



NORTH AMERICAN ENERGY STANDARDS BOARD

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NAESB BOARD OF DIRECTORS TAKES FIRST STEPS TO SUPPORT COMMISSION DIRECTIVES ON GAS-ELECTRIC COORDINATION OF SCHEDULING PROCESSES

In a NAESB Board of Directors meeting today, the members approved a voting mechanism and timeline in support of the effort to respond to the Federal Energy Regulatory Commission (FERC or Commission) Notice¹ of Proposed Rulemaking, Docket No. RM14-2-000, "Coordination of the scheduling processes of the interstate natural gas pipelines and public utilities." The timeline allows the industry to develop consensus proposals during the 180-day Commission directive. The voting mechanism will employ NAESB's open and inclusive standards development process which provides equal voice to all segments of both the wholesale natural gas and electricity markets.

"NAESB actions today demonstrate the organization's commitment to provide leadership to support this important industry collaborative initiative," Mr. Michael Desselle, Chairman of the NAESB Board of Directors, stated. He further added, "We greatly appreciate the FERC's confidence in NAESB's abilities to develop consensus standards, and their recognition of the broad market representation contained within our Organization."

Ms. Valerie Crockett who previously co-chaired the 2012 effort to identify the gas-electric market harmonization (GEH) issues,² and is an officer of the NAESB Board of Directors, said "I am grateful to the Commission for their policy guidance and direction, and for NAESB Board members, who so quickly provided the necessary structure and timelines to meet the FERC objectives. This is a challenging but crucial task for the industry as we move into a future that continues to stress coordination of the natural gas and power markets."

Dr. Susan Tierney, who participated in the creation of the National Petroleum Council report that served as a foundation for the NAESB GEH report, noted "FERC has assigned a significant task to NAESB, and I am heartened that the gas and electric industries are taking this assignment with the seriousness it deserves. Better alignment of the scheduling standards is critically important as the two industries become increasingly interdependent."

Both Ms. Crockett and Dr. Tierney co-chair the NAESB industry forum, and more information should be released shortly on the logistical details of the meetings and an open request for presentations. Please contact the NAESB office (naesb@naesb.org) to be placed on a distribution list for additional information.

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.

¹ FERC Notice of Proposed Rulemaking, *Coordination of the Scheduling Process of Interstate Natural Gas Pipelines and Public Utilities*, 146 FERC ¶ 61,201 (2014) (NOPR) Available at: <http://www.ferc.gov/whats-new/comm-meet/2014/032014/M-1.pdf>.

² The NAESB Gas-Electric Harmonization Committee Report is posted on the NAESB web site and can be accessed from the following link: <http://www.naesb.org/pdf4/bd092012a1.pdf>. It was prepared in response to National Petroleum Council 2011 report, *Prudent Development: Realizing the Potential of North America's Abundant Natural Gas and Oil Resources*.
