



NAESB Gas Electric Harmonization Update

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September 13, 2022

Previous Activity

- NAESB opened up discussion on potential actions/standards as a result of the February 2021 event
- Solicited industry comments in June 2021
- PJM collaborated on comments through the IRC Electric Gas Coordination Task Force and IRC Standards Review Committee
- On 11/23/21, Southwest Power Pool proposed a potential standard development around enhanced gas-electric communications during an impending extreme weather related emergency event
 - Initial meeting 1/25/2022 with NAESB RMQ, WEQ and WGQ to review proposal (https://www.naesb.org/weq_request.asp)
 - *Subsequent meetings occurred through early Q2 of 2022*
 - *Final resolution was to not move forward with creation of any NAESB standards but to continue to engage in discussions between the gas and electric industries on best practice around communications during extreme events*

FERC/NERC JOINT REQUEST TO NAESB – KEY RECOMMENDATION NO. 7

July 29, 2022

- Joint letter from FERC/NERC to NAESB assigning the task of addressing Key Recommendation No. 7 from the November 2021 Joint Report on the February 2021 Event

August 30, 2022

- NAESB conducts initial public meeting to kick off process with remarks from FERC, NERC and NARUC to address task objectives

September 23, 2022 - >>>>>

- 2nd scheduled meeting of NAESB GEH and related industry groups to begin review of Key Recommendation No. 7

- FERC should consider establishing a forum in which representatives of state legislatures and/or regulators with jurisdiction over natural gas infrastructure, in cooperation with FERC, NERC, and the Regional Entities (which collectively oversee the reliability of the Bulk Electric System), and with the input from the Balancing Authorities (which are responsible for balancing load and available generation) and natural gas infrastructure entities, identify concrete actions (consistent with the forum participants jurisdiction) to improve the reliability of the natural gas infrastructure system necessary to support the Bulk Electric System

- Options for establishing the forum could include a joint task force with NARUC, a Federal Advisory Committee, or FERC-led technical conferences.
- Ideally, the forum participants will produce one or more plans for implementing the concrete actions, with deadlines, which identify the applicable entities with responsibility for each action

- Whether and how natural gas information could be aggregated on a regional basis for sharing with Bulk Electric System operators in preparation for and during events in which demand is expected to rise sharply for both electricity and natural gas, including whether creation of a voluntary natural gas coordinator would be feasible;
- Whether Congress should consider placing additional or exclusive authority for natural gas pipeline reliability within a single federal agency, as it appears that no one agency has responsibility to ensure the systemic reliability of the interstate natural gas pipeline system;
- Additional state actions (including possibly establishing an organization to set standards, as NERC does for Bulk Electric System entities) to enhance the reliability of intrastate natural gas pipelines and other intrastate natural gas facilities;
- Programs to encourage and provide compensation opportunities for natural gas infrastructure facility winterization;
- Which entity has authority, and under what circumstances, to take emergency actions to give critical electric generating units pipeline transportation priority second only to residential heating load, during cold weather events in which natural gas supply and transportation is limited but demand is high;
- Which entity has authority to require certain natural gas-fired generating units to obtain either firm supply and/or transportation or dual fuel capability, under what circumstances such requirements would be cost-effective, and how such requirements could be structured, including associated compensation mechanisms, whether additional infrastructure buildout would be needed, and the consumer cost impacts of such a buildout;
- Expanding/revising natural gas demand response/interruptible customer programs to better coordinate the increasing frequency of coinciding electric and natural gas peak load demands and better inform natural gas consumers about real-time pricing;
- Methods to streamline the process for, and eliminate barriers to, identifying, protecting, and prioritizing critical natural gas infrastructure load;
- Whether resource accreditation requirements for certain natural gas-fired generating units should factor in the firmness of a generating unit's gas commodity and transportation arrangements and the potential for correlated outages for units served by the same pipeline(s);
- Whether there are barriers to the use of dual-fuel capability that could be addressed by changes in state or federal rules or regulations. Dual-fuel capability can help mitigate the risk of loss of natural gas fuel supply, and issues to consider include facilitating testing to run on the alternate fuel, ensuring an adequate supply of the alternate fuel and obtaining the necessary air permits and air permit waivers. The forum could also consider the use of other resources which could mitigate the risk of loss of natural gas fuel supply;
- Electric and natural gas industry interdependencies (communications, contracts, constraints, scheduling);
- Increasing the amount or use of market-area and behind-the-city-gate natural gas storage; and
- Whether or how to increase the number of "peak-shaver" natural gas-fired generating units that have on-site liquid natural gas storage. (Winter 2022-2023)

- November 16, 2021 FERC, NERC and Regional Entity Staff Report, The February 2021 Cold Weather Outages in Texas and the South Central United States (*Key Recommendation 7 on page 195*)

[Joint Report](#)

- July 29, 2022 Joint FERC/NERC Letter to NAESB

[Letter to NAESB](#)

- August 30, 2022 FERC/NERC Presentation to NAESB

[FERC/NERC Presentation to NAESB](#)

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Gas-Electric Industry Update



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