



North American Energy Standards Board

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October 16, 2013

NAESB AT A GLANCE: MONTHLY UPDATE

UPDATE ON PUBLIC KEY INFRASTRUCTURE (PKI) AND CYBER SECURITY EFFORTS: Mr. Buccigross, Chair of the Wholesale Gas Quadrant (WGQ) Executive Committee, provided the update on the Cyber Security Subcommittee (CSS), formerly known as the PKI Subcommittee. Earlier this year the subcommittee drafted a recommendation for no action on the 2013 Wholesale Electric Quadrant (WEQ) Annual Plan Item 4.a.ii – Review the Federal Energy Regulatory Commission (FERC) Report, *Report on the Use of North American Energy Standards Board Public Key Infrastructure Standards*, Docket No. EL12-86-000, issued on August 27, 2012.¹ The annual plan item asked the CSS to address the request from the August FERC Report to evaluate the twenty-year lifespan on root keys. The subcommittee developed a work paper detailing its decision to take no action to modify the existing maximum lifespan of the root certificate and associated keys. The WEQ Executive Committee unanimously adopted the recommendation on August 20, 2013. The CSS is currently addressing 2013 WEQ Annual Plan Item 4.a.iii, an annual review of the accreditation requirements for Authorized Certification Authorities to determine if changes are needed to meet market conditions. The subcommittee work load will stretch into 2014 with a review of the Secure Sockets Layer and Transport Layer Security (SSL/TLS) protocols for WEQ 2013 Annual Plan Item 4.a.i. Mr. Booe stated that NAESB had participated in the September 11-13, 2013 4th National Institute of Standards and Technology (NIST) Cybersecurity Framework Workshop in Dallas, Texas. The series of NIST Cybersecurity Framework Workshops focuses on the development of a voluntary framework to reduce cyber risks to critical infrastructure. The Preliminary Cybersecurity Framework is expected to be released for a forty-five-day comment period at the end of October. The 5th NIST Cybersecurity Framework Workshop will be held November 14-15, 2013 in Raleigh, NC.

UPDATE ON OPEN ACCESS SAME-TIME INFORMATION SYSTEMS (OASIS) SUBCOMMITTEE: Mr. Pritchard, co-chair of the WEQ OASIS Subcommittee, delivered the update on the OASIS Subcommittee activities regarding 2013 WEQ Annual Plan Items 2.a.i 1-2 and 5.c – Preemption and Competition. Several assignments have been delegated to participants to complete outside of the WEQ OASIS meetings in an effort to reach the estimated annual plan completion date set within the second quarter of 2014. The focus of the assignments include the development of the draft recommendation for preemption, nonfirm transmission service, long term transmission service, the treatment of rollover rights, OASIS notifications, and the nature Tiers 1 and 3 in Business Practice Standard WEQ-001 Table 4-3. The subcommittee has overhauled its 2014 meeting schedule to extend meeting times and fast-track the completion of the recommendation for the annual plan items. The draft recommendation is scheduled to be the subject of an informal comment period beginning in late March to early April. An informational presentation on the preemption and competition standards will be presented to assist individuals commenting on the draft recommendation. Once informal comments are reviewed, a formal recommendation is expected to be submitted to the WEQ Executive Committee in the second quarter of 2014. Mr. Booe inquired whether the OASIS Subcommittee had determined the length of the informal comment period. Mr. Pritchard replied that the duration of the informal comment period will depend on the complexity of the draft recommendation. He stated that the concept of a presubmittal workspace, currently being discussed within the subcommittee, may add to the complexity of the recommendation. Mr. Booe extended his thanks to the co-chairs of the WEQ OASIS Subcommittee: Alan Pritchard, JT Wood, and Paul Sorenson.

UPDATE ON PARALLEL FLOW VISUALIZATION (PFV) PROJECT: Mr. Saini, co-chair of the WEQ Business Practices Subcommittee (BPS), presented an update on the status of 2013 Annual Plan Item 1.a – PFV/Mitigation for Reliability Coordinators in the Eastern Interconnection – Permanent Solution. The subcommittee continues to address the comments regarding the draft recommendation submitted during the February 18, 2013 – March 18, 2013 informal comment period and is considering the possibility of holding a second informal comment period. During the development of the PFV Permanent Solution White Paper, several issues emerged surrounding implementation, funding, pseudo ties, seams agreements, and the Interchange Distribution

¹ The August 27, 2012 FERC Report is available at: http://www.naesb.org/pdf4/ferc_082712_report_on_naesb_pki_standards.doc.



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Calculator (IDC) tool. The IDC Working Group is now reporting to the IDC Association instead of the North American Electric Reliability Corporation (NERC). The IDC Working Group will develop the application requirement for the IDC tool and conduct parallel testing before the standards are filed with the FERC. Several assignments have been apportioned to subcommittee members to complete outside of the WEQ BPS meetings in order to expedite progress on the PFV project. The WEQ BPS will recommend that NAESB adopt a full staffing approach, allowing twelve to eighteen months to study the impact of the standards. Mr. Booe asked when the subcommittee would be able to determine whether a second informal comment period for the draft recommendation will be necessary. Mr. Saini stated that after revisions to the standards are completed in January, the subcommittee will know whether the second informal comment period is needed. Mr. Booe asked whether it was probable that a second informal comment would be held. Mr. Saini responded that the second comment period will most likely be held due to the number of standards that have been deleted or modified since the last comment period. The expected completion date for this annual plan item falls within the fourth quarter of 2013. If the second informal comment period is held, the completion date will be delayed until the second quarter of 2014.

UPDATE ON NAESB AND NERC COORDINATION: Ms. York, Chair of the WEQ Executive Committee, provided the update on the continuous coordination between NAESB and NERC. The NAESB staff and WEQ leadership continue to hold monthly conference calls with NERC staff to ensure harmonization of the standards development processes. The agendas of the monthly conference calls focus on three areas: the Electric Industry Registry (EIR), NERC Project 2012-05 – ATC Revisions (MOD A), and the PFV project. The MOD A Standards Authorization Request proposes to consolidate a number of the NERC MOD standards to reorient the focus on reliability-related aspects. An official standards development request will possibly be submitted to NAESB from NERC, after the NERC Board of Trustees approves the proposed standards, to ensure that the commercial aspects of the standards are maintained. Recently, the NERC Staff has submitted a draft standards request and matrix to the NAESB office in order to better illustrate what the scope of the project may be. Ms. York explained that a subcommittee chair meeting will take place to review the matrix. Mr. Gallagher asked whether a copy of the matrix could be sent out by email. Mr. Booe explained that the matrix would be reviewed at the upcoming Executive Committee meetings.

UPDATE ON PHASE 3 OF THE EIR PROJECT: Ms. Trum, NAESB Staff Attorney, presented the update on Phase 3 of the EIR project. On the heels of the successful transition of the EIR from NERC to NAESB, NAESB is currently working with Open Access Technology International, Inc. (OATI, Inc.) and the Western Electricity Coordinating Council (WECC), to complete the last phase - Phase 3 - of the EIR project, which includes the incorporation of the WECC registry, currently managed through the WECC Interchange Tool (WIT), into the EIR. The departure of the WECC Registry creates one registry for the Eastern and Western United States. In late May to early June a series of informational industry sessions were held to provide an overview of the project. Parallel operations for WECC users of the EIR began on June 4, 2013 and the cutover date has been pushed back to midnight on October 29, 2013 in order to extend the period for entities to register their data in the EIR. Over 95% of the data is currently registered. To accommodate the rescheduled cutover, the October 29, 2013 retirement date for the legacy TSIN items, retained within the EIR as part of the original transition, along with the retirement of the CSV and MDB file formats will be postponed. The NAESB office will announce the rescheduled retirement date later this week. After the withdrawal of the CSV and MDB file formats, the EIR publication will transition to XML file format only. Mr. Booe thanked Ms. Trum for her update and work on the project.

UPDATE ON GAS-ELECTRIC HARMONIZATION ACTIVITIES: Ms. Crockett, Chair of the WGQ Executive Committee, provided the update on gas-electric harmonization activities. On October 15, 2013, an informal group reviewed the FERC Notice of Proposed Rulemaking (NOPR), *Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators*, Docket No. RM13-17-000, issued on July 18, 2013.² The participants of the informal group will report to NAESB Chairman Michael Desselle and to the October 22-24, 2013 Executive Committees that no inconsistencies were found between NAESB

² The July 18, 2013 FERC NOPR, “*Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators*,” Docket No. RM13-17-000, is available at: http://www.naesb.org/pdf4/ferc071813_nopr_geh.pdf.



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Business Practice Standards and the NOPR during the review. Also on October 15, 2013, the Board Strategic Plan Task Force held a conference call to address the information provided to them from the September 5, 2013 Board of Directors meeting and to map out NAESB strategies and supporting structures going forward. The Board Strategic Task Force has scheduled its next conference call on November 14, 2013. Ms. Crockett informed the callers that the agenda for the upcoming October 17, 2013 FERC Open Session included several items concerning Docket No. AD12-12-000, *Coordination Between Natural Gas and Electricity Markets*. Mr. Booe thanked Ms. Crockett for her update.

UPDATE ON THE DEMAND SIDE MANAGEMENT ENERGY EFFICIENCY (DSM-EE) CERTIFICATION PROGRAM: Ms. Trum, NAESB Staff Attorney, delivered the update on the DSM-EE Certification Program. On August 6, 2013, NAESB received a request from Dominion Voltage, Inc. to consider the development of a certification program for demand response and energy efficiency products and services that support the NAESB WEQ and Retail Energy Quadrant (RXQ) demand response and energy efficiency standards. During the September 5, 2013 NAESB Board of Directors meeting, NAESB Chairman Michael Desselle asked the Board Certification Program Committee to move forward with the development of a certification program. In addition, he requested that the co-chairs of the WEQ and RXQ reactivate the DSM-EE Subcommittee and create a task force that could develop a certification specification to support the program and standards. On October 7, 2013, the DSM-EE Task Force held its first meeting to discuss the specification. The participants focused on defining the scope of the specification, creating transparency, and the reporting of methodologies for measurement and verification of demand response and energy efficiency products. The task force exercised caution regarding specific methodologies, as it did not want to advocate the use of one method over another. The participants sought to develop a broadly applicable certification program that can span multiple technologies. At the meeting, several participants took action items to create an initial draft of the specification to give the task force a starting point to work from during its October 31, 2013 meeting. The Board Certification Program Committee met on October 10, 2013 to discuss the development of the certification program. At its November 1, 2013 meeting, the committee will begin work on a draft template for the certification program.

UPDATE ON NAESB SMART GRID ACTIVITIES: Mr. Booe, NAESB Vice President, delivered the update on recent Smart Grid activities. He stated that he was currently in contact with the Chairs of the RXQ Subcommittees in order to gather the experts needed to review and update NAESB REQ.21 Energy Services Provider Interface (ESPI) Model Business Practice. The Data Privacy Task Force remains inactive as it awaits the results of the Department of Energy (DoE) Federal Smart Grid Task Force's voluntary code of conduct effort. The voluntary code of conduct will focus on data privacy for utilities and third parties providing consumer energy use services. As the NAESB data privacy model business practices are applicable to both distribution companies and third parties that maintain and distribute smart meter-based information, there is opportunity for significant overlap between the NAESB standards and the code of conduct. Additionally, NAESB has been coordinating with the Ontario Ministry of Energy to help facilitate the participation of Ontarian utility companies in the Ontario Green Button initiative. NAESB was contacted by the Ministry regarding use of the ESPI Model Business Practice as part of their Green Button "Download My Data" and "Connect My Data" initiatives. The ESPI Model Business Practice will be used within a reference architecture guidance document outlining an implementation of the Green Button application. NAESB has granted waivers for students and entrepreneurs in a contest related to this effort and the winners will be declared at the beginning of next year. The DoE has announced that it will begin a similar App contest. In other news, the Smart Grid Interoperability Panel Inaugural Conference is scheduled for November 5-7, 2013 in Palm Beach, FL.

NAESB BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE MEETINGS: Mr. Booe, NAESB Vice President, delivered the update for the September 5, 2013 NAESB Board of Directors meeting in Houston, TX and the upcoming October 22-24, 2013 Executive Committee meetings hosted by Dominion in Richmond, VA. The September 5, 2013 NAESB Board of Directors meeting focused on strategic planning for the organization. A panel of industry frontrunners, including Pat Wood, Timothy Simon, Marc Spitzer, Bob Gee, Terry Thorn, Gerry Cauley, Ravi Anne, Emil Pena, Christine Tezak, Sheila Hollis and Annie McIntyre, provided their input to the Board regarding NAESB's direction for the next five to ten years. During the meeting, NAESB Chairman Michael



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Desselle, created the Board Strategic Plan Task Force and charged the group with identifying NAESB strategies and supporting organizational structures, and making recommendations to the full board. Interested parties are welcome to participate in the Board Strategic Plan Task Force meetings. Other Board agenda items included the review of a written request for NAESB to consider the development of a certification program submitted by Dominion Voltage, Inc., the adoption of a proposed amendment to the NAESB bylaws to support the NAESB Copyright Policy, and an update on the status of a change order issued by OATI, Inc. proposing an automated method for issuing emergency publications of the registry in the EIR. The October 22, 2013 WEQ Executive Committee meeting agenda includes the review of three minor corrections to Version 003 of the NAESB WEQ Business Practice Standards and the consideration of two recommendations. The October 23, 2013 RXQ Executive Committee agenda includes a review of the recommendations for NAESB Retail Book 3– Billing and Payments Model Business Practices and the Internet Electronic Transport Model Business Practices. Executive Committees will review the proposed 2014 Annual Plans for the quadrant. Mr. Booe stated that the WGQ 2014 Annual Plan Subcommittee conference call will take place on October 17, 2013 from 2:00 PM to 4:00 PM Central, the WEQ 2014 Annual Plan Subcommittee conference call is scheduled for Friday October 18, 2013 from 10:00 AM to 12:00 PM Central, and the Retail 2014 Annual Plan conference call will be held on October 18, 2013 from 2:00 PM to 4:00 PM Central.

REGULATORY UPDATES AND NAESB WEQ COURSE UPDATE: Mr. Booe indicated that NAESB is currently awaiting the issuance of two Final Orders from the FERC. The first will be a Final Order arising from the FERC NOPR, “*Standards for Business Practices and Communication Protocols for Public Utilities*,” Docket No. RM05-5-022, which was issued on July 18, 2013³ and proposes to incorporate by reference into its regulations Version 003 of the NAESB WEQ Business Practice Standards. The second Final Order will come from Docket No. RM13-17-000, which released the FERC NOPR “*Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators*” on July 18, 2013⁴. Additionally, NAESB has scheduled the “*NAESB WEQ Business Practice Standards: Updates and Changes Version 003 Course*” to be held in Houston, TX at the NAESB office on December 16-17, 2013. This class will be taught by subcommittee leaders who were actively engaged in the development of the standards and will provide a general overview of Version 003 of the NAESB WEQ Business Practice Standards, while highlighting changes from the prior version.

NEXT CONFERENCE CALL: The next Monthly Update conference call is scheduled for December 5, 2013 from 1:00 PM to 2:00 PM Central. The agenda and any work papers will be posted on the Monthly Update page of the NAESB website, accessible at the following link: http://www.naesb.org/monthly_update.asp. 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.

³ The July 18, 2013 FERC NOPR, “*Standards for Business Practices and Communication Protocols for Public Utilities*,” Docket No. RM05-5-022, is available at: http://www.naesb.org/pdf4/ferc_nopr_071813_weq_v003.docx.

⁴ The July 18, 2013 FERC NOPR, “*Communication of Operational Information Between Natural Gas Pipelines and Electric Transmission Operators*,” Docket No. RM13-17-000, is available at: http://www.naesb.org/pdf4/ferc071813_nopr_geh.pdf.



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NAESB Monthly Update Conference Call, Participant List

October 16, 2013 1:00 PM Central

Name	Organization
Pam Andromalos	American Electric Power
Jonathan Booe	North American Energy Standards Board
Jim Buccigross	Group 8760, LLC
Kathryn Burch	Spectra Energy Transmission
Ernie Cardone	New York Independent System Operator
Pete Connor	American Gas Association
Valerie Crockett	Tennessee Valley Authority
Marilyn Franz	NV Energy
Bill Gallagher	Vermont Public Power Supply
Bob Harshbarger	Puget Sound Energy, Inc.
Linda Horn	We Energies
Samara Jaffe	National Grid USA
Dan Koucha	Affiliation Unknown
Scott Lewter	Duke Energy Corporation
Elizabeth Mallett	North American Energy Standards Board
Melissa Mathew	Affiliation Unknown
Patrick McGovern	Georgia Transmission Corporation
Tom Pearce	Public Utilities Commission of Ohio
Alan Pritchard	Duke Energy Corporation
Denise Rager	North American Energy Standards Board
Jonathan Ritka	Affiliation Unknown
Narinder Saini	Entergy Corporation
Caroline Trum	North American Energy Standards Board
Johnny Useldinger	Portland General Electric
Kathy York	Tennessee Valley Authority
Randy Young	Boardwalk Pipeline Partners, LP