June 3, 2014

**TO:** NAESB Board of Directors

**cc:** NAESB Advisory Council

**RE:** Comparison of FERC Proposal to Existing NAESB Standards

Dear Board Members –

For those of you not able to listen into or attend yesterday’s and today’s GEH Forum meetings, I am providing a quick recap that hopefully will help you determine if the WGQ annual plan for 2014[[1]](#footnote-1) should be changed to include standards development work that would provide an alternative to the proposal provided in the NOPR[[2]](#footnote-2) that meets the FERC objectives. The Board of Directors in April determined that consensus of the forum was determined by a super majority affirmative balanced vote of 67% of each of the WEQ and WGQ participants and at least 40% affirmative balanced vote of each of the segments. While the forum did not achieve that voting threshold in any of its deliberations, it has provided a record of each segment’s positions through the votes taken. To arrive at the four alternatives for binding votes, many straw votes were taken. The final binding votes were taken on June 2-3 against the four alternatives, with each level of voting eliminating one of the alternatives. All binding votes taken were done so with the proviso that the alternative meets the objectives outlined in the FERC NOPR.

While the 9 am CCT alternative received the most votes on a balanced basis, it failed to meet the super majority vote of each quadrant and also failed to achieve a simple majority balanced vote of one of the quadrants, as well as not garnering 40% affirmative balanced vote for three of the segments. Some of the votes included additional information where the alternative was voted upon both as a “Can You Support?” as well as “Do You Support?” The binding votes cast show the level of support by the individual organizations casting the votes. The minutes of each set of meetings include not only the aggregate voting, but also the voting by individual company for a given quadrant and segment. All votes are public and posted. Appendix A describes the four alternatives plus an alternative that does not include the specification of a gas day start time as well as the proposal outlined in the NOPR and today’s existing NAESB standards. Appendix B describes the votes taken against the alternatives, all shaded areas show where thresholds were not met, and the shaded option shows the alternative that was eliminated because it received the least amount of support.

| Time Shifts -- All times CT | | Current Std. | NOPR | 6 am CCT Gas Day Timelines | 7 am CCT Gas Day Timelines | 4 am CCT Gas Day Timelines | 9 am CCT Gas Day Timelines | No Gas Day Start Time Specified |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Timely | Timely day-ahead Nom Deadline | 11:30 AM | 1:00 PM | 1:00 PM | 1:00 PM | 1:00 PM | 1:00 PM | 1:00 PM |
| Confirmations |  |  | 4:30 PM | 4:30 PM | 4:30 PM | 4:30 PM | 4:30 PM |
| Schedule Issued | 4:30 PM | 4:30 PM | 5:00 PM | 5:00 PM | 5:00 PM | 5:00 PM | 5:00 PM |
| Start of Gas Flow | 9:00 AM | 4:00 AM | 6:00 AM | 7:00 AM | 4:00 AM | 9:00 AM |  |
| Reaction Time 1 | 1.5 hours | 1.5 hours | 1.0 hour | 1.0 hour | 1.0 hour | 1.0 hour | 1.0 hour |
| Reaction Time 2 | 1 hour | 1 hour | 1.0 hour | 1.0 hour | 1.0 hour | 1.0 hour | 1.0 hour |
| Process Time 3 | 5 hours | 3.5 hours | 4.0 hours | 4.0 hours | 4.0 hours | 4.0 hours | 4.0 hours |
| Evening | Evening Day-ahead Nom Deadline | 6:00 PM | 6:00 PM | 6:00 PM | 6:00 PM | 6:00 PM | 6:00 PM | 6:00 PM |
| Confirmations | 9:00 PM | 9:00 PM | 8:30 PM | 8:30 PM | 8:30 PM | 8:30 PM | 8:30 PM |
| Schedule Issued | 10:00 PM | 10:00 PM | 9:00 PM | 9:00 PM | 9:00 PM | 9:00 PM | 9:00 PM |
| Start of Gas Flow | 9:00 AM | 4:00 AM | 6:00 AM | 7:00 AM | 4:00 AM | 9:00 AM |  |
| Reaction Time 2 | N/A | 10 hours | 13.0 hours | 13.0 hours | 13.0 hours | 13.0 hours | 13.0 hours |
| Process Time | 4 hours | 4 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours |
| ID1 | ID1 Nom Deadline | 10:00 AM | 8:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM | 10:00 AM |
| Confirmations | 1:00 PM | 10:00 AM | 12:30 PM | 12:30 PM | 12:30 PM | 12:30 PM | 12:30 PM |
| Schedule Issued | 2:00 PM | 11:00 AM | 1:00 PM | 1:00 PM | 1:00 PM | 1:00 PM | 1:00 PM |
| Start of Gas Flow | 5:00 PM | 12:00 Noon | 2:00 PM | 2:00 PM | 2:00 PM | 2:00 PM | 2:00 PM |
| Hours of Flow | 16 hours | 16 hours | 16 hours | 17 hours | 14 hours | 19 hours |  |
| IT Bump Rights | bumpable | bumpable | bumpable | bumpable | bumpable | bumpable | bumpable |
| EPSQ | 33% | 33% | 33% | 29% | 42% | 21% |  |
| Reaction Time 1 | 3 hours | -0.5 hours | 1.5 hour | 1.5 hour | 1.5 hour | 1.5 hour | 1.5 hour |
| Reaction Time 2, 5 | 3 hours | 2 hours | 0 hour | 0 hour | 0 hour | 0 hour | 0 hour |
| Process Time 3 | 4 hours | 3 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours |
| ID2 | ID2 Nom Deadline | 5:00 PM | 10:30 AM | 2:30 PM | 2:30 PM | 2:30 PM | 2:30 PM | 2:30 PM |
| Confirmations | 8:00 PM | 1:00 PM | 5:00 PM | 5:00 PM | 5:00 PM | 5:00 PM | 5:00 PM |
| Schedule Issued | 9:00 PM | 2:00 PM | 5:30 PM | 5:30 PM | 5:30 PM | 5:30 PM | 5:30 PM |
| Start of Gas Flow | 9:00 PM | 4:00 PM | 6:00 PM | 6:00 PM | 6:00 PM | 6:00 PM | 6:00 PM |
| Hours of Flow | 12 hours | 12 hours | 12 hour | 13 hours | 10 hours | 15 hours |  |
| IT Bump Rights | no bump | bumpable | bumpable | bumpable | bumpable | bumpable | bumpable |
| EPSQ | 50% | 50% | 50% | 46% | 58% | 38% |  |
| Reaction Time 1 | N/A | 2 hours | 1.5 hour | 1.5 hour | 1.5 hour | 1.5 hour | 1.5 hour |
| Reaction Time 2 | N/A | 2 hours | .5 hours | .5 hours | .5 hours | .5 hours | .5 hours |
| Process Time 3 | 4 hours | 3.5 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours |
| ID3 | ID3 Nom Deadline |  | 4:00 PM | 7:00 PM | 7:00 PM | 7:00 PM | 7:00 PM | 7:00 PM |
| Confirmations |  | 5:00 PM | 9:30 PM | 9:30 PM | 9:30 PM | 9:30 PM | 9:30 PM |
| Schedule Issued |  | 6:00 PM | 10:00 PM | 10:00 PM | 10:00 PM | 10:00 PM | 10:00 PM |
| Start of Gas Flow |  | 7:00 PM | 10:00 PM | 10:00 PM | 10:00 PM | 10:00 PM | 10:00 PM |
| Hours of Flow |  | 9 hours | 8 hours | 9 hours | 6 hours | 11 hours |  |
| IT Bump Rights |  | bumpable | **no bump** | **no bump** | **no bump** | **no bump** | **no bump** |
| EPSQ |  | 63% | 67% | 63% | 75% | 54% |  |
| Reaction Time 1 |  | 1 hour | NA | NA | NA | NA | NA |
| Reaction Time 2, 6 |  |  | NA | NA | NA | NA | NA |
| Process Time 3 |  | 2 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours | 3.0 hours |
| ID4 | ID4 Nom Deadline |  | 7:00 PM |  |  |  |  |  |
| Confirmations |  | 8:00 PM |  |  |  |  |  |
| Schedule Issued |  | 9:00 PM |  |  |  |  |  |
| Start of Gas Flow |  | 9:00 PM |  |  |  |  |  |
| Hours of Flow |  | 7 hours |  |  |  |  |  |
| IT Bump Rights |  | no bump |  |  |  |  |  |
| EPSQ |  | 71% |  |  |  |  |  |
| Process Time 3 |  | 2 hours |  |  |  |  |  |
| Nomination Span | | 8 hours | 11 hours | 9.0 hours | 9.0 hours | 9.0 hours | 9.0 hours | 9.0 hours |

NOTES:

* Reaction Time 1 = Schedule issue to next same day nom deadline
* Reaction Time 2 = Schedule issue to next possible cycle deadline
* Process Time 3 = Nomination Deadline to Schedule issue
* Nomination Span 4= # of hours between the first and last nomination deadline in a day
* Reaction Time 5 = ID1 Schedule Issued is same as Timely Nom Deadline
* Reaction Time 6 = NOPR ID3 Schedule Issued is same as Timely Nom Deadline

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1. Elimination of the 6am CCT Gas Day Timeline** | | | | |  |  |  |  |  |  |  |  |  |  |  |
|  | **WEQ** | | | | | | | | **WGQ** | | | | | | **Total** |
|  | Trans | Gen | Mkt | Dist | EU | IGO | Svc | **Total** | Prod | P/L | LDC | EU | Svc | **Total** |  |
| 4:00 AM | 62.50 | 76.32 | 64.71 | 52.94 | 66.67 | 100.00 | 100.00 | **74.73** | 100.00 | 31.37 | 18.87 | 61.11 | 22.73 | **46.82** | **121.55** |
| 6:00 AM | 25.00 | 15.38 | 27.78 | 5.88 | 22.22 | 14.29 | 33.33 | **20.56** | 63.64 | 56.86 | 5.45 | 28.57 | 23.81 | **35.67** | **56.23** |
| 7:00 AM | 37.50 | 23.08 | 33.33 | 41.18 | 55.56 | 14.29 | 33.33 | **34.04** | 72.73 | 69.09 | 25.45 | 50.00 | 42.86 | **52.03** | **86.07** |
| 9:00 AM | 25.00 | 25.64 | 33.33 | 50.00 | 66.67 | 14.29 | 66.67 | **40.23** | 92.31 | 100.00 | 87.27 | 52.78 | 82.61 | **82.99** | **123.22** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **2. Elimination of the 7am CCT Gas Day Timeline** | | | | |  |  |  |  |  |  |  |  |  |  |  |
|  | **WEQ** | | | | | | | | **WGQ** | | | | | | **Total** |
|  | Trans | Gen | Mkt | Dist | EU | IGO | Svc | **Total** | Prod | P/L | LDC | EU | Svc | **Total** |  |
| 4:00 AM | 62.50 | 77.78 | 64.71 | 52.94 | 62.50 | 100.00 | 100.00 | **74.35** | 100.00 | 18.87 | 20.00 | 61.54 | 29.17 | **45.91** | **120.26** |
| 7:00 AM | 37.50 | 21.62 | 33.33 | 41.18 | 62.50 | 14.29 | 25.00 | **33.63** | 54.55 | 84.75 | 21.82 | 50.00 | 36.00 | **49.42** | **83.05** |
| 9:00 AM | 31.25 | 24.32 | 35.29 | 50.00 | 62.50 | 14.29 | 50.00 | **38.24** | 92.31 | 100.00 | 87.27 | 48.72 | 80.77 | **81.81** | **120.05** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **3. Elimination of the 4am CCT Gas Day Timeline** | | | | |  |  |  |  |  |  |  |  |  |  |  |
|  | **WEQ** | | | | | | | | **WGQ** | | | | | | **Total** |
|  | Trans | Gen | Mkt | Dist | EU | IGO | Svc | **Total** | Prod | P/L | LDC | EU | Svc | **Total** |  |
| ***Can You Support?*** | | | | | | | | | | | | | | | |
| 4:00 AM | 66.67 | 78.38 | 64.71 | 53.33 | 66.67 | 100.00 | 100.00 | **75.68** | 78.57 | 47.17 | 18.87 | 63.89 | 33.33 | **48.37** | **124.05** |
| 9:00 AM | 33.33 | 27.03 | 52.94 | 57.14 | 66.67 | 14.29 | 66.67 | **45.44** | 100.00 | 100.00 | 87.04 | 59.46 | 88.46 | **86.99** | **132.43** |
| ***Do You Support?*** | | | | | | | | | | | | | | | |
| 4:00 AM | 60.00 | 70.27 | 53.33 | 46.67 | 50.00 | 100.00 | 100.00 | **68.61** | 33.33 | 20.00 | 12.96 | 52.78 | 12.50 | **26.31** | **94.92** |
| 9:00 AM | 26.67 | 24.32 | 35.29 | 50.00 | 55.56 | 14.29 | 66.67 | **38.97** | 84.62 | 100.00 | 87.27 | 51.35 | 88.46 | **82.34** | **121.31** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **4. 9 am CCT Gas Day Timeline** | | |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **WEQ** | | | | | | | | **WGQ** | | | | | | **Total** |
|  | Trans | Gen | Mkt | Dist | EU | IGO | Svc | **Total** | Prod | P/L | LDC | EU | Svc | **Total** |  |
| ***Can You Support?*** | | | | | | | | | | | | | | | |
|  | 33.33 | 32.35 | 43.75 | 56.25 | 62.50 | 14.29 | 66.67 | **44.16** | 90.91 | 100.00 | 90.74 | 59.46 | 88.00 | **85.82** |  |
| ***Do You Support?*** | | | | | | | | | | | | | | | |
|  | 26.67 | 26.47 | 35.29 | 47.06 | 62.50 | 14.29 | 66.67 | **39.85** | 80.00 | 100.00 | 85.45 | 54.05 | 83.33 | **80.57** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 5. No Gas Day Start Time | | |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | **WEQ** | | | | | | | | **WGQ** | | | | | | **Total** |
|  | Trans | Gen | Mkt | Dist | EU | IGO | Svc | **Total** | Prod | P/L | LDC | EU | Svc | **Total** |  |
| ***Can You Support?*** | | | | | | | | | | | | | | | |
|  | 35.29 | 38.89 | 61.11 | 75.00 | 71.43 | 0.00 | 66.67 | **49.77** | 76.92 | 100.00 | 77.78 | 62.16 | 91.67 | **81.71** |  |
| ***Do You Support?*** | | | | | | | | | | | | | | | |
|  | 29.41 | 38.89 | 47.06 | 73.33 | 62.50 | 0.00 | 66.67 | **45.41** | 70.00 | 98.00 | 76.00 | 59.46 | 86.36 | **77.96** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

1. The WGQ Annual Plan can be found at <http://www.naesb.org/pdf4/wgq_2014_annual_plan.docx> [↑](#footnote-ref-1)
2. The FERC NOPR can be found here <http://www.ferc.gov/whats-new/comm-meet/2014/032014/M-1.pdf>, and the excerpts here <http://www.naesb.org/pdf4/excerpts_ferc_nopr_rm14_2_000.docx>, along with an analysis of the FERC objectives here <http://www.naesb.org/misc/geh_ferc_nopr_excerpts_032514.docx>. [↑](#footnote-ref-2)