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FERC, NERC Encourage NAESB to Convene Gas-Electric Forum to Address Reliability Challenges

As extreme weather continues to strain the nation's electric grid, FERC Chairman Rich Glick and Jim Robb, President and CEO of the North American Electric Reliability Corporation (NERC), encouraged the North American Energy Standards Board (NAESB) to convene a forum to identify solutions to the reliability challenges facing the nation's natural gas system and bulk electric system.

In their joint letter, Glick and Robb recommended that NAESB convene the forum, as outlined in one of the key recommendations from the <u>FERC-NERC report</u> on the February 2021 freeze in Texas and the South Central U.S. caused by Winter Storm Uri. Key Recommendation 7 in the report, issued in November 2021, recommended that FERC consider establishing a forum to identify actions that will improve the reliability of the natural gas infrastructure system as necessary to support the bulk power system, and to address recurring challenges stemming from natural gas-electric infrastructure interdependency.

NAESB, an American National Standards Institute-accredited convener of both the gas and electric markets with representation from all segments of the supply chain, "is uniquely positioned to provide support in addressing the report recommendation," Glick and Robb wrote. The letter highlights NAESB's long history with the industry as a key to its ability to analyze challenging issues concerning market coordination and deliver balanced, consensus-based solutions.

"The record-setting heat we've experienced this summer, just like the brutal cold during Winter Storm Uri last year, is a stark reminder that extreme weather remains a threat to the reliability of our energy infrastructure," Glick said. "We must ensure that our gas and electricity systems will help keep the lights on in the face of an evolving resource mix and the growing effects of climate change."

"In addition to providing resilience during extreme weather events, natural generation is a critical bridge fuel because of its operational flexibility, which allows large amounts of variable generation to be integrated reliably into the grid," Robb said. "The role of gas is changing and it is critical that the two systems are planned and operated in an increasingly coordinated manner."

The letter encourages NAESB to coordinate with FERC and NERC staff, and with the National Association of Regulatory Utility Commissioners.

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