

North Carolina Oil & Gas Commission
Meeting minutes – 6 November 2019

Transcription results:

00:02:22 **Chairman Lister** Leads the Pledge of Allegiance, followed by moment of silence.

00:03:00 **Lister** Acknowledges call-in members are currently phone connected.

00:03:24 **Lister** Reminds members of Ethics Enforcement Act (reads act)

00:04:05 **Lister** Takes attendance. In attendance: Commissioner Womack (phone), Commissioner Salmon (phone), Commissioner Gaglio, Commissioner Baird, Chairman Lister.

00:04:32 **Lister** Approval of meeting minutes from the last meeting (13 August 2019)

Vice-Chairman Womack: *I can't see the minutes; they're not posted on-line. Um, so I'm going to abstain from voting on the minutes. I can't tell if there was any mention of several things that came up. I would appreciate it if Mr. Taylor could forward those minutes electronically so we can take a look at those.*

Commissioner Salmon: *I concur with Jim, I haven't been able to see those for the same reason.*

Lister: *I guess what we'll do is defer the approval of the minutes of the last meeting to the next meeting.*

Phillip Reynolds – Commission Counsel: *Mr. Chairman, as a point of inquiry, were the minutes submitted electronically prior to the meeting?*

Lister: *No, they weren't and that's something we're going to be discussing in the next section here with the procedural guidelines.*

Reynolds: *Ok, thank you.*

00:06:18 **Lister** Proposed meetings and procedural guidelines. Highlights General Statute 2935 that states that the commission is to meet at least quarterly. Proposed 2020 meeting dates (with the DEQ): Tuesday, 11 February; Tuesday, 12 May; Tuesday, 11 August; and Tuesday, 10 November. Asks if there is any discussion on this matter. There is not. Presents motion to approve dates.

Womack: *I move for the approval of those four dates for quarterly Commission meetings for 2020.*

Motion seconded and approved.

00:07:46

Lister

Standard Operating Procedures for the Commission – Agenda Preparation & Minutes Approval.

Expresses that today is a good example of how the agenda didn't get circulated to the Commissioners prior to the meeting. Would like to see an agreed upon set of guidelines for the agenda presentation of minutes and the timing. Summary of General Statute 292-2 –All staff support shall be supplied by the DEQ. Proposes that agenda for upcoming meeting be discussed with DEQ staff approximately three weeks prior to Commission meeting. The draft agenda should be prepared a week before the meeting. The final draft of the agenda should be sent to the other Commissioners approximately 3-4 days prior to the meeting. Asks **Reynolds** if Commission operating procedures contain the concerns previously mentioned. **Reynolds** responds that some, not all, are discussed – not how many days in advance for the minutes and the agenda. **Reynolds** iterates that the Commission is required to publish the agenda. The specifics of the agenda are only required for Special Meetings. **Lister** asks for confirmation from **Geological Survey Section Chief, Dr. Kenneth Taylor** about the four proposed meeting dates that they discussed on a previous phone conversation – conference call also including **Senior Policy Advisor Jennifer Mundt** and **Geological Survey Staff, Jim Chapman**. **Taylor** confirms this. **Lister** asks **Taylor** what the issue was prior to this meeting for circulating the minutes and agenda. **Taylor** responds that the agenda is posted on the web-site for this meeting. **Taylor** also adds that the DEQ did have some computer related issues with the minutes. **Lister** asks if it is the responsibility for each Commission member to find the agenda on the web-site themselves or is it the state's responsibility to distribute the agenda - & if so, must it be to the government email address. **Taylor** responds for some Commission members their state email accounts are no longer active. **Taylor** reminds **Lister** that if he'd like to handle it another way, DEQ will. **Taylor** recalls that **Lister** instructed **Taylor** to use his government email account when communicating him. **Lister** recalls that **Taylor** reminded the Commission several meetings back that the account owners must use their account (possibly at least once every 90 days) in order to keep it active. **Lister** thought that every Commissioner was going to switch over (if they were using personal email accounts) but surmises that this apparently didn't happen. **Lister** would like to see the agenda and communications

submitted in three forms: on the web-site; to the state email addresses; and personal email address. **Lister** asks for any other comments.

Womack: *No, I think you covered it effectively, Jim.*

00:17:15

Lister

Adopting Standard Guidelines for Preparation and Submission of the Commission's Annual Report to the General Assembly.

General Statute 293-1 states that the Commission is to report annually as to the operation, activities, programs, and progress to the Joint Legislative Commission for Energy Policy. Statute doesn't specify what date the report is to be submitted, nor does it specify the format of the report. **Lister** would like to establish a set of guidelines as to how the Commission submits the report. **Lister** thinks it should be in the form of an Executive Summary and not just in the form of minutes compiled through the year. **Lister** would like to propose that 1 January the DEQ and the Commission will begin constructing the document and circulate it to all interested parties. **Lister** would like to see a final draft at the February meeting. **Lister** asks **Reynolds** how a final draft would get distributed to the Legislative Committee. **Reynolds** informs that the department (DEQ) handles that. **Lister** asks **Taylor** if the timeline for the report suits the department. **Taylor** responds that it does and adds that in previous years the report has just been a summation of the minutes. **Lister** thinks the report would be more readable as an Executive Summary. **Lister** asks for any more discussion from the other Commissioners. Nothing is offered.

00:22:58

Lister

Proposed Revisions to Oil and Gas Rules.

Lister states that after he became Chairman he submitted his recommendations as to how the rules could be improved upon. Lists three categories: (1) typographical errors; (2) some of the rules, as written, need to be clarified either by wording or by meaning; and (3) there are some topics that weren't addressed. **Lister** proposes establishing a new Rules Committee after the beginning of the year (2020) designed to address the three proposals. Would like to see the preliminary results by May 2020. **Lister** asks if there is any more discussion on this topic. **Reynolds** offers that it is the Chairman prerogative to assign Commissioners to committees. **Reynolds** adds that the Committee presents their proposals first to the Commission at-large. **Reynolds** reminds **Lister** that, as Chairman, he is a member of all Committees but that the Committee can convene at the leisure of the Chairman of that Committee. **Reynolds**

reminds Lister that some of the proposals, such as the typographical errors would still need to be approved by the full Commission. **Lister** asks if there is a way the Commission could look at the original rules to see if they contain the mentioned typographical errors. **Reynolds** offers that the rules, as they exist now, were put into place by the Legislature, so there won't be much difference between the rules as they were finalized by the Legislature and the rules as they exist now. **Taylor** offers that almost all the typos disappear when you go back to the original document – suggesting that many of the typos are a product of on-the-fly document file conversion. **Taylor** offers to send a draft –after conferring with Reynolds- of his typographical findings to the Chairman. **Lister** reminds **Taylor** and **Reynolds** that he got the rules off of the web-site. **Taylor** states that he went back to the Office of Administration and revived a better version. **Lister** offers that perhaps we should replace the current web-site version with the version from the Office of Administration and then see what errors are remaining. **Taylor** gets confirmation that he should go through Reynolds first for the rules document re-submittal. **Lister** asks for any further comments on this topic. None are offered.

00:32:25

Lister

Public Comments

Public Commenter #1

Expresses concern that NC's set-back rules are not stringent enough.

Public Commenter #2

(John Droz – call-in) Cautions that we should be careful when treating rules for different energy sources.

00:41:14

Lister

Closes with Parting comments.

A few commissioners (Baird, Zhang, and Gaglio) are leaving the Commission at the end of the year (2019). Thanks all the Commissioners for their service to the Commission and the state.

Womack: *Thank you, and I'd like to echo your sentiment about Commissioners Baird and Gaglio. I appreciate the great work that they provided the Commission and we shall sorely miss them. I wish them all the best in the future. A couple other items that I wanted to mention today. This is for Dr. Taylor, I notice there has not been a lot of change to content on the web-site, other than the meeting content and I'd like to encourage them to update the Registry of Landmen. Jim Chapman, I believe is the person that takes that information now, rather than Ryan Channell. They've got Ryan Channell's email and name out there on the site. I think it needs to be updated for those people that are interestd in being Landmen, so they have a proper contact at DEQ. The stakeholder group at DEQ is about six years, dated. That probably needs to come down*

off the site; it would only serve to confuse people. We continue to have that kind of content up. There's a lot of great content that the Commission has, or its predecessor – the Mining and Energy Commission- that would be extremely useful to the public. I still stand by my strongest request that DEQ get off its tail and post that content so that the public will be well served by useful scientific information and extensive study that the Commission did over a period of over three years. I think the public deserves to have that information. The absence of that information on the public web-site is not a good representation of the work that the Mining and Energy Commission did. I will continue to emphasize that in the meetings –that that content needs to be restored- and some of the garbage that's up there now needs to come down. I think that's it . . . the last item is still troubling is I go back to minutes of the May meeting, which were approved at the August meeting, and it said that Mr. Peele from OSHR approved us on the ability to get paid for our travel and transportation, costs, parking fees, and the per-diem that's allowed. He promised that that was going to be done but it still hasn't been done. The Chairman probably has been compensated . . . I still have not. The paperwork that was promised to me has not been provided by email or otherwise and I think DEQ has some house-keeping work to take care of and I'm just stating my intent . . . I'm not traveling there today because I'm not getting paid to go back-and-forth. I'm going to be by remote telephone participation until such time DEQ does its job by statutory requirement. That's all I have to say.

00:45:14

Lister

After confirming that there are no other issues, meeting is adjourned.