



## North American Energy Standards Board

1100 Louisiana, Suite 3625, Houston, Texas 77002

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Home Page: www.naesb.org

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### **NORTH AMERICAN ENERGY STANDARDS BOARD OPERATING PRACTICE**

#### **Procedures for NAESB Executive Committee Subcommittees**

The following are general procedures of NAESB Executive Committee Subcommittees and are intended to guide such subcommittee operations. Where specific procedures for a subcommittee exist and have been approved by the Executive Committee, the applicable, specific procedures are intended to guide the operations of the subcommittee in lieu of these generally applicable procedures.

#### **I. Establishment of Subcommittees**

The bylaws of NAESB assign to the Board and to NAESB's Parliamentary Committee the responsibility for developing and adopting matters involving corporate governance. Through the NAESBOPS the Board has adopted procedures for the operation of committees, sub-committees and task forces within subcommittees, and may adopt other such procedures in the future. The Executive Committee (EC), as a whole and through the Quadrant ECs, properly may wish to create subcommittees and task forces within subcommittees for the purpose of discharging its standards-setting/standards maintenance and model business practice-setting/maintenance responsibilities.

The EC and the Quadrant ECs shall have the general authority to adopt resolutions establishing sub-committees and task forces within a subcommittee for the specific purposes of facilitating the development, establishment and maintenance of standards and model business practices. Subcommittees, ~~and Task Forces~~ within the Subcommittee, and Working Groups shall in their operation comply with the NAESBOPS in all respects.

In addition, the EC may request authorization from the Managing Committee of the Board to establish other subcommittees and task forces within a subcommittee not covered by the preceding paragraph, and only upon such authorization being granted shall the said subcommittees and task forces within subcommittees exist or come into being. The Managing Committee may delegate the authority to develop additional subcommittees to the Parliamentary Committee of the Board. The EC or Quadrant EC may, on its own motion or at the request of the subcommittee, approve task forces within a subcommittee to address issues that are expected to require action



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throughout the tenure of the subcommittee. After the establishment of a subcommittee by the EC or Quadrant ECs, the subcommittee may establish working groups as needed to address ad hoc issues ~~that can be resolved in a distinct manner.~~

- A.** Subject to the foregoing, subcommittees are voluntary committees set up at the pleasure of the EC or Quadrant EC to perform various functions as set forth in the Bylaws and as may be determined by the EC or Quadrant EC from time to time. The scope and activities of any Subcommittee shall be determined by the EC or Quadrant EC.
- B.** The EC or Quadrant EC will prepare a written statement concerning the purpose and tasks to be accomplished by the Subcommittee, the name of the Subcommittee and will select a member of the EC or Quadrant EC to act as temporary Chair of said Subcommittee.
- C.** The role of the temporary Chair is to make arrangements through the office of the Executive Director for the initial meeting, including drafting a notice of the meeting and agenda, determining time and place and issuing the notice, agenda and venue information to all NAESB members. The temporary Chair shall serve only until such time as the Subcommittee is organized and elects its own Chair.
- D.** The notice for the meeting should include: a) a copy of the name and purpose statement of the "to be formed" Subcommittee; b) a public invitation to volunteer to serve on the Subcommittee; c) a proposal that the acting Subcommittee Chair be selected as the Chair, with the option for NAESB members serving on the Subcommittee to recommend another EC member to perform the Chair functions for the ongoing Subcommittee (if there are alternates proposed, a vote would be taken at the first meeting to select the Chair); and, d) the suggestion that the Subcommittee also consider the need for a co-chair or vice chair and recording member.

### **II. Order of Business - Initial Meeting**

- A.** At the initial meeting of a Subcommittee the following organizational matters will be addressed by those present:
  - 1.** Welcome participants, call the role of attendees by quadrant and segment, and give the antitrust advice.
  - 2.** Adopt the proposed agenda, with modifications, if any.
  - 3.** Review the name, objectives and task assignment(s) for the Subcommittee as contemplated and directed by the EC or Quadrant EC. Based on such objectives and task assignments, the subcommittee shall prepare a Mission Statement that should be approved by the



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subcommittee through a balanced vote. The Mission Statement must be presented to the EC or Quadrant EC for approval. Attached, as Exhibits \_\_\_\_\_ are the Mission Statements from all existing subcommittees as of March 1, 2003. Additional Mission Statements adopted will be appended hereto.

4. Determine, if necessary, the term of the Chair (and other committee positions, as applicable). Elect/ratify the Chair (and other committee positions as applicable) and Vice Chair or co-chair pursuant to the Voting process outlined below. The Chair, Vice Chair, or one of the co-chair(s) of a NAESB EC Subcommittee must be a member of the EC. Subcommittees may select co-chairs by segment if they so choose.
5. Other organizational business as may be necessary to implement a committee structure and procedures necessary to carry out the EC or Quadrant EC objectives.
6. Take any other actions, as may be appropriate.

- B.** It is understood that the organizational actions of adoption, ratification and election shall be accomplished at the initial meeting by balanced vote of participants present (see NAESB Op No. \_\_\_\_\_ - Name < WITH DATE) and volunteering to serve on the Subcommittee. Substantive business of the Subcommittee shall be subject to quorum and majority rules as set forth below.

### **III. Subcommittee Participation**

- A.** Subcommittee participation is open to all interested participants, provided however, voting at certain subcommittees is limited to named members or alternates (eg. Quadrant ECs) (see NAESB Op No. 3 - Name < WITH DATE).
- B.** A participant may join as many Subcommittees as they desire, and may do so at any time.

### **IV. Majority and Minority Recommendations to the EC**

In the absence of consensus and following a vote of the Subcommittee, those members voting in the minority will be reminded by the chair of their right to forward their proposal directly to the EC or Quadrant EC and of the date when the Subcommittee's majority proposal is to be discussed and addressed by the EC or Quadrant EC.

### **V. Establishment of Subcommittee Working Groups**



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A Subcommittee established by the EC or Quadrant EC may establish, at its discretion, a Working Group to assist in the achievement of its objectives and tasks. Provided however, said Working Group shall report to the Subcommittee on a regular basis and all proposed actions and recommendations of said Working Group must be reviewed and ratified, adopted and/or voted on by the full Subcommittee prior to advancement to the EC or Quadrant EC.

### **VI. Meetings of the Subcommittee**

- A.** The notice of an initial meeting of a NAESB E C Subcommittee or Task Force ~~under a~~within a NAESB EC Subcommittee will be made available at least three weeks in advance of the meeting to the public, NAESB participants and interested trade association staff for distribution to their members. Provided, however, an emergency meeting might be called. NAESB EC Subcommittee Working Groups may call meetings with less than two weeks notice.
- B.** Meetings of the Subcommittee, Task Force ~~of the~~within the Subcommittee, or Working Group are arranged and presided over by the Chair, Vice Chair, or co-chair.
- C.** Meetings of the Subcommittee, Task Force ~~of the~~within the Subcommittee, or Working Group are open to all members of NAESB and other interested participants.
- D.** Meetings will be held at times and in places reasonably selected for the convenience of Subcommittee members. Meetings may be held by teleconference. Meetings will be noticed by means of the NAESB Home Page. A fee may be charged to attend the meeting with prior notification.
- E.** All subcommittees, Task Forces ~~of the~~within the Subcommittee, or Working Groups will proceed with balanced voting for other than administrative or procedural items such as adoption of agendas or adoption of minutes. The balanced voting procedure is described in the NAESB Ops No. \_\_\_\_\_ - [PUT NAME HERE ONCE IT IS APPROVED< WITH DATE]. Each participating company per segment is permitted one vote.
- F.** In-person group meetings normally should be noticed at least two weeks in advance of the meeting. Teleconference-only meetings normally should be noticed at the preceding meeting, and all teleconference-only meetings should normally be noticed at least one week in advance through posting on the World Wide Web.
- G.** All in-person meetings should provide for attendance by teleconference, and may be scheduled at the callers' expense with prior notification. At an in-person meeting, the chair of the group, will also call-in (or open) the



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teleconference number (via a speakerphone) so as to admit the teleconference attendees by phone and permit interaction between the in-person attendees and the by teleconference attendees.

- H.** Agendas for all NAESB meetings should be generated by the chair(s), vice chair or co-chair of the applicable sSubcommittee, Task Force within the Subcommittee or Working Group and posted on the NAESB Home Page sufficiently in advance of the meeting to allow persons accessing the Home Page on a daily basis to identify the issues to be discussed (by or associated with a Request or Clarification Number or Annual Plan item) and be able to attend. Exceptions to this may be granted by the indulgence of the EC.