

Transcript

July 18, 2024, 8:04PM

□ **DeBoer, Jennifer** started transcription



DeBoer, Jennifer 0:06

OK.

Thank you guys for your patience.

I know this has been a bit of a beast to try to get this meeting schedule with everyone's schedules being so variable, but I really appreciate everyone trying their best so we'll try and get through this.

Hopefully this is the last meeting the plan is to go through any edits we have and then I can make another draft send it out.

We can take in some more edits and then from that point we can file it through Chris.

With that, I will start and we can look at some of the comments that Mark and Eric made and then we can talk about any other edits that anyone else has.

The first talking about appendices.

Mark and I are getting that done.

Devin, I may need to reach out to you to see what all needs to be redacted from these before I submit them.

But we can talk about that next week.



Sellers-Vaughn, Mark 1:08

And ohh yeah, and that's what I wanna ask Debra.

Quick question though.

If if we can't for a moment the.

The I I the hedge schedule chart I I wasn't sure why we were including that.

Was that something that I asked where I was at something at Stafford?

Asked for.



McGreal, Devin 1:28

Can you go down to it?

So I can look at it.


 **Sellers-Vaughn, Mark** 1:31

I think like to open it.

Yeah.

There it is.

Yeah, I was like.

 **McGreal, Devin** 1:35

Yes, that.

I believe that was a staff request after the very first one because they wanted to get some clarity, cause admittedly it is quite confusing about the rollover of the years.


 **Sellers-Vaughn, Mark** 1:42

Ohh.

OK.

So then this will need to be up.

Is there an updated version of this thing?

 **McGreal, Devin** 1:59


Ohh.

No, but it should be as easy as you change that column C change B to B
242525262627 ohm.

It shouldn't be too tough to do because the biggest thing is you'll see is when you go from March to April on the the column side of it is when the kind of the new year rolls over and that's what that signifies.

 **Sellers-Vaughn, Mark** 2:27

Alright.

 **McGreal, Devin** 2:31

Jenny, I can get with you when we're in Boise.

If you wanna spend it'll, it won't take more than 15 minutes to update this.

Or if you can handle it by all means, but let me know either way, I'm cool.

 **DeBoer, Jennifer** 2:41

OK, sounds good.

Thanks, Devin.



McGreal, Devin 2:42

Uh.



Sellers-Vaughn, Mark 2:42

Thanks, but I was.

I was like I I was.

I was looking at the ongoing why would I?

I don't.

I I don't recall asking you include this, so I mix since I can understand why it's staff would wanted because there, there, there, there are so confusing every year just like just like teaching them all over again.



McGreal, Devin 2:53

Yeah.



Sellers-Vaughn, Mark 2:58

What?

What we do, OK, that's.



McGreal, Devin 3:00

Yeah, the fact that the that the changeover happens, April one I think can make it a little bit confusing as to what exactly is year one, year two and year three.

So I do think that does pretty good job of clarifying that.



Sellers-Vaughn, Mark 3:13

OK.



DeBoer, Jennifer 3:14

This is the retrospective that is the in the appendix.

Is this something that?

I get from our book.

Or is this something for I get from Eric?



McGreal, Devin 3:30

I think we usually end up working with Erica on this.

I think so.

This is basically just, it looks at the last year's trades right and and it kind of line items each trade out to see what was the reason for it?

Yeah.

I think Eric usually help us with this, right?



Wood, Eric 3:49

Yeah.

It just comes on my trade log.

I'll just give it to you, Jenny, so.



DeBoer, Jennifer 3:53

OK.



Wood, Eric 3:53

Yeah, I track all that stuff the the reason for the execution I typically don't, I mean it's all the same kind of.

So I usually don't mention anything in that column, but it does have the Hedge reason though in column J.



DeBoer, Jennifer 4:03

Umm.

OK, it's me.



McGreal, Devin 4:14

Yeah, nobody's had any concerns about that in the past.

So I think we're fine.



Sellers-Vaughn, Mark 4:17

No, but I I can.

But it's, I'm sure it's staff appreciates.

That's how handy, quick, quick, quick checklist for them.

OK.

 **DeBoer, Jennifer** 4:28

OK.

Just some wording.

OK.

Organizational structure change.

This is just some wording done here about where Gelber and Associates fits in.

Umm, this is just a.

Couple of clarifications.

 **Sellers-Vaughn, Mark** 5:14

Just mean that picking.

 **DeBoer, Jennifer** 5:17

No, very nice.

And then OK.

 **Wood, Eric** 5:20

Mark never does it.

 **Sellers-Vaughn, Mark** 5:23

Almost that.

Almost that.

 **Wood, Eric** 5:24

Mark never Mark never nitpicks.

 **Sellers-Vaughn, Mark** 5:27

No, no.


Yeah, that's that's pretty much how I ever do.


I I I know, I think they'll they'll keep guilty, OK.


 **DeBoer, Jennifer** 5:40


OK, so I know Mark had mentioned that we have a new odditorium or perhaps and that we may need to make some edits to some of these decision trees and flow charts.


 **Sellers-Vaughn, Mark** 5:45
Eat.


 **DeBoer, Jennifer** 5:51
Looks like yes, if we need to maybe define intermediate event within the narrative.

 **Sellers-Vaughn, Mark** 5:58
And and that's not a requirement.
It was just a question if anyone thought we needed to define what an immediate intermediate event is.
Or should we just wait and see if the one asked I'm in?
I'm I'm fine with waiting to see if anyone asks about it.
I just, it just popped into my head when I saw it.
Art Gelber, folks.
What do you think?
What do you think?

 **G&A** 6:22
I'm sorry.
Can you repeat that last thing?

 **Sellers-Vaughn, Mark** 6:25
Do we need to find what?
Give an example what an intermediate event is.

 **G&A** 6:35
Uh intermediate event.

 **Sellers-Vaughn, Mark** 6:42
But that that we're that no one.
See, now I'm now.

I'm now I'm doing that.

We probably needed to find what if and and what would be an example of intermediate event.

 **G&A** 6:51

It's OK, I have to read this for awhile since I've looked at this, but I mean I'm thinking. Something like a hurricane or earthquake or a.

Major change shake up in the organizational structure that had to look at it and see something that would.

 **Sellers-Vaughn, Mark** 7:10

OK.

 **G&A** 7:11

What I would force us to make adjustments.

 **Sellers-Vaughn, Mark** 7:14

OK, I think that on that we'll let we'll let staff decide if they needed to find for them. Let's keep going.

 **DeBoer, Jennifer** 7:22

OK.

 **Sellers-Vaughn, Mark** 7:25

That would be my recommendation, no?
Ah.

 **DeBoer, Jennifer** 7:33

OK.

Here it says all guidance reports are delivered electronically and made available for review by the gas supply team, upper management and regulatory bodies, and the Mark asks who's responsible for making these reports easily acceptable?

I think accessible.

I think it's me, but probably should determine if it should be somebody else.

Does anyone have any thoughts?



Sellers-Vaughn, Mark 8:00

I I'm saying it should be I'm.

I'm saying I'm saying it's me, since I'm the compliance manager, but I I'm open to other other other other parties.

Someone else wants to do it.



McGreal, Devin 8:12

So my understanding of this is, isn't this is just what Jenny now sends out every month.

Because I'm I think that's it goes out to.

Most people it goes out or delivered electronically is the when it Jenny sends it and then it's available for review, meaning anybody can request it and we'll send it to them.



Sellers-Vaughn, Mark 8:26

So it's the OK.

OK.

So we're not talking, OK, so we're we're talking about is the monthly guidance reports.



DeBoer, Jennifer 8:36

OK.

That's what I was.



McGreal, Devin 8:40

Yeah.



DeBoer, Jennifer 8:41

I was on the same page as Devin.



Sellers-Vaughn, Mark 8:41

That's get rid of all the same thing that.

Yeah.

OK, good.



DeBoer, Jennifer 8:45

OK, so instead of all guidance, just say monthly guidance reports.



Sellers-Vaughn, Mark 8:49

They might be happy with.

Umm that was easy.



DeBoer, Jennifer 8:56

Yay.

OK, so here's another flow chart.

Umm.

Mark asked, should we identify who determines the monthly guidance, is consistent with the goals of the HEP.



Sellers-Vaughn, Mark 9:08

Back to.

Umm, actually we don't need to do that.

I just realized that's all covered under the under the revised policy and that is me.



DeBoer, Jennifer 9:21

Oh, OK.

OK.

So did we need to make any edits to this flow chart OK.



Sellers-Vaughn, Mark 9:29

No, no, I don't know.

But it's going to need a we're gonna need to pick somebody else to.

Brian has nothing else to do, do you, Brian?



Robertson, Brian 9:47

Nothing.



Sellers-Vaughn, Mark 9:52

Don't worry, we'll figure it out.

I have a Tony won't be hot, but we won't be having another analyst.

To take care of some of this stuff, but once I'm retired, OK, La La la.

What's next?

Uh got from a prudency standpoint, looking around that, do we expect to?

This is a question for Gilbert and for anyone else who has an opinion.

I'm very concerned about this.

Given the low prices that we saw and continue to have seen the last several months, are we concerned about a a run up or run down come November?

Eric the over, anyone.

 **G&A** 10:45

I'm meaning your comment here.

While we are worried about it running up or running down for sure.

 **Sellers-Vaughn, Mark** 10:51

Yeah.

 **G&A** 10:52

The more likely scenario I think right now is.

Price is going up.

Trying to remember what the lania should make the Pacific Northwest somewhat chillier as well.

Unlike last year, so we've got really the thing working against us mostly then I'll defer to Erica courses.

I guess the storage.

And the big reason production, which currently has been pretty static cause price is sort of stink.

So I'd say we're probably more worried about prices running up in general, but I I guess, Eric, how how steep is the forward curve forcing us to pay for, you know those winter those winter purchases you know today?


 **Wood, Eric** 11:47

Uh, no.


I mean the the forward curve is pretty flat out.


I put that in.

 **Sellers-Vaughn, Mark** 11:52
Umm.


 **Wood, Eric** 11:53
I put a quick chart in here as well, just to show you, but it's pretty flat going out.


 **Sellers-Vaughn, Mark** 11:56
Ohh.


 **Wood, Eric** 11:58
There's really not much change going on so.

 **Sellers-Vaughn, Mark** 12:01
Ohh OK, that's well, you put a chart in here.
Ohh that's perfect.


 **DeBoer, Jennifer** 12:05
Yeah, it's.

 **Sellers-Vaughn, Mark** 12:05
Ohh where's the chart?

 **DeBoer, Jennifer** 12:06
Yes, it down in a comet.

 **Wood, Eric** 12:06
Down below.

 **Sellers-Vaughn, Mark** 12:08
Ohh OK.

 **DeBoer, Jennifer** 12:09
Oh, right here.

 **Wood, Eric** 12:09

Yeah.

It's just been like I would say pretty stagnant or like what you said, it's just, you know, we've seen some run UPS in the current winter and then it'll drop back down and then.

 **Sellers-Vaughn, Mark** 12:18

No.

Perfect.

Thank you, Eric.

That's what death.

 **Wood, Eric** 12:23

So.

 **Sellers-Vaughn, Mark** 12:24

That, that, that that answers my question and gives me some call. Cool.

 **Wood, Eric** 12:30

Yeah.

I mean the only one that's really increasing a little bit is echo.

You know, feeling was decreased a tiny bit, but it's not significant.

 **Sellers-Vaughn, Mark** 12:36

Which?

 **Wood, Eric** 12:39

So need one.

 **Sellers-Vaughn, Mark** 12:40


OK.


Ohh that that's great.


We should incorporate that chart in some let language into the body.


That's great.


Thank you very much.


 **Wood, Eric** 12:52
The.

 **Sellers-Vaughn, Mark** 12:52
Thank you.
Thank you.
Thank you.


 **G&A** 12:54
So the winter is out there, Erica still running like.

 **Sellers-Vaughn, Mark** 12:54
I won't pay this much more.
I I'm I'm sorry.
I'm just gonna.
I'm sorry, go ahead.

 **G&A** 12:59
The winter is out.
There are still running like [REDACTED].

 **Wood, Eric** 13:03
Yeah, [REDACTED].

 **Sellers-Vaughn, Mark** 13:05
God.


 **Wood, Eric** 13:06
Little bit of a spread between Rockies and Sumas still as you can see on this chart.
But yeah, [REDACTED].
I thought run up to over [REDACTED] there for a little bit, but it's still hovering and the you

know used to be kind of more flat too over the winter, but it's kind of funny that like now you see like December January a lot higher than the shoulder months now, so.

 **G&A** 13:24

Yeah.

What was the the the monthly price for July this month?

 **Wood, Eric** 13:39


Uh.

 **G&A** 13:39

Remember.


OK.

Thanks. Yeah.


 **Wood, Eric** 13:43

I'm sorry I don't remember off hand cheap.

Let me look but.


 **G&A** 13:50

Under [REDACTED].

 **DeBoer, Jennifer** 13:50

I can.

For it looks like resumes.

 **Wood, Eric** 13:56

I have it here somewhere.

Well, there you go.

Yeah, [REDACTED].

 **G&A** 14:06

Or is that?


Yeah.

Inside FERC Sumas [REDACTED]

[REDACTED] is that right?

Is that the daily?

That's July.

 **Wood, Eric** 14:15

This is monthly.

 **G&A** 14:15

Go [REDACTED] that one.

 **DeBoer, Jennifer** 14:16

This is front of month.

 **G&A** 14:18

So the reason I asked for this is if you got [REDACTED]r January, let's say in [REDACTED] for say, July, if the winners don't materialize, the winners can fall to as low as where the summers are.

So theoretically you could see those prices fall down to maybe [REDACTED] or so, give or take.

And that gives me some heartburn, honestly.


Not that it will, but I could worry about that because I what I was really thinking was that the, you know, maybe the forwards, maybe January is not [REDACTED], maybe January we're sitting at [REDACTED].

So the fall from [REDACTED] to the bottom of the, but the fall from [REDACTED].

Actually, you know, we're concerned me.

 **Sellers-Vaughn, Mark** 15:00

Yes.

 **Wood, Eric** 15:03

Yeah.

He has training thing last time, he said.

 **G&A** 15:07

So.



Wood, Eric 15:09

Prices that low in the winter, it's been a while, but.



G&A 15:13

And it doesn't really ever happen until the winter actually hits like last year, right?



Wood, Eric 15:16

Right.



G&A 15:16

How bad?



Sellers-Vaughn, Mark 15:17

Right.



G&A 15:17


How bad that looked in?

You know, it's it's it takes a little bit of you can't guess.

I mean, we can do our best to make opinions, but you can't know what the winners are gonna do in the winter.

You have to kind of use your wits and be willing to take a little bit of pick to use the word risk.

She gotta be willing to adjust your percentages lower if you don't want to have a, you know, a major position.

 for example, you know.



Wood, Eric 15:45

Yeah.



DeBoer, Jennifer 15:46

Umm.



Sellers-Vaughn, Mark 15:46

And you don't think we should be considering that now, given we we have some

concerns about the, about the potential uptick?
Let me rephrase that question.

 **G&A** 16:02

Like I understand what you're saying, yes, we should be concerned about that now.
Now's the time to do it.
Don't do it.
Now you're not gonna get any other chance.
It's now or never.

 **Sellers-Vaughn, Mark** 16:10

So that that's the question.
Is that something that we should be actively looking at? Umm.
Yeah.
And I don't know.
I don't even know Eric case.
I need possible to do anything about that right now.

 **Wood, Eric** 16:24

It to do what specifically?

 **G&A** 16:25

That's it produced.

 **Wood, Eric** 16:26

I'm sorry.
Did I kind of got lost in there?
In what we're trying to do accomplish here.

 **G&A** 16:30

That's percentage there now.

 **Sellers-Vaughn, Mark** 16:32

I guess I'm giving it whether whether we should be looking at an option.



Wood, Eric 16:36

Ohh an option.



G&A 16:37

Now what options? Yeah.
And it's it's a way to do that.



Sellers-Vaughn, Mark 16:43

And I I'm asking that for a couple of weeks.

[REDACTED]



G&A 17:12

Umm.



Sellers-Vaughn, Mark 17:14

[REDACTED]




G&A 17:14


But.





Sellers-Vaughn, Mark 17:16


[REDACTED]


 **G&A** 17:38
But the number [REDACTED] right we have.


 **Sellers-Vaughn, Mark** 17:40
Is there anything?


 **G&A** 17:43
So they're sitting at about [REDACTED] hedged now for year one.
I think GSOC approved [REDACTED] so I remember that right?


 **Sellers-Vaughn, Mark** 17:53
OK, let's wait.
Cause we have we have.
OK, that's right.
That's right.
We we we changed the, we changed the that we actually the so we have to have
more latitude.

 **G&A** 18:02
Who did?

 **Sellers-Vaughn, Mark** 18:04
OK, that's right.
So actually Eric has the latitude if you need OK.


 **G&A** 18:10
Eric, you remember what was the the percentage you cycle approved?


 **Wood, Eric** 18:15
It at that range that [REDACTED].


 **G&A** 18:15
I've never.


It doesn't like [REDACTED]


[REDACTED] Yeah, more.


 **Wood, Eric** 18:23
Me.

 **G&A** 18:24
Yeah.
OK, [REDACTED] there is right there.


 **Wood, Eric** 18:27
Yeah.

 **G&A** 18:27
So yeah, we we're, I mean, we could stop really.
We should have a side conversation, Eric.
About what we think winners really gonna do.
I mean, unless this can be cold up there, the Marcus already really high.
And who knows?

 **Wood, Eric** 18:42
Yeah.

 **G&A** 18:43
Is colder now that and that the pipeline is blow up?

 **Sellers-Vaughn, Mark** 18:44
But I.

 **G&A** 18:46
Well, that's another problem altogether, and that you might not ever see in the
monthly.
So I'm I kind of like where we are, so wouldn't mind doing a piece of collapse it just
because of a man.



Sellers-Vaughn, Mark 18:53

OK.



G&A 18:55

They are just hard to get done out there.



Sellers-Vaughn, Mark 18:58

OK.

I would I I I I think it would be.

Who us to to?

[REDACTED]



G&A 19:21

OK.



Sellers-Vaughn, Mark 19:23

[REDACTED]



G&A 19:50

Uh, OK, well, let's do that.

There, what's your schedule look like for the next couple days?



Wood, Eric 19:57


Uh, I'm around.



G&A 20:00

OK.

Why can you shoot there? OK.

 **Wood, Eric** 20:01

On Friday.

So but next week is fine too, so.

 **G&A** 20:06

Final solution, don't just to get something on the calendar and we're we're pretty much taking off onto the hurricane here.

So we're pretty much back to normal, even though I still have some degree to move.

 **Wood, Eric** 20:16

OK, sure.

Yeah, just let me know.

 **G&A** 20:19

Yeah, probably like early next week.

 **Wood, Eric** 20:23

OK, sounds good.

 **DeBoer, Jennifer** 20:28

All right.

 **G&A** 20:29

Good conversation.

 **DeBoer, Jennifer** 20:33

This we just added the renewable natural gas section permanently.

Down here at this is just from the HEP.

 **G&A** 20:40

I.



DeBoer, Jennifer 20:46

This also from the HEP umm.



Sellers-Vaughn, Mark 20:51

Ohh firm at above the minimum hedging is recognized as what.



DeBoer, Jennifer 20:52

Let's see.



Sellers-Vaughn, Mark 21:10

I did.

I don't have that.



DeBoer, Jennifer 21:13

Yes.



Sellers-Vaughn, Mark 21:15

Why did I delete that?



Wood, Eric 21:18

And then that happens.

Pretty rare Mark, but sometimes, like in the summer or something, if I see like prices really drop off or something.



Sellers-Vaughn, Mark 21:28

Yeah. I'm.

I'm sort of like, why I why I deleted don't don't delete that.



DeBoer, Jennifer 21:33

OK.



Sellers-Vaughn, Mark 21:34

Get that?

I don't know.

I'm looking at why did I ask?
Why did I see just leaving that?
That's crazy.
You're absolutely right, Eric.
I don't know why.



Wood, Eric 21:45

Yeah.

[REDACTED]



Sellers-Vaughn, Mark 21:54

OK.

OK, Ruby.



DeBoer, Jennifer 22:07

Alright, so this some boilerplate language.

Hermant.

OK.



Sellers-Vaughn, Mark 22:35

I think you're pretty.

I think we've beaten this one task.



DeBoer, Jennifer 22:39

OK.




Sellers-Vaughn, Mark 22:46


You have to forgive my regulatory panic.





DeBoer, Jennifer 22:52


Alright, Mark, pass OK.


 **Sellers-Vaughn, Mark** 22:52
Ohh OK you.


 **DeBoer, Jennifer** 22:57
Go ahead, mark.
OK, Gelber and associates, did you guys, Mark wants to know if you guys wanted to say anything potentially about global impacts.
I know that we've touched on Russia, Ukraine, conflict in the past.
But Mark said he wasn't sure if we should express any concerns about that or the widening conflict in the Middle East.


 **Sellers-Vaughn, Mark** 23:19
Didn't know whether the.

 **G&A** 23:20
It.
And we already update that section.
We did, but as it relates to gas, I don't.
I'm not sure if that should be included level.
Yeah.
Or just the current conflict.
When are we going to submit this document?

 **Sellers-Vaughn, Mark** 23:40
Sorry, what was that?

 **G&A** 23:42
When when is this document gonna be submitted?

 **Sellers-Vaughn, Mark** 23:45
This document will be filed in September.

 **G&A** 23:51
September, we started the next forecast cycle today.

Can we have a that we are working on new forecast cycle but we have a week or two with this section before we decide whether they want to change it at all?

 **Sellers-Vaughn, Mark** 23:57

Alright, love you.
OK.

 **DeBoer, Jennifer** 24:05

Oh yeah.

 **Sellers-Vaughn, Mark** 24:05

I let let me correct.
Let me Washington will get these.
We'll we'll get a a A A.
A pre look at this next month but yeah we have we have some time.

 **G&A** 24:16

OK.
Yeah. OK.

 **DeBoer, Jennifer** 24:23

OK.

 **G&A** 24:23

So.
So let's look at it and get the we're gonna be right.
Some of this stuff too.


 **DeBoer, Jennifer** 24:28

OK, I'll skip over the rest of those then.
OK looks like.

 **Sellers-Vaughn, Mark** 24:33

Then again, the the point of the the thing with the global is we're checking the box

that we're, you know, which we're not just looking at it to magically.
We're looking at things locally, blah blah blah.


 **DeBoer, Jennifer** 24:46
Gotcha.


 **Sellers-Vaughn, Mark** 24:47

[REDACTED]

 **DeBoer, Jennifer** 24:58

[REDACTED]


 **Sellers-Vaughn, Mark** 25:06
That's just me.

 **DeBoer, Jennifer** 25:10


Good catch.
Umm.
OK, so it looks like.

 **G&A** 25:18

Yeah, talk about that.
I'm feel your pain there.


 **DeBoer, Jennifer** 25:21
Gelber ohh sorry.


 **Sellers-Vaughn, Mark** 25:21
Ohh OK.


 **DeBoer, Jennifer** 25:25


Oh yeah, uh, OK, so it looks like from what we talked about today.
Umm Gelber and associates, you guys are going to maybe take a couple of weeks


and review the market summary since you're gonna start on a new one this week.
Umm.


 **G&A** 25:39
Right today actually.


 **DeBoer, Jennifer** 25:42
To day nice.
Looks like I need to make sure.
That our appendicies are in order and I need to work with Eric a bit to make sure that we have in Devin to make sure we have some of those does.
OK.
I think with that we can move forward after Gelber and Associates get us back.
Umm, their new market section?
We should have the appendices and everything ready by then, so at that point I can just send out the latest version of this and then hopefully we can just approve or make edits over email so we don't have to have another meeting.
Does that sound OK with everybody?

 **G&A** 26:32
Sounds great.

 **Wood, Eric** 26:33
Yep.

 **Sellers-Vaughn, Mark** 26:33
Works for me.

 **DeBoer, Jennifer** 26:35
Alright, with that, I will give you guys some of your day back.

 **G&A** 26:41
Thank you.



DeBoer, Jennifer 26:41

Thank you guys again for coming out to this meeting.



Sellers-Vaughn, Mark 26:46

Thank you, Jenny.

Thank everyone.



Wood, Eric 26:47

OK.



G&A 26:48

Thank you.

Thanks, Mark.



McGreal, Devin 26:49

The job, Jenny.



G&A 26:49

Go Mariners.



Sellers-Vaughn, Mark 26:51

Come here.

● **Sellers-Vaughn, Mark** stopped transcription