via email & posting

December 6, 2023

**TO:** NAESB Members, NAESB Advisory Council, NAESB Gas-Electric Harmonization (GEH) Forum Participants, and Interested Parties

**FROM:** Michael Desselle, Chairman of the Board of Directors, NAESB

**RE:** Proposed Annual Plan Items to Support FERC, NERC and Regional Entity Staff Report Concerning 2022 Winter Storm Elliott

As announced on November 8, 2023, the Federal Energy Regulatory Commission (FERC or Commission) and the North American Electric Reliability Corporation (NERC) staffs released the final report on Winter Storm Elliott (Report), and requested that NAESB take action to identify improvements in communication during extreme cold weather events to enhance situational awareness. The Report included a second quarter 2024 deadline for the activity. As noted in my November 8, 2023 correspondence, I am recommending that the Board of Directors move the provisional items included in the proposed 2024 quadrant annual plans developed by the Executive Committees in anticipation of this activity to an active status. I am also proposing that the following language sourced from the Report be included to provide direction to the Executive Committees.

| **NORTH AMERICAN ENERGY STANDARDS BOARD** **2024 ANNUAL PLAN for the WHOLESALE ELECTRIC QUADRANT** | | | | | |
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|  | **Item Description** | | | **Completion** | **Assignment** |
| **6.** | **Gas-Electric Market Coordination** | | | | |
|  | Develop and/or modify business practice standards, as needed, in response to the FERC-NERC-Regional Entity Staff Report: February 2021 Cold Weather Outages in Texas and the South-Central United States or from the report on Winter Storm Elliott | | | | |
|  | a) | Review and modify the Gas / Electric Coordination Business Practice Standards and any corresponding standards to improve communication among the operators of production facilities (producers, gatherers, processors) and the timely dissemination of this coordinated communication from the production facilities to and from other natural gas infrastructure entities, BAs, shippers, and end-use customers (i.e., Local Distribution Companies) as needed to enhance situational awareness during extreme cold weather events  Status: Not Started | | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |
|  |  | i. | Develop and/or modify business practice standards for the communication of information about operational issues (e.g. location, estimated duration of outage) to and from BAs, LDCs, and shippers in anticipation of critical notices, OFOs or force majeure notices during extreme weather  Status: Not Started | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |
|  |  | ii. | Develop and/or modify business practice standards for the communication of aggregated volume data or confirmed scheduled quantities for key upstream receipt points on the pipeline system during extreme cold weather events without endangering sensitive commercial information  Status: Not Started | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |

| **NORTH AMERICAN ENERGY STANDARDS BOARD 2024 ANNUAL PLAN for the WHOLESALE GAS QUADRANT** | | | | | |
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|  | **Item Description** | | | **Completion** | **Assignment** |
| **4.** | **Gas-Electric Market Coordination** | | | | |
|  | Upon a request or as directed by NAESB Board or a relevant jurisdictional entity, develop and/or modify business practice standards, as needed, in response to the FERC-NERC-Regional Entity Staff Report: February 2021 Cold Weather Outages in Texas and the South Central United States or from the final report on Winter Storm Elliot. | | | | |
|  | a) | Review and modify the Gas / Electric Coordination Business Practice Standards and any corresponding standards to improve communication among the operators of production facilities (producers, gatherers, processors) and the timely dissemination of this coordinated communication from the production facilities to and from other natural gas infrastructure entities, BAs, shippers, and end-use customers (i.e., Local Distribution Companies) as needed to enhance situational awareness during extreme cold weather events  Status: Not Started | | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |
|  |  | i. | Develop and/or modify business practice standards for the communication of information about operational issues (e.g. location, estimated duration of outage) to and from BAs, LDCs, and shippers in anticipation of critical notices, OFOs or force majeure notices during extreme weather  Status: Not Started | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |
|  |  | ii. | Develop and/or modify business practice standards for the communication of aggregated volume data or confirmed scheduled quantities for key upstream receipt points on the pipeline system during extreme cold weather events without endangering sensitive commercial information  Status: Not Started | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |

| **NORTH AMERICAN ENERGY STANDARDS BOARD 2024 ANNUAL PLAN for the RETAIL MARKETS QUADRANT** | | | | | |
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|  | **Item Description** | | | **Completion** | **Assignment** |
| **3.** | **Gas-Electric Market Coordination** | | | | |
|  | a) | Review and modify the Gas / Electric Coordination Business Practice Standards and any corresponding standards to improve communication among the operators of production facilities (producers, gatherers, processors) and the timely dissemination of this coordinated communication from the production facilities to and from other natural gas infrastructure entities, BAs, shippers, and end-use customers (i.e., Local Distribution Companies) as needed to enhance situational awareness during extreme cold weather events  Status: Not Started | | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |
|  |  | i. | Develop and/or modify business practice standards for the communication of information about operational issues (e.g. location, estimated duration of outage) to and from BAs, LDCs, and shippers in anticipation of critical notices, OFOs or force majeure notices during extreme weather  Status: Not Started | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |
|  |  | ii. | Develop and/or modify business practice standards for the communication of aggregated volume data or confirmed scheduled quantities for key upstream receipt points on the pipeline system during extreme cold weather events without endangering sensitive commercial information  Status: Not Started | 2nd Q, 2024 | Joint WGQ, WEQ, and RMQ Business Practice Subcommittees |