Via email and posting

November 28, 2018

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

**FROM:** Rae McQuade, NAESB President

**RE:** Agenda and Meeting Materials for NAESB Board Meeting – December 13, 2018

Dear Board Members, EC Members, EC Alternates, NAESB Members, NAESB Advisory Council and invited guests,

As noted in other communications, we are pleased to announce the NAESB Board of Directors meeting to be held December 13 in Houston, Texas at the Marriott Marquis Hotel[[1]](#footnote-1) in downtown Houston. I hope you are able to travel to Houston for our upcoming board meeting, related committee meetings and our board dinner.

The specifics of the board meeting and related meetings are:

Events: Board of Directors Meeting, and related NAESB meetings

Where: Marriott Marquis Downtown Hotel, 1777 Walker Street, Houston, Texas 77010, phone: 713-654-1777

When: December 12 Leadership Meeting from 4:00 pm to 5:30 pm C – *please note that at the suggestion of several participants, Michael Desselle collapsed the three leadership meetings into one meeting to avoid duplications for those that attend each one* (snacks served)

December 12 Board Reception and Dinner - 5:30 pm reception and 6:30 pm dinner seating (held at the Marriott Marquis)

December 13 Board of Directors Meeting from 9:00 am to 1:00 pm C, (a buffet lunch will be served during the meeting)

This board meeting serves as the last scheduled board meeting of 2018, during which we will review the financials, along with the progress made towards the 2018 plans, and updates from our committees, along with approvals for our 2019 budget and 2019 annual plans. We will also hear updates in key areas that are already a focus of NAESB, or may impact our work - including block chain standards development, Sandia National Laboratories surety assessment, and the Gas-Electric Interface Study completed this year by the Western Electricity Coordinating Council. In preparation for 2019, the board will be asked to approve the 2019 annual plans and the 2019 budget.

For our dinner, we are fortunate to have William F. Hederman as our dinner speaker to discuss cybersecurity issues specific to energy markets. Many of you may know Bill – he is an influential force in energy markets, as you can see from a brief biography, attached, and I know that I am looking forward to hearing his remarks. Cybersecurity is impacting all aspects of our markets and ties into much of the work we are doing now and have planned for 2019 – listening to Bill’s perspectives could not be more timely.

Please RSVP your intention to attend the board dinner or Board of Directors meeting or any of the related meetings, and your intention to bring a guest or colleague to the dinner at your earliest convenience ([vthomason@naesb.org](mailto:vthomason@naesb.org), [naesb@naesb.org](mailto:naesb@naesb.org), 713-356-0060).

As with all our meetings, these events are open to any interested party. For the meetings, conference calling will be available should you be unable to attend in person. Board materials and agenda should be available shortly. We look forward to your attendance at the leadership meeting and the dinner on December 12 followed by the board meeting on December 13. Please contact Veronica Thomason ([vthomason@naesb.org](mailto:vthomason@naesb.org), 713-356-0060) should you need additional information.

Best Regards,

**Conference Calling and Web Conferencing Details**

**for the December 12-13, 2018 Set of Board and Related Meetings**

The meetings are open to all interested parties, who may participate by phone if unable to attend in person. The Board meeting is also web cast.

|  |  |  |  |
| --- | --- | --- | --- |
| Dec 12 | 4:00 pm to 5:30 pm C | Leadership Meeting (In person and Conference Call) | |
|  | Marriott Marquis Hotel,  1777 Walker Street, Houston, Texas | * Call in number * Access Code * Security Code | 866-740-1260  3560063  5812 |
| Dec 13 | 9:00 am to 1:00 pm C | Board Meeting (In person and Conference Call/Web Cast) | |
|  | Marriott Marquis Hotel,  1777 Walker Street, Houston, Texas | * Call in number * Access Code * Security Code | 866-740-1260  7133560  6515 |

To join a conference call:

• Dial the 11-digit toll free call-in phone number shown above for the specific meetings

• An automated attendant will ask you to enter a seven-digit access code (shown in the table above)

• The automated attendant will ask you to record your name.

• Please note that if the conference leader has not yet initiated the conference call, you will be placed on music hold until the conference leader starts the conference.

•The automated attendant will then ask you for a four-digit security code (shown in the table above)

Please place your phone on mute unless you are speaking. For those participants that do not have a mute feature on your phone, please press (\*6) to mute your phone and (\*7) to un-mute your phone. Putting the conference call on hold may cause music to be played over the discussion and if so, the NAESB office will contact the on-hold line to have it disconnected.

If the meeting has the web conferencing feature enabled, to join the web conference, go to www.readytalk.com and enter the same access code and **s**ecurity code. Please note that if the conference leader has not yet initiated the web conference you will view a screen that states, “The Chairperson has not yet arrived. Please standby for your web conference to begin.”

ReadyTalk recommends that you test your browser and network connections for compatibility prior to participating in a web conference. To do so, go to http://test.callinfo.com. If you have problems joining a conference call or need technical assistance, please contact ReadyTalk Customer Care, 1-800-843-9166.

**Speaker Biographies**

**William F. Hederman**

**Senior Fellow, Kleinman Center for Energy Policy, University of Pennsylvania**

William Hederman is also an independent senior advisor at Deloitte and Touche, currently on a special assignment for the new Administrator of the US Energy Information Administration, Dr. Linda Capuano; he is also a Senior Scholar at the Center for Strategic and International Studies, where he teaches The Geopolitics of Energy. He most recently served as Senior Advisor to U.S. Secretary of Energy Ernest Moniz, providing leadership on Department of Energy (DOE) missions to Ukraine, the Baltics, and Germany. In this position, he was also the chief architect for the analytic framework developed for DOE's groundbreaking Quadrennial Energy Review.

He began his professional career as a systems integration engineer at Bell Labs in the directorate that later developed the cell phone system. He served on the RAND Corporation's research team, worked as the Congressional Budget Office's first energy and science budget analyst, and led the establishment of: the policy analysis department at INGAA (pipeline association), the International Energy Agency's gas technology center, and the Washington office for RJ Rudden Associates (now Black & Veatch). Additionally, he was vice president for Business Development and Strategic Initiatives at Columbia Transmission Companies on the management team that brought Columbia out of bankruptcy. During the Enron and California crises, at the request of Chairman Pat Wood, he joined the Federal Energy Regulatory Commission (FERC) and formed the Office of Market Oversight and Investigations, which has been credited with playing a major role in the restoration of confidence in electricity and natural gas regulatory oversight.

Within his faculty duties at Penn, he has taught "The Futures of Utilities" as an Executive Education program at Wharton, lectured at the Law School, and advises 3 start up ventures: one offering advanced building-grid integration technology, another offering AI-based DSM technology and a 3rd providing highly advanced encryption technology for energy networks.

He holds engineering degrees from the Massachusetts Institute of Technology and the University of Notre Dame, and a professional degree (M.P.P.) from the University of California at Berkeley, where he served on the Policy Alumni Board for a record 12 years.

| **NAESB BOARD OF DIRECTORS MEETING**  **Marriott Marquis, 1777 Walker Street, Houston, TX – Thursday, December 13, 2018 – 9:00 am to 1:00 pm Central**  **DRAFT AGENDA** | | | |
| --- | --- | --- | --- |
|  | # | Agenda Item | |
| 8:30 A |  | **Continental Breakfast** | |
| 9:00 A | 1. | **Welcome** | |
|  |  | a) | Welcome to Board members, guests and convene the December 13, 2018 Board meeting |
|  |  | b) | Antitrust Guidelines: <http://www.naesb.org/misc/antitrust_guidance.doc> (Guidance) |
|  |  | c) | Establish quorum: <https://www.naesb.org/pdf4/bod_terms.pdf> (Board Roster) |
|  | 2. | **Consent Agenda** | |
|  |  | a) | Agenda Adoption: <https://www.naesb.org/pdf4/bd121318a.docx> (Agenda) |
|  |  | b) | Adoption of Draft Minutes (9-6-18 Draft Minutes): <https://www.naesb.org/pdf4/bd090618dm.docx> |
|  |  | c) | Adoption of Revised 2018 WGQ Annual Plan: <https://naesb.org//pdf4/wgq_ec101118a1.docx> (10-11-2018 Redline Approved by the WGQ EC) |
|  |  | d) | Adoption of Revised 2018 Retail Annual Plan: <https://naesb.org//pdf4/retail_ec101018a1.docx> (10-10-2018 Redline Approved by the RMQ EC) |
|  |  | e) | Adoption of Revised 2018 WEQ Annual Plan: <https://naesb.org//pdf4/weq_ec100918a3.docx> (10-9-2018 Redline Approved by the WEQ EC) |
|  | 3. | **Membership and Financial Reports** | |
|  |  | a) | Review of the 2018 Membership and Financial Report: <https://www.naesb.org/misc/finance_membership_report_sept2018.docx> (9-30-18 Financial and Membership Report) |
|  |  | b) | Review, Discussion and Adoption of 2019 NAESB Budget: *See above document* |
|  | 4. | **Reports from Board Committees and Board votes where noted in meeting materials:** | |
|  |  | a) | Managing Committee Update |
|  |  | b) | Parliamentary Committee Update: <https://www.naesb.org/pdf4/parliamentary111518dm.docx> (11-15-2018 Meeting Notes); <https://naesb.org/pdf4/parliamentary091318fm.docx> (9-13-2018 Meeting Notes) |
|  |  | c) | Revenue Committee Update: <https://www.naesb.org/pdf4/bd_revenue111518notes.docx> (11-15-2018 Meeting Notes) |
|  |  | d) | Board Strategic Plan Task Force Update: <https://www.naesb.org/pdf4/bd_strategic_102518mn.docx> (10-25-2018 Meeting Notes); <https://www.naesb.org/pdf4/bd_strategic_102518a2.docx> (10-26-2018 Notational Ballot); <https://www.naesb.org/misc/proposed_2019_2021_strategic_plan_110218.docx> (Proposed 2019-2021 NAESB Strategic Plan) |
|  |  | e) | Board Retail Structure Review Committee: <https://naesb.org/pdf4/rsrc112718a.docx> (11-27-2018 Agenda) |
|  |  | f) | Board Critical Infrastructure Committee: <https://naesb.org/pdf4/bd_cic120318a.doc> (12-3-2018 Agenda) |
|  | 5. | **Presentation by Western Electricity Coordinating Council on the Gas-Electric Interface Study** | |
|  | 6. | **Project Discussions and Leadership Session Reviews** | |
|  |  | a) | Leadership Session Recap: <http://www.naesb.org/misc/wgq_publication_schedule_ver3_2.doc> (WGQ Publication Schedule Version 3.2), <http://www.naesb.org/misc/weq_publication_schedule_ver3_3.doc> (WEQ Publication Schedule Version 003.3), <http://www.naesb.org/misc/retail_publication_schedule_ver3_3.doc> (RMQ Publication Schedule Version 3.3) |
|  |  | b) | Standards Development Efforts |
|  |  |  | * **WGQ Block Chain**: <https://www.naesb.org/misc/blockchain_update_112718.docx> * **WEQ Parallel Flow Visualization**: <https://www.naesb.org/misc/pfv_update_112718.docx> * **WEQ Coordination**: <https://www.naesb.org/misc/weq_coordination_update_112818.docx> * **WEQ Cybersecurity Efforts**: <https://www.naesb.org/misc/weq_cybersecurity_update_112818.docx> * **WEQ OASIS & BPS Activities**: <https://www.naesb.org/misc/weq_oasis_bps_update_112818.docx> * **WEQ EIR & Certification Activities**: <https://www.naesb.org/misc/certification_eir_update_112818.docx> * **RMQ Green Button**: <https://www.naesb.org/misc/greenbutton_update_112818.docx> * **RMQ OpenFMB**: <https://www.naesb.org/misc/openfmb_update_112818.docx> |
|  | 7. | **Discuss and Approve the 2019 Annual Plans** | |
|  |  | a) | Retail Markets Annual Plan for 2019**:** <https://naesb.org/pdf4/retail_ec101018a3.docx> |
|  |  | b) | Wholesale Gas Annual Plan for 2019**:** <https://naesb.org/pdf4/wgq_ec101118a3.docx> |
|  |  | c) | Wholesale Electric Annual Plan for 2019**:** <https://www.naesb.org//pdf4/weq_ec100918a5.docx> |
|  | 8. | **Old and New Business** | |
|  |  | a) | Regulatory Filings and Related Actions, Liaisons with external groups |
|  |  |  | * November 28, 2018 – NAESB Comments in Response to FERC Standards for Business Practices and Communication Protocols for Public Utilities Notice of Proposed Rulemaking (Docket No. RM05-5-026): <https://www.naesb.org/pdf4/ferc112818_naesb_comments_weq_nopr_RM05-5-026.pdf> |
|  |  |  | * November 15, 2018 - FERC Final Rule (WGQ Version 3.1) Standards for Business Practices of Interstate Natural Gas Pipelines (Docket No. RM96-1-041, Order No. 587-Y): <https://www.naesb.org/pdf4/ferc111518_final_rule_wgq_v3.1_RM96-1-041_Order-No587-Y.pdf> |
|  |  |  | * November 1, 2018 - NAESB Submittal to the Commission on the Parallel Flow Visualization Project Status (Docket No. EL14-82-000): <https://www.naesb.org/pdf4/ferc110118_naesb_pfv_status_report.pdf> |
|  |  |  | * October 4, 2018 - FERC NOPR (WEQ Version 003) Standards for Business Practices and Communication Protocols for Public Utilities, WEQ-006 Time Error Correction Business Practice Standards (Docket No. RM05-5-026): <https://www.naesb.org/pdf4/ferc100418_nopr_weq-006_weq_version003_rm05-5-026.pdf> |
|  |  | b) | Comments from Board Members, Invited Guests and Speakers, and Attendees |
|  |  | c) | Board Meeting Schedule 2019: <https://www.naesb.org/misc/2019_schedule.pdf> |
|  |  | d) | NAESB Bulletin**:** <https://naesb.org//pdf4/naesb_bulletin_vol11_issue2.pdf> |
| 1:00 P | 9. | **Adjourn** | |
| 12:30 P |  | Buffet Lunch available to meeting attendees beginning at noon to 1:00 pm C, at the conclusion of the meeting | |
| 1:00 P |  | Buses depart for airports – Buses will be available to attendees of the Board meeting, for transportation from the Marriott Marquis to Hobby and Bush Intercontinental Airports beginning at 12:30 pm C for those attendees needing transportation to the airports. | |
| *Attire – Business Casual* | | | |

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| **NAESB QUADRANTS LEADERSHIP MEETING**  **Marriott Marquis, 1777 Walker Street, Houston, TX – Wednesday, December 12, 2018 - 4:00 pm to 5:30 pm Central**  **DRAFT agenda** | | | | |
|  | # | Agenda Item | | |
|  |  |  | | |
| 4:00 pm | 1. | Welcome | | |
|  |  | a) | Antitrust Guidelines <http://www.naesb.org/misc/antitrust_guidance.doc> (Guidance) | |
|  |  | b) | Welcome to participants | |
|  | 2. | Agenda Adoption: <https://www.naesb.org/pdf4/bd121318a.docx> (Agenda) | | |
|  | 3. | **Review of membership levels:** <https://www.naesb.org/misc/membership_report_093018.docx> (9-30-18 Membership Report) | | |
|  | 4. | Update on publication activities: <http://www.naesb.org/misc/retail_publication_schedule_ver3_3.doc> (Retail Version 3.3 Publication Schedule); <http://www.naesb.org/misc/wgq_publication_schedule_ver3_2.doc> (WGQ Version 3.2 Publication Schedule); <http://www.naesb.org/misc/weq_publication_schedule_ver3_3.doc> (WEQ Version 003.3 Publication Schedule) | | |
|  | 5. | Review of 2018 Annual Plans**:** <https://naesb.org//pdf4/wgq_ec101118a1.docx> **(10-11-2018 Redline Approved by the WGQ EC);** <https://naesb.org//pdf4/retail_ec101018a1.docx> **(10-10-2018 Redline Approved by the RMQ EC);** <https://naesb.org//pdf4/weq_ec100918a3.docx> **(10-9-2018 Redline Approved by the WEQ EC)** | | |
|  | 6. | **Update on Coordination with External Organizations:** <https://www.naesb.org/misc/external_coordination_update_112718.docx> | | |
|  | 7. | Update on Sandia National Laboratory Surety Assessment**:** <https://www.naesb.org/misc/snl_update_112718.docx> | | |
|  | 8. | Update on Blockchain Activities**:** <https://www.naesb.org/misc/blockchain_update_112718.docx> | | |
|  | 9. | Committee Updates | | |
|  |  | a) | | Managing Committee Update |
|  |  | b) | | Parliamentary Committee Update: <https://www.naesb.org/pdf4/parliamentary111518dm.docx> (11-15-2018 Meeting Notes); <https://naesb.org/pdf4/parliamentary091318fm.docx> (9-13-2018 Meeting Notes) |
|  |  | c) | | Revenue Committee Update: <https://www.naesb.org/pdf4/bd_revenue111518notes.docx> (11-15-2018 Meeting Notes) |
|  |  | d) | | Board Strategic Plan Task Force Update: <https://www.naesb.org/pdf4/bd_strategic_102518mn.docx> (10-25-2018 Meeting Notes); <https://www.naesb.org/pdf4/bd_strategic_102518a2.docx> (10-26-2018 Notational Ballot); <https://www.naesb.org/misc/proposed_2019_2021_strategic_plan_110218.docx> (Proposed 2019-2021 NAESB Strategic Plan) |
|  |  | e) | | Board Retail Structure Review Committee: <https://naesb.org/pdf4/rsrc112718a.docx> (11-27-2018 Agenda) |
|  |  | f) | | Board Critical Infrastructure Committee: <https://naesb.org/pdf4/bd_cic120318a.doc> (12-3-2018 Agenda) |
|  | 10. | Review of the Proposed 2019 Annual Plans**:** <https://www.naesb.org/pdf4/retail_ec102517a3.docx> **(Retail Markets Annual Plan for 2019);** <https://www.naesb.org/pdf4/wgq_ec102617a1.docx> **(Wholesale Gas Annual Plan for 2019);** <https://www.naesb.org/pdf4/weq_ec102417a4.docx> **(Wholesale Electric Annual Plan for 2019)** | | |
|  | 11. | **Review of other board or leadership issues including any other committee reports** | | |
|  | 12. | Old and New Business | | |
| 5:30 pm |  | Adjourn | | |
|  |  |  | | |
| *Attire – Business Casual – Refreshments served in the room* | | | | |

1. Information on the Marriott Marquis Hotel, reservations and the room block availability, please access <https://www.naesb.org/pdf4/bd121318hotel.docx>.  [↑](#footnote-ref-1)