

Meeting Minutes of the Protection of Trade Secret and Proprietary Information Study Group  
of the  
North Carolina Mining and Energy Commission  
May 3, 2013  
15 minutes following the adjournment of the MEC

**1) Preliminary Matters**

Director Womack called the meeting of the Protection of Trade Secret and Proprietary Information Study Group to order at 12:38 pm in the Ground Floor Hearing Room of the Archdale Building in Raleigh, NC. Director Womack read the relevant excerpt of the State Government Ethics Act, and asked Commission Members to consider whether or not they had conflicts of interest with respect to any items on the agenda. No conflicts were reported.

The following persons were in attendance for all or part of the meeting:

**Study Group Members:**

James Womack, Director, MEC  
Amy Pickle, MEC  
Jane Lewis-Raymond, MEC  
Tyler Mulligan, North Carolina School of Government

**Attorney General's Office:**

Jennie Wilhelm Hauser (legal counsel)

**DENR Staff Member:**

Trina Ozer, Department of Environment and Natural Resources (DENR) Secretary's Office  
Tracy Davis, Division of Energy, Mineral and Land Resources (DEMLR)  
Toby Vinson, DEMLR  
Walt Haven, DEMLR  
Katherine Marciniak, DEMLR  
Rosalind Harris, DEMLR  
Ryan Channell, DEMLR

**Others in Attendance:**

Refer to the attached meeting sign-in sheets

**2) Background and Introductions:**

Director Womack provided a document to the group that detailed the purpose, list of members, milestones, and meeting information (see attached document). Director Womack encouraged members to identify additional areas for research and presentations.

**3) Trade Secret Statutory Review:**

Ms. Jennie Wilhelm Hauser reviewed the current rules associated with keeping public records, trade secret exemptions, and the protection of confidential information under other departments, divisions and commissions. She also explained how different North Carolina rules address trade secret criteria and legal proceedings for appealing of claimed trade secret or confidential status. See attached document for rules cited during discussion.

After discussing the current legal areas where the Commission will be considering trade secrets or confidentiality, the group focused on three scenarios:

- 1) A permittee would submit an application for review where all of the trade secret areas would be redacted and held by the permittee;
- 2) The permittee would submit all information to the Department, with the trade secret or confidential pages stamped as such. In this scenario, the stamped or marked pages would need to be removed from the public file; and
- 3) The permittee would submit all information to the Department for a review on each claim of trade secret or confidentiality.

The group also discussed the need to protect proprietary and intellectual information associated with exploration activities.

The Study Group decided that scenario number 2 would be an adequate option, but that number 3 would be the preferred option. They noted that both of these options would require the MEC to petition the general assembly for respective authority.

**4) Next Steps:**

The group asked staff to research the trade secret laws in other states and how they relate to the oil and gas industry in those states. In particular Director Womack asked staff to research the new rules in West Virginia, Ohio, and Colorado.

**5) Public Comment:**

No one from the audience signed up for the public comment period.

**6) Adjournment:**

Director Womack called the meeting adjourned at 2:38 pm.

**DEMLR Staff contact for this Committee: Ryan Channell – NCDENR.**