North American Energy Standards Board
June 10, 2015

Background
Origin and Scope:

- The North American Energy Standards Board (NAESB), originally the Gas Industry Standards Board (GISB), serves as an industry forum for the development and promotion of standards which will lead to a seamless marketplace for wholesale and retail natural gas and electricity, as recognized by its customers, business community, participants, and regulatory entities.

- GISB est. 1994 / NAESB est. 2001

- Strong relationships with the Federal Energy Regulatory Commission (FERC), National Association of Regulatory Utility Commissioners (NARUC), Department of Energy (DoE), and various state regulatory agencies
Standards and Other Products & Services:

- Wholesale Electric Market Standards: ~2,000
- Wholesale Gas Market Standards: ~600
- Retail Market Standards: ~1,400

Other Products & Services
- The Electric Industry Registry
- e-Tag Functional Specification
- Common Coding System for Interstate Pipelines
- Certifications
- Courses
Organization by Quadrant and Segment:

**Wholesale Gas – 5 Segments**
1. End Users
2. Local Distribution
3. Pipelines
4. Producers
5. Services

**Wholesale Electric – 7 Segments**
1. End Users
2. Distribution/LSE
3. Transmission
4. Marketers/Brokers
5. Generation
6. Independent Grid Operators/Planners
7. Technology and Services

**Retail Markets – 4 Segments**
1. Retail Electric End Users/Public Agencies
2. Retail Gas Market Interests
3. Retail Electric Utilities
4. Retail Electric Service Providers/Suppliers
Two governing bodies with identical structures:

- **Board of Directors** – strategic direction, financial well being, annual planning for standards development, coordination of activities with other groups

- **Executive Committee** – Carries out the annual plan, develops and maintains the standards and business practices through its subcommittees and task forces

- **NAESB Staff** – Administrative
Standards Development Process:

- The process followed is ANSI accredited -- ANSI accredits organizations as Standards Development Organizations (“SDO”) based on their adherence to ANSI’s cardinal principles of standards-setting.

- The process is open and any interested party can participate and contribute to the standards development regardless of membership in NAESB.

- Non-member Meeting Participation Fee
Voluntary Standards:

- From the organization’s perspective, all standards are voluntary and may be provided to regulatory agencies as status reports as they are published.
- Regulatory agencies may choose to adopt standards or model business practices, but NAESB will not advocate such action.
- The organization will not monitor for compliance, provide performance measures for compliance, nor will it define sanctions for non-compliance.
- The organization will not advocate before any regulatory body.
Relationship of NAESB Standards and Model Business Practices to Policy:

- NAESB does not set policy.
- We defer to state and federal agencies in determining policy.
- Our work products are intended to focus on the implementation of policy decisions by providing a road map for the interactions between or among the various parties.
- Our standards and model business practices may support practices for alternative state regulatory models but leave the decision as to the applicable policy or model to the regulators.
Request For Standard/Annual Plan Item

Triage Subcommittee

Executive Committee

Standards Development Subcommittees

Recommendation

Formal Industry Comment

Balanced Vote

Executive Committee

Membership Ratification

Published Standards
Voting Thresholds:

- Executive Committee* -- 67% of each quadrant (standards) 40% of each segment
- Subcommittees -- 50% balanced across (standards) segments of each quadrant**

* Segment voting thresholds are applied to fully populated segments
** Each segment has up to two votes apportioned equally over those segment attendees present; one company – one vote
### Balanced Voting at Subcommittee Level

**– WGQ Example:**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Votes Cast</th>
<th>Balanced Votes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Producer</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Pipeline</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>LDC</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>End User</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Service</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>20</td>
<td>10</td>
</tr>
</tbody>
</table>

#### Multiple Quadrant Efforts

- Each quadrant will share an equal percent of the total vote
Voting Rules:

- Voting and Motion Making Including for Amendments follows Roberts Rules of Order
- Parliamentary Procedure other than those defined in our Certificate, Bylaws or Operating Practices is “Modern Parliamentary Procedure” published by the American Psychological Association
- Business subcommittees utilize a "balanced" segment voting process to forward recommendations on standards development
- Executive Committee approval requires a "super-majority"
- Membership ultimately ratifies all standards development
NAESB eTariff Effort
FERC Initiated Industry Effort:

- July 8, 2004 – FERC Notice of Proposed Rulemaking on Electronic Tariff Filings
- February 1, 2007 – Public meeting held with NAESB
  - NAESB eTariff Subcommittee & Technical Task Force
  - Wholesale Natural Gas, Wholesale Electric, Oil Pipelines, Interstate Natural Gas Pipelines, & Third Party Software Developers
- Commission provided Background Document with example fields and metadata
NAESB eTariff Subcommittee Activity:

- Sixteen meetings over twenty-four days between February 1, 2007 and January 25, 2008
- Nearly 1,000 participants in total
- Subcommittee Approval on January 25, 2008 – Unanimous Support (with abstentions)
- 30 day formal industry comment period ending on February 27, 2008
- 9 comments received
NAESB Executive Committee Approval & Ratification:

- Joint WEQ and WGQ Meeting on February 29, 2008
- Reviewed comments and made minor modifications in response
- Submitted for notational ballot due on March 4, 2008
- Passed super-majority vote (67% and 40% from each segment) in both quadrants
- Ratified by membership on April 4, 2008
- Submitted to Commission on April 15, 2008
Commission Action:

- Supplemental Notice of Proposed Rulemaking issued on April 17, 2008
- Final Order on September 19, 2008
- Implementation
  - Commission hosted testing site & subsequent technical conferences
  - 18 month implementation with staggered schedule
NAESB WEQ/WGQ eTariff Related Standards:

- **5 Definitions**
  - Tariff Submitter
  - Tariff Filing
  - Tariff Record
  - Whole Document Format
  - Sheet-Based Format & Section-Based Format

- **2 Standards**
  - Tariff Submitter should submit tariffs pursuant to the Standard
  - Tariff submittal should use one of the three described formats

- Implementation Guide
NAESB WEQ/WGQ eTariff Related Standards: (cont.)

- Technical Implementation of Business Process
  - General Purpose
  - Code Value Dictionary
- Technical Specification
  - XML Schema
  - Use Cases
  - Example XML eTariff Filing Package
- Frequently Asked Questions
Standards Development Options
Develop and/or modify standards to support FERC Order Instituting Proceeding to Develop Electronic Filing Protocols for Commission Forms (Docket No. AD15-11-000)

   a. Develop business practices as needed to support electronic filing protocols for submittal of FERC Forms

       Status: Not Started
       Completion: TBD
       Assignment: Joint WEQ/WGQ FERC Forms Subcommittee
Considerations:

- Joint WEQ/WGQ FERC Forms Subcommittee Structure
  - Creation of Task Forces reporting to Subcommittee
    - Market focused, form focused, or as subcommittee
  - Sequencing of forms
    - Committee decision
- Timeline for Completion
  - eTariff completed within one year
  - Initial support and work paper from Commission
  - Data structure already established
Participation:

- Open to all interested parties regardless of membership within NAESB
- Meeting participation fee for non-members
  - Waivers granted on a case-by-case basis
- Association of Oil Pipe Lines (AOPL)
  - Heavily participated in eTariff effort through trade association
  - Crossover in membership and non-member participation in NAESB
Questions/Contact Information:

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