



Executive Council

Wednesday, April 18, 2018

12:00 pm – 4:30 pm

Tampa Marriott Waterside Hotel & Marina – Tampa, Florida

2018 Theme

NATURAL GAS MAKES SENSE...FOR TODAY AND FOR THE FUTURE

Caron Lawhorn, Senior Vice President – Commercial, ONE Gas, SGA Board Chair



Management Conference

EXECUTIVE COUNCIL AGENDA



Chairs

Philip Rullman, Southern Star Central Gas Pipeline, 2018 Chair
Susan Waller, Enbridge, 2018 Vice Chair

TAMPA, FL

Wednesday, April 18, 2018
Meeting Room 5 & 6

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- | | |
|------------------------|--|
| 12:00 p.m. – 1:00 p.m. | Lunch
<i>A deli lunch will be provided; arrive at your leisure</i> |
| 1:00 p.m. – 1:25 p.m. | Opening Remarks & Introductions |
| 1:25 p.m. – 1:30 p.m. | History & Mission of the Executive Council |
| 1:30 p.m. – 2:30 p.m. | Reports from Section Managing Committees <ul style="list-style-type: none">➤ Gas Supply Marketing – Matt McCoy, Southern Star Central Gas Pipeline➤ Pipeline Operations & Engineering – Mark Widaski, Enable Midstream➤ Growth & Retention – Julie Hatfield, Texas Gas Service, a division of ONE Gas & Danielle Mulligan, Florida Public Utilities |
| 2:30 p.m. – 2:45 p.m. | Break |
| 2:45 p.m. – 4:15 p.m. | Weather Impacts from 2017/2018 Winter <ul style="list-style-type: none">➤ Gas Supply Roundtable – Hector Alatorre, The Williams Companies➤ Demand – Residential & Commercial Roundtable – Mike Frey, Municipal Gas Authority of Georgia➤ Demand – Power Generation Roundtable – Jeff Sanderson, Boardwalk Pipeline Partners➤ Reports from Each Group |
| 4:15 p.m. – 4:30 p.m. | Natural Gas Advocacy
<i>Bill Cantrell, Southern Gas Association</i> |
| 4:30 p.m. | Adjourn |
| 6:00 p.m. – 7:00 p.m. | Welcome to Tampa Reception
<i>Sponsored by SGA Associate Members</i>

<i>Dinner on your own</i> |



Section Managing Committee Report to Executive Council

Gas Supply Marketing

April 18, 2018

I. Committee Purpose / Identity

The Gas Supply Marketing Section Managing Committee provides dynamic and timely forums for addressing issues in both supply and demand. Those issues include:

- *The latest developments in the areas of natural gas and LNG supplies,*
- *Pipeline and storage infrastructures,*
- *Changing existing demand for natural gas,*
- *The development of new gas markets, and*
- *Gas/electric harmonization*

These discussion forums create valuable opportunities to meet, socialize, and network with colleagues from the industry. Members of the Gas Supply Marketing Committee (and the associated interest group) come from natural gas companies covering:

- *Midstream and pipeline,*
- *Distribution,*
- *Gas supply marketing,*
- *Gas transportation, and*
- *Consulting organizations*

II. Current Focus Areas

While the span of topics for this group is broad, the focus over the last few years has been in:

- *Infrastructure development,*
- *LNG exports,*
- *Technology at the drill bit,*
- *Electrification and how natural gas plays a part in power generation (greenfield and brownfield efforts), and*
- *Increasing awareness of the natural gas industry at the collegiate level*

III. Committee Meetings

Fairly frequent committee meetings are needed due to the level of activity within this group. With that, the typical schedule has been:

- *Face to face meetings*
 - *As part of the Management Conference*

- *A summer group meeting, typically in Houston*
 - *An effort is made to find a training or learning opportunity to combine with this meeting*
- *A fall meeting is evaluated annually, but most recently has become a part of the Executive Energy Forum*
- *Teleconference meetings*
 - *Held very frequent just before the delivery of roundtables as part of the Management Conference*
 - *Usually quarterly outside of any specific event planning activity*

IV. Conference Involvement

- *Management Conference*
 - April 26-28, 2017 | Baltimore, MD
 - An average of over 40 attended specific roundtable sessions for this topical area
 - 6 sessions were developed covering:
 - Technology for Hydrocarbon Development (panel discussion)
 - Panel was followed by open discussion roundtable session
 - An LNG Market Update
 - Federal Energy & Environmental Policy (AGA partnership with speaking engagement)
 - Anti-hydrocarbon Movement
 - US natural gas, LNG and Power Generation Infrastructure (panel discussion)
- *Executive Energy Forum*
 - October 19-20, 2017 | University of Houston – Houston, TX
 - This was an inaugural event with a focus on improving the partnership between the industry and our collegiate level professionals who will soon be entering the workforce. Originally, this forum was to have a case study for students to engage in a competition and present potential solutions for the case study provided. Due to Hurricane Harvey, the event was modified to focus on emergency response and disaster recovery.
 - This event was broken in to 2 sessions – one during the morning and one over a luncheon. While the morning session had fewer attendees, the students came prepared with questions for the content provided. The

luncheon was well attended with tables being sponsored by SGA member companies. Students were encouraged to attend and casually network with member company attendees.

- The presentations from the Forum:
 - Morning Sessions
 - Session 1
 - Brian Wagaman (Moderator)
 - Jack Williams, ConocoPhillips
 - Jeffrey Benjamin, University of Houston
 - Session 2
 - Camilo Amezcuita (Moderator)
 - Randy Pryor, CenterPoint Energy
 - John Slanina, CenterPoint Energy
 - Rick Wall, Emera/Peoples Gas/Tampa Electric
 - Emily Browning, Cheniere Energy
 - Luncheon
 - Pete Tumminello, Southern Company Gas
 - Scott Prochazka, CenterPoint Energy
 - Stan Chapman, TransCanada

V. Conference Plans (Current Year)

- Management Conference
 - April 18-20, 2018 | Tampa, FL
 - Sessions Covering:
 - Advances in Technology and Innovation
 - Global LNG: Where we are now and where we see it going?
 - Supply, Demand, & 5-Year Natural Gas Price Forecast
 - Cogeneration & Greenfield Infrastructure Needs – From a Power Generators Point of View
- Executive Energy Forum
 - TBD | University of Houston – Houston, TX
 - Based on discussions with university officials and committee leadership, there is very much a desire to return to the campus and offer this forum

again. The plan is to return to the original case study and offer competition to student groups for a fall class on campus.

- Planning for this event will commence immediately following the wrap-up of the Management Conference and will be carried out by a sub-committee of individuals, mostly that are based in Houston.

VI. Other Key Activities

The committee will review the Executive Energy Forum and discuss opportunities of how to expand the case study competition beyond a single university for the future. This will likely take a couple of years to develop but discussions now will help determine interest and a framework for such a broader based competition.

VII. Individual Sub-Committee Highlights

- Gas Forecasters
 - This committee has moved around a few times after the end of the Fall Leadership Conference held two years ago. This group will now move to the July Operating Conference.

VIII. Growth Opportunities

An opportunity exists to bring in additional gas transportation and supply organizations. SGA offers a forum that is unique to other associations with the ability to have full industry representation for this group.

IX. Section Managing Committee Roster

- Sarah Stabley, Duke Energy, Chair
- Matt McCoy, Southern Star Central Gas Pipeline Inc., Vice Chair
- Members
 - Joseph McCallister, Duke Energy
 - James Eckert, TransCanada
 - Marshall Lang, Sequent Energy Management
 - Michael Frey, Municipal Gas Authority of Georgia
 - Brian McKerlie, Spectra Energy Partners
 - David Tucker, CenterPoint Energy Services
 - Craig Vaughn, ConocoPhillips
 - Troy Davis, Tenaska Marketing Ventures
 - Rob Ellis, CenterPoint Energy Services
 - Matt Fleming, Shell Energy North America
 - Camilo Amezcuita, Williams
 - Lori Leeder, Vega Energy Partners, Ltd.
 - Denny Yeung, Black & Veatch

- Scott Woley, Spire Inc.
- Anthony Nee, Washington Gas
- Rick Whitworth, Boardwalk Pipeline Partners
- Brian C. Wilson, Dominion Energy Transmission, Inc.
- John Richardson, TransCanada
- David A. Hamilton, Vega Energy Partners, Ltd.
- Mark Lowe, Washington Gas
- Brian S. Wagaman, CenterPoint Energy
- Emily Browning, Cheniere Energy, Inc.
- Andrew Berdy, Constellation Energy, An Exelon Company
- Tim Sherwood, Southern Company Gas
- Dave Schettler, Tenaska Marketing Ventures
- Gary W. Hines, SGA, Staff Liaison

X. Board Liaisons

- Adrian Chapman, Washington Gas
- Fred Hunzeker, Tenaska Marketing Ventures
- Tom Mathiasmeier, ConocoPhillips
- Frank Ferazzi, Williams
- Arthur Corbin, Municipal Gas Authority of Georgia
- Dean Liollo, PAA Natural Gas Storage
- David Shammo, Enbridge
- Donald Raikes, Dominion Energy



Section Managing Committee Report to Executive Council

Pipeline Operations & Engineering

April 18, 2018

I. Committee Purpose / Identity

The Pipeline Operations & Engineering Section provides oversight for the development of technical training, joint industry projects, and support activities to improve individual and corporate performance of midstream (processing, compression, and pipeline) and transmission pipeline operations and engineering departments.

Members of the committee provide strategic guidance to technical committees regarding relevant topics that should be included on their respective roundtables and in other appropriate events. These members also monitor the governance and other challenges being faced by these committees to maximize their success. This is done through direct engagement with pipeline specific committees and a dual reporting relationship with those committees that support both distribution and the pipeline segments (Gas Control as an example).

The committee also develops their own forums for networking, peer to peer development, and understanding of current challenges at the more strategic level for operating companies. Members of this committee (and the associated interest group) come from natural gas:

- *Midstream processing and compression,*
- *Midstream gathering pipelines, and*
- *Long haul transmission companies*

II. Current Focus Areas

While the span of topics for this group is broad, the focus over the last few years has been in:

- *Pipeline and personnel safety*
- *Safety Culture & Pipeline Safety Management Systems*
- *Leading effective technical staff (hiring, developing, and retaining)*
- *Providing diversity of understanding FERC regulated and non-regulated facilities*
- *“Big Data” – Business analytics utilization and leveraging information to improve performance*
- *Regulatory updates (PHMSA, OSHA, FERC, state level)*
- *Anti-Hydrocarbon movements and concerns about infrastructure development*

III. Committee Meetings

Fairly infrequent committee meetings are required for this group. With that, the typical schedule has been:

- *Face to face meetings*
 - *As part of the Management Conference*
 - *Fall meeting is leveraged as an opportunity to develop potential topic list for the Management Conference as well as hear from a small handful of technical committees*
- *Teleconference meetings*
 - *Held very frequent just before the delivery of roundtables as part of the Management Conference*
 - *Approximately quarterly outside of any specific event planning activity*

IV. Conference Involvement (Past Year)

- Management Conference
 - April 26-28, 2017 | Baltimore, MD
 - An average of over 25 attended specific roundtable sessions for this topical area
 - 6 sessions were developed covering:
 - Incident Investigations from the NTSB
 - “Deep Dive” roundtable following a session with presentation material
 - Finding the “Radical Middle” – Engaging Others in Conversation
 - Challenges in Pipeline Development – A Case Study on Effective Stakeholder Engagement
 - Safety Culture Imperative – How to Make Change & Make It a Part of Everyday Work
 - Let’s Get Practical on the PHMSA “Mega Rule”
- Operating Conference
 - July 30 – August 1, 2018 | Tampa Convention Center, Tampa, FL
 - While this committee does not develop content for the conference, most of the technical committees that report through this section managing committee do, so many of these committee members attend the conference to offer support (and to learn!) for those technical committees.

V. Conference Plans (Current Year)

- Management Conference
 - April 18-20, 2018 | Tampa, FL
 - Sessions Covering:
 - Understanding the Management of Mundane Tasks & Their Risks
 - “Let’s Talk About Safety”
 - A “Deep Dive” discussion on better understanding and managing mundane tasks where safety risks exist
 - Leadership Development for the Technical Workforce
 - The Deregulation Movement in Washington – Hang On!
 - Using “big data” analytics to dissect information and using trends to tell a story

VI. Other Key Activities

The committee has also historically participated in a fall Safety Summit in conjunction with the Pipeline Safety Council and the Distribution O&E Section Managing Committee. This program is seen to offer value to bring in non-industry professionals (airlines, chemical plants, etc.) to get a broader understanding of Safety Culture development, and how to effectively manage the Pipeline Safety Management System program (API Recommended Practice 1173).

VII. Individual Sub-Committee Highlights

- Direct report – 4
- Dual report – 11
- There is constant ebb and flow for the strength of committees based on committee leadership, current work environment (i.e., new regulations), and other factors.
- Committee works with staff liaison to better understand the health of supported committees and where engagement may be needed.

VIII. Growth Opportunities

This is a challenging space for growth on the committee as the number of pipeline organizations has reduced over the last 5-8 years. The growth is likely in the LNG and historical distribution-only operating companies. Current leadership would be interested in engagement from the following companies:

- EnLink
- TransCanada (Randal Broussard is retiring in 2018)

- *Dominion Energy (Representative likely to join late 2018)*
- *Kinder Morgan*
- *Northern Natural/Kern River*
- *Historically LNG-focused organizations*
 - *Sempra*
 - *Cheniere*
- *Historically classified as “distribution only” companies*
 - *Atmos Energy (Expressed interest in 2017)*
 - *Duke Energy*

IX. Section Managing Committee Roster

- Mark Widaski, Enable Midstream, Chair
- Jim Kerns, Energy Transfer, Vice Chair
- Members
 - Randal Broussard, TransCanada
 - Chris Brzowski, Southern Star Central Gas Pipeline
 - Jeff Sanderson, Boardwalk Pipeline Partners
 - Steven Murphy, Southern Company Gas
 - Glenn Koch, Williams
 - Tom Wooden, Enbridge
- Gary W. Hines, SGA, Staff Liaison

X. Board Liaisons

- Kimberly Watson, Kinder Morgan
- Stan Horton, Boardwalk Pipeline Partners
- Eric Amundsen, Energy Transfer Company
- Gregory Rizzo, Enbridge
- Frank Ferazzi, Williams
- Stan Chapman, TransCanada
- Jimmy Staton, Southern Star Central Gas Pipeline



Growth & Retention Section Managing Committee Report to the 2018 SGA Executive Council

I. Committee Purpose/Identity

Mission Statement and Purpose

Bringing industry partners together to collaborate and facilitate the exchange of information and ideas to promote and grow the use of natural gas in all Growth and Retention sectors: analytics, end use codes and standards, CNG/NGV's, energy efficiency, new equipment and technology, marketing campaigns, commercial foodservice, and all other topics and subjects impacting the industry and related to the residential, commercial and industrial markets.

The Growth & Retention Section Managing Committee provides guidance and oversees the following SGA committees:

- Residential Sales & Marketing Committee
- Commercial/Industrial Sales & Marketing Committee
- End Use Codes and Standards Committee

II. Current Focus Areas

The current and most recent hot topics in our sphere of influence were/are:

2016 – April 6-8, San Antonio, TX

- “High-rise Multi-Family Program” - Atlanta Gas Light
- Innovative Growth Strategies in the Multi-Family Market Segment and Scattered or Single Meter Markets (rate basing and regulatory alternatives for growth)
- Growth Initiatives – Unifying as an Industry to Make a Difference
- Driving Business Results
- Strange Bedfellows - “Unlikely” Partnerships that Work
- Products & Services - session about innovation on evaluating growth opportunities and strategy using a framework that expands from the core business and capabilities
- Additional Products and Services – What’s Your Company Offering?

2017 – April 26-28, Baltimore, MD

- Emerging Gas Technologies & How Partnerships Work to Drive Market Growth
- Next Generation Outreach: Digital News Rooms
- How to Make a Big Deal of Big Data
- Natural Gas’ Role in the Larger Environmental Debate
- End Use Codes & Standards Update & Why Utilities Need More Representation in the Code Development Process & Debate

2018 – April 18-20, Tampa, FL

- Natural Gas: Sustainable Growth: Electrification Impact Analysis Study
- Best Practices: System Growth, Extension Programs
- “Appliance Alliance Program”, Texas Gas Service
(Winner of the SGA Marketing Excellence Award –Judges’ Choice)

- **The Voice of the Customer**
Utility providers today find themselves amid a sea of rapid change and disruption. This creates a strong compelling event - a reason to change the way we are doing things. Customer Experience (CX) transformation provides an important framework through which providers can meet rising customer expectations, drive efficiency and agility, and unlock new revenue streams. Come join an interactive session with your peers to learn about the top CX predictions and trends you can't ignore. You will also get practical advice on how to get started with CX and hear best practices and case studies from utility providers who are moving along the path to CX transformation and how it has impacted their businesses.

III. **Committee Meetings** (previous year and current year)

The committee used to meet in person every October to kick off roundtable planning. They now do all planning virtually, due to budget cuts and time constraints. Leadership would like to reconsider meeting in person to kick off roundtable planning, strategic planning and best practice sharing.

The chair and vice-chair attend the overall Management Conference Planning Meeting in October/November to represent the Growth & Retention Section.

- Currently, we meet every 4th Wednesday of each month, via teleconference.
- We often gather for dinner the first night of the Management Conference.
- If several are attending the SGA Marketing, Customer Experience and Communications Conference held in August, we schedule a committee meeting onsite, before the event kicks off.

IV. **Conference Involvement** (2017)

SGA Management Conference/Growth & Retention Executives' Roundtable

- April 26-28, Baltimore, MD
- 14-20 participants throughout the event
- Key topics: emerging technologies, successful marketing tools and how to successfully use analytics or "big data", the importance of end use codes and standards and the future of natural gas in the larger environmental debate

SGA Marketing, Customer Experience and Communications Conference

- August 8-10, Fort Lauderdale, FL
- Committee hosted the Marketing Excellence Awards – Members' Choice Award
- Facilitated the session of live presentations from 3 candidates (companies) to 60 audience members
- Announced the winner and presented the award at the conference luncheon

V. **Conference Plans** (Current Year - 2018)

SGA Management Conference/Growth & Retention Executives' Roundtable

- April 18-20, Tampa, FL
- Expected 20-25 participants throughout the roundtable
- Key topics: electrification, partnering with renewable companies, extension programs, energy efficiency, and customer experience transformation, providing an important framework through which providers can meet rising customer expectations, drive efficiency and agility, and unlock new revenue streams.

SGA Marketing, Customer Experience and Communications Conference

- August 7-9, Denver, CO
- Committee will host the Marketing Excellence Awards – Members’ Choice Award
- Facilitate the session of live presentations from candidates (companies) to an audience
- Announce the winner and present the award at the conference luncheon

VI. Other Key Activities

Growth & Retention Section Managing Committee

- Marketing Excellence Award – Members’ Choice (August) – members who hear the live presentations at the conference and meet with candidates at their exhibit table, vote via mobile app, for their favorite program/campaign
- Marketing Excellence Award – Judges’ Choice (February, April) – a panel of industry and non-industry, but who are marketing professionals, hear presentations via webinar and score each program/campaign based on criteria created by the committee. The winner with the highest points wins and is invited to present at the April management Conference and accept their award at the luncheon.
- Recruiting to include as many companies as possible on the committee. This is to include more perspective, producing better results in attendance, it provides more best practice sharing opportunity and a wider network for members benefit. We will identify “target” companies, then identify who the appropriate person is to invite to join the committee. We will count on help from executives and established contacts. We will make phone calls and send emails to invite the individuals.

VII. Individual Sub-Committee Highlights (list of committees and noteworthy items of activity)

Residential Sales & Marketing Committee

- **Best Practices Webinars:**
Webinars are conducted quarterly, based on best practices and other topics of interest. One-hour sessions, including Q&A, are presented each quarter, recorded and archived.
- **Marketing Statistics:**
Plans to gather recently collected data points that are essential in gaining new customers, converting, and adding load. Find common language that could become “SGA approved”. What are the “Steps to Success”?
- **Editorial Plan Sheet:**
This effort is being led by the Municipal Gas Authority of Georgia, with participation from Atmos Energy and Washington Gas, thus far. The purpose is to help a novice in the sales and marketing field to build an editorial plan. How to: develop editorial goals, maintain consistency in messaging, organize/prioritize editorial messaging. The reason for the project is that large member companies have “Communication Departments” who maintain large editorial calendars. Smaller member companies may have only one sales & marketing person with many responsibilities, so what are the best practices to help everyone succeed?

Commercial-Industrial Sales & Marketing Committee

- Does not have additional activities/projects in the works this year. They are focused on their annual roundtable for August.
- Past projects or initiatives include developing and hosting the Commercial Foodservice Sales and Marketing Workshop and the Architects and Engineers virtual and in-person conferences, offering learning units for architects

End Use Codes and Standards

- The first week of April in Panama City, Florida, representatives of the End Use Codes and Standards Committee attended and actively participated in the *APGA, SGA, AGA, ESC and NGV America End Use of Natural Gas Symposium*.
 - Assisted in the planning 2-3 sessions
 - Actively promoted the event
- In March, the Committee assisted in the planning and participated in a webinar on Electrification and its impact on the natural gas industry.
 - Will plan one more webinar for this year.
- The Committee plans to host a roundtable at the SGA summer event in 2019. The roundtable topic will be determined at a later date.
- The Committee is currently conducting outreach to add new members and companies to the Committee.

VIII. Growth Opportunities

Over the past 3 years there has been a lot of change in this area. Many have retired, changed roles and have even transitioned to their company's electric business unit. Most of the members and leadership are new to the committee, so we are exploring the needs and wants of the representatives. Our goal to develop a strategic plan of ideas and processes to benefit a wider audience, ultimately triggering more participation.

IX. Section Managing Committee Roster:

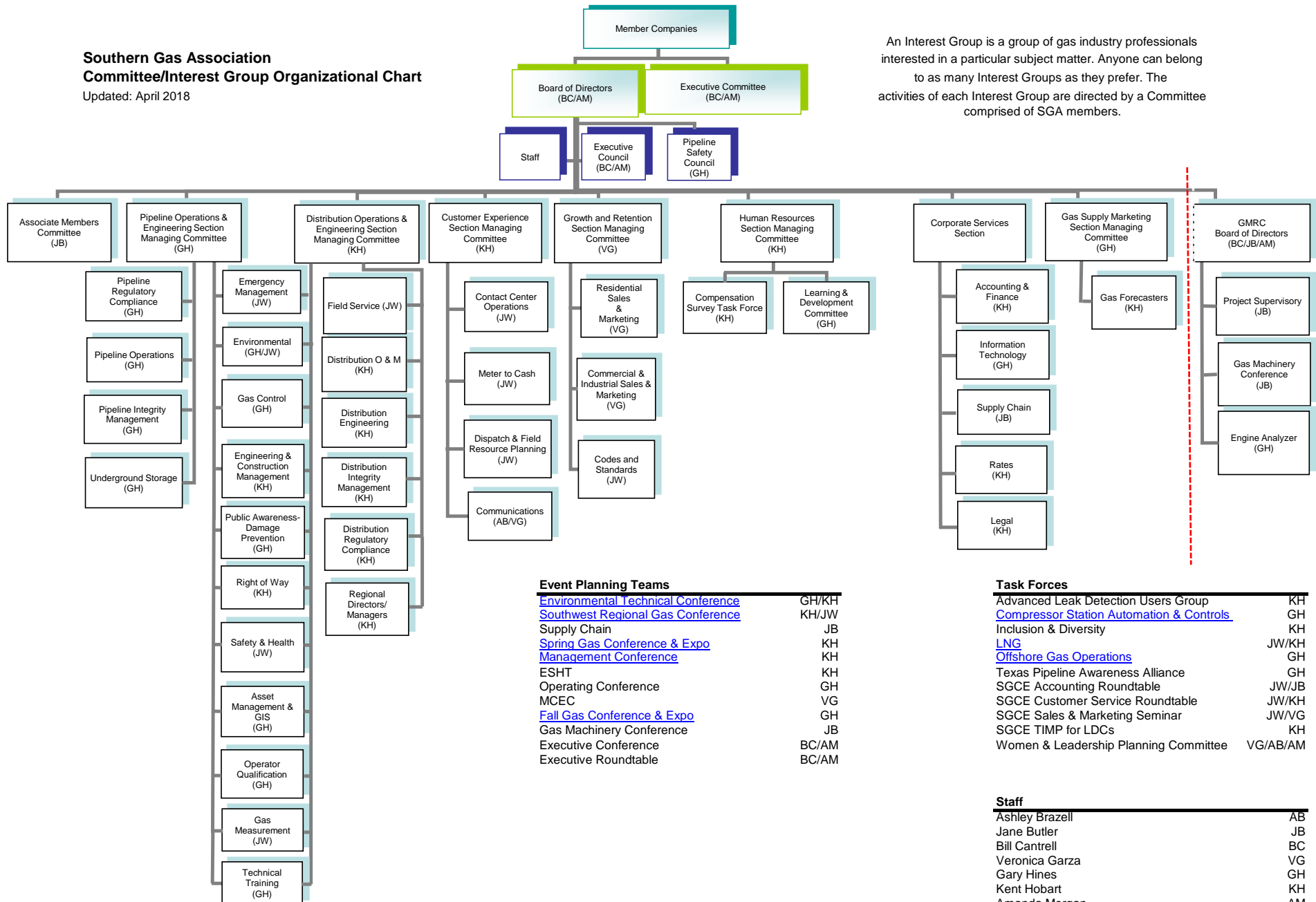
- JULIE HATFIELD, Co-Chair
Customer Experience Manager, ONE Gas
- DANIELLE MULLIGAN, Co-Chair
Manager, Marketing and Energy Conservation Programs, Florida Public Utilities
- KRISTI CHEATHAM-PETTIT, Immediate Past Chair
Gas Sales & Public Affairs Manager, Clearwater Gas System
- RODNEY DILL, Member
Manager, Member Services, Municipal Gas Authority of Georgia
- JASON KETCHUM, Member
Director, Business Development, Black Hills Energy
- VICKI ONEIL, Member
City of Tallahassee Natural Gas Utility
- SHAWN PINGLETON, Member
Director, Business & Community Dev, Liberty Utilities
- MIKE SWINSON, Member
Director Economic Development, Alabama Gas Corporation
- ORIC WALKER, Member
Vice President, Marketing, Atmos Energy Corporation
- CHARLES S. WARRINGTON, JR., Member
Managing Director & Executive Officer, Clearwater Gas System
- VERONICA GARZA, SGA Staff Liaison
Sr Director, Marketing & Communications, Southern Gas Association

X. Board Liaisons

- 2018 – Chuck Warrington, Managing Director & Executive Officer, Clearwater Gas System
- 2019 - Jeff householder, President, Florida Public Utilities

Southern Gas Association Committee/Interest Group Organizational Chart

Updated: April 2018



An Interest Group is a group of gas industry professionals interested in a particular subject matter. Anyone can belong to as many Interest Groups as they prefer. The activities of each Interest Group are directed by a Committee comprised of SGA members.

Event Planning Teams

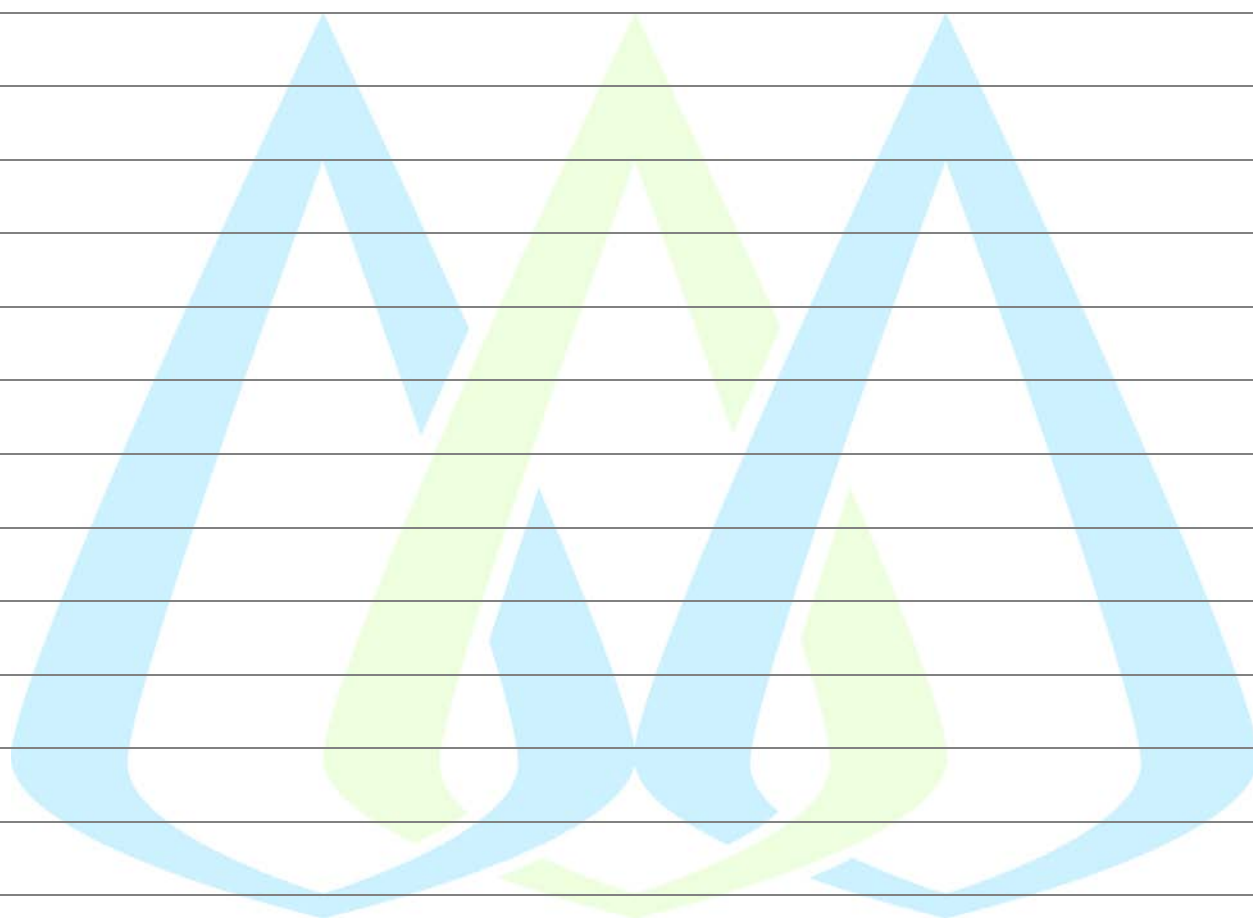
Environmental Technical Conference	GH/KH
Southwest Regional Gas Conference	KH/JW
Supply Chain	JB
Spring Gas Conference & Expo	KH
Management Conference	KH
ESHT	KH
Operating Conference	GH
MCEC	VG
Fall Gas Conference & Expo	GH
Gas Machinery Conference	JB
Executive Conference	BC/AM
Executive Roundtable	BC/AM

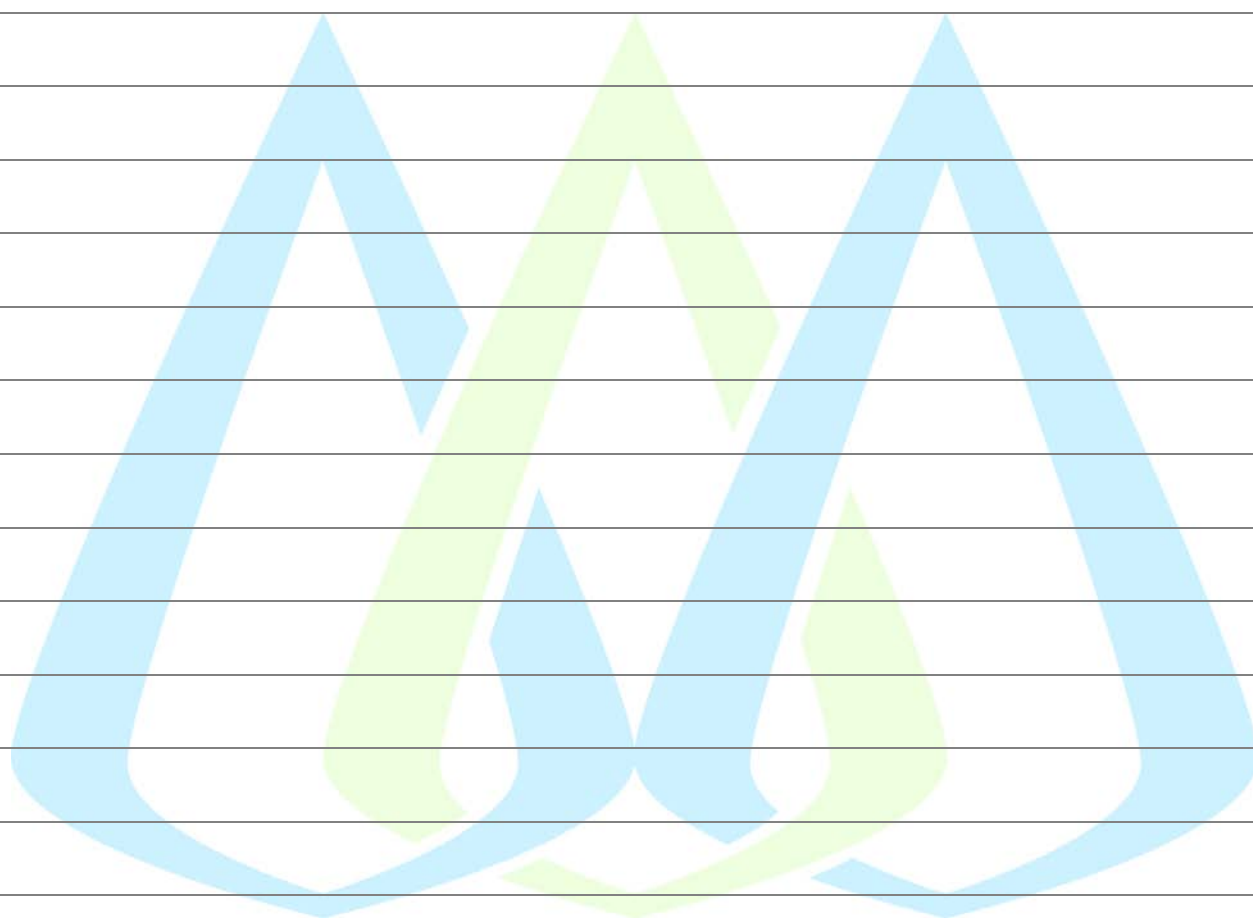
Task Forces

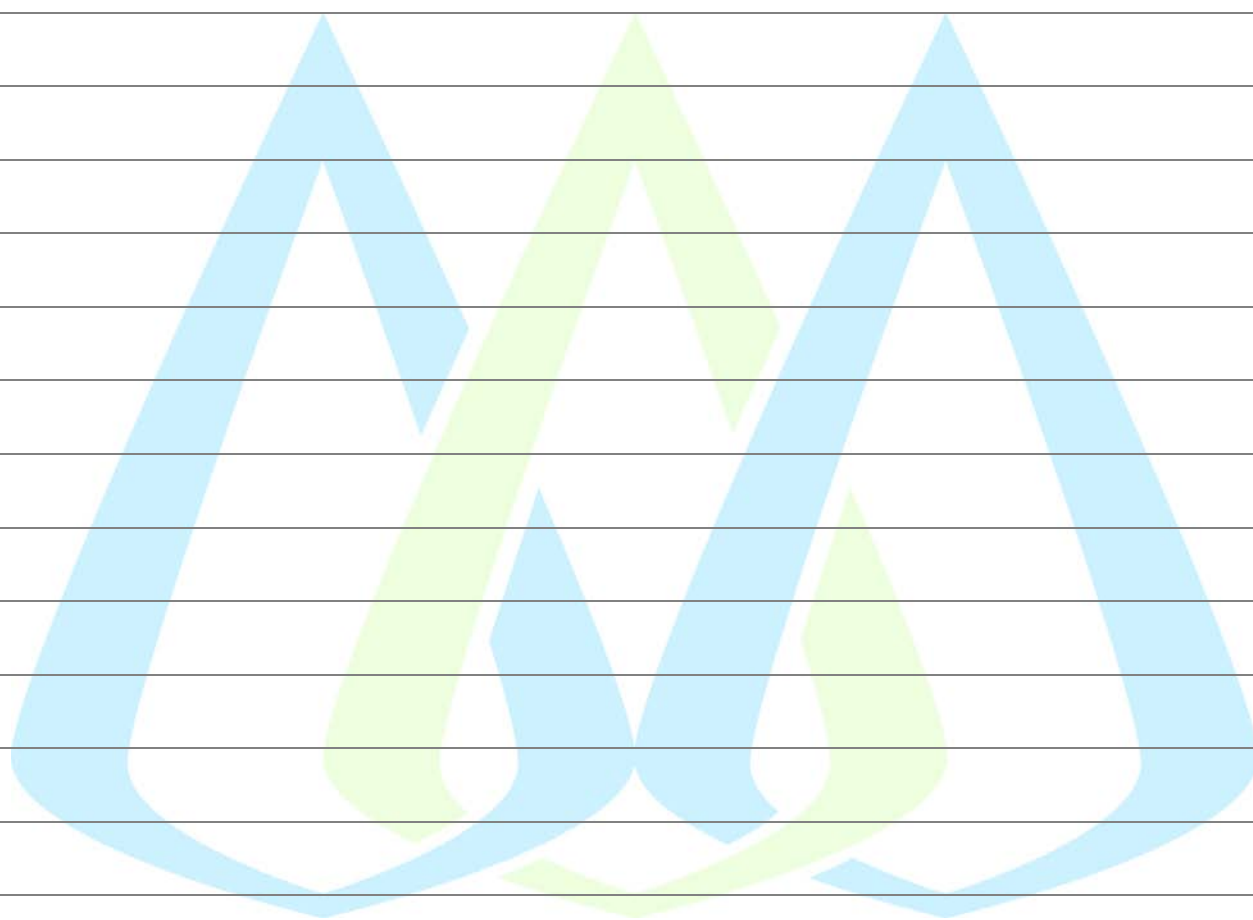
Advanced Leak Detection Users Group	KH
Compressor Station Automation & Controls	GH
Inclusion & Diversity	KH
LNG	JW/KH
Offshore Gas Operations	GH
Texas Pipeline Awareness Alliance	GH
SGCE Accounting Roundtable	JW/JB
SGCE Customer Service Roundtable	JW/KH
SGCE Sales & Marketing Seminar	JW/VG
SGCE TIMP for LDCs	KH
Women & Leadership Planning Committee	VG/AB/AM

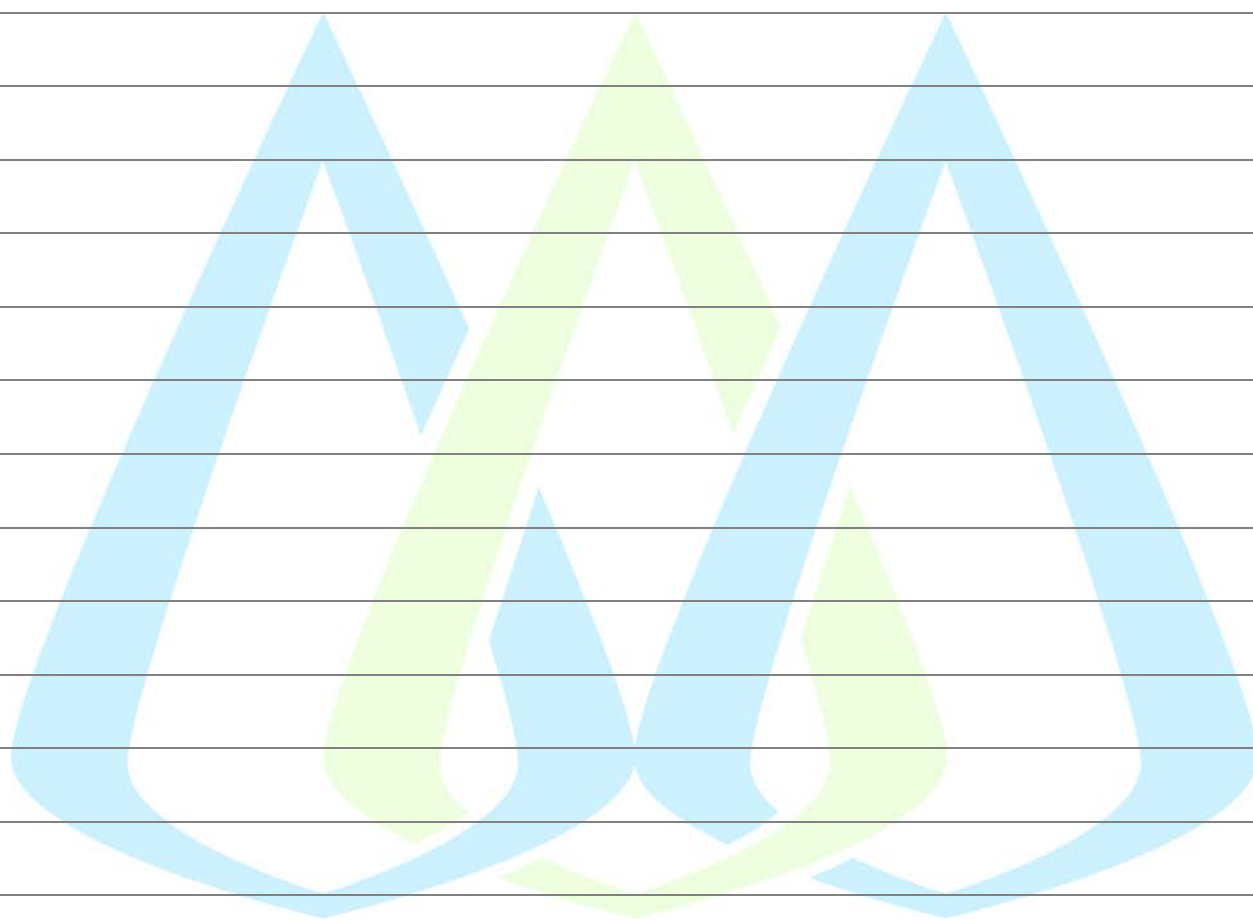
Staff

Ashley Brazell	AB
Jane Butler	JB
Bill Cantrell	BC
Veronica Garza	VG
Gary Hines	GH
Kent Hobart	KH
Amanda Morgan	AM
Jake Wagner	JW

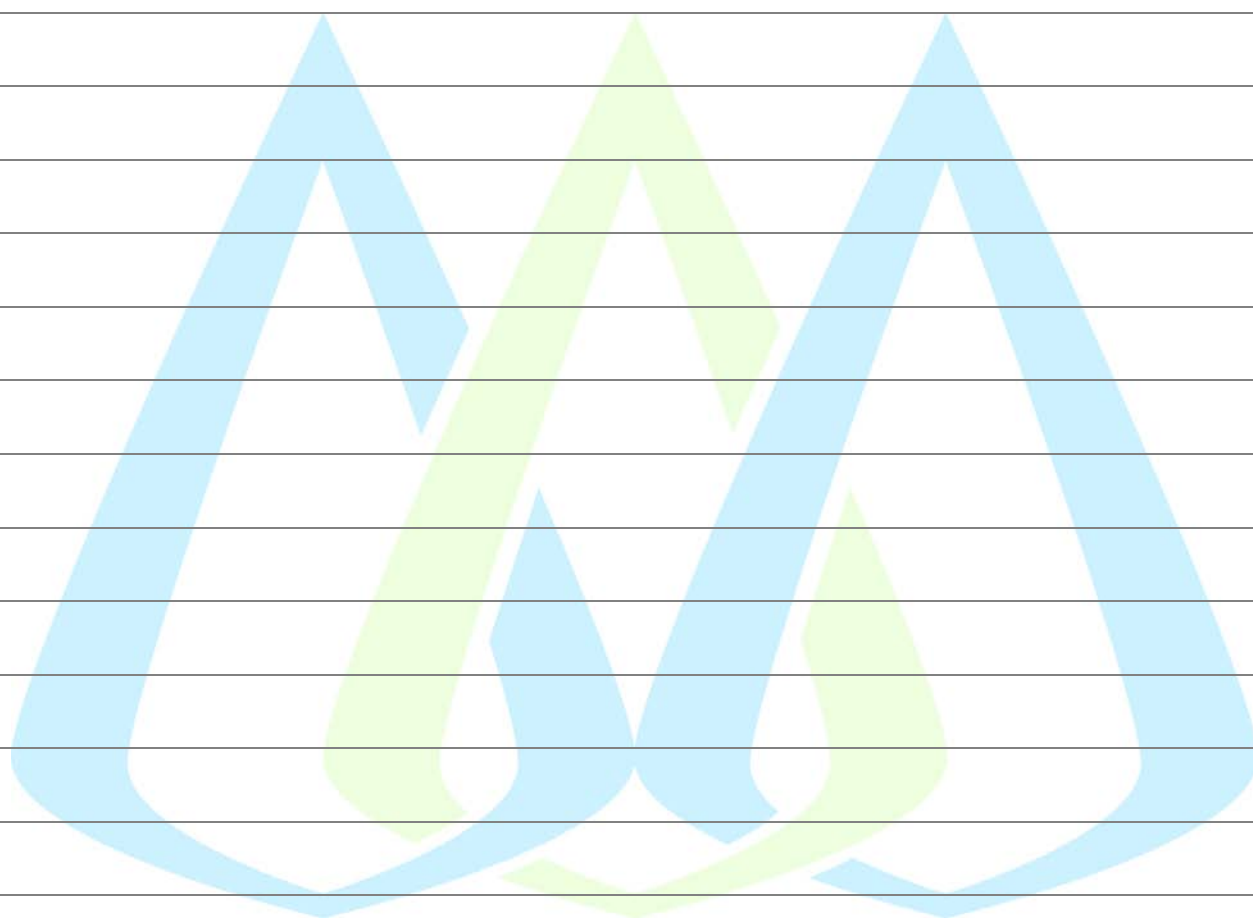












SOUTHERN GAS ASSOCIATION

ANTITRUST GUIDELINES

* * * * *

The purpose of federal and state antitrust statutes is to assure the preservation of a free and competitive economy. To achieve this end, these laws embody a prohibition against any agreement or combination among competitors which has the effect of unreasonably restraining trade.

Clearly, membership in a trade association such as the Southern Gas Association (SGA) does not, without more, constitute an antitrust violation. Competitors may legitimately meet or discuss matters concerning their industry, provided they do so without a specific and continuing purpose, understanding, or agreement to pursue actions tending to unreasonably restrict commerce or restrain trade. Activities which ordinarily are considered appropriate for discussion are, generally, as follows:

- ◆ Reports on general and industry economic trends.
- ◆ Research reports and demonstrations of technology relating to the solution of industry problems.
- ◆ Demonstrations of methods by which member companies can become more efficient and profitable.
- ◆ Reports on effective marketing or manufacturing techniques and methods.
- ◆ Discussion of energy supply and utilization.
- ◆ Reports on governmental developments and their impact on the industry.

SGA meetings, however, afford obvious opportunities for antitrust transgressions. By definition, members of any trade association engage in concerted activities related to mutual commercial concerns. Thus, otherwise lawful association activities may constitute forbidden conduct if these in any way result in explicit or tacit agreements which fix prices, limit production, allocate markets, establish discriminatory standards or otherwise unreasonably restrain free trade.

It is the policy of SGA to conduct its activities in strict compliance with all applicable federal and state antitrust laws and to avoid any appearance of impropriety. These objectives can be obtained through the efforts and cooperation of SGA's Board, executives, membership, and counsel. Toward that end, the following brief set of guidelines was prepared to prevent the initiation of inappropriate discussion or actions.

CHECK LIST OF PROTECTIVE ACTIONS TO AVOID ANTITRUST INFRACTIONS

- **DO NOT** engage in discussions or activities which may tend to:
 - ◆ Fix or otherwise restrict the prices charged by SGA members
 - ◆ Allocate markets, sales territories, or customers between SGA members
 - ◆ Initiate or encourage boycotts of specific products or services, or refusals to deal with designated customers or suppliers
 - ◆ Limit production levels of SGA's members and otherwise restrict the availability of products or services
 - ◆ Purposely hinder or disparage the competitive efforts of non-members
 - ◆ Coerce or encourage SGA members to refrain from competing
 - ◆ Limit, impede or exclude anyone in the manufacture, production, or sale of goods or services
 - ◆ Promulgate or encourage unfair or misleading practices involving advertising, merchandising or products or services
 - ◆ Condition or tie the purchase of one product or service to the purchase of another product or service.
- **DO NOT** discuss your prices or competitors' prices with a competitor or anything which might affect prices such as costs, discounts, terms of sale, or profit margins.
- **DO NOT** agree with competitors to uniform terms of sale, warranties, or contract provisions.
- **DO NOT** agree with competitors to divide customers or territories.
- **DO NOT** act jointly with one or more competitors to put another competitor at a disadvantage.
- **DO NOT** try to prevent your supplier from selling to your competitor.
- **DO NOT** discuss your future pricing, marketing, or policy plans with competitors.
- **DO NOT** make any statements regarding prices or matters affecting prices at SGA meetings.

- **DO NOT** make statements about your future plans regarding pricing, expansion, or other policies with competitive overtones. Do not participate in discussions where other members do so.
- **DO NOT** propose or agree to any standardization which will injure your competitor.
- **DO NOT** do anything before or after SGA meetings, or at social events, which would be improper at a formal SGA meeting.
- **DO NOT** discriminate against competitors when (1) developing standards or specifications for products or services, (2) setting standards, or (3) dealing with customer credit information.
- **DO NOT** exchange data concerning prices, production levels and costs, or customer credit.
- **DO NOT** participate in informal group discussion outside of the formal SGA sessions which disregard these guidelines. Otherwise, the precautions developed in connection with SGA meetings would prove to be of no consequence.

- * **DO** alert SGA staff and legal counsel to anything improper.
- * **DO** consult your own legal counsel or the SGA's legal counsel before raising any matter which you feel might be sensitive.
- * **DO** alert every employee in your company who deals with the SGA to these guidelines.
- * **DO** be conservative. If you feel an activity might be improper, do not do it.