

## **MEMORANDUM**

TO: The Commission

FROM: Commission Secretary's Office

DATE: April 14, 2016

SUBJECT: Comments on Draft AO 2016-02

(Enable Midstream Services, LLC)

Attached are timely submitted comments received from Mr. Brian Alford on behalf of the requestor. This matter is on the April 14, 2016 Open Meeting Agenda.

**Attachment** 

Federal Election Commission Washington, DC 20463 Via email: AQ@fec.gov

RE: AO 2016-2 (Enable Midstream Services)

On behalf of Enable Midstream Services (Enable), I want to thank Commissioners and staff for providing clarity in our request to determine the affiliation of Enable's planned separate segregated fund (SSF) with the SSFs of CenterPoint Energy, Inc. (CenterPoint) or OGE Energy Corp. (OGE).

In draft advisory opinion AO 2016-2, the findings conclude that "Enable's planned SSF would not be affiliated with CenterPoint's SSF, but that it would be affiliated with OGE Energy's SSF." In reviewing the findings, the Commission has taken the preliminary position that the status of approximately 175 OGE Energy employees seconded to Enable — one of which holds the title of Vice President of Communications at Enable — is the primary driver of this affiliation.

We would offer that this does not represent a strong indication of affiliation with the OGE Energy SSF and offer the following comments and clarifications:

- All seconded employees are OGE employees in name only. As noted in the advisory opinion, Enable leadership directs the day-to-day activities of seconded employees. This includes establishing job descriptions, job assignments, supervision and other factors involved with executing Enable's operations. Most importantly, no seconded employee has a reporting relationship with OGE. The net result is a "nearly complete separation of corporate leadership and personnel."
- As to coordinating with OGE Energy on seconded-employee employment issues, we provide the
  following clarity. Enable maintains sole discretion as to each seconded employees continued
  employment at Enable. Should a seconded employee's services no longer be needed by Enable,
  OGE would be notified of this change in status, and it would be incumbent on OGE to determine
  at that time whether or not the employee is severed from OGE or offered a position within the
  company. We want to stress that OGE does not determine a seconded employee's employment
  with Enable.
- The next point of clarification is that no executive OGE Energy officer serves as a seconded employee of Enable (pg. 4, Lines 7-8; pg. 11, Lines 13-14, pg. 16, Line 16). Enable's Vice President of Communications is a seconded employee; however, he does not hold, nor has he ever held, an executive officer or other officer position at OGE. Also, as is the case for all seconded employees, OGE has no standing in determining this position's continued employment with Enable. Should this position be eliminated or the individual's services no longer be needed by Enable, it will be incumbent on OGE to determine if the individual is severed or offered a position within OGE.

While not specifically called out in our responses to staff, we would also like to note that the OGE Energy SSF does not solicit seconded employees.

In closing, we apologize to Commissioners and staff for any lack of clarity or understanding not provided in the drafting of this opinion. We look forward to answering any questions or addressing outstanding issues you may have during our April 14 hearing.

Respectfully,

Brian Alford Vice President Enable Midstream