**via posting**

**TO:** NAESB Board Gas-Electric Harmonization Committee Members and posting for interested industry parties

**FROM:** Jonathan Booe, Deputy Director, NAESB

**RE:** Meeting Notes from theNAESB Board Gas-Electric Harmonization Committee Meeting on June 8, 2012

**DATE:** June 11, 2012

Dear Gas-Electric Harmonization Committee Members,

A Gas-Electric Harmonization Committee meeting was held on June 8, 2012 in Baltimore, MD. The meeting was called to order at 10:00 am Eastern. Ms. Crockett presided over the meeting. The notes and attachments below serve as a record for the meeting.

| **Notes from the June 8, 2012 NAESB Board Gas-Electric Harmonization Committee Meeting** |
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| **Administrative:** | Ms. Crockett welcomed the participants on the conference call. Ms. Booe provided the antitrust guidance and called the roll of the Committee. Quorum was established. Ms. Crockett reviewed the agenda and Mr. DeBoissiere moved to adopt it as drafted. Mr. Fusco seconded the motion and the motion passed without opposition. Ms. Crockett reviewed the notes from the April 24, 2012 meeting. Mr. Desselle moved to adopt the notes as drafted and Mr. DeBoissiere seconded the motion. The motion passed without opposition.  |
| **Discussion** | Ms. Crockett provided a quick summary of the past actions of the Committee that led to the development of the three work papers that will be reviewed during the meeting. She thanked the Committee members that submitted responses to the survey and Mr. Gee, Mr. Thorn and Mr. Smead for creating the draft documents that will serve as a basis for the final recommendations. She noted that the goal for today’s meeting is to further develop the recommendations and prepare a status report that can be presented at the June 21, 2012 Board meeting and opened the floor for discussion.Mr. Kruse cautioned the group about developing the recommendation directly from the survey, as the survey did not confirm that all of the Committee members agree that each of the observations are issues that need to be addressed by the industry. He stated that the recommendation should not imply complete consensus on every observation but rather note that the recommendation is compilation of individual observations or opinions of the Committee members. Mr. Parker concurred with Mr. Kruse’s assessment. Mr. Kirby stated that the work product of the Committee will not be an endorsement of every observation as an industry issue and recommended that the recommendation focus on only the those observations that are within the purview of NAESB. He encouraged the Committee to not predict outcomes or direct action for the resolution of issues that are not within NAESB’s scope. Ms. McQuade stated that many qualifiers will be included in the recommendation when addressing any items that entail commercial or policy aspects to alleviate the concerns noted by Mr. Kruse and Mr. Kirby. Mr. Gee cautioned the Committee members against being overly reticent and developing a recommendation that is opaque given the actions and comments of the regulators and industry leaders. He also stated that providing information on both areas of consensus and areas where there is disagreement will be helpful to the policy makers whether they have been classified as a policy, commercial or standards issues/observations.Mr. Kruse noted that there wasn’t any debate, votes or coalescence on any of the observations and that suggested that the recommendation include that statement. He also recommended that the report focus on the items/areas where the NAESB Board has authority to take action. Mr. Parker agreed that the Committee should focus its efforts only on the standards recommendations that the Committee fully supports, given the September deadline established by the Committee. Ms. McQuade reminded the participants that recommendations for NAESB standards development should only be made if the recommendation is for action that the NAESB Executive Committees can take. Mr. Goldenberg stated that in his review of the work papers he sees all of the observations falling into one of three categories, (1) areas where NAESB can develop standards, (2) areas where policy decision would have to be made before standards can be developed and (3) outside observations that have little bearing on the NAESB activities. Based on the discussion, Ms. Crockett stated that the thoughts of the Committee members will be considered and incorporated into the development of the preface of the recommendation and recommended that the Committee return its focus to the draft work papers developed for the meeting.Mr. Gee, Mr. Smead and Mr. Thorn each presented their draft work papers to the Committee. Through discussion the draft work papers were modified to reflect the consensus of the group. The resulting modifications to the outlines can be found through the following hyperlinks:* Standards Recommendations: <http://www.naesb.org/pdf4/geh060812a1.docx>
* Policy Issues: <http://www.naesb.org/pdf4/geh060812a2.docx>
* Commercial Issues: <http://www.naesb.org/pdf4/geh060812a3.docx>
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| **Other Business** | Next, Ms. Crockett stated that she would individually contact each of the Committee members that submitted comments – Mr. Moore, Ms. Cross, Mr. Goldenberg and Mr. Hartsoe to determine if the draft outlines as revised address their concerns. She noted that the comments may be attached to the final recommendation through footnotes if the Committee so chooses. Ms. Crockett noted that she will deliver an interim report during the upcoming Board meeting on the status of the Committee’s work and asked if any of the Committee members have recommendations for the report. Mr. Kirby stated that the summary that Ms. Crockett provided at the beginning of the meeting was very informative and highlights the extensive progress the Committee has made thus far. He recommended that the she provide a similar update at the Board meeting. Mr. Desselle supported Mr. Kirby’s recommendation and stated that the Committee can firm up the draft documents and discuss the interim report further during the next conference call before the meeting.  |
| **Next Meeting and Action Items:** | * The next conference call is scheduled for June 19, 2012 from 1:00 pm to 4:00 pm Central.
* Ms. Crockett stated that she would work with the NAESB office to schedule additional meetings and conference calls through September. She confirmed that the Committee is comfortable with the frequency of the conference calls and face to face meetings, as well as the location.
* Ms. McQuade stated that she would edit the draft outlines to correct grammatical mistakes and capture the thoughts and stylistic choices of the Committee before posting.
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| **Adjourn:** | The meeting was adjourned at 3:32 pm Eastern. |
| **Work Papers Provided for the Meeting:** | **Meeting Related Documents:*** Announcement and Agenda: <http://www.naesb.org/pdf4/geh060812a.docx>
* Draft Outline for Committee Work – Standards Recommendations: <http://www.naesb.org/pdf4/geh060812w1.docx>
* Draft Outline for Committee Work – Policy Issues: <http://www.naesb.org/pdf4/geh060812w2.docx>
* Draft Outline for Committee Work – Commercial Issues: <http://www.naesb.org/pdf4/geh060812w3.docx>
* Comments Submitted by W. Moore, Southern Company Services, Inc.: <http://www.naesb.org/pdf4/geh060812w4.doc>
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| **Notes from the June 8, 2012 NAESB Board Gas-Electric Harmonization Committee Meeting** **GAS-ELECTRIC HARMONIZATION COMMITTEE MEMBERS** |
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| **Name** | **Organization**  | **Attendance** |
| Vicky Bailey | BHMM Energy Services, LLC | In Person |
| Craig Colombo | Dominion Resources | Phone |
| Valerie Crockett *(Co-Chair)* | Tennessee Valley Authority | In Person |
| Alex DeBoissiere | The United Illuminating Company | In Person |
| Michael Desselle | Southwest Power Pool | In Person |
| Katie Elder | Aspen Environmental Group | Phone |
| Lisa Epifani | Van Ness Feldman | In Person |
| Arthur Fusco | Central Electric Power Cooperative Inc. | In Person |
| William Gallagher | Vermont Public Power Supply Authority | Phone |
| Bob Gee | Gee Strategies Group, LLC | In Person |
| Michael Gent | Open Access Technology International, Inc.  | Phone |
| Michael Goldenberg | FERC | In Person |
| Joseph Hartsoe | American Electric Power Service Corp. | Phone |
| Kevin Kirby | ISO New England, Inc. | In Person |
| Richard Kruse | Spectra Energy Transmission | In Person |
| Lou Oberski | Dominion Resources Services, Inc.  | Phone |
| Joelle Ogg | DC Energy | Phone |
| Randy E. Parker | ExxonMobil Gas and Power Marketing Company | In Person |
| Andrew Rodriquez | North American Electric Reliability Corporation | In Person |
| Keith Sappenfield | Encana Oil & Gas (USA), Inc. | Phone |
| Commissioner Timothy Simon | California Public Utility Commission | Phone |
| Rick Smead | Navigant Consulting, Inc. | Phone |
| Terence (Terry) Thorn | KEMA Gas Consulting Services | Phone |
| **OTHER ATTENDEES** |
| **Name** | **Organization**  | **Attendance** |
| Jonathan Booe  | NAESB | In Person |
| Kathryn Burch  | Spectra Energy | In Person |
| Pete Connor | Representative for AGA | Phone |
| Dale Davis | Williams Gas Pipeline | In Person |
| James Gallagher | New York ISO  | Phone |
| Bill Griffith | El Paso Natural Gas | Phone |
| Jerry Gross | Questar Pipeline | Phone |
| Cynthia Henry | Xcel Energy | Phone |
| Ronnie Hensley | Southern Star Central Gas Pipeline | Phone |
| Elizabeth Mallett | NAESB  | Phone |
| Beth Martin | Wisconsin Electric Power Company | Phone |
| Rae McQuade  | NAESB | In Person |
| John Moura | NERC | In Person |
| Lori-Lynn Pennock | Salt River Project | Phone |
| Phil Precht | Baltimore Gas & Electric | In Person |
| Jennifer Rinker | Spectra Energy | In Person |
| Christopher Roth | Midwest ISO | Phone |
| Lisa Simpkins | Constellation Energy | In Person |
| Ed Skiba | Midwest ISO | In Person |
| Veronica Thomason | NAESB | In Person |
| Roy True | ACES Power Marketing | Phone |
| Kathy York  | TVA | Phone |

\*Please note that attendees that did not provide their company affiliation are not included in the attendance list above. If you did attend this meeting and are not listed, please alert the NAESB office and we will update this record.