

January 24, 2008

Via US Mail and Email NAESB@NAESB.org

Ms. Rae McQuade, Director
North American Energy Standards Board
1301 Fannin, Suite 2350
Houston, TX 77002

Re: Order No. 698: Intraday Nomination Timeline Proposals

Dear Ms. McQuade,

The Kansas Corporation Commission (“KCC”) wishes to make the following comments part of the record in the pending NAESB Wholesale Gas Quadrant’s (“WGQ”) discussions relating to the above referenced topic.


It has come to our attention that a proposal has been sponsored that contemplates the inclusion of an additional Intraday “bumping” cycle, the purpose of which would be to afford firm capacity holders an opportunity to ensure that daily nominations can be adjusted to be more closely aligned with evening peak demands. The sponsors of the proposal believe it will enhance the value of firm capacity and the reliability of pipeline service. The sponsors also believe that the proposal adds value and flexibility that will encourage the contracting of firm service and the related construction of necessary infrastructure.

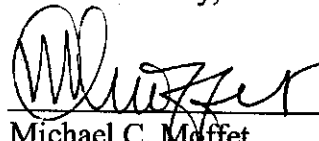
It is alleged that pipeline representatives to the NAESB WGQ plan to vote as a block to preclude substantive debate on the proposal. If debate can be stalled or thwarted in this manner, this is a disturbing development, casting doubt on whether NAESB can do the job entrusted to it by FERC Order No. 698.


Without directly addressing the merits of the proposal, the details of which the KCC is still considering, the KCC believes that the proposal is sufficiently important to protection of consumers and potentially to reducing the cost of natural gas to consumers to warrant careful consideration on the merits by the WGQ. In that regard, the KCC strongly opposes a procedure which would allow any one industry sector to stifle debate on a matter as substantively important as this.

Please post this letter to the NAESB WGQ committee webpage.

Sincerely,


Thomas E. Wright
Chairman


Michael C. Moffet
Commissioner


Joseph F. Harkins
Commissioner

cc: Hon. Joseph T. Kelliher, Chair, Federal Energy Regulatory Commission
Hon. Jon Wellinghoff, Commissioner, Federal Energy Regulatory Commission
Hon. Suedeem G. Kelly, Commissioner, Federal Energy Regulatory Commission
Hon. Marc L. Spitzer, Commissioner, Federal Energy Regulatory Commission
Hon. Philip D. Moeller, Commissioner, Federal Energy Regulatory Commission