

801 Travis, Suite 1675, Houston, Texas 77002 Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org Home Page: www.naesb.org

August 28, 2019

### NAESB MONTHLY UPDATE CONFERENCE CALL

WEQ/WGQ/RMQ SANDIA NATIONAL LABORATORIES SURETY ASSESSMENT: Mr. Burks, Chair of the Board Critical Infrastructure Committee (Board CIC), stated that the standards development in response to the Sandia National Laboratories (Sandia) surety assessment is underway. At the request of the Department of Energy, NAESB has expedited the effort and prioritized each of the security concern items that the Board Critical Infrastructure Committee has assigned to the subcommittees. Mr. Burks thanked Ms. Trum for her work on the effort. Mr. Booe also thanked Ms. Trum for facilitating the project.

**FERC FORMS SUBCOMMITEE:** Ms. Trum, NAESB Deputy Director, delivered the update. In FERC order No. 859 issued in June, the Commission indicated that it will transition from Visual Fox Pro to XBRL, a type of file format for certain FERC forms. After the issuance of the NOPR which identified XBRL as a potential solution, NAESB worked closely with FERC staff over the course of 18 meetings to explore the foundational issues and options. In the order, FERC noted the value to the industry that resulted from the work within NAESB. Mr. Booe stated that NAESB staff will continue to keep the participants updated on the transition.

**RENEWABLE ENERGY CERTIFICATE** (**RECS**)**UPDATE:** Mr. True, Chair of the WEQ, delivered the update. During the upcoming October 15<sup>th</sup> and 16<sup>th</sup> WEQ and RMQ Executive Committee meetings, the chairs of two task forces – the RMQ Executive Committee Distributed Ledger Technology Task Force and the WEQ Executive Committee Distributed Ledger Technology Task Forces – will provide presentations on the renewable energy certificate (REC) activities. The task forces have agreed to recommend to the Executive Committees that the current REC process would benefit from standardization and that the standards development activities should be assigned jointly to the RMQ and WEQ subcommittees, as appropriate. After its July meetings, the task forces agreed to focus less on technology, such as distributed ledger, and more on the standardization of data. Ultimately, the task forces anticipate requesting that the Executive Committees assign to the WEQ and RMQ subcommittees the creation of a RECs contract for voluntary REC market and to create the necessary data elements, as needed for the annual plan item.

**BLOCKCHAIN STANDARDS DEVELOPMENT EFFORTS:** Mr. Buccigross, Chair of the Wholesale Gas Quadrant (WGQ) provided the update. He explained that NAESB is considering the development of standards to support a smart contract for the NAESB Base Contract for Sale and Purchase of Natural Gas. To date, the WGQ subcommittees developing the recommendation have held 11 meetings focused on the datasets and code values needed to effectuate the exchange of the information on the contract. Mr. Buccigross thanked the chairs of the WGQ Subcommittees for their work on the standards development effort. Mr. Booe stated that the cost savings that the NAESB Base Contract provides to the industry is invaluable according to the Department of Energy staff who estimate that 90% of natural gas transactions in the United States utilize the contract.

WEQ COORDINATION WITH NERC AND EIDSN: Mr. Phillips, Chair of the WEQ Business Practices Subcommittee, delivered the update. FERC issued a NOPR in Docket No. RM05-5-027 proposing to incorporate by reference, with certain exceptions, the Version 003.2 of the NAESB WEQ Business Practice Standards. On June 5, 2019, NAESB filed comments in the same docket to inform the Commission of ongoing coordination efforts between NAESB and NERC that have led to the initiation of standards development activities that impact three standards proposed for incorporation by reference. These standard development efforts include Minor Correction MC19011 and two requests for standards development, Standards Request R19007 and Standards Request R19008. On August 20, 2019, the WEQ Cybersecurity Subcommittee reconvened, in part, to discuss its two recurring annual plan assignments. NAESB staff has also been coordinating with NERC staff regarding the development of the 2020-2022 NERC Reliability Standards Development Plan. Any comments on the plan developed by the WEQ SRS will be forwarded to the NAESB Managing Committee. NAESB has been working with NERC, Peak RC, and the entities that will assume reliability coordinator responsibilities after the retirement of Peak RC as the reliability



801 Travis, Suite 1675, Houston, Texas 77002 Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org Home Page: <a href="www.naesb.org">www.naesb.org</a>

coordinator for the Western Interconnection. The harmonization efforts ensure the necessary registrations in the NAESB Electric Industry Registry (EIR) are completed prior to the transition. Mr. Booe thanked Mark Lauby and Howard Gugel from NERC and Ron Robinson, Chair of the WEQ SRS, for working to maintain coordination between NERC and NAESB.

PARALLEL FLOW VISUALIZATION (PFV) UPDATE: Mr. Brooks, Chair of the WEQ Business Practices Subcommittee, delivered the update. On June 25, EIDSN, Inc. provided to NAESB the EIDSN Parallel Flow Visualization Metrics Report 2019. On July 23, 2019, NAESB filed a status report, drafted in coordination with EDISN, Inc. and NERC, to update the Commission regarding the PFV effort. The report included the information provided by the EIDSN and a timeline for the completion of the PFV-related standards development within NAESB. The NERC ORS will be meeting on September 4-5, 2019 to review and discuss the EIDSN Report on the PFV field trial. During this meeting, the Chair of the EIDSN IDC Steering Committee intends to present the EIDSN IDC Steering Committee's endorsement of the report and conclusion that no modifications are needed to PFV-related NAESB WEQ Business Practice Standards to address any reliability issues. If the NERC ORS is in agreement, the Chair of the NERC ORS will report such to the NERC Operating Committee during its meeting the following week. The PFVs standards were initially approved by the WEQ Executive Committee on February 24, 2015, at which time, the committee voted to enact the NAESB full-staffing process for this standards development effort. Since this time, the approved standards have been held in abeyance pending delivery of the EIDSN Report on the PFV field trial. This allowed EIDSN, Inc. to conduct the field trial and provides for the ability to modify the PFV standards as needed. The WEQ Executive Committee agreed that it would need to vote to re-approve the recommendation to end the full-staffing process and move the adopted standards to the membership ratification process, regardless of the field trial outcome.

WEQ OASIS SUBCOMMITTEE ACTIVITIES: Mr. Wood, Co-Chair of the WEQ OASIS Subcommittee, delivered the update. He stated that the WEQ OASIS and WEQ Business Practices Subcommittee (BPS) are holding joint meetings to close out the last <u>FERC Order No. 890</u> item, addressing the posting of curtailment information. The OASIS Subcommittee is independently addressing seven other recommendations, including modifications to support Next Hour Market scheduling, partial path reservation business practices, NITS modifications, and the treatment of rollover rights for NITS. Mr. Booe thanked Mr. Wood for his leadership and work on the subcommittee.

BOARD OF DIRECTORS AND REGULATORY UPDATES: Mr. Booe, Executive Vice-President and Chief Administrative Officer of NAESB, provided the board and regulatory update. On June 5, NAESB submitted comments to FERCC on the NOPR that proposed to incorporate Version 003.2 of the WEQ standards into the Commission's regulations. He noted that FERC Order No. 859 was discussed during the FERC Forms update and stated that two filings were submitted on July 23, 2019 – the PFV update and a filing containing errata to Version 003.2 of the WEQ standards. On August 10, the Board Revenue Committee met to discuss revenue generation and review the communication activities, along with other standing agenda items. Since the last NAESB Update Call, the Board Digital Committee has held three meetings to evaluate the digital technology landscape and determine whether standards development may benefit the industry in any particular areas. The Parliamentary Committee met to continue the process of updating the NAESB governance documents. The next NAESB Board of Directors meting will take place on September 5 and include the Meeting of the Members and a Strategic Session.

**NEXT CONFERENCE CALL:** The next NAESB Update conference call is scheduled for October 23, 2019 from 1:00 PM-2:00 PM Central. The agenda and any work papers will be posted on the NAESB Update page: <a href="http://www.naesb.org/monthly\_update.asp">http://www.naesb.org/monthly\_update.asp</a>. We hope you can join us. If there are particular topics you would like to see covered or if you would like to receive additional information, please contact the NAESB Office by phone at (713) 356-0060 or email at naesb@naesb.org.



801 Travis, Suite 1675, Houston, Texas 77002 Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org Home Page: www.naesb.org

NAESB Monthly Update Conference Call Participant List  August 28, 2019 1:00 PM Central		
George Behr	Latitude Technologies	
Jonathan Booe	North American Energy Standards Board	
Amanda Brockman	WEC Energy Group	
Dick Brooks	Reliable Energy Analytics	
Jim Buccigross	8760	
Cade Burks	Big Data Energy	
Michelle Coon	OATI	
David Crabtree	Tampa Electric Company	
Mary Do	Znalytics	
Tim Fisher	ISO New England	
Patrick Foley	NV Energy	
Ronnie Hensley	Southern Star Central Gas Pipeline	
Linda Horn	We Energies	
Tom Kraft	ONEOK, Inc.	
Debbie Kupczyk	National Fuel Gas Supply Corporation	
Scott Lewter	Duke Energy	
Elizabeth Mallett	North American Energy Standards Board	
James Manning	North Caroline Electric Membership Corp.	
Amy McConnel	Castleton Commodities Merchant trading	
Steve McCord	Columbia Gas Transmission Corporation	
Patrick McGovern	Georgia Transmission Corporation	
Bridget Metzger	NV Energy	
Meghan Miller	Enbridge (U.S.) Inc.	
Marty Paden	Tallgrass operations, LLC	
Joshua Phillips	Southwest Power Pool	
Ken Quimby	Southwest Power Pool	
Denise Rager	North American Energy Standards Board	
Deepak Raval	NiSource	



801 Travis, Suite 1675, Houston, Texas 77002 Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org Home Page: www.naesb.org

NAESB Monthly Update Conference Call Participant List  August 28, 2019 1:00 PM Central		
Name	Organization	
Lisa Russo	National Fuel Gas Supply Corporation	
Keith Sappenfield	Corpus Christi Liquefaction, LLC	
Sarah Shaffer	EQM Midstream Partners	
Roy True	Alliance for Cooperative Energy Services Power Marketing LLC	
Caroline Trum	North American Energy Standards Board	
Karen Utt	Tennessee Valley Authority	
JT Wood	Southern Company Services, Inc.	
Juliana Yin	Boardwalk Pipeline	
Joel Yu	Consolidated Edison Company of NY	