November 26, 2019

**TO:** NAESBParliamentary Committee Members: Bill Boswell, Jim Buccigross, Cade Burks, Brad Cox, Valerie Crockett, Michael Desselle, Bruce Ellsworth, Greg Lander, Debbie McKeever, Rae McQuade, Randy Parker, Timothy Simon, Kim Van Pelt

**FROM:** Elizabeth Mallett, NAESB Deputy Director

**RE:** Parliamentary Committee Draft Meeting Minutes – November 21, 2019

**NAESB Parliamentary Committee Conference Call**

**Thursday, November 21, 2019 from 11:00 AM to 12:30 PM Central**

1. **Administration and Welcome**

Mr. Desselle welcomed the participants and called the meeting to order. Ms. Mallett read the Antitrust and Other Meeting Policies. Mr. Desselle called the roll of the committee members and established quorum. Mr. Desselle reviewed the agenda with the committee. Ms. Crockett, seconded by Mr. Burks, moved to adopt the agenda as final.

The August 20, 2019 draft meeting minutes were approved as final on a motion by Mr. Burks. Ms. Crockett seconded the motion and the motion passed without opposition.

1. **Discuss Managing Committee Recommendation from October 22, 2019 Conference Call**

The participants reviewed the [Recommendation from the Managing Committee](https://www.naesb.org/pdf4/parliamentary112119w1.docx). Mr. Desselle stated that, during its October 22, 2019 conference call, the Managing Committee discussed and drafted the recommendation that contains a proposed revision concerning the qualifications of members of the Board of Directors (Directors). The recommendation asks the Parliamentary Committee to consider incorporating the proposed revision into the NAESB Bylaws. Mr. Desselle stated that the needs of the organization should be clear when electing Directors. He stated that a note was drafted in [Board Members Work Paper 1](https://naesb.org/pdf4/managing102219w1.docx) to remind individuals of the duties of care, loyalty, and obedience. He stated that the potential Directors also should check that they are covered by their individual company’s proper insurance policies to supplement those provided by NAESB.

Ms. Van Pelt asked for the correlation between representing NAESB as a Director and the language “on behalf of your organization” in the proposed provision. Ms. Crockett stated that, when she is voting on the board level, she represents NAESB and her company is aware of that fact. Mr. Boswell stated that once a Director is sat, their obligation is to the board that they serve. Ms. Van Pelt asked for clarification on [Board Members Work Paper 2](https://www.naesb.org/pdf4/managing102219w2.docx) which focuses on Section 7.2 Qualifications of Board Directors within each of the Quadrant Bylaws Addendums. Mr. Booe stated that the language between the quadrants for the section is similar but the Managing Committee chose the RMQ version of the language to include in the proposed provision because the RMQ version provides more detail. Mr. Boswell explained that there were two concerns to be addressed in the language: 1.) As a potential board member, you need to be able to speak on behalf of your company. 2.) When you vote on the board, you are voting in the interest of NAESB. The participants modified the proposed revisions to reflect the two concerns listed by Mr. Boswell. The committee agreed to incorporate the proposed language into the NAESB Bylaws and remove the language from the Quadrant Bylaws Addendums to prevent conflicting language in future updates.

1. **Review the NAESB Bylaws Update Work Paper and Any Comments Submitted**

Mr. Booe reviewed the [NAESB Bylaws Work Paper](https://www.naesb.org/pdf4/parliamentary112119w2.docx). He stated that Meeting of the Members was capitalized throughout the document.

Section 1.1(G): Mr. Booe asked whether this section should be revised for consistency with the discussion in previous meetings regarding the structure of the Executive Committees. He stated that, in the past, NAESB had one Executive Committee. In recent discussions, the Parliamentary Committee determined that the term “Executive Committee” should refer to one, or any combination of the quadrant Executive Committees. The committee agreed that the term “Executive Committee” should apply to one or any combination of quadrant Executive Committees and retained the modifications to the section.

Section 1.1(N): Mr. Booe stated that the definition of “Non-Voting Member” was changed to mirror the definition in the NAESB Certificate of Incorporation. The committee agreed to the modification.

Section 1.1(O): The committee agreed to the deletion of the extraneous open parenthesis in this section.

Section 1.1(P): The committee modified the order of words in this section to create the more familiar phrase: “wholesale gas, wholesale electric, and retail markets.”

Section 1.1(T): Mr. Booe stated that “the Triage Subcommittee” was replaced with “the EC” because the modification reflects the current practice of the Executive Committees considering the request. The committee agreed with the modification.

Section 5.3: The committee agreed that “individual” should be made plural in this section to reflect the current practice that allows for the possibility of transferring representation to multiple individuals.

Section 7.2: Mr. Booe noted that this section would be an appropriate place to insert the provision recommended by the Managing Committee concerning the qualification of Directors, as discussed above. Mr. Desselle agreed.

Section 7.7: Mr. Booe explained that “upon receipt by NAESB” was replaced with “upon receipt by the Secretary” in this section because an individual should be identified, rather than the organization as a whole. The committee agreed to the change.

Section 7.8(a): Mr. Booe stated that the Board of Directors *or* the chair of the Board may create committees, as needed, to address different issues. He stated that the phrase “or the chair of the board” was added to reflect the current practice. For example, the Board Digital Committee, the Board Critical Infrastructure Committee, and the Board Strategic Plan Task Force (now called the Board Strategy Committee), were all created by Mr. Desselle as the chair of the board. The committee agreed with the modification. Mr. McCord stated that some of the committees have Advisory Council members as well as board members participating, such as the Board Digital Committee. He suggested that the last sentence in the section be modified to reflect that practice. Mr. Booe stated that he would make a note to include the concept in a different section.

Section 7.8(b): The committee agreed to add the phrase, “the Chair of the Advisory Council” to the list of Managing Committee members.

Section 8.8: Mr. Booe noted that he and Ms. Mallett searched Delaware General Corporation Law to determine whether “books” had to be on paper. He noted that, per Title 8 § 224 of the Delaware Code, the books can be stored in an electronic format.

Section 9.3: As described above, this section capitalizes the phrase “Meeting of the Members.”

Section 9.7(g): The committee agreed to delete the word “threshold,” to clarify that the participation, not the threshold would be reviewed.

Section 10.3(a): Mr. Booe stated that NAESB has never had three vice chairs, so the proposed language was corrected to state “an EC Chair and a Vice Chair.” Additionally, the proposal to change “Quadrant” to “Segment” at the end of the first sentence was discussed. Mr. Desselle suggested deleting the whole parenthetical that contained the language in question. The participants agreed.

Section 10.3(b): The committee agreed to delete the parenthetical, “(in order of preference)”, since the multiple vice chair concept was removed in Section 10.3(a).

Section 10.3(e): Mr. Booe explained that the proposed changes in this section address the term “EC”, as it is now defined as one or any combination of quadrant Executive Committees. The phrase “or as set by the annual plan” was included to reflect the current practice of the Executive Committee considering standards through both the triage process and the annual plan items. The committee accepted both of the suggested modifications.

Section 10.3(i): Mr. Booe stated that this sentence was revised to clarify that the ratification of a standard requires 67% approval of the members returning ballots, rather than 67% of all of the members of the applicable quadrant(s).

Sections 10.4(a)-(b): The committee agreed to modify these sections to be consistent with the definition of “EC.”

Section 10.4(g): Mr. Booe stated that, while this section stated that members may vote by proxy, Section 10.4(i) states that “[n]o substitutes shall be permitted to vote at EC meetings.” The committee determined that 10.4(g) should be deleted.

Section 10.4(h): Ms. McCain noted that this section also had the words “by proxy” in the last sentence. Mr. Booe stated that he would review the language and propose a modification to that section during the next call.

Section 10.4(j): Mr. Booe stated that the proposed language states that Executive Committee members shall participate in person at Executive Committee meetings at least once per year. The modification was made because, with only two Executive Committee meetings scheduled per year, the current phrase, “at less than twenty-five percent”, is no longer applicable. Mr. Booe emphasized that participating in the Executive Committee once a year through teleconference does not fulfill the Bylaws. Ms. Van Pelt asked what the outcome would be if an Executive Committee member missed the first meeting of the year and the second meeting gets cancelled. Mr. Booe stated that, since the number of Executive Committee meetings has decreased, there should be no cancellations.

Ms. McCain stated that some participants may not have the budget to travel. Mr. Booe asked whether the requirement to attend should be eliminated altogether. Mr. Boswell stated that the company of an Executive Committee member should know that the member has an obligation to show up. Ms. Crockett stated that TVA has several memberships and the travel budget can be an issue. Mr. Booe suggested that the section be highlighted and discussed during the next meeting. Mr. Boswell stated that the section should remain as revised, with a one meeting in person requirement. Mr. Booe stated that the intent of the modification was not to change the practice, but to recognize that the percentages in the section are no longer valid. The participants will continue this discussion during the next meeting.

Section 10.5: This section was revised to clarify that balanced voting is utilized in the subcommittees “when requested.” The committee accepted the revision.

Section 11.1: Mr. Booe stated that he and Ms. Mallett had searched for the requirements of “written notice” to ensure that the Bylaws were consistent with Delaware Law.

Mr. Desselle stated that all interested parties should submit any comments that they may have on the work paper for the next meeting.

1. **Discuss Next Steps**

During the next Parliamentary Committee conference call, the participants will continue discussion on changes to the Bylaws to include any undocumented practices and procedures of NAESB. A work paper will be posted for the next call incorporating the modifications that were approved during the instant meeting.

1. **Adjourn**

Mr. Burks moved to adjourn the meeting at 12:00 PM Central. Ms. Van Pelt seconded the motion which passed without opposition.

1. **Attendance by Committee Members**

|  |
| --- |
| **Parliamentary Committee Members** |
| **Name** | **Organization** | **Attendance** |
| Bill Boswell\* | NAESB General Counsel | Present |
| Jim Buccigross | 8760, Inc. |  |
| J. Cade Burks | Big Data Energy Services | Present |
| Brad Cox | Tenaska | Present |
| Valerie Crockett | Tennessee Valley Authority | Present |
| Michael Desselle | Southwest Power Pool | Present |
| Bruce Ellsworth | New York State Reliability Council | Present |
| Greg Lander | Skipping Stone, LLC |  |
| Debbie McKeever | Oncor Electric Delivery Company LLC | Present |
| Rae McQuade\* | North American Energy Standards Board | Present |
| Randy E. Parker | ExxonMobil Gas and Power Marketing Company |  |
| Timothy Simon | TAS Strategies |  |
| Kim Van Pelt | Boardwalk Pipeline Partners | Present |
| \*Mr. Boswell and Ms. McQuade are non-voting members of the Parliamentary Committee. |

1. **Other Attendants**

| **Name** | **Organization** |
| --- | --- |
| Jonathan Booe | North American Energy Standards Board |
| Elizabeth Mallett | North American Energy Standards Board |
| Marcy McCain | Enbridge (U.S.) Inc. |
| Steven McCord | TransCanada Pipelines Limited |
| Terry Thorn | JKM Energy & Environmental Consulting |