**via posting**

**TO:** NAESB Board Strategic Plan Task Force Members and Interested Industry Parties

**FROM:** Caroline Trum, Director Wholesale Electric Quadrant

**RE:** Meeting Notes from theNAESB Board Strategy Committee Conference Call – February 29, 2024

**DATE:** March 28, 2024

Dear Board Strategy Committee Members,

A Board Strategy Committee conference call was held on Thursday, February 29, 2024. The meeting was called to order at 9:30 AM Central. Mr. Desselle presided over the meeting. The notes and attachments below serve as a record for the meeting.

| **Notes from February 29, 2024 NAESB Board Strategy Committee Conference Call** | |
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| **Administrative** | Mr. Desselle opened the meeting and welcomed the participants. He reminded the participants that the [NAESB Antitrust and Other Meeting Policies](http://www.naesb.org/misc/antitrust_guidance.doc) were in effect. Mr. Desselle reviewed the draft agenda and the meeting notes from January 25, 2024 with the participants. Mr. Thorn moved to adopt the agenda and meeting notes, and the motion was seconded by Mr. Burks. The motion passed without opposition. |
| **Status Update on Hydrogen Workshop & AIEN Coordination** | Mr. Booe stated that during the previous meeting of the Board Strategy Committee, Mr. Russo recommended that NAESB consider holding a hydrogen workshop to provide information to the NAESB members concerning the activities of all seven regional hydrogen hubs and to identify the activity entities participating in the space. He stated that NAESB staff reached out to Leslie Biddle to discuss the recommendation and worked with her team to put together a webinar intended to provide the information requested during the meeting. The webinar will take place on March 13, 2024 from 1:00 pm to 2:00 pm Central, and will also include information concerning the new demand-side consortium formed to consider actions that can be taken to accelerate development of the hydrogen market and incentivize off-take agreements. |
| **NAESB Advisory Council Meeting** | Mr. Desselle, Mr. Booe, and Mr. Simon reviewed the discussions that took place during the Advisory Council meeting on February 24, 2024. Mr. Desselle noted that it was the first Council meeting that took place since the passing of Mr. Ellsworth, and thanked Mr. Simon and Mr. Gee for stepping into the leadership roles for NAESB. Mr. Booe stated that during the meeting, a number of different NAESB activities and were discussed. He noted that one area was the third phase of the pilot test being conducted by Tennessee Valley Authority on the WGQ Distributed Ledger Technology (DLT) Business Practice Standards. Mr. Booe explained that this phase is addressing the potential benefits of a gas industry registry maintained by NAESB, similar to the NAESB Electric Industry Registry, that could help facilitate interoperability with different certified gas certificate registries as well as registry models used internationally. He noted that the U.S. DoE is working with seventeen other countries to develop a common framework regarding measurement, monitoring, reporting, and verification for greenhouse gas emissions. Mr. Desselle stated that one of the drivers for a registry is concerns regarding greenwashing and noted that this is an issue being followed by several members of Congress and federal agencies like the Federal Trade Commission.  Mr. Booe stated that related to gas-electric coordination, discussion focused on the recommendation from FERC and NERC included in the Inquiry into Bulk-Power System Operations During December 2022 Winter Storm Elliott requesting that NAESB convene natural gas infrastructure entities, electric grid operators, and local distribution companies to identify improvements in communication during extreme cold weather events to enhance situational awareness. He noted that the Joint WEQ, WGQ, and RMQ Business Practices Subcommittees have discussed creating a scenario-based communication gap analysis regarding information that is shared across the supply chain to assist in identifying where new or revised business practice standards could be beneficial. Ms. McQuade stated that the gap analysis could be a very helpful work paper for the industry, even outside of standards development considerations within NAESB. Mr. Booe noted that the 2024 Annual Plans identify a 2nd Q, 2024 completion date but that the joint subcommittees may need additional time to complete the development of standards. He indicated that this has been communicated with FERC and NERC staff.  Mr. Booe stated that standards development related to a DER Service Contract was also discussed and that during the first meeting initiating the effort, Joseph Paladino with the U.S. DoE provided an overview on how the department envisions a NAESB developed standard distribution services contract for DER aggregations supporting collaboration between wholesale and retail markets. He noted that there was a suggestion that it may be helpful to engage the transportation sector participants involved with electric vehicles as part of the contracting effort.  Mr. Desselle stated that as part of discussions on the activities of the Board Strategy Committee, there were suggestions from Advisory Council members regarding potential areas of standards development NAESB may want to consider. He explained that these included industry use of distributed energy resources, the impact of electrification, artificial intelligence, and potential cybersecurity gaps. Mr. Pena noted that there are industry organizations, such as Secure the Grid Coalition, that are considering new cybersecurity vulnerabilities that may be introduced by the transition to electrification. Mr. Simon stated that Advisory Council members suggested coordination with other organizations, such as NIST or EPRI, may be helpful in this area. Mr. Desselle noted that Advisory Council members also emphasized the importance of strategically engaging subject matter experts to contribute to standards development. |
| **Discuss Deliverable and Timeline for the September 5 Board of Directors Meeting** | Mr. Desselle stated that the Advisory Council had provided a number of potential topics for exploration and further discussion. He suggested that these recommendations may be more helpful than an industry survey as the starting point for Board Strategy Committee discussions on standard development areas NAESB may want to consider for both the immediate and near future. Ms. McQuade agreed, suggesting that in lieu of a survey, the committee may want to create a list of the topics identified by the Advisory Council and seek comments and feedback from members of the NAESB Board of Directors. Mr. Thorn noted that the Board Strategy Committee should also evaluate the potential roadblocks that could inhibit standards development, such as the adequacy of the organization’s funding and the availability of resources to support standards development in these areas. Ms. McQuade stated that the prioritization and commitment of resources for standards efforts could be part of the solicited feedback. She explained that while the needed subject matter experts may not be currently engaged, the initiation of standards development in an area often results in increased participation by both members and non-members. Mr. Booe agreed, noting that there were a number of new participants who attended the kick-off meeting to address the request submitted by the U.S. DoE regarding the development of a standard contract for distribution services.  Mr. Desselle proposed that the Board Strategy Committee create a work paper for discussion at a future meeting. He stated that a finalized version of the document could be used to obtain feedback from the Committee members. |
| **Other Business and Action Items** | Mr. Booe provided an update on coordination with ANSI regarding copyright issues. He stated that NAESB is working with ANSI on a draft action brief to help engage other standards development organizations that may have similar funding impacts from the DC Circuit Court decision that allowed a non-commercial organization to successfully assert a fair use defense to a copyright violation of standards incorporated by reference into law. |
| **Adjourn** | The meeting adjourned on a motion made by Mr. Burks at 10:31AM Central. |
| **Work Papers Provided for the Meeting:** | * **Agenda Item 1**: Antitrust Guidance: <http://www.naesb.org/misc/antitrust_guidance.doc> (antitrust), <https://naesb.org/pdf4/board_strategic_plan_taskforce_members.pdf> (roster), <http://www.naesb.org/pdf4/bd_strategy_022924a.docx> (agenda), <https://naesb.org/pdf4/bd_strategy_012524mn.docx> (notes) * **Agenda Item 2:** Hydrogen Educational Webinar Announcement: <https://www.naesb.org/pdf4/hydrogen_webinar_031324.pdf> * **Agenda Item 3**: NAESB Advisory Council Agenda: <https://www.naesb.org/pdf4/advisory022424a.docx> |

| **February 29, 2024 NAESB Board Strategy Committee Conference Call**  **BOARD STRATEGY COMMITTEE MEMBERS** | | | |
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| **Name** | **Organization** | | **Attendance** |
| J. Cade Burks | Big Data Energy Services | | Present |
| David Darnell | Systrends, USA | | Present |
| Michael Desselle (Chairman) | Southwest Power Pool | | Present |
| Mark G. Lauby | North American Electric Reliability Corporation | |  |
| Debbie McKeever | Oncor Electric Delivery Company LLC | | Present |
| Timothy Alan Simon | TAS Strategies | | Present |
| Terence (Terry) Thorn | KEMA Gas Consulting | | Present |
| Sue Tierney | Analysis Group, Inc. | |  |
| **OTHER ATTENDEES** | | | |
| **Name** | | **Organization** | |
| Jonathan Booe | | North American Energy Standards Board | |
| Christopher Burden | | Enbridge | |
| Howard Gugel | | North American Electric Reliability Corporation | |
| Steve McCord | | TC Energy Corporation | |
| Rae McQuade | | North American Energy Standards Board | |
| Mark Moyer | | EQT Energy | |
| Emil Pena | | Emil Pena Interests, Inc. | |
| Keith Sappenfield | | Cheniere Corpus Christi Liquefaction | |
| Caroline Trum | | North American Energy Standards Board | |