

Electric and Gas Coordination Senior Task Force (EGCSTF)

Susan McGill Facilitator

Markets & Reliability Committee August 21, 2024

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 Problem Statement and Issue Charge approved at the October 2021 MRC meeting.

 Original plan for a 12-month effort extended after Winter Storm Elliot in December 2022.

Solution endorsed at the June 2024 MRC meeting.



Key Work Activities

#	Activity	Outcome
1	Provide education on topics, but not limited to: a) Outline history of regulatory efforts to address misalignment between gas and electric markets.	Education provided at multiple meetings on a variety of topics.
	b) Educate stakeholders on natural gas pipeline tariffs, products and procurement. Provide details of imbalance charges and penalties.	
	c) Provide an overview of recent events in other ISOs and RTOs, including gas and electric coordination failures.	
	d) Provide education on gas pipeline constraints and fuel procurement that is in the planning and economic dispatch models.	
	e) Analyze impacts on natural gas usage with continued increase in intermittent generation on the PJM Region bulk electric system.	

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Key Work Activities

#	Activity	Outcome
2	Discuss improvements to the PJM wholesale electric markets to mitigate impacts of misalignment between gas and electric markets	Additional inter-day reliability runs approved as a component of the proposed solution package.
2a	Establish areas of common understanding (e.g. market solution is ideal, reliability event avoidance, equitable)	Education was provided from both the electric and gas industries to address and improve understanding of the gas and electric markets
2b	Examine possible improvements to coordination and emergency procedures between PJM and natural gas pipelines to ensure reliable operation of the bulk electric system in the PJM Region.	PJM provided education on the existing communication protocols that exist between PJM and the interstate natural gas pipelines.
2c	Examine PJM situational awareness of market sellers' fuel supply.	Part of original solution, but removed at the MRC endorsement.
2d	Examine possible improvements to PJM's Economic Dispatch model that accounts for fuel limitations.	Discussed with Task Force but no solutions proposed for this item.



Key Work Activities

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2e	Examine possible improvements to the assumptions of pipeline flexibility used in PJM reliability planning.	Filed with and received approval from FERC to allow for temporary exceptions after the day ahead market closes to reflect impacts of pipeline restrictions.
2f	Examine potential market solutions to improve fuel procurement flexibility, modeling and optimization of gas and electric market alignment.	LS Power provided a proposal attempting to address the weekend gas market illiquidity and reserve market uncertainty. That has been moved to the RCSTF
2g	Identify potential market power and/or manipulation risks.	Discussed with Task Force but no solutions proposed for this item.



- Sunset the EGCSTF
 - All Key Work Activities have been discussed at the meeting.
 - Some items moved to other stakeholder groups
- Create a new subcommittee
 - Allows the conversation to continue
 - Flexibility to adapt to new issues or areas of concern
 - Ability to draft new Problem Statements and Issue Charges



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