

North American Energy Standards Board

Board of Directors Status Update

July 30, 2020

Antitrust Guidelines and Other Meeting Policies

- Antitrust guidelines direct meeting participants to avoid discussion of topics or behavior that would result in anticompetitive behavior including: restraint of trade and conspiracies to monopolize, unfair or deceptive business acts or practices, price discriminations, division of markets, allocation of production, imposition of boycotts, and exclusive dealing arrangements.
- Any views, opinions or positions presented or discussed by meeting participants are the views of the individual meeting participants and their organizations. Any such views, opinions or positions are not the views, positions or opinions of NAESB, the NAESB Board of Directors, or any NAESB Committee or Subcommittee, unless specifically noted otherwise.
- As it is not the purpose of the meeting to discuss any antitrust topics, if anyone believes we are straying into improper areas, please let us know and we will redirect the conversation.
- Participants recording any portion of a NAESB meeting or conference call are reminded that federal and state statutes mandate various disclosure and consent requirements. It is NAESB's policy that participants comply with all applicable state and federal statutes related to the recording of conversations. As a courtesy to the meeting attendees, anyone taping a meeting should announce that they are doing so in the meeting before beginning the recording.
- Participants should understand that NAESB meetings are open to any interested party, who may or may not declare themselves present when attending by phone/web cast.
- Participants are advised to review the NAESB Intellectual Property Rights Policy Concerning Contributions and Comments.

North American Energy Standards Board Board of Directors Status Update – July 30, 2020

Agenda

- 10:00 A
1. **Welcome**
 - a) Welcome to Board members and guests
 - b) Antitrust Guidelines and Other Meeting Policies
 - c) Agenda Review
 2. **Organizational Update**
 - a) NAESB Efforts in the CoVid Environment
 - b) Membership Report
 - c) 2019 Year End Finance Review
 - d) 2020 Year to Date Finance Review
 3. **Board Committee Activities Update**
 - a) NAESB Digital Committee Inaugural Report
 - b) 2020 NAESB Standards Development Survey
 - c) Sandia Surety Assessment Report Response
 - d) NAESB Member Cybersecurity Survey
 - e) Board Certification Committee ACA Process Revision
 4. **Standards Activities Update**
 - a) Wholesale Electric Quadrant
 - b) Wholesale Gas Quadrant
 - c) Retail Markets Quadrant
 5. **Liaisons Activities Update – FERC, NERC, DoE, ANSI and NPC**
 6. **Upcoming Board Meeting – September 3, 2020**
- 11:30 A
7. **Adjourn**

Organizational Update

NAESB Efforts in the CoVid Environment

- NAESB transitioned to remote operations on March 24th
- Applied for Paycheck Protection Program (PPP) & Small Business Administration (SBA) Economic Injury Disaster Loan
- IRS 7200 - Advance Payment of Employment Credits Due to CoVid-19
- In person meetings have been made virtual through 2020
- The NAESB office will continue to work remotely until we can ensure the health and safety of the staff
- *The staff is extremely grateful for the support of the membership during this time*

Organizational Update
Membership Report – YE 2019

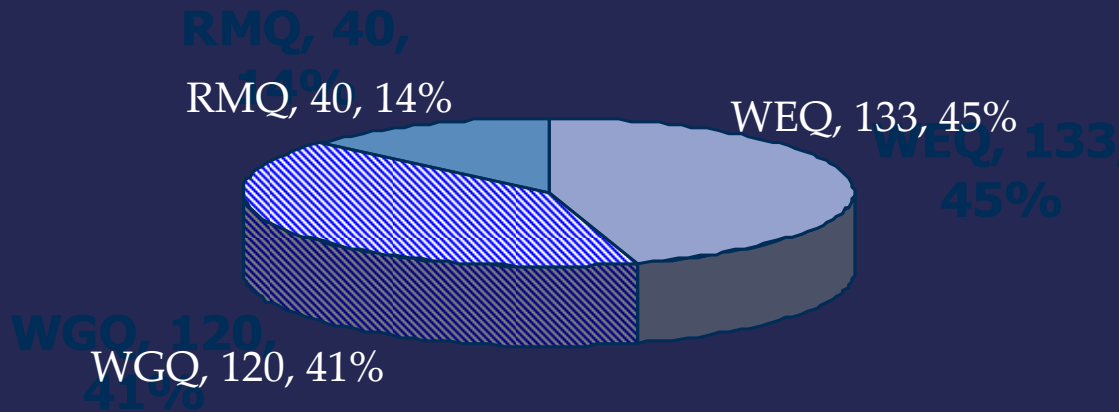
North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
Membership Report

**Membership
Profile**

**December 31,
2019**

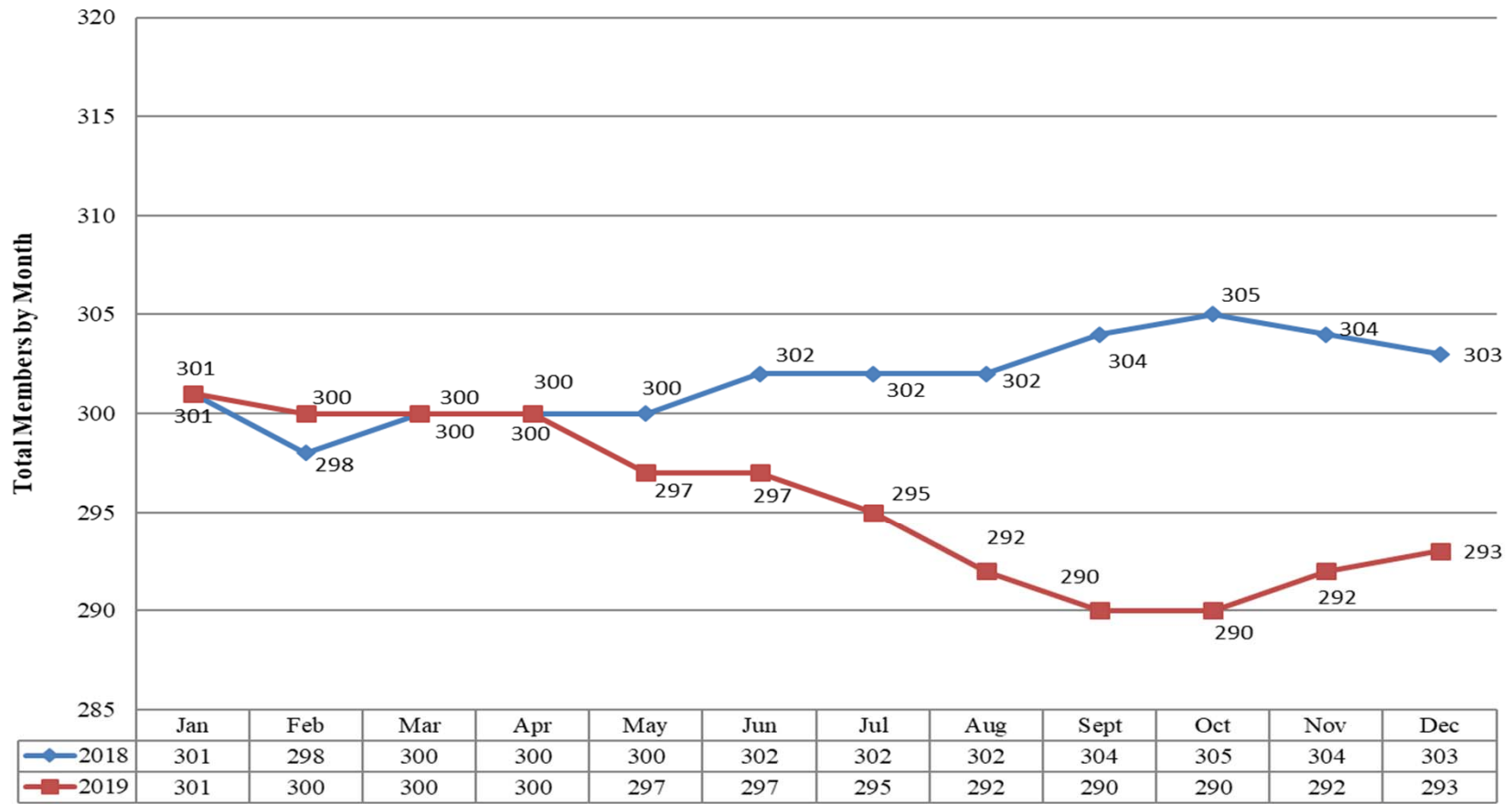
**Total Membership
293**



Quadrant Statistics	WEQ	WGQ	RMQ	Total
Membership YE 2018	138	124	41	303
Reclassification	0	0	0	0
Net Change	-5	-4	-1	-10
Membership YTD	133	120	40	293

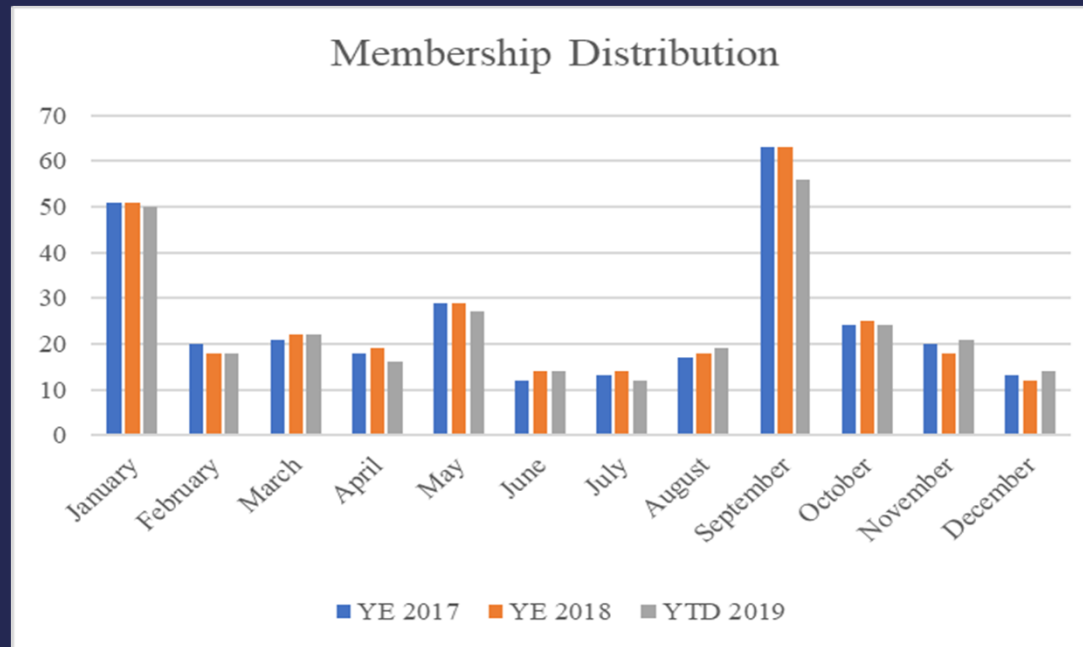
Organizational Update Membership Report

NAESB 2018-2019 Membership Comparison



North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
Membership Report



Membership Distribution Comparison as for December 2019													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
YE 2017	51	20	21	18	29	12	13	17	63	24	20	13	301
YE 2018	51	18	22	19	29	14	14	18	63	25	18	12	303
YTD 2019	50	18	22	16	27	14	12	19	56	24	21	14	293

North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
Membership Report

2019 NAESB Meeting Analysis			
		Total	
Period	Event	#	Hours
YE 2019	Meetings/Hours	88	375.75
	Calls/Hours	111	275
	Events/Hours	199	650.75
YE 2018	Meetings/Hours	58	242.5
	Calls/Hours	76	176
	Events/Hours	134	418.5

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Organizational Update
Membership Report –YTD 2020

North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

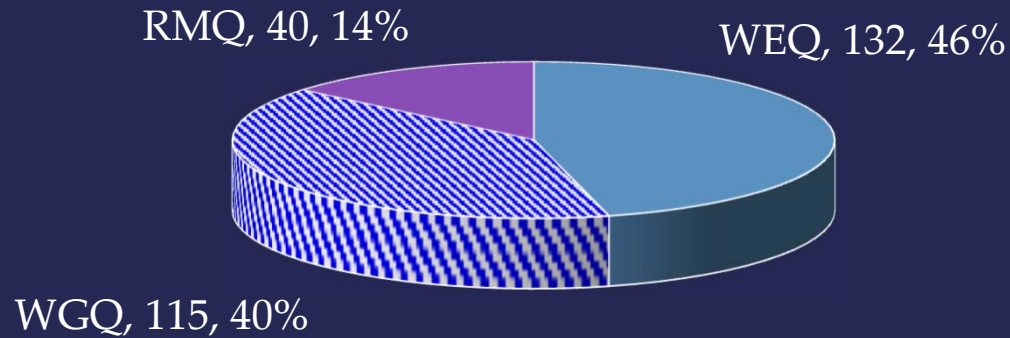
Organizational Update
Membership Report

**Membership
Profile**

April 30, 2020

Total Membership

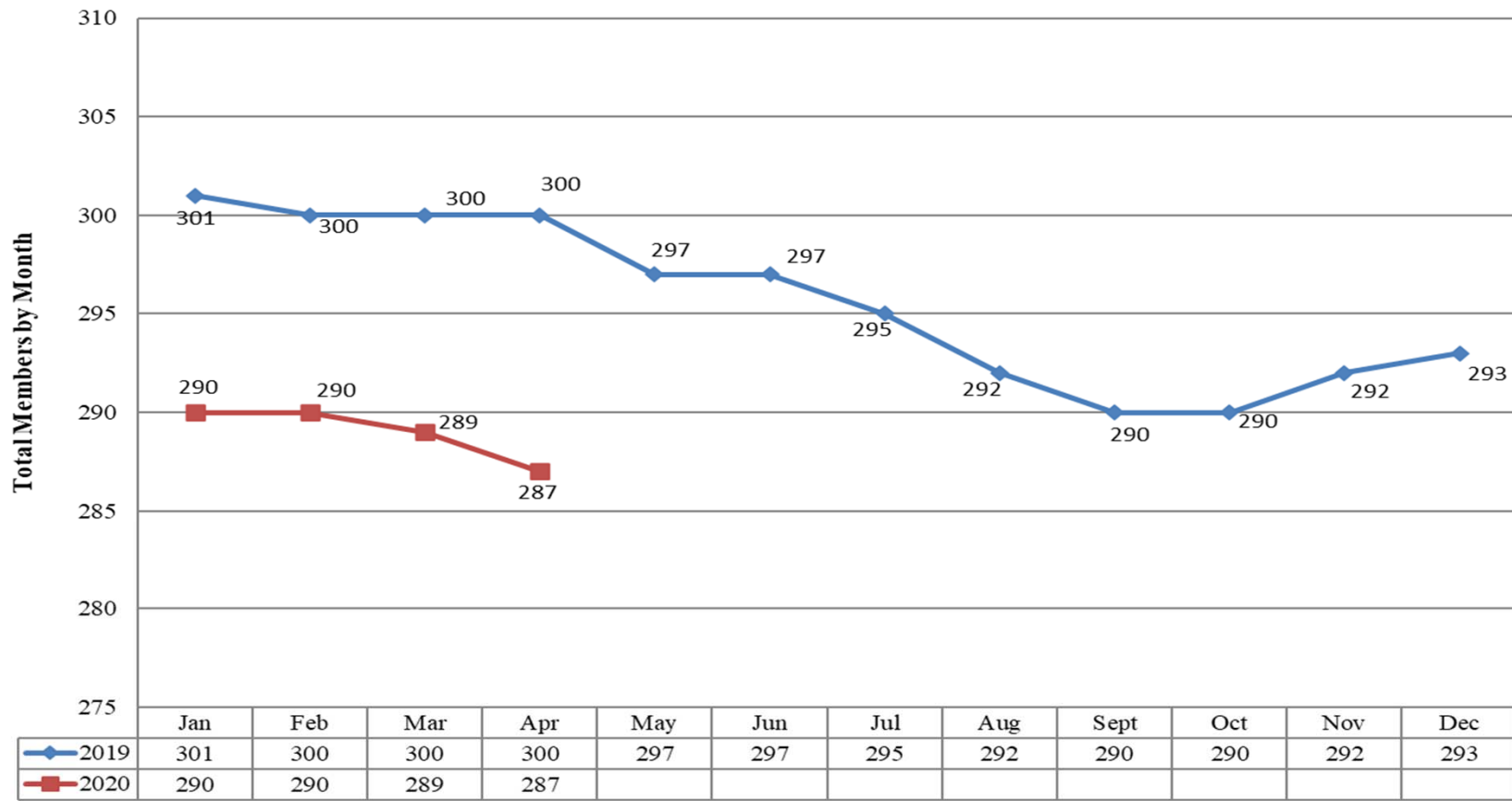
287



Quadrant Statistics	WEQ	WGQ	RMQ	Total
Membership YE 2019	133	120	40	293
Reclassification	0	0	0	0
Net Change	-1	-5	0	-6
Membership YTD	132	115	40	287

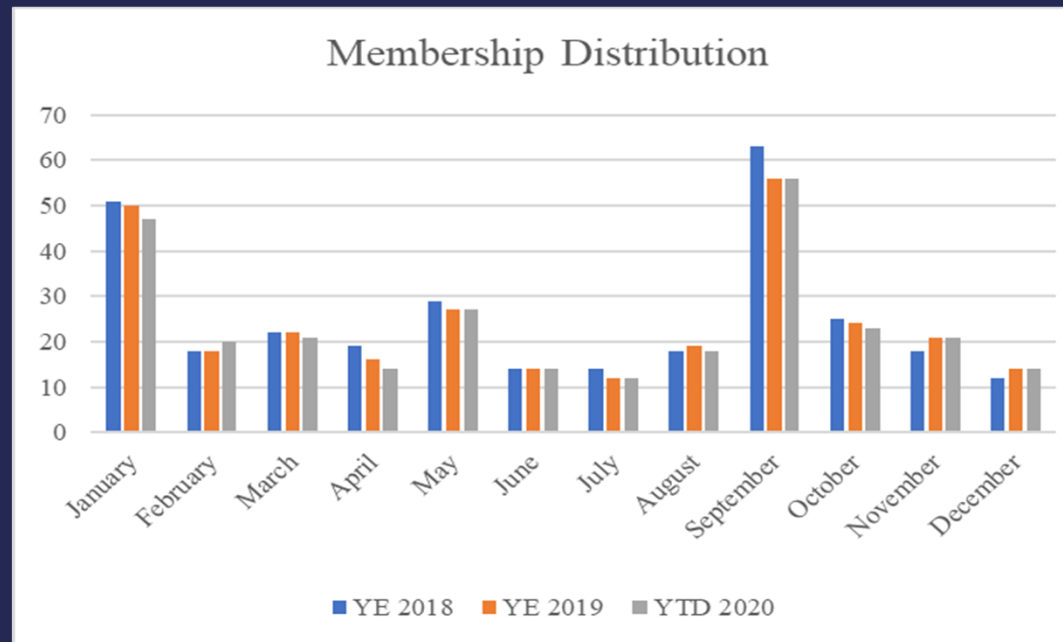
Organizational Update Membership Report

NAESB 2019-2020 Membership Comparison



North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
Membership Report



Membership Distribution Comparison as for April 2020													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
YE 2018	51	18	22	19	29	14	14	18	63	25	18	12	303
YE 2019	50	18	22	16	27	14	12	19	56	24	21	14	293
YTD 2020	47	20	21	14	27	14	12	18	56	23	21	14	287

North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
Membership Report

2020 NAESB Meeting Analysis			
		Total	
Period	Event	#	Hours
YTD Apr 2020	Meetings/Hours	22	89
	Calls/Hours	24	124.5
	Events/Hours	64	213.5
YTD Apr 2019	Meetings/Hours	58	135.5
	Calls/Hours	76	97
	Events/Hours	134	232.5

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Board of Directors Status Update – July 30, 2020

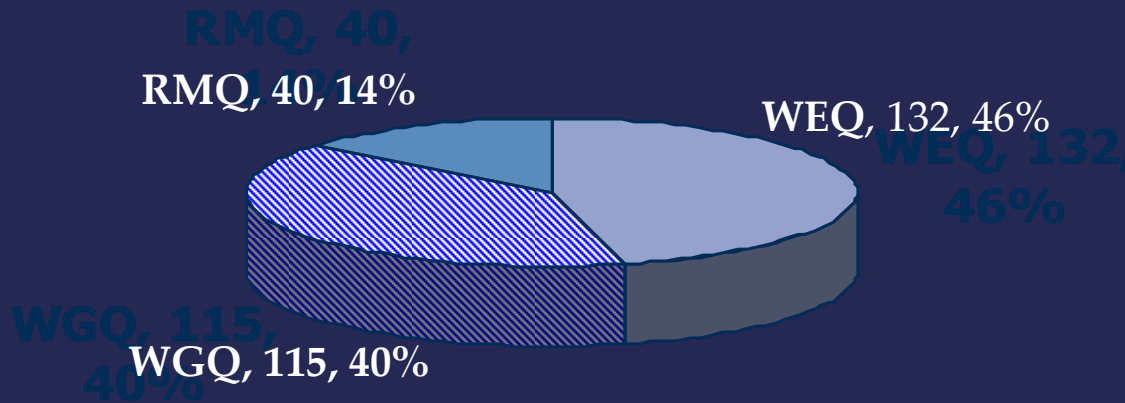
Organizational Update
Membership Report

**Membership
Profile**

June 30, 2020

Total Membership

287



Quadrant Statistics	WEQ	WGQ	RMQ	Total
Membership YE 2019	133	120	40	293
Reclassification	0	0	0	0
Net Change	-1	-5	0	-6
Membership YTD	132	115	40	287

Organizational Update
Financial Review

North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
2019 Year End Finance Review

Financial Report Yearend 2019				
Balance Sheet – Accrual Based				
			Current	Previous Year
Assets	Current Assets	Cash	\$880,972	\$792,838
		Accounts Receivable	\$334,000	\$374,500
		Other Current Assets	\$20,066	\$15,491
	Fixed Assets		\$19,689	\$22,974
	Other Assets		\$21,626	\$21,626
	Total Assets		\$1,276,353	\$1,227,430
Liability & Equity				
	Deferred Revenue & Deferred Rents		\$1,367,464	\$1,331,198
	Accounts Payable		\$108,282	\$166,911
	Retained Earnings		(\$270,680)	(\$217,340)
	Net Income		\$71,286	(\$53,339)
	Total Liability and Equity		\$1,276,353	\$1,227,430

North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
2019 Year End Finance Review

Financial Report Yearend 2019 -- Income & Expense, Accrual Based						
		YE 2018	YE 2018 Budget	YE 2019 Budget	YE 2019	2020 Budget
Income	Meeting Fees	\$6,200	\$4,000	\$4,000	\$3,900	\$4,000
	Certification	\$5,000	\$4,000	\$6,000	\$4,000	\$5,000
	Interest & Misc.	\$1,095	\$120	\$750	\$1,922	\$2,040
	Dues	\$1,876,250	\$1,930,000	\$1,934,712	\$1,932,667	\$2,063,693
	Dues Forfeited	(\$12,250)	(\$45,000)	(\$50,000)	(\$58,333)	(\$50,000)
	Standards Sales	\$170,922	\$220,000	\$190,000	\$261,328	\$276,000
	Workshops	\$7,250	\$10,000	\$7,500	\$19,010	\$15,000
	Total Income	\$2,054,467	\$2,123,120	\$2,092,962	\$2,164,494	\$2,315,733
Expenses	Salaries, Benefits and Taxes	\$1,262,986	\$1,265,000	\$1,320,000	\$1,312,978	\$1,386,000
	Office Rents and Parking	\$191,545	\$210,000	\$195,000	\$186,331	\$230,052
	Office Expenses	\$74,086	\$70,000	\$60,000	\$67,112	\$78,000
	Telecommunications	\$40,733	\$60,000	\$40,000	\$52,461	\$60,000
	Travel and Meetings	\$343,941	\$315,000	\$315,000	\$299,008	\$326,000
	Publications/Mailings/Printing	\$45,323	\$50,000	\$45,000	\$39,964	\$45,000
	Outside Services	\$133,844	\$130,000	\$130,000	\$122,436	\$130,000
	Insurance, Taxes and Fees	\$15,347	\$17,000	\$15,000	\$12,918	\$15,000
	Total Expenses	\$2,107,806	\$2,117,000	\$2,120,000	\$2,093,208	\$2,270,052
Net Income	(\$53,339)	\$6,120	(\$27,038)	\$71,286	\$45,681	

North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
2020 YTD April Finance Review

Financial Report Year-To-Date 2020 – April 2020				
Balance Sheet – Accrual Based				
			Current	Previous Year
Assets	Current Assets	Cash	\$722,698	\$771,815
		Accounts Receivable	\$345,000	\$311,250
		Other Current Assets	\$27,246	\$24,565
	Fixed Assets		\$17,388	\$19,774
	Other Assets		\$21,626	\$21,626
	Total Assets		\$1,133,959	\$1,149,030
Liability & Equity				
	Deferred Revenue & Deferred Rents		\$199,398	\$216,971
	Accounts Payable		\$37,625	\$112,540
	Retained Earnings		(\$199,394)	(\$270,680)
	Net Income		\$1,096,329	\$1,090,199
	Total Liability and Equity		\$1,133,959	\$1,149,030

North American Energy Standards Board
Board of Directors Status Update – July 30, 2020

Organizational Update
2020 YTD Finance Review

Financial Report YTD April 2020 -- Income & Expense, Accrual Based

	Current YTD – Apr 2020	Prev YTD – Apr 2019	YTD Budget – Apr 2020	YE Budget 2020	2020 YE Est	2019 YE
Revenue						
Meeting Fees	\$100	\$2,100	\$1,333	\$4,000	\$4,000	\$3,900
Certification	\$2,000	\$2,000	\$2,000	\$5,000	\$5,000	\$4,000
Interest Income	\$433	\$662	\$680	\$2,040	\$1,800	\$1,922
Membership Dues	\$1,690,458	\$1,633,375	\$1,760,265	\$2,063,693	\$1,993,693	\$1,932,667
Membership Forfeited	(\$15,000)	(\$2,333)	(\$26,000)	(\$50,000)	(\$50,000)	(\$58,333)
Standards/Contracts Sales	\$183,786	\$238,324	\$243,000	\$276,000	\$196,000	\$261,328
Workshops/Seminars	\$1,000	\$11,551	\$10,000	\$15,000	\$10,000	\$19,010
Other Income	\$6,000	\$0	\$0	\$0	\$6,000	\$0
Total Revenue	\$1,852,777	\$1,885,679	\$1,991,278	\$2,315,733	\$2,166,493	\$2,164,494
Expenses						
Salaries, Benefits and Taxes	\$524,286	\$512,340	\$545,642	\$1,386,000	\$1,386,000	\$1,312,978
Office Rents and Parking	\$62,009	\$62,314	\$76,684	\$230,052	\$230,052	\$186,331
Office Expenses	\$19,889	\$25,404	\$26,000	\$78,000	\$70,000	\$67,112
Telecommunications	\$19,454	\$19,311	\$20,000	\$60,000	\$60,000	\$52,461
Travel and Meetings	\$83,868	\$119,489	\$106,000	\$326,000	\$170,000	\$299,008
Publications/Mailings/Printing	\$12,519	\$12,667	\$13,693	\$45,000	\$45,000	\$39,964
Outside Services	\$29,767	\$39,968	\$41,016	\$130,000	\$110,000	\$122,436
Insurance, Taxes and Fees	\$4,656	\$3,988	\$4,173	\$15,000	\$17,000	\$12,918
Total Expense	\$756,448	\$795,481	\$833,208	\$2,270,052	\$2,088,052	\$2,093,208
Net Income	\$1,096,329	\$1,090,198	\$1,158,070	\$45,681	\$78,441	\$71,286

Organizational Update
2020 YTD Finance Review

Retained Earnings Analysis			
Retained Earnings as of YE 2011			(\$397,184)
Retained Earnings as of YE 2012			(\$481,445)
Retained Earnings as of YE 2013			(\$578,149)
Retained Earnings as of YE 2014			(\$441,770)
Retained Earnings as of YE 2015			(\$277,343)
Retained Earnings as of YE 2016			(\$202,466)
Retained Earnings as of YE 2017			(\$217,340)
Retained Earnings as of YE 2018			(\$270,680)
Retained Earnings as of YE 2019			(\$199,394)
2020 YE Projected Net Income			\$78,441
2020 YE Projected Retained Earnings			(\$120,952)

Board Committee Activities Update

NAESB Digital Committee Inaugural Report

- Input from the Board of Directors and Advisory Council provided through January survey incorporated
- Digital Committee held meetings on February 24th & June 11th to finalize the Draft Report
- Draft Report is available on the Digital Committee Webpage: https://www.naesb.org//board_digital.asp
- Cover letter from Michael Desselle & Bruce Ellsworth
- Draft Report will be reviewed during September 3, 2020 meeting & shared after approval

Board Committee Activities Update

2020 NAESB Standards Development Survey

- Strategy Committee meeting
 - June 11th
- Survey distributed on June 25, 2020 to over 2,000 contacts and closed July 24, 2020
- About 75 responses submitted & additional outreach underway
- Strategy Committee meeting scheduled to review Draft Report on August 27, 2020
- Draft Report will be available on the Board Strategy Committee Webpage: https://www.naesb.org//board_strategic_plan.asp
- Draft Report will be reviewed during September 3, 2020 meeting and will feed into the October annual planning process

Board Committee Activities Update

Sandia Surety Assessment Report Response

- Response to July 2019 Sandia Surety Assessment Report developed by Critical Infrastructure Committee
- Describes efforts to address six “Security Issues” & ten “Findings”
- Standards approved by the Executive Committees within six months of receiving the Surety Assessment
- Draft Report adopted by Committee on March 17th
- Draft report will be available on the Board Critical Infrastructure Committee Webpage after update:
https://www.naesb.org//board_critical_infrastructure.asp
- Draft Report will be reviewed during September 3, 2020 meeting & shared after approval

Board Committee Activities Update

NAESB Member Cybersecurity Survey

- In response to informal recommendations of Sandia & DoE the Strategy Committee is considering how to better support cybersecurity standards development
- Discussed during June 11th Strategy Committee meeting
- Survey will be distributed to Board and Executive Committee members in August that will present options for Board consideration
- Any recommendations will be forwarded to the Board of Directors

Board Committee Activities Update

Board Certification Committee ACA Process Revision

- Updates were considered and approved by the Board Certification Program Committee on June 12th
- Revisions provide clarity and correct formatting errors and typos
- Supported by current ACAs
- Updates are be available on the Board Certification Program Committee Webpage:
https://www.naesb.org//certification_program.asp
- Updates will be reviewed during September 3, 2020 meeting

Standards Activities Update Wholesale Electric Quadrant

- 2020 WEQ Annual Plan Items Underway
 - OASIS & Electronic Scheduling Item 3.f
 - Sandia Item 6.a.i (Findings)
 - Annual Cybersecurity Review Items 4.a and 4.b
 - Distributed Ledger Item 7.b.ii (REC Contract)
 - Time Error Correction Item 8.a
- 2020 WEQ Annual Plan Items Completed
 - Parallel Flow Visualization Items 1.a and 1.b
 - OASIS Items 2.a, 3.a, 3.b, 3.c, 3.d, and 3.e
 - Distributed Ledger Item 7.b.i (REC Contract)
 - Requests R19013, R19015 and R20003

Total YTD 2020	Meetings/Hours	10	33
	Conf. Calls/Hours	32	101
	Events/Hours	42	134

Standards Activities Update

Wholesale Gas Quadrant

- 2020 WGQ Annual Plan Items Underway
 - Sandia Item 6.c (Findings)
- 2020 WGQ Annual Plan Items Completed
 - Base Contract Item 1
 - EDM Review Item 2
 - Distributed Ledger Technology Items 5.b
 - Requests R19011, R19016, R20001, R20002, R20004, R20005, R20006 and R20007

Total YTD 2020	Meetings/Hours	8	47
	Conf. Calls/Hours	21	77
	Events/Hours	29	124

Standards Activities Update

Retail Markets Quadrant

- 2020 RMQ Annual Plan Items Underway
 - Renewable Energy Certificate Items 6.b (Joint with WEQ)
 - Sandia Item 5.c (Joint with WGQ)

Total YTD 2020	Meetings/Hours	4	9
	Conf. Calls/Hours	14	19.5
	Events/Hours	18	28.5

Liaison Activities Update

- Federal Energy Regulatory Commission
- North American Electric Reliability Corporation
- Department of Energy
- American National Standards Institute
- National Petroleum Council

Upcoming Board Meeting – September 3, 2020

- Meeting of Members & Strategic Session
- Items Scheduled for Review/Vote by the Board of Directors
 - The WEQ, WGQ and RMQ Annual Plans
 - The December 11, 2019 Meeting Minutes
 - The Digital Committee Inaugural Report
 - The Response to the Sandia National Laboratories 2019 Surety Assessment
 - The Revised Board Certification Committee Authorized Certification Authority Process
 - A Determination Regarding the Scope of Request R19014 from Sabine Pass Liquefaction LLC and Corpus Christi Liquefaction, LLC
 - Results of the 2020 Standards Development Survey
- Zoom Platform

Thank you!