March 18, 2019

**TO:** NAESB Board of Directors, Executive Committee (EC) Members, EC Alternates, and Invited Guests

**FROM:** Jonathan Booe, NAESB Executive Vice President & CAO

**RE:** Draft Minutes from the NAESB Board of Directors Meeting – December 13, 2018

**NAESB BOARD OF DIRECTORS MEETING & MEETING OF THE MEMBERS**

**Marriott Marquis Hotel, Houston, Texas**

**Thursday, December 13, 2018 – 9:00 a.m. to 1:00 p.m. Central**

**Draft Minutes**

1. **Administration and Welcome**

Mr. Desselle opened the meeting and welcomed the board members and guests. Mr. Booe provided the antitrust and meeting policy guidance and called the roll of the NAESB board members. Quorum was established. Mr. Desselle reminded the participants that meeting will be transcribed and apologized for being unable to attend the meeting in person. He welcomed the new members to the Board of Directors and thanked the outgoing members for their participation in the organization.

1. **Adoption of the Consent Agenda**

Mr. Desselle reviewed the consent agenda, which included the [agenda](https://naesb.org/pdf4/bd121318a.docx), the [draft minutes](https://www.naesb.org/pdf4/bd040617fm.docx) from the [September 6, 2018](https://www.naesb.org/pdf4/bd090618dm.docx) Board of Directors meeting and the 2018 [Wholesale Gas](https://naesb.org/pdf4/wgq_ec101118a1.docx), [Wholesale Electric](https://naesb.org/pdf4/weq_ec100918a3.docx) and [Retail](https://naesb.org/pdf4/retail_ec101018a1.docx) annual plans. Mr. Lander moved to adopt the consent agenda and Mr. True seconded the motion. The motion passed without opposition.

1. **Membership and Financial Reports**

Ms. McQuade reviewed the membership and financial [report](https://www.naesb.org/misc/finance_membership_report_sept2018.docx) with the participants. She noted that while membership was at 304 companies, she expects that the organization may see a small drop in the following year as a result of recent industry consolidations. In review of the financials, she stated that the deficit expected at the end of the year could be attributed to the lack of standards sales and the resulting decline in revenue of about $65,000. This amount is roughly equal to the negative retained earnings that the organization expects to report at the end of 2018. She noted that she is hopeful that the membership dues increase approved by the Board of Directors at the last meeting will begin to turn the direction of the financials in 2020. Ms. McQuade asked if there were any questions, and none were offered.

Next, Ms. McQuade reviewed the proposed budget for the 2019 with the board members. She stated that the proposed budget is very similar to the 2018 budget with minor adjustments made to reflect the revenue and expense changes in in 2019. Mr. Desselle asked if there were any questions, and none were offered. Mr. Burks moved to adopt the proposed 2019 budget and Ms. Crockett seconded the motion. The motion passed without objection.

1. **Reports from Board Committees**

Managing Committee:Mr. Desselle stated that the Managing Committee has not met since the last Board meeting and all communications since September have taken place via email.

Parliamentary Committee: Mr. Desselle reviewed the activities of the Parliamentary Committee. He stated that the Committee had held one meeting since the September Board of Directors meeting to continue efforts to develop modifications to the NAESB governance documents, specifically the Certificate of Incorporation, as part of the update and consistency review. During the meeting on November 15, 2018, the Committee wrapped up the review of the Certificate of Incorporation and intend to move into a review of the NAESB Bylaws in 2019. Mr. Booe noted that the Committee discussed the possibility of incorporating the individual quadrant procedures into the NAESB Bylaws in support of the weighted voting discussions that took place earlier the year and the ANSI principles of equity and balance of interests, but a final decision for consideration by the Board has not been made.

Revenue Committee: Mr. Desselle provided a report of the Revenue Committee activities since the last board meeting. He stated that during the last committee meeting, also on November 15, 2018, the Revenue Committee discussed the normal standing agenda items for the Committee, including the publication cycle, communications efforts, membership status and revenue generation, but also reviewed the forecasted revenue estimates included in the proposed 2019 budget. Ms. Crockett suggested that the Committee consider the impact that industry consolidations may have on the NAESB membership. Mr. Desselle stated that he would take the recommendation under advisement and include it in the Committee’s next discussions.

Board Strategic Plan Task Force: Mr. Desselle stated that the Task Force met on October 25, 2018 to continue discussions concerning the results of the biennial industry survey distributed over the summer, review the proposed 2019 quadrant annual plans and vote on modifications incorporated into the 2019-2021 NAESB Strategic Plan. During the meeting, the Task Force reviewed and approved the proposed 2019 quadrant annual plans as consistent with the NAESB 2017-2019 NAESB Strategic Plan and determined that nothing further should be done in response to the industry survey, as a number of items included on the survey had been incorporated into the proposed annual plans. Mr. Desselle moved to adopt the recommendation of the Task Force and approve the [2019-2021 NAESB Strategic Plan](https://www.naesb.org/misc/proposed_2019_2021_strategic_plan_110218.docx). Mr. Burks seconded the motion, and the motion passed without opposition.

Retail Structure Review Committee: Mr. Burks stated that the Retail Structure Review Committee has continued discussions concerning recommendations that could be made to the Board of Directors to increase participation and membership within the quadrant and that a report from the Committee is forthcoming.

Critical Infrastructure Committee: Mr. Burks stated that the activities of the Committee had been discussed in depth at the Leadership Meeting and noted that the Committee will next meet after the new year to review the surety assessment report expected from Sandia National Laboratory (SNL) on December 31, 2018.

Mr. Pena recommended that NAESB consider creating a overarching “digital committee” to review the breadth of new technologies that are being brought forward as possible solutions to increase efficiency in the market, including blockchain and new data analytics. Mr. Desselle asked Mr. Pena if he was proposing that the Board of Directors create a new board committee. Mr. Pena confirmed that he was requesting that a committee of the board be established to review existing technologies and the impact that the large increase in the amount of data that energy companies have access to may impact the existing NAESB standards and future NAESB standards. The participants discussed the possibility of creating a new committee and noted that there could be difficulty defining a scope for the committee’s activities, given how broad the applicability of digital technology is in the energy industry. Support was voiced for defining a scope of work for any new committee created. It was also noted that any action to create the committee and its activities should not be delayed, as technological advances and implementation are happening at an accelerated rate. Mr. Desselle stated that he would investigate the institution of a new committee or the expansion of the activities of the Critical Infrastructure Committee based on upon the discussion.

Mr. Desselle asked if Mr. Brown would mind changing the order of business by allowing the board to review the project and leadership updates and approve the 2019 quadrant annual plans prior to Mr. Brown’s presentation. Mr. Brown acquiesced to the request.

**5. Project Discussions and Leadership Session Reviews**

Mr. Desselle provided a brief recap of the discussion that took place during the leadership meeting and noted that a significant portion of the meeting was dedicated to discussion concerning the publication cycles and the status of the potential adoption of the NAESB WEQ Business Practice Standards by the Federal Energy Regulatory Commission (Commission). Mr. Desselle also stated that he would like to change the name of the Board Strategic Plan Task Force to the Board Strategy Committee, unless there were objections expressed. No objections were offered. Mr. Booe reviewed the work items that have been slated for early 2019 and noted that the board should expect a significant amount of work to be completed in the first quarter of the year.

**6. Discuss and Approve the 2019 Annual Plans**

Mr. Desselle asked if there were any changes proposed to the 2019 quadrant annual plans included in the meeting materials and discussed during the leadership meeting. Mr. Wood noted that WEQ 2019 Annual Plan should be modified to note that items 3(b) and 3(f) should have been completed. Mr. Peress moved to adopt the 2019 quadrant annual plans as discussed and modified, and Mr. Lauby seconded the motion. The motion passed without opposition.

**7. Presentation by Western Electricity Coordinating Council on the Gas-Electric Interface Study**

Mr. Desselle introduced Mr. Brown and thanked him for providing the Board of Directors with a review of the recent [WECC Report](https://naesb.org/pdf4/bd121318a2.pdf). Mr. Brown thanked the Mr. Desselle for the invitation to the meeting and provided the report to the Board of Directors. Upon the conclusion of his presentation, Mr. Burks opened the floor for questions. After the question and answer period, Mr. Burks thanked Mr. Brown for his participation.

**8. Old and New Business**

Mr. Booe provided an update of the regulatory activities of the organization and continued communication with the Department of Energy, the FERC, the NARUC, the NPC and NERC among others. He also noted the two reports submitted to the Commission since the last meeting and included in the materials. Mr. Burks thanked the invited guests for their participation and gave Mr. Spitzer, Mr. Hederman, Mr. Simon, Mr. Thorn, Mr. Smead, Ms. Hollis and Mr. Lauby an opportunity to provide any closing remarks. Mr. Booe reminded the participants about the Advisory Council meeting scheduled for February 2019 and encouraged participation.

**9. Adjourn**

The meeting adjourned at 11:43 am Central.

| **10. Board Attendance**  | **Attendance** |
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| **Wholesale Gas Quadrant Producers Segment** |
| Brandon Guderian | Manager, Gas & NGL Marketing, Devon Energy Corporation | Phone |
| Randy E. Parker | Regulatory Affairs Upstream Commercial, Exxon Mobil Corporation | In Person |
| Jennifer Minnis | Managing Counsel-IST Houston, BP America Inc. (BP Energy) |  |
| Y.J. Bourgeois | Manager Regulatory Affairs - Marketing, Anadarko Energy Services Company | In Person |
| Mark A. Zdenek | Director Gas Scheduling & Operations, ConocoPhillips Company |  |
| **Wholesale Gas Quadrant Pipeline Segment** |
| Millie S. Moran | Vice President, U.S. Commercial Operations, TransCanada Pipelines Limited | Phone |
| Ronnie Hensley | Business Analyst, Southern Star Central Gas Pipeline | In Person |
| Gene Nowak | Vice President – Transportation & Storage Services, Kinder Morgan Inc |  |
| Denise Adams | Director Regulatory Affairs, ONEOK Partners GP, LLC | In Person |
| Kim Van Pelt | Manager of Regulatory Reporting and Compliance, Boardwalk Pipeline Partners, LP | In Person |
| **Wholesale Gas Quadrant Local Distribution Company (LDC) Segment**  |
| Craig Colombo | Energy Trader III, Dominion Energy Inc. | In Person |
| Tim Sherwood | Vice President – Gas Supply Operations, Southern Company Gas |  |
| Mike Watson | Vice President, Supply & Optimization, NiSource |  |
| Mike Novak | Asst. General Manager, National Fuel Gas Distribution Corporation | Phone |
| Dennis Gee  | Principal Regulatory Analyst – Core Gas Supply Dept., Pacific Gas and Electric Company | Phone |
| **Wholesale Gas Quadrant End Users Segment** |
| Valerie Crockett | Senior Program Manager – Regulatory & Policy, Tennessee Valley Authority | In Person |
| Paul Zhang | Financial Trading Desk Head, Florida Power & Light Company |  |
| N. Jonathan Peress | Director, Energy Market Policy, Environmental Defense Fund, Inc. | Phone |
| Willis E. McCluskey | Senior Fuel Supply Analyst, Salt River Project Agricultural Improvement & Power District | Phone |
| Scott Wright | Executive Director Strategic Planning, Midcontinent Independent System Operator, Inc. |  |
| **Wholesale Gas Quadrant Services Segment** |
| Greg Lander | President, Skipping Stone, LLC | Phone |
| Rakesh Agrawal | Executive Vice President, Blackstone Technology Group, Inc. |  |
| Sylvia Munson | President, 44Farris, LLC | Phone |
| Keith Sappenfield | Principal Consultant, Environmental Resources Management | Phone |
| Ginger Richman | Vice President, NJR Energy Services | In Person |
| **Retail Energy Quadrant Electric Utilities Segment** |
| Stuart Laval | Director, Technology Development, Duke Energy Corporation | Phone |
| Debbie McKeever | Market Advocate, Oncor Electric Delivery Company LLC | In Person |
| Brandon Stites | Director - Electric Distribution Construction (Dominion Energy Virginia/North Carolina), Dominion Energy | In Person |
| Dennis Derricks | Director, Regulatory Affairs, WEC Energy Group | Phone |
| **Retail Energy Quadrant Gas Market Interests Segment** |
| Leigh Spangler | President, Latitude Technologies LLC | In Person |
| Scott Mosley | Physical Trading, SouthStar Energy Services LLC |  |
| Alonzo Weaver | Vice President of Engineering and Operations, Memphis Light, Gas & Water Division (APGA) |  |
| Dave Darnell | President & CEO, Systrends USA | In Person |
| **Retail Energy Quadrant Electric End Users/Public Agencies Segment** |
| James P. Cargas | Senior Assistant City Attorney, City of Houston |  |
| Susan Anthony | Market Support Services, Electric Reliability Council of Texas, Inc. (ERCOT) | Phone |
| Tobin Richardson | President and CEO, ZigBee Alliance |  |
| Robert G. Gray | Public Utilities Manager, Arizona Corporation Commission |  |
| **Retail Energy Quadrant Electric Service Providers/Suppliers Segment** |
| Larry Lackey | Director Cybersecurity and Standards Development, Open Energy Solutions, Inc. |  |
| J. Cade Burks | President, Big Data Energy Services | In Person |
| Jeremy J. Roberts | General Manager & Executive Director, Green Button Alliance | Phone |
| **Wholesale Electric Quadrant Transmission Segment** |
| Heather Burnette | Manager – Stakeholder Services & Contracts, Tennessee Valley Authority | Phone |
| Paul Graves | Manager of Tariff Administration, Duke Energy Corporation |  |
| Patrick McGovern | Manager – System Services, Georgia Transmission Corporation | In Person |
| Alex DeBoissiere | Senior Vice President – Government Relations, AVANGRID | In Person |
| Cameron Warren | Manager, Operations Engineering, Entergy Services, Inc. | In Person |
| Terry Mozena | Transmission Services Manager, Southern Company Services, Inc. | Phone |
| Marchelle Watson | Manager, Transmission Commercial Systems Management (Transmission Marketing and Sales), Bonneville Power Administration |  |
| **Wholesale Electric Quadrant Generation Segment** |  |
| David Canter | Manager, RTO & Public Policy, American Electric Power Service Corp. | In Person |
| Karen Utt | Climate Policy Sr. Program Manager, Sustainability & Climate, Tennessee Valley Authority |  |
| Lou Oberski | Director NERC Reliability Compliance and NERC Policy, Dominion Resources Services, Inc. |  |
| Brad Cox | Vice President – Markets & Compliance, Tenaska, Inc. | In Person |
| Derek Mauzy | Director, Market Research/Competitive Intelligence, NRG Energy, Inc. | In Person |
| Scott Teel | Vice President – Commercial Operations, Southern Company Services, Inc. |  |
| William J. Gallagher | Special Projects Chief, Vermont Public Power Supply Authority | In Person |
| **Wholesale Electric Quadrant Marketers/Brokers Segment** |
| Roy True | Director of Regulatory and Market Affairs, Alliance for Cooperative Energy Services Power Marketing LLC (ACES) | In Person |
| Timothy Gerrish | Director of Origination – Energy Marketing & Trading, Florida Power & Light Company |  |
| Michael P. Ward II | Director of System Operations, Seminole Electric Cooperative Inc. |  |
| Dianne Hensley | General Manager Power Trading, Tennessee Valley Authority  |  |
| Rebecca Johnson | Transmission Advisor, Western Area Power Administration | Phone |
| R. Scott Brown | Strategic Initiatives and Analysis – Exelon Corporation, Exelon Generation Company, LLC | Phone |
| **Wholesale Electric Quadrant Distribution/Load Serving Entities (LSE) Segment** |
| David Crabtree | Director – Federal Regulatory Affairs, Compliance & Transmission Policy, Tampa Electric Company |  |
| Bruce Ellsworth | New York State Reliability Council | In Person |
| Mark G. Lauby | Senior Vice President and Chief Reliability Officer, North American Electric Reliability Corporation | In Person |
| Nelson Peeler | Vice President – Transmission System Planning and Operations, Duke Energy Corporation |  |
| Paul McCurley | Chief Engineer, National Rural Electric Cooperative Association |  |
| **Wholesale Electric Quadrant End Users Segment** |
| Leo Grove | President, SSL.com |  |
| Lila Kee | General Manager and Chief Product Officer, GMO GlobalSign, Inc. |  |
| Jerry Dempsey | Sr. Vice President – Business Development, Sales and Marketing, OATI | Phone |
| Ken McIntyre | Vice President, Standards and Compliance, North American Electric Reliability Corporation |  |
| **Wholesale Electric Quadrant Independent Grid Operators/Planners** |
| Gregory Campoli | Manager, Reliability Compliance and Industry Affairs, New York Independent System Operator, Inc. (NYISO) |  |
| Joel Mickey | Director of Market Design and Development, Electric Reliability Council of Texas, Inc. (ERCOT) | Phone |
| Michael Desselle | VP & Chief Compliance and Administrative Officer, Southwest Power Pool | Phone |
| Robert Ethier | Vice President Market Operations, ISO New England, Inc. | In Person |
| Ed Skiba | Consulting Advisor Standards Compliance, MISO | In Person |
| Brian Jacobsen | Manager of Enterprise Model Management, California ISO |  |
| Stu Bresler | Senior Vice President Operations and Markets, PJM Interconnection, LLC |  |
| **Wholesale Electric Quadrant Technology and Services** |
| David A. Wollman | Deputy Director, Smart Grid and Cyber-Physical Systems Program Office (NIST Engineering Laboratory), National Institute of Standards and Technology (NIST) | In Person |
| Jim Buccigross | Vice President – Energy Industry Practice, 8760 Inc. | Phone |
| Bryan Kelly | Sr. Director, Product Management, Power Costs, Inc. | Phone |
| David Nilsson | Senior Vice President, Adapt2 Solutions, Inc. | Phone |
| Mark Stultz | Managing Partner, EVC Insights, LLC | Phone |
| E. Russell Braziel | President, RBN Energy, LLC |  |
| Somil Goyal | Chief Operating Officer, Adjoint Inc. |  |

| **11. Other Attendance** |
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| Name | Organization | **Attendance** |
| Leonard Ashley | MISO | Phone |
| Linda Benally | Arizona Public Service Corporation | In Person |
| Jonathan Booe | NAESB Office | In Person |
| Bill Boswell | NAESB General Counsel | In Person |
| Michelle Brocklesby | Latitude Technologies | In Person |
| Layne Brown | WECC | In Person |
| Richard Brown | PJM | Phone |
| Tom Coleman | NERC | In Person |
| Pete Connor | AGA | Phone |
| Debbie Currie | SPP | In Person |
| Mary Do | Big Data Energy | In Person |
| Michelle Foss | University of Texas | Phone |
| Tom Gwilliam | Iroquois | In Person |
| Bill Hederman | Deloitte and Touche | In Person |
| Rachel Hogge | Dominion | In Person |
| Shelia Hollis | Duane Morris | Phone |
| Ashley Kelly | APS | Phone  |
| Birendra Kumar | Adapt2 Soulitions | In Person |
| Nicole Lopez | Kinder Morgan | In Person |
| Richard Magrann-Wells | Adjoint | In Person |
| Elizabeth Mallett | NAESB Office | In Person |
| Marcy McCain | Enbridge (U.S.) Inc. | Phone |
| Steve McCord | TransCanada Pipelines Limited | In Person |
| Rae McQuade | NAESB Office | In Person |
| Emil Pena | Emil Pena Interests, Inc. | In Person |
| Josh Phillips | SPP | In Person |
| Denise Rager | NAESB Office | In Person |
| Deepak Raval | NiSource | Phone |
| Narinder Saini | Energy | In Person |
| Timothy Simon | TAS Strategies | In Person |
| Lisa Simpkins | Exelon | Phone |
| Rick Smead | RBN Energy | In Person |
| Mark Spitzer | Steptoe & Johnson | In Person |
| Veronica Thomason | NAESB Office | In Person |
| Terry Thorn | JKM Consulting | In Person |
| Caroline Trum | NAESB Office | In Person |
| Elena Vasiliadi | Gunvor USA LLC | In Person |
| Jill Vaughan | Court Reporting | In Person |
| Kham Vongkhamchanh | Entergy Services | In Person |
| Alex Williams | Dominion Energy Transmission | In Person |
| JT Wood | Southern Company | Phone |
| Ken Yagelski | Southern Company Gas | In Person |
| Charles Yeung | SPP | In Person |
| Randy Young | Boardwalk Pipeline Partners | Phone |