Via email and posting

May 13, 2015

**TO:** NAESB Board of Directors

**CC:** Executive Committee (EC) Members, EC Alternates, NAESB Members, NAESB Advisory Council and posting on the NAESB web site

**FROM:** Rae McQuade, NAESB President

**RE:** Announcement of Board Working Session – June 1, 2015

Dear Board Members,

As noted in our April board and leadership meetings, we stated that we may need a working session to discuss changes to the NAESB annual plans for the wholesale gas and wholesale electric quadrants, after which a notational ballot will be circulated to approve changes to the plans. We hope you will be able to join us on June 1 from 11:00 am to 1:00 pm C to review the changes that will be the subject of a notational ballot. The call in information and instructions are attached along with the agenda and links to the work papers to be reviewed for this working session.

The two key changes to the WEQ and WGQ 2015 Annual Plans are:

1. the inclusion of an item for the consideration of standards development for electronic forms such as Forms 2 and 2a – (tentatively titled “eForms”) which has been requested by the FERC and is the subject of an upcoming FERC Technical Conference on June 10, and
2. the inclusion of an item for the consideration of standards development for electronic scheduling – which was requested by FERC in Order No. 809.

For the eForms development, in discussions with others, we recommend that the development be addressed much in the same way that NAESB developed eTariff XML standards, should the FERC determine in their technical conference to ask us to develop the needed XML standards to allow several of the forms required by the FERC to be submitted electronically. The Commission notes in paragraph 1 of the “Order Instituting Proceeding to Develop Electronic Filing Protocols for Commission Forms”:

*This order provides notice that the Commission intends to replace its current electronic filing format for many of the forms submitted by the industry, as the current software, Visual FoxPro, is no longer supported by the developer Microsoft Corporation. The Commission believes the best electronic format for submission of these forms is the Extensible Mark-Up Language (XML) file format, which the industry is currently using for submission of other files and reports to the Commission, including electronic tariff filings. The Commission is also announcing a staff led technical conference that will include the North American Energy Standards Board (NAESB) and interested members of the industry to discuss this proposal and how to best coordinate in effectuating the needed transition to a new electronic submission format for certain forms.*

For the electronic scheduling, also in discussion with others, we recommend that the development follow the path of the original gas-electric harmonization standards, in the formation of a recommendation of direction to the board, before any other steps are taken. The request from the FERC is contained in the order and is specifically noted in paragraph 107:

*While NAESB’s modified standards represent an improvement over the currently effective standards, we continue to recognize that additional intraday nomination opportunities could promote more efficient use of existing pipeline infrastructure and provide additional operational flexibility to all pipeline shippers, including gas-fired generators. The modified NAESB standards reflect reduced intraday processing times from the current NAESB standards (i.e., three hours instead of the current four hours), and existing operational limitations, including the manual processes utilized by pipelines for processing nominations, may affect the ability of the gas industry to add additional standard nomination cycles applicable to all shippers. However, the use of computerized scheduling would appear to provide an opportunity for faster and more frequent scheduling of intraday nominations for those shippers and their confirming parties willing to commit to scheduling electronically. We request that gas and electric industries, through NAESB, explore the potential for faster, computerized scheduling when shippers and confirming parties all submit electronic nominations and confirmations, including a streamlined confirmation process if necessary. Providing such an option would enable those entities that need greater scheduling flexibility to have their requests processed expeditiously.*

At the conclusion of the review, a notational ballot will be distributed for board approval of the changes to the two annual plans. We hope that you are able to join us for this teleconference and web cast, and should you have any questions regarding this working session and the materials provided, do not hesitate to call the NAESB Office.

Best Regards,

*Rae* **Conference Calling and Web Conferencing Instructions**

**for the June 1, 2015 Board Working Session**

|  |  |  |  |
| --- | --- | --- | --- |
| June 1 | 11:00 am to 1:00 pm C | Board Working Session (Conference Call and Web Cast) | |
|  |  | * Call in number * Access Code * Security Code | 866-740-1260  7133564  7811 |

To join a conference call:

• Dial the 11-digit toll free call-in phone number shown above for the specific meetings

• An automated attendant will ask you to enter a seven-digit access code (shown in the table above)

• The automated attendant will ask you to record your name.

• Please note that if the conference leader has not yet initiated the conference call, you will be placed on music hold until the conference leader starts the conference.

•The automated attendant will then ask you for a four-digit security code (shown in the table above)

Please place your phone on mute unless you are speaking. For those participants that do not have a mute feature on your phone, please press (\*6) to mute your phone and (\*7) to un-mute your phone. Putting the conference call on hold may cause music to be played over the discussion and if so, the NAESB office will contact the on-hold line to have it disconnected.

If the meeting has the web conferencing feature enabled, to join the web conference, go to www.readytalk.com and enter the same access code and **s**ecurity code. Please note that if the conference leader has not yet initiated the web conference you will view a screen that states, “The Chairperson has not yet arrived. Please standby for your web conference to begin.”

ReadyTalk recommends that you test your browser and network connections for compatibility prior to participating in a web conference. To do so, go to http://test.callinfo.com. If you have problems joining a conference call or need technical assistance, please contact ReadyTalk Customer Care, 1-800-843-9166.

| **NAESB BOARD OF DIRECTORS WORKING SESSION TELECONFERENCE AND WEB CAST**  **June 1, 2015 – 11:00 am to 1:00 pm Central**  **DRAFT AGENDA** | | |
| --- | --- | --- |
|  | # | Agenda Item |
|  |  |  |
| 11:00 A | 1. | Welcome |
|  | 2. | Antitrust Guidance |
|  | 3. | Adoption of Agenda |
|  | 4. | Review of WEQ and WGQ 2015 Annual Plan Changes for Electronic Scheduling |
|  | 5. | Review of WEQ and WGQ 2015 Annual Plan Changes for Electronic Forms Development |
|  | 6. | Other Updates to the WEQ and WGQ 2015 Annual Plans |
|  | 7. | Discussion on distribution of notational ballot to board members |
|  | 8. | Other Business |
|  | 9. | Adjourn |

Work Papers:

* Antitrust Guidance: <http://www.naesb.org/misc/antitrust_guidance.doc> (Guidance)
* Roster of Board Members: <https://www.naesb.org/pdf4/bod_terms.pdf>
* WGQ Annual Plan Redlined: <https://www.naesb.org/misc/bd060115_wgq2015ap_redline.docx>
* WEQ Annual Plan Redlined: <https://www.naesb.org/misc/bd060115_weq2015ap_redline.docx>
* FERC Order No. 809: <https://www.ferc.gov/whats-new/comm-meet/2015/041615/M-1.pdf>
* FERC Order Instituting Proceeding to Develop Electronic Filing Protocols for Commission Forms, issued on April 16, 2015:  [https://www.ferc.gov/whats-new/comm-meet/2015/041615/E-2.pdf](%20https://www.ferc.gov/whats-new/comm-meet/2015/041615/E-2.pdf)