THE NORTH AMERICAN ENERGY STANDARDS BOARD BEGINS STANDARDS DEVELOPMENT EFFORTS TO RESPOND TO FERC ORDER NO. 809

On October 17, 2016 the North American Energy Standards Board (“NAESB”) submitted its fourth report in a series of status updates to the Federal Energy Regulatory Commission (“FERC or the Commission”) regarding its activities to respond to FERC Order No. 809 (“Order”), in which the Commission requested “…that gas and electric industries, through NAESB, explore the potential for faster, computerized scheduling when shippers and confirming parties all submit electronic nominations and confirmations, including a streamlined confirmation process if necessary.”1 In a subsequent Order on Rehearing, the Commission requested that NAESB “…file such standards or a report on the development of such standards with the Commission by October 17, 2016.”2 The purpose of the October 17, 2016 NAESB report is to satisfy the request of the Commission and to provide information on the current status of the ongoing effort within NAESB.

The report highlights the work plan developed by the Wholesale Gas Quadrant (“WGQ”) Business Practice Subcommittee, as it addresses the standards development directed by the NAESB Board of Directors through the 2016 WGQ and Wholesale Electric Quadrant (“WEQ”) Annual Plans. The Board of Directors approved eight specific areas for standards development, as identified by the NAESB Gas-Electric Harmonization Forum (“GEH Forum”) and subsequent related industry requests, that are intended to respond directly to the request of the Commission in the Order. As the standards development effort progresses, NAESB will file periodic reports with the Commission to update it on the status of the project. Jonathan Booe, Executive Vice President and Chief Administrative Officer of NAESB, stated that “The efforts of NAESB related to this project build upon a long history of industry-driven standards development in response to Commission requests and demonstrate how the NAESB process can be used to support the growing interdependence of the power and natural gas markets through standards development.”

We would like to thank those that participated in the GEH Forum efforts and the NAESB Board of Directors for setting the direction of standards development currently underway within NAESB. Any interested party that would like to participate in the standards development within the NAESB subcommittee is welcome to join, as participation is open to member and non-member companies. For more information about the October 17, 2016 status report or participating in the standards development activities, please contact the NAESB office (naesb@naesb.org).

The North American Energy Standards Board (NAESB) serves as an industry forum for the development and promotion of standards which will lead to a seamless marketplace for wholesale and retail natural gas and electricity, as recognized by its customers, business community, participants, and regulatory entities. It is composed of over three hundred corporate members in the energy industry and many more non-member volunteers who contribute to the drafting and adopting of NAESB standards. To learn more about NAESB, go to www.naesb.org, contact Denise Rager (drager@naesb.org) or call 713-356-0060.

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2 Order on Rehearing, Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities, 152 FERC ¶ 61,212 (2015).