-
22 2001 and please get them to us by January 12, 2007.

23 Thanks again for coming and we look forward to
24 seeing you at the next meeting.

25 (Whereupon, at 2:19 p.m., the above-referenced

1 matter was concluded.)

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