



## NORTH AMERICAN ENERGY STANDARDS BOARD

801 Travis, Suite 1675 • Houston, Texas 77002 • Phone: (713) 356-0060 • Fax: (713) 356-0067  
email: [naesb@naesb.org](mailto:naesb@naesb.org) • Web Site Address: [www.naesb.org](http://www.naesb.org)

---

Contact: Denise Rager 713-356-0060  
For Immediate Release: August 15, 2016

### THE NORTH AMERICAN ENERGY STANDARDS BOARD CONTINUES EFFORTS TO SUPPORT GAS-ELECTRIC COORDINATION

Through recent modifications to the organization's annual plans, the North American Energy Standards Board ("NAESB"), is taking action to consider the development of standards in areas identified by the Federal Energy Regulatory Commission ("FERC or the Commission") in FERC Order No. 809 issued on April 16, 2015. Activities are underway to consider the new annual plan items, and NAESB will continue to update the Commission as it makes progress towards submitting standards or in lieu of new standards, a report on the status of standards development to Commission in October.<sup>1</sup> The efforts are focused on terminology, protocols, and information sharing, as well as providing additional uniformity for confirmations, additional functionality for scheduling, and streamlining the nomination process.

Dr. Susan Tierney, co-chair of the NAESB Gas-Electric Harmonization Forum ("Forum") effort with Mr. Terry Thorn, the group that either defined the actions underway or provided a platform for the requests for standards development that were created, stated that "a more flexible scheduling process could lead to the more efficient use of our gas and electric infrastructures and provide better information for decision making, including where infrastructure improvements are needed; however, the cost of making changes should be balanced by the benefits achieved."

Mr. Thorn added that "the United States is using natural gas to generate electricity at an unprecedented rate, and if natural gas use is proven unreliable, new technologies will be developed for grid automation and optimization that will drive the growth of distributed energy resources, such as wind and solar power, electricity storage, demand response, and energy efficiency. This standards development effort could provide a real opportunity for the natural gas industry to maximize the efficient use of the abundant natural resource."

The effort will explore areas that could lead to the more efficient use of existing pipeline infrastructure and provide additional operational flexibility to all pipeline shippers, including gas-fired generators. The Commission specifically requested that the gas and electric industries work through NAESB to explore the potential for faster, computerized scheduling. The use of computerized scheduling may be an opportunity to provide faster and more frequent scheduling of intraday nominations for those shippers and confirming parties willing to commit to scheduling electronically. The FERC subsequently requested that NAESB file related standards, or a report on the development of related standards, with the Commission by October 17, 2016.<sup>2</sup>

In response to the Commission request, the NAESB Board of Directors reconvened the Forum to serve as an industry venue for education, issue identification and the development of potential standards development solutions that the NAESB Board of Directors could consider. Through a series of meetings and an industry wide survey, the Forum identified several areas for potential standards development that ultimately resulted in five specific items that were included on the NAESB wholesale gas and electric annual plans through board action in late June. The Board of Directors also included three additional annual plan items produced from standards requests considered related to the Forum efforts that were submitted concurrently to the Forum process. As noted earlier, these annual plan items

---

<sup>1</sup> NAESB Status Report for Submittal to the Commission Concerning FERC Order No. 809, *Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities* (Docket No. RM14-2-000) is available at the following link: [https://www.naesb.org/pdf4/ferc072916\\_naesb\\_order809\\_status\\_report.pdf](https://www.naesb.org/pdf4/ferc072916_naesb_order809_status_report.pdf).

<sup>2</sup> *Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities*, Order No. 809, 80 FR 23,197 (Apr. 24, 2015), FERC Stats. & Regs. ¶ 31,368 (cross-referenced at 151 FERC ¶ 61,049) (2015), *order on clarification*, 152 FERC ¶ 61,095, *order on reh'g*, 152 FERC ¶ 61,212 (2015), *order on clarification*, 153 FERC ¶ 61,049 (2015). FERC Order No. 809 is available at the following link: [https://www.naesb.org/pdf4/ferc041615\\_order809\\_geh\\_final\\_rule.pdf](https://www.naesb.org/pdf4/ferc041615_order809_geh_final_rule.pdf).

---



## **NORTH AMERICAN ENERGY STANDARDS BOARD**

801 Travis, Suite 1675 • Houston, Texas 77002 • **Phone:** (713) 356-0060 • **Fax:** (713) 356-0067  
**email:** [naesb@aol.com](mailto:naesb@aol.com) • **Web Site Address:** [www.naesb.org](http://www.naesb.org)

---

Page 2 of 2

propose additional potential standardization in areas related to the existing communication protocols between parties to a transaction, the use of terminology, information sharing practices and the current confirmation methodologies that support the existing nomination and confirmation process.

Any interested party that would like more information concerning the annual plan items or information about participating in the standards development activities should contact the NAESB office ([naesb@naesb.org](mailto: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](http://www.naesb.org), contact Denise Rager ([drager@naesb.org](mailto:drager@naesb.org)) or call 713-356-0060.*