

**National Association of State Energy Officials
Board of Directors Meeting
Washington, DC – February 9, 2003**

NASEO Board Members:

John Nunley, III, Chairman
Bill Keese, Past Chairman
Fred Hoover, Vice Chairman
Sara Ward, Treasurer
Terri Adams, Secretary
Peter Smith, Parliamentarian
Rick Grice, Colorado
Jeff Herholdt, West Virginia
Bill Nesmith, Oregon
Jim Ploger, Kansas
Elizabeth Robertson, Georgia
Charlie Smisson, Delaware
Sharon Tahtinen, Iowa
Tony Usibelli, Washington
Ken Mentzer, Affiliates' Chairman
Ward Lenz, Affiliates' Co-Chairman
Tobin Harvey, U.S. DOE

NASEO Staff:

Frank Bishop, Executive Director
Jeff Genzer, General Counsel
David Terry, Managing Director
Donna Brown, Controller
Michelle New, Senior Associate
Kate Burke, Program Associate

Opening Remarks

John Nunley, III, Chair, opened the meeting and provided an overview of the Board Meeting Agenda.

Approval of Minutes

Mr. Nunley began the meeting inquiring whether members had reviewed the draft minutes from the December 2002 Board Meeting and requested any comments. Without comment, a motion was made by Jim Ploger, Kansas, and seconded by Bill Keese, Past Chairman, to approve the minutes. The motion was approved unanimously.

Report of NASEO's Finances and Budget

Donna Brown, Controller, reviewed the financial highlights for the period and explained that NASEO's revenue and expenses are slightly below budget. She indicated that dues income was inline with expectations and that there was a modest increase in the organization's reserve account. Rick Grice, Colorado, requested an income statement or breakdown of the budget. John Nunley, Chairman, commended Ms. Brown on her excellent work in completing NASEO's annual audit.

Executive Committee and Board Succession

John Nunley, Chairman, informed the Board that Fred Hoover had relinquished his position as Vice Chairman. Mr. Nunley suggested that all Executive Committee Members move up one position and Jeff Herholdt, West Virginia, would join the Executive Committee as Parliamentarian. Rick Grice, Colorado, motioned to accept this change. Bill Keese, Past

Chairman, seconded the motion. The motion was unanimously approved. The Executive Committee now stands as follows, until the September 2003 Board Meeting:

Chairman – John Nunley, III, Wyoming
Past Chairman – Bill Keese, California
Vice Chairman – Sara Ward, Ohio

Treasurer – Terri Adams, Alabama
Secretary – Peter Smith, New York
Parliamentarian – Jeff Herholdt

Executive Director's Report

Frank Bishop, Executive Director, reviewed the upcoming NASEO 2003 Energy Outlook Conference agenda. Mr. Bishop briefly discussed the State Technology Advancement Collaborative (STAC) and the sessions to be held during the conference on the topic. Ken Mentzer, Affiliates' Chair, agreed to send a memo to NASEO Affiliate Members prompting them to communicate with State Energy Offices about the STAC process and potential projects.

Mr. Bishop continued, announcing the approval of the NASEO Strategic Plan in December and the finalization of the NASEO Committee structure. He also raised the serious issue of energy supplies. Tony Usibelli, Washington, explained an extreme need for communication and coordination of the energy assurance message within the states. Mr. Bishop said Jeff Pillon, Energy Data and Energy Security Committee Chair, will send a document to States regarding energy emergency issues.

General Counsel's Report

Jeff Genzer, General Counsel, reviewed the President's proposed FY'04 budget including the request for SEP which was the same as the previous year but below the appropriated level for FY'02. He indicated he would provide more information on the budget during his presentation at the Energy Outlook Conference.

Mr. Genzer continued by discussing the pending energy bill, which should not negatively impact the states. For example, electric reliability issues were resolved to the states' benefit. He stressed the importance of the energy emergency preparedness issue and said that Congressional staff had requested specific recommendations and ideas. Mr. Genzer said the State Energy Offices should review state energy emergency plans and other documents as one means of preparing for potential energy supply disruptions.

EERE Update

Tobin Harvey, Senior Advisor of the Office of Energy Efficiency and Renewable Energy, explained the DOE's position on the SEP funding request. Mr. Harvey also said that considerable progress has been made in EERE's reorganization and that, for example, the budgeting and management functions were becoming more streamlined. He continued by saying that the SEP Metrics Study would be a positive influence on future funding for SEP.

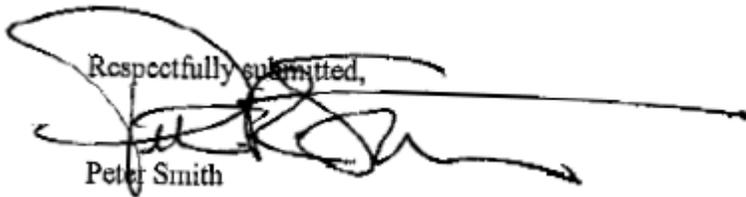
Other Business

Rick Grice, Colorado, described the continuing contractual challenges in putting together the Ad Council campaign. Mr. Grice proposed a single entity with which states would work to streamline the process.

A motion was made by Bill Keese, California, to have Brian Henderson, New York, replace Peter Smith as the NASEO STAC Executive Committee representative. Rick Grice, Colorado seconded the motion, which was then unanimously approved.

Mr. Bishop discussed how the Energy Outlook Conference had in recent years included a component of joint meeting sessions with ASERTTI. He suggested that this arrangement was presenting difficult logistical challenges, as well as some confusion given the different topic interests of the two organizations' members. He suggested that the Board consider eliminating the joint session approach, and instead conduct a separate meeting with ASERTTI members at another time of the year. After some discussion, Mr. Nunley recommended that the Executive Committee consider the matter and present their findings at the June 2003 Board of Directors meeting.

Mr. Nunley then adjourned the meeting.

Respectfully submitted,

Peter Smith