**via posting**

**TO:** NAESB Board Revenue Committee Members: Michael Desselle, Jim Buccigross, Cade Burks, Valerie Crockett, Bruce Ellsworth, Debbie McKeever, Gene Nowak, Randy Parker, Terry Thorn, Roy True

**FROM:** Elizabeth Mallett, Deputy Director

**RE:** Meeting Notes from theNAESB Board Revenue Committee Conference Call on August 20, 2019

**DATE:** August 20, 2019

Dear Board Revenue Committee Members,

A Board Revenue Committee conference call was held on August 20, 2019. The meeting was called to order at 12:30 PM Central. Mr. Desselle presided over the meeting. The notes and attachments below serve as a record for the meeting.

| **Notes from the August 20, 2019 NAESB Board Revenue Committee Conference Call** | |
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| **Administrative** | Mr. Desselle welcomed the committee members to the conference call and called the roll of the Revenue Committee. Quorum was established. Ms. Mallett read the NAESB Antitrust and Other Meetings Policies. Mr. Desselle reviewed the agenda for the meeting, and Mr. True moved to adopt it as drafted. Ms. Crockett seconded the motion and the motion passed without opposition. Mr. Desselle reviewed the June 11, 2019 meeting notes with the participants. Mr. Ellsworth moved, seconded by Ms. Crockett, to adopt the notes as drafted. The motion passed without opposition. |
| **Communication Activities** | Mr. Booe provided a review of the NAESB communication activities. He stated that the next NAESB Bulletin will be posted this month. It will cover the activities between March and July of 2019. NAESB will send out a press release following major progress on the distributed ledger technology standards development efforts. The next NAESB Update Call is scheduled for August 28, 2019. Ms. McQuade noted that the NAESB Update Call has continued to have significant participation. Mr. Booe stated that Caroline Trum was invited to a meeting with the Government of Thailand at the NERC offices. She provided a presentation on the existing OASIS system, as requested by the Thai delegation. There have been no recent staff publications. |
| **Publication Schedules** | Mr. Booe stated that, since the June meeting, several recommendations have been ratified for the RMQ and WEQ. In time for the October WGQ Executive Committee meeting, a joint recommendation for the conversion of the NAESB Base Contract for Sale and Purchase of Natural Gas into smart contracts will be finalized by the WGQ Contracts, WGQ Electronic Delivery Mechanisms (EDM), and WGQ Business Practices Subcommittee (BPS). Mr. Booe noted that the Department of Energy has requested that NAESB expedite any changes to the standards resulting from the Sandia National Laboratories surety assessment reports and file them with the Commission as soon as possible, with a goal of having the changes complete by the end of the year. He stated that a 1st Q 2020 publication date that includes the surety assessment responses would dovetail with the work wrapping up on the Parallel Flow Visualization project.  Ms. Crockett moved, seconded by Mr. Ellsworth, that the Board Revenue Committee recommend that the Board endorse that the next round of WGQ, RMQ, and WEQ publications should occur within the 1st Q of 2020. The motion passed without opposition. Ms. McQuade stated that the outcome of the motion will be presented within the Board Revenue Report during the September Board of Directors meeting. |
| **Current Revenue Report, Membership Report, Vacancies, and Copyright Reports** | Ms. McQuade provided an update concerning the membership and financial reports. She stated that NAESB currently has 297 member companies and that the NAESB Bylaws threshold requirement of forty or more participants within each quadrant is currently being met. She asked that the participants review their contact information on the membership report for accuracy. Ms. McQuade explained that the membership comparison charts, put together with the help of Mr. Nowak, provides information concerning the membership renewal cycle and when membership dues can be expected by month.  Ms. McQuade stated that the report in the meeting materials is a mid-year accounting that provides a good indication of the end of year financials. Mr. Ellsworth asked whether an increase in dues, over the $8,000 increase scheduled for 2020, is expected. Ms. McQuade stated that NAESB typically goes multiple years without membership dues increases. She noted that there are other ways to raise revenue without raising membership dues. Mr. Booe stated that NAESB sent out letters to the general counsels of non-member wholesale electric market entities to provide information on how to properly access the NAESB WEQ Business Practice Standards. |
| **Status of Distributed Ledger Technology Projects** | Mr. Booe provided a short review of the status of the distributed ledger activities underway in the WGQ and WEQ/RMQ. He stated that the WGQ BPS, EDM, and Contracts Subcommittees will vote on a joint recommendation for proposed standards to be included in the WGQ Contracts Standards and Models Manual in time for the October WGQ Executive Committee meeting. The joint subcommittees are developing a recommendation for proposed standards to be included in the WGQ Contracts Standards and Models Manual. The joint WEQ and RMQ Distributed Ledger Technology Task Forces are looking into how DLT can help support the accounting for Renewable Energy Certificates (RECs). Mr. Booe noted that, at this point, the WEQ and RMQ task forces have taken a step back to focus on the creation of data elements and a possible standardized REC contract.  Ms. McCain asked whether Mr. Booe stated that the joint WGQ Subcommittees would vote on the conversion of the NAESB Base Contract for the Sale and Purchase of Natural Gas and all components of the recommendations being developed to address the request. Mr. Booe stated that, in a recent discussion with the chairs of the joint WGQ Subcommittees, he was informed that the subcommittees would be able to move forward with a recommendation to support Part A, as described in the Cochairs Work Paper developed at the onset of the effort, and that the recommendation would be considered in time for the October Executive Committee meeting. |
| **Other Business and Action Items** | Mr. Desselle stated that, during the September Board Meeting, the Board Revenue Committee update will include the publication recommendation. Ms. McQuade stated that the September Board of Directors meeting will be held at the Four Seasons Hotel.  Action Items:   * The Board Revenue Committee will inform the Board of Directors that it recommends a first quarter publication date for the WEQ, WGQ and RMQ. |
| **Adjourn** | The meeting adjourned by consensus at 1:05 PM Central. |
| **Work Papers Provided for the Meeting** | * **Agenda Item 1:** Antitrust Guidance: <http://www.naesb.org/misc/antitrust_guidance.doc> (antitrust), <http://www.naesb.org/pdf4/board_revenue_committee_members.pdf> (roster), <https://www.naesb.org/pdf4/bd_revenue082019a.docx> (agenda), <https://naesb.org/pdf4/bd_revenue061119notes.docx> (June 11, 2019 notes) * **Agenda Item 2:** NAESB Communication Strategy <https://www.naesb.org/pdf4/naesb_communications_strategy.pdf> * Agenda Item 3: Publication Schedules: <https://www.naesb.org/misc/bd_revenue_publication_history_072319.docx>, (Publication Work Paper); <http://www.naesb.org/misc/wgq_publication_schedule_ver3_2.doc> (WGQ Version 3.2); <http://www.naesb.org/misc/weq_publication_schedule_ver3_3.doc> (WEQ Version 003.3); [http://www.naesb.org/misc/retail\_publication\_schedule\_ver3\_3.doc](http://www.naesb.org/misc/retail_publication_schedule_ver3_3.doc%20) (RMQ Version 3.3) * **Agenda Item 4:** Current Revenue Report: <https://www.naesb.org/misc/revenue082019w1.docx> (June 2019 Report); <https://www.naesb.org/misc/revenue082019w2.docx> (June 2019 Report Statistics) * **Agenda Item 5:** Membership Reports and Prospect List: <https://www.naesb.org/misc/membership_report_063019.docx>, (Membership Report 6/30/2019), <https://www.naesb.org/pdf4/bod_terms.pdf>  (Board Roster), <https://www.naesb.org/pdf4/ec_terms.pdf>  (EC Roster), <https://www.naesb.org/misc/member_prospect_list_063019.docx> (Prospect List including Board & EC Vacancies 6/30/2019) * List of FERC Public Utilities under the Federal Power Act (full list updated 7/12/2019) entities without recorded access to the most recently mandated NAESB WEQ Standards, revised 11/7/2018 - <https://www.naesb.org/pdf4/weq_jurisdictional_entities_without_recorded_access.pdf> * List of FERC Interstate Pipelines under the Natural Gas Act (updated 7/12/2019) entities without recorded access to the most recently mandated NAESB WGQ Standards, revised 6/30/2019 - <https://www.naesb.org/pdf4/wgq_jurisdictional_entities_without_recorded_access.pdf> * **Agenda Item 6:** Distributed Ledger Technology Status: <https://www.naesb.org/misc/blockchain_update_081319.docx> |

| **August 20, 2019 NAESB Board Revenue Committee Conference Call**  **REVENUE COMMITTEE MEMBERS** | | |
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| **Name** | **Organization** | **Attendance** |
| Jim Buccigross | 8760, Inc. | Present |
| Cade Burks | Big Data Energy Services |  |
| Valerie Crockett | Tennessee Valley Authority | Present |
| Michael Desselle | Southwest Power Pool | Present |
| Bruce Ellsworth | New York State Reliability Council | Present |
| Debbie McKeever | Oncor Electric Delivery Company |  |
| Gene Nowak | Kinder Morgan Inc. |  |
| Randy Parker | Exxon Mobil Corporation | Present |
| Terry Thorn | KEMA Gas Consulting Services |  |
| Roy True | Alliance for Cooperative Energy Services Power Marketing LLC | Present |
| **OTHER ATTENDEES** | | |
| **Name** | **Organization** | |
| Jonathan Booe | North American Energy Standards Board | |
| Christopher Burden | Enbridge (U.S.) Inc. | |
| Pete Connor | representing American Gas Association | |
| Elizabeth Mallett | North American Energy Standards Board | |
| Marcy McCain | Enbridge (U.S.) Inc. | |
| Steve McCord | TransCanada Pipelines Limited | |
| Rae McQuade | North American Energy Standards Board | |
| Timothy Alan Simon | TAS Strategies | |