

Welcome to NAESB News - a customer service provided by Williams. Questions or comments related to the information contained in NAESB News should be directed to Dale Davis at (713) 215-2396.

Gas/Electric Harmonization

On March 20, 2014, the FERC issued three interrelated orders focused on improving the coordination of the gas and electric industries:

- RM14-2-000 - Notice of Proposed Rulemaking (NOPR)
- RP14-442-000 - Order to Show Cause
- EL14-22-000 through EL14-27-000 - Order Initiating Investigation Into ISO and RTO Scheduling Practices

Docket No. RM14-22-000 – Notice of Proposed Rulemaking

In this docket, the FERC proposes to revise the start of the Gas Day from 9:00 AM Central Clock Time (CCT) to 4:00 AM CCT, move the deadline for the Timely nomination cycle to 1:00 PM, modify the timeline for the ID1 and ID2 cycles, and two intraday cycles. In addition, the Commission reaffirmed its policy that the last intraday cycle is no-bump. The Commission also charged NAESB with the responsibility to determine if an industry consensus can be reached on an alternative proposal. NAESB has 180 days (September 29, 2014) to complete this assignment. Comments on the NAESB consensus, if one is reached, and if not, the FERC proposal are due in 240 days (November 26, 2014).

In response to the NOPR, NAESB formed the Gas Electric Harmonization (GEH) Forum, open to anyone that wants to participate, including representatives from the electric industry, and developed a timeline to complete its work within the 180 days provided by the NOPR. The GEH Forum held its first two-day meetings on April 22-23, 2014, at which 13 presentations were made on alternative proposals. There will be 3 additional GEH Forum two-day meetings (May 5-6, May 22-23, and June 2-3). If consensus is reached, it will be forwarded to the appropriate Executive Committee to modify the standards as needed, to be completed by September 22, 2014. NAESB will file a final report with FERC by September 29, 2014. The GEH Forum timeline and activities can be found at:

http://www.naesb.org/naesb_geh_forum.asp

Additionally, the NAESB WGQ Business Practices Subcommittee (BPS) has catalogued all the WGQ standards that may be impacted by the FERC proposal. On May 8, 2014, the BPS will begin the process of determining what modifications may be needed. The BPS activities can be found at:

<http://www.naesb.org/wgq/bps.asp>

Docket No. RP14-442-000 – Order to Show Cause

The Commission initiated a show cause proceeding, pursuant to Section 5 of the Natural Gas Act, requiring all interstate pipelines to submit filings with the Commission by May 18, 2014 *either* revising their respective tariffs to provide for the posting of offers to purchase released capacity *or* otherwise demonstrating that they are in full compliance with 18 C.F.R. § 284.8(d). It also directed NAESB to develop standards specifying: (1) the information required for requests to acquire capacity; (2) the methods by which such information is to be exchanged; and (3) the location of the information on a pipeline's website. The BPS met during April and completed this assignment. The results can be found at: <http://www.naesb.org/wgq/bps.asp>. These modifications will now be processed by the Joint Information Requirements/Technical Subcommittee to develop the corresponding technical implementation standards. This activity can be followed at: <http://www.naesb.org/wgq/ir.asp>

Docket Nos. EL14-22-000 through EL14-27-000 - Order Initiating Investigation Into ISO and RTO Scheduling Practices

In the third interrelated docket, FERC established proceedings, pursuant to section 206 of the Federal Power Act, to ensure that each ISO's and RTO's scheduling, particularly its day-ahead scheduling practices, correlate with any revisions to the natural gas scheduling practices ultimately adopted by the Commission in Docket No. RM14-2-000.

Natural Gas Council:

In a non-NAESB related effort to create better harmonization between the gas and electric industries, the Natural Gas Council (NGC) which consists of natural gas related industry trade associations, developed a consensus proposal to keep the start of the Gas Day @ 9:00, modify the nomination timeline, and add one additional intraday cycle. In late January, the proposal was shared with the electric ISO/RTO Council and the electric trade associations. Discussions with these groups is ongoing.