**March 7, 2023**

**TO:** NAESB Wholesale Gas Quadrant (WGQ) Executive Committee and Interested Industry Participants

**FROM:** Elizabeth Mallett, NAESB Director of Wholesale and Retail Markets Quadrant

**RE:** WGQExecutive Committee Virtual Meeting Draft Minutes – February 7, 2023

**NORTH AMERICAN ENERGY STANDARDS BOARD**

**WHOLESALE GAS QUADRANT**

**EXECUTIVE COMMITTEE**

**Virtual Meeting**

**Thursday, February 7, 2023 – 1:00 PM to 2:00 PM Central**

**DRAFT MINUTES**

**1. Welcome**

Mr. Buccigross called the meeting to order and welcomed the Wholesale Gas Quadrant (WGQ) Executive Committee members, alternates, and other participants. Ms. Mallett read the [NAESB Antitrust and Other Meeting Policies](http://www.naesb.org/misc/antitrust_guidance.doc) and called the roll of the WGQ Executive Committee members and alternates. Quorum was established.

1. **Agenda**

Mr. Buccigross reviewed the consent agenda with the participants, including the meeting [agenda](https://naesb.org/pdf4/wgq_ec020723a.doc) and the October 20, 2022 WGQ Executive Committee [meeting minutes](https://naesb.org/pdf4/wgq_ec102022fm.docx). Mr. Lander moved to adopt the consent agenda as final. Ms. Van Pelt seconded the motion, and the motion passed.

**3. Review and consider for vote the recommendation for 2022 WGQ Annual Plan Item 4 – Develop modifications to the NAESB Base Contract or a new standardized contract if it is determined beneficial. RNG Addendum is being developed for both Regulatory and Voluntary Programs**

Mr. Sappenfield stated that the WGQ Contracts Subcommittee voted out a recommendation supporting 2022 WGQ Annual Plan Item 4 on October 28, 2022. The recommendation is accompanied by Attachment A which contains the Renewable Natural Gas (RNG) Addendum itself and Attachment B which contains the Frequently Asked Questions (FAQ) document. Mr. Sappenfield stated that the development of the NAESB RNG Addendum included participation by WGQ Executive Committee members, regulatory and voluntary market participants, and the RNG Coalition, among numerous others.

During the thirty-day formal comment period, Cheniere submitted comments ([General](https://naesb.org/pdf4/wgq_103122reqcom_cheniere_gen.docx), [Attachment A](https://naesb.org/member_login_check.asp?doc=wgq_103122reqcom_cheniere_attachA.docx), and [Attachment B](https://naesb.org/member_login_check.asp?doc=wgq_103122reqcom_cheniere_attachB.doc)) addressing typos and non-substantive grammar corrections. On January 12, 2023, the WGQ Contracts Subcommittee met to review the Cheniere comments and drafted a set of late comments for review by the WGQ Executive Committee ([Attachment A](https://naesb.org/member_login_check.asp?doc=wgq_103122reqcom_wgq_contracts_attachA_late.docx) and [Attachment B](https://naesb.org/member_login_check.asp?doc=wgq_103122reqcom_wgq_contracts_attachB_late.doc)). Mr. Sappenfield stated that if the recommendation is approved, a second phase of the effort will begin to develop the technical implementation to digitize the RNG Addendum, and that the WGQ Contracts Subcommittee will hold a kick off call to begin that effort on February 21, 2023.

Mr. Sappenfield moved to approve the [recommendation](https://naesb.org/pdf4/wgq_ec020723a5.docx) as revised by the late comments from the January 12, 2023 WGQ Contracts Subcommittee meeting. Ms. Crockett seconded the motion, and the passed a simple majority vote.

Mr. Busch asked what the next step in the process would be for the NAESB RNG Addendum. Mr. Buccigross explained that the recommendation containing and the addendum will be posted for ratification by the NAESB WGQ membership. After ratification, the addendum will be available as a final action that will be included in the next WGQ publication.

**4. Review and consider for vote the recommendation for 2022 WGQ Annual Plan Item 6 – Develop a Responsibly Sourced Natural Gas (RSG) Addendum to the NAESB Base Contract for various program offerings**

Mr. Sappenfield noted that the standards development effort to approve the NAESB Certified Gas Addendum began in June of 2022. He stated that the recommendation was voted out of the WGQ Contracts Subcommittee on December 15, 2022 after thirteen meetings. Mr. Sappenfield noted that there was substantial participation in the development of the addendum from a wide swath of the industry, including certification authorities, producers, and end users, among others. He stated that the subcommittee participants debated the term to be used for the addendum because the product is referred to by different names in different areas of North America. Ultimately, the subcommittee settled upon the term “Certified Gas” and the conversation went on to the harmonization of preferred contracting terms and definitions. Mr. Sappenfield stated that Equitable Origin, MiQ, EDF, and Project Canary were key to reaching a consensus on the document.

During the thirty-day formal comment period, comments were submitted from Cheniere ([General](https://naesb.org/pdf4/wgq_121522reqcom_cheniere_gen.docx), [Attachment A](https://naesb.org/member_login_check.asp?doc=wgq_121522reqcom_cheniere_attachA.docx), and [Attachment B](https://naesb.org/member_login_check.asp?doc=wgq_121522reqcom_cheniere_attachB.doc)), [Project Canary](https://naesb.org/pdf4/wgq_121522reqcom_project_canary.pdf), and [EDF](https://naesb.org/pdf4/wgq_121522reqcom_EDF.pdf). The WGQ Contracts Subcommittee held a meeting to respond to the comments submitted as of January 12, 2023 and developed comments ([Attachment A](https://naesb.org/member_login_check.asp?doc=wgq_121522reqcom_wgq_contracts_attachA.docx) and [Attachment B](https://naesb.org/member_login_check.asp?doc=wgq_121522reqcom_wgq_contracts_attachB.doc)) in response.

Mr. Sappenfield moved to adopt the [recommendation](https://naesb.org/pdf4/wgq_ec020723a6.docx) as revised by the comments from the WGQ Contracts Subcommittee. Ms. Crockett seconded the motion. The motion passed a simple majority vote.

Mr. Lander asked whether any of the comments filed were negative or in opposition to the recommendation. Mr. Sappenfield explained that there were comments regarding language that were substantively resolved after Equitable Origins, MiQ, EDF, and Project Canary reached a consensus.

Mr. Sappenfield thanked the WGQ Executive Committee members for taking the time to review the RNG and Certified Gas Addenda. Mr. Buccigross thanked Mr. Sappenfield for chairing the WGQ Contracts Subcommittee and leading the participants through the standards development process.

**5. Other Business**

Mr. Busch asked what the ratification time frame would be. Mr. Booe stated that the ratification period concludes in thirty days. Mr. Busch asked for a timeline on the development of the technical implementation standards. Mr. Sappenfield stated that the kick-off meeting to develop the technical implementation for both the NAESB Certified Gas Addendum and the NAESB Renewable Natural Gas Addendum would be on February 21, 2023. He stated that the efforts to digitize the NAESB Base Contract for Sale and Purchase of Natural Gas laid the groundwork for the effort and will be used as a template to expedite the drafting process. Mr. Sappenfield explained that the efforts will not be as extensive as the initial effort for the contract itself and should be completed no later than the fourth quarter of 2023.

**6. Adjourn**

The meeting adjourned at 1:32 PM Central on a motion from Mr. Lander. Ms. Hogge seconded the motion. The motion passed without opposition.

**7. Attendance & Voting Record**

| **Wholesale Gas Quadrant Executive Committee** | | **Attendance** | **Vote 1** | **Vote 2** |
| --- | --- | --- | --- | --- |
| **Producers Segment** | | |  |  |
| Chuck Cook | Manager - Regulatory Affairs, Chevron Natural Gas | Present | In Favor | In Favor |
| Jim Busch | Senior Regulatory Advisor, BP Energy Company | Present | In Favor | In Favor |
| Ben Schoene | Director, Regulatory Affairs, Commercial Gas and Power, ConocoPhillips Company | Present | In Favor | In Favor |
| **Pipeline Segment** | | |  |  |
| Kim Van Pelt | Manager of Regulatory Reporting and Compliance, Boardwalk Pipelines | Present | In Favor | In Favor |
| Tom Gwilliam | Commercial Regulations and Standards Manager, Iroquois Gas Transmission System | Present | In Favor | In Favor |
| Rachel A. Hogge | Manager – Pipeline Commercial Policy & Compliance, Eastern Gas Transmission & Storage, Inc. | Present | In Favor | In Favor |
| Mark Gracey | Director – Business Processes, System Compliance, Kinder Morgan Inc | Present | In Favor | In Favor |
| Christopher Burden | Technical Manager Standards and Regulatory Compliance, Enbridge (U.S.) Inc. | Present | In Favor | In Favor |
| **Local Distribution Company (LDC) Segment** | | |  |  |
| Matthew Agen | Assistant General Counsel, American Gas Association | Present | In Favor | In Favor |
| Craig Colombo | Vice President Gas Supply, Hope Gas, Inc. |  |  |  |
| Andrew MacBride | Director, FERC Gas Markets Policy, National Grid | Present | In Favor | In Favor |
| Kenneth Yagelski | Director Gas Supply and Gas Control, Southern Company Gas |  |  |  |
| Kathryn Ferreira | Manager of Energy Training and Systems – Gas Supply, New Jersey Natural Gas | Present | In Favor | In Favor |
| **End Users Segment** | | |  |  |
| Willis E. McCluskey | Senior Fuel Supply Analyst, Salt River Project Agricultural Improvement & Power District |  |  |  |
| Sarah Myrick | Gas Operations Manager, Southern Company Services, Inc | Present | In Favor | In Favor |
| Brad Decker | Sr. Advisor, Midcontinent Independent System Operator |  |  |  |
| Keith Sappenfield | Principal, Project Strategy, Sabine Pass Liquefaction, LLC | Present | In Favor | In Favor |
| Valerie Crockett | Senior Program Manager – Environment & Energy Policy, Tennessee Valley Authority | Present | In Favor | In Favor |
| **Services Segment** | | |  |  |
| Leigh Spangler | Representative, Latitude Technologies, LLC, an ESG Company | Present | In Favor | In Favor |
| Jim Buccigross | Vice President – Energy Industry Practice, Group 8760 LLC | Present | In Favor | In Favor |
| Greg Lander | President, Skipping Stone, LLC | Present | In Favor | In Favor |
| Rakesh Agrawal | Executive Vice President, Blackstone Technology Group, Inc. |  |  |  |
| Lisa Simpkins | Director – Fuels Policy, Federal Regulatory Affairs, Exelon Generation Company, LLC | Present |  |  |

| **Other Attendees** | **Organization** |
| --- | --- |
| Jonathan Booe | North American Energy Standards Board |
| Pete Connor | rep. American Gas Association |
| `David Cox | The Coalition for Renewable Natural Gas |
| Micki Hoffee | Northern Natural Gas |
| Nichole Lopez | Kinder Morgan Inc. |
| Elizabeth Mallett | North American Energy Standards Board |
| Steve McCord | TC Energy Corporation |
| Joshua Phillips | Southwest Power Pool |
| Debbie Santolin | Southern Company |
| Lisa Sieg | LG&E and KU Services Company |
| Caroline Trum | North American Energy Standards Board |
| Jill Vaughan | Court Reporter |
| Emily Wong | American Public Gas Association |
| Sheik Zulkader | California ISO |