



NORTH AMERICAN ENERGY STANDARDS BOARD

1415 Louisiana, Suite 3460 • Houston, Texas 77002 • Phone: (713) 356-0060 • Fax: (713) 356-0067
email: naesb@naesb.org • Web Site Address: www.naesb.org

About the North American Energy Standards Board

The North American Energy Standards Board (NAESB) is an American National Standards Institute (ANSI) accredited, non-profit 501(c)(6) corporation formed with the support of the U.S. Department of Energy (DoE) for the purpose of developing voluntary business practice standards designed to promote more competitive and efficient natural gas and electric markets. For almost 30 years, NAESB and its predecessor organization, the Gas Industry Standards Board (GISB), have developed consensus-based standards that promote more competitive, efficient, and transparent business processes for the natural gas and electric industries in both the wholesale and retail markets. The organization's history of successful standards development has been made possible with the strong support of the DoE, the Federal Energy Regulatory Commission (FERC), the North American Electric Reliability Corporation (NERC), the National Association of Regulatory Utility Commissioners (NARUC), and state utility commissions, among many other governmental agencies at both the federal and state level.

Since 1994, NAESB has developed over 4,000 business practice standards through its process and maintains a membership of over three hundred corporations representing the wholesale gas, wholesale electric, retail gas and retail electric markets. With very few exceptions, all NAESB wholesale market standards have been adopted by the FERC and mandated as federal regulation for federally jurisdictional entities through the incorporation by reference process, and many of the NAESB retail market standards have served as a basis for regulations adopted by various state commissions. This course of action has been taken by the FERC in compliance with the current requirements of the National Technology Transfer and Advancement Act (NTTAA) and the Office of Management and Budget Circular A-119.

More than two-thousand individuals have participated in NAESB's standards development activities, and as part of the NAESB process, all entities that may be affected by a standard have an opportunity to voice their opinions and vote through a balanced process, regardless of membership status. This ensures that no one segment of the market is dominated by others and provides all entities the opportunity to have a seat at the table for the development of standards that may be made mandatory and require implementation. As noted, NAESB is an ANSI accredited standards development organization. This requires that the NAESB process adhere to the ANSI principles of openness, balance of interests, due process, consensus and the availability of an appeals process. Every step of the NAESB process is fully documented through agendas, work papers, minutes and transcripts to provide complete transparency of all actions taken and decisions made during the standards development process. This is of the utmost importance for regulators who evaluate the NAESB standards for potential rulemaking processes. Requests for standards development activities may be submitted in a number of ways and come from many sources, including the FERC, state commissions, other government agencies and NAESB members and non-members alike. To date, a large majority of the NAESB standards development activity has been initiated by the FERC for the wholesale market and by state commissions for the retail market.

Our work products include business practices, interpretations, transactional information requirements, data layouts and schemas, and coding along with telecommunication protocols and cybersecurity schemes – all of which make up the standards. We also have contracts and agreements templates, industry tools, certification programs, and offer training and courses related to our standards. The NAESB standards and work products are divided into publications specific to the wholesale electric market, the wholesale gas market and the retail markets.

To date, sixteen versions of the NAESB Wholesale Gas Business Practice Standards have been published. These standards cover an array of topics supporting processes for nominating and confirming natural gas on the interstate pipeline system, including capacity release, invoicing, gas-electric coordination, cybersecurity as well as model contracts, like the NAESB Base Contract for the Sale and Purchase of Natural Gas. There are eleven version of the NAESB Retail Markets Business Practice Standards. Focusing on transactional activities supporting both natural gas and electric markets, this catalogue of standards supports areas such as cybersecurity, demand response and energy efficiency, net metering, data privacy and transactional activities in states with retail customer choice. Recently, NAESB published the ninth versions of the NAESB Wholesale Electric Business Practice Standards. In addition to addressing commercial aspects of scheduling power on the bulk electric grid, the standards encompass cybersecurity, gas-electric coordination, and demand response and energy efficiency, among a number of other topics.