Via email and posting

January 12, 2016

**TO:** NAESB Board of Directors, Gas-Electric Harmonization (GEH) Forum and Interested Parties

**cc:** NAESB Advisory Council

**FROM:** Jonathan Booe, North American Energy Standards Board

**RE:** Announcement & Agenda for the GEH Forum Organizational Conference Call/Web Cast – January 25, 2016

Dear Board Members, GEH Forum Participants and Interested Parties,

At the request of the NAESB Board of Directors, the NAESB Gas-Electric Harmonization (GEH) Forum has been reactivated to address 2016 WEQ Annual Plan Item 7.a[[1]](#footnote-1) and 2016 WGQ Annual Plan Item 3.a[[2]](#footnote-2) resulting from the request of the Federal Energy Regulatory Commission (FERC or Commission) in FERC Order No. 809 (Order) issued on April 16, 2015.[[3]](#footnote-3) An organizational conference call/web cast has been scheduled for January 25, 2016 from 10:00 am to 11:00 am Central. We are fortunate that both Dr. Susan Tierney and Terry Thorn have agreed to facilitate all meetings of the forum, and we look forward to the broad and balanced participation we experienced during the 2014 meetings.

Please find following information on the purpose of the January 25 call, how to participate, background for this effort, the related annual plan items, and guidance from the NAESB Board of Directors. Please do not hesitate to call our office if you need additional information.

PURPOSE OF CONFERENCE CALL:

The purpose of the January 25 call is to address administrative items. During the call, the participants will review the schedule, the request for presentations, the purpose of the upcoming meetings, and the means for participation. The results of the forum meetings will be presented to the NAESB Board of Directors during its April 2016 meeting. An agenda for the conference call/web cast has been provided on the last page of this announcement (<https://www.naesb.org/pdf4/geh012516a.docx>), and any related work papers for the conference call/web cast will be posted to the GEH Forum website (<https://www.naesb.org/naesb_geh_forum.asp>). The schedule and the request for presentations can be found through the following hyperlinks.

Schedule of Meetings: <https://www.naesb.org/pdf4/geh012516w2.doc>

Request for Presentations: <https://www.naesb.org/pdf4/geh012516w1.doc>

We anticipate that the forum will include participation from all segments of both the natural gas and electricity markets and that the presentations and discussions will be inclusive of all market perspectives so that the NAESB Board of Directors will be able to use the information to set a direction in response to the Commission’s request. We encourage you to participate, and there are several ways to do so. You can ensure your voice is heard and is made part of the record through written comments, through submitted presentations, and through attendance at the meetings, either in person or by phone. Broad participation will ensure that our board receives robust information and a meaningful record when determining the best manner in which to proceed.

HOW TO PARTICIPATE:

**To participate in this conference call/web cast, please provide an RSVP to the NAESB office (**[**drager@naesb.org**](mailto:drager@naesb.org)**, 713-356-0060) by January 20, 2016**. There will be no charge to attend this one-hour conference call/web cast; however, there will be a $200/person meeting attendance fee for future meetings and conference calls/webcasts to defray the costs of holding the meetings. Any participant who is with a state or federal regulatory agency or is a representative of a consumer advocacy group is exempt from the meeting fee. RSVPs are particularly important for these meetings to ensure that we have adequate space and enough lines for those participating through conference calling.

All those that RSVP for the meetings will be added to the distribution list unless it is specifically requested otherwise. ***If you received this notice and would like to be removed from the distribution list, please contact the NAESB office.*** If you know of any colleagues that may have interest in attending this conference call/web cast or in following NAESB efforts in this area, please feel free to forward this invitation and have the interested parties contact the NAESB office to be added to the distribution list.

Prior to this conference call/web cast and future meetings, participants are encouraged to familiarize themselves with the NAESB Antitrust and Other Meeting Policies (<http://www.naesb.org/misc/antitrust_guidance.doc>) and be aware that the meetings will be transcribed and may be attended by members of the press.

BACKGROUND:

As background, in paragraph 107 of the Order, the Commission stated the following.

“While NAESB’s modified standards represent an improvement over the currently effective standards, we continue to recognize that additional intraday nomination opportunities could promote more efficient use of existing pipeline infrastructure and provide additional operational flexibility to all pipeline shippers, including gas-fired generators. The modified NAESB standards reflect reduced intraday processing times from the current NAESB standards (i.e., three hours instead of the current four hours), and existing operational limitations, including the manual processes utilized by pipelines for processing nominations, may affect the ability of the gas industry to add additional standard nomination cycles applicable to all shippers. However, the use of computerized scheduling would appear to provide an opportunity for faster and more frequent scheduling of intraday nominations for those shippers and their confirming parties willing to commit to scheduling electronically. ***We request 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.*** Providing such an option would enable those entities that need greater scheduling flexibility to have their requests processed expeditiously.”

Following the Order, on September 17, 2015 the Commission issued an Order on Rehearing in docket no. RM14-02-001and in paragraph 1 requested that NAESB provide the Commission with standards or a report on the development of standards related to related to faster, computerized scheduling by October 17, 2016.[[4]](#footnote-4)

¶1 “In Order No. 809, the Commission revised its regulations relating to the scheduling of transportation service on interstate natural gas pipelines to better coordinate the scheduling practices of the wholesale natural gas and electric industries, as well as to provide additional scheduling flexibility to all shippers on interstate natural gas pipelines. The Commission also requested that natural gas and electric industries, through the North American Energy Standards Board (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. On May 18, 2015, the Desert Southwest Pipeline Stakeholders (DSPS) filed a request for rehearing of Order No. 809. On August 4, 2015, NAESB filed a report indicating that due to the press of implementing the revised nomination standards by April 1, 2016, it would not begin the development of computerized scheduling standards until after that date. As discussed below, the Commission denies DSPS’ request for rehearing and directs El Paso Natural Gas Company, L.L.C. (El Paso), Transwestern Pipeline Company, LLC (Transwestern), and TransCanada-North Baja Pipelines (TransCanada-North Baja) to make an informational filing within 90 days of the date of this order. ***In addition, while we recognize the time commitments in implementing the revised nomination timeline, the Commission requests that the natural gas and electric industries, through NAESB, begin considering the development of standards related to faster, computerized scheduling and file such standards or a report on the development of such standards with the Commission by October 17, 2016.***”

INCLUSION IN THE NAESB ANNUAL PLANS:

To respond to the Order and the subsequent Order on Rehearing, the NAESB Board of Directors, during the December 10, 2015 meeting, reactivated the NAESB Gas-Electric Harmonization (GEH) Forum and tasked it with addressing 2016 WEQ Annual Plan Item 7.a and 2016 WGQ Annual Plan Item 3.a. Specifically, the annual plan items require the GEH Forum to do the following.

Review FERC Order No. 809 ¶ 107 issued in Docket No. RM14-2-000 regarding computerized scheduling and provide recommended direction concerning the development of standards or modifications to existing standards as needed to support the request of the Commission. The recommended direction will require two-step board approval, for both the timeline to be pursued and the framework for standards development.

NAESB BOARD OF DIRECTORS GUIDANCE:

As additional guidance the board directed the GEH Forum to address the item through the following steps.

1. Provide a forum for industry education from both the natural gas and electric industries regarding gas-electric coordination specific to computerized scheduling, and confirmations including a streamlined confirmation process, if necessary ([FERC Order No. 809 Order on Rehearing, Docket No. RM14-2-001](https://www.naesb.org/pdf4/ferc091715_order809_order_on_rehearing.docx))
2. Identify potential issues specific to computerized scheduling, and confirmations including a streamlined confirmation process, if necessary which could be based on the education provided in step 1
3. Identify potential solutions to the issues identified in step 2
4. Identify potential schedules for standards development

As a participant in the GEH Forum activities, we thank you for your support to address the Commission’s request in the Notice of Proposed Rulemaking preceding Order No. 809 in 2014, and we look forward to your participation in our process as we undertake this effort in 2016.

**Conference Calling and Web Conferencing Instructions**

**For The Gas-Electric Harmonization Forum Conference Call/Web Cast**

**January 25, 2016**

This conference call is open to any interested party, as are all NAESB meetings and conference calls.

To join the conference call:

* Dial the 11-digit toll free phone number (1-866-740-1260)
* An automated attendant will ask you to enter a seven-digit access code (7133564)
* The automated attendant will ask you to record your name.
* Please note, if the conference leader has not yet initiated the conference call, you will be placed on hold until the conference leader starts the conference.
* The automated attendant will then ask you for a four-digit security code (9085)

Please place your phone on mute unless you are speaking. For those participants that do not have a mute feature on your phone, please press (\*6) to mute your phone and (\*7) to un-mute your phone. Putting the conference call on hold may cause music to be played over the discussion and if so, the NAESB office will contact the conference call administrator to have the line disconnected.

To join the web conference, go to [www.readytalk.com](http://www.readytalk.com) and enter the same access code and security code. Please note that if the conference leader has not yet initiated the web conference, you will view a screen that states, “The Chairperson has not yet arrived. Please standby for your web conference to begin.”

ReadyTalk recommends that you test your browser and network connections for compatibility prior to participating in a web conference. To do so, go to <http://test.callinfo.com>. If you have problems joining a conference call or need technical assistance, please contact ReadyTalk Customer Care, 1-800-843-9166. Please contact the NAESB Office (713-356-0060 or [naesb@naesb.org](mailto:naesb@naesb.org)) should you need any additional information or have questions or comments.

**NAESB GAS-ELECTRIC HARMONIZATION FORUM**

**CONFERENCE CALL & WEB CAST**

**Monday, January 25, 2016 – 10:00 am to 11:00 am Central**

**DRAFT agenda**

1. Administrative

* Welcome
* Antitrust Guidance
* Adoption of Agenda

2. Background Pertaining to FERC Order No. 809 & Direction of the Board of Directors

3. Forum Process, Meeting Schedule and Deliverables

4. Request for Presentations and Submission Guidance

5. Next Meeting Preparations

6. Other Business

7. Adjourn

Background Materials:

* NAESB GEH Forum Distribution List as of January 12, 2016: <http://www.naesb.org/pdf4/naesb_geh_forum_distlist_2016.doc>
* Antitrust Guidance: <http://www.naesb.org/misc/antitrust_guidance.doc>
* FERC Order No. 809: <https://www.ferc.gov/whats-new/comm-meet/2015/041615/M-1.pdf>
* FERC Order on Rehearing on FERC Order No. 809: <https://www.naesb.org/pdf4/ferc091715_order809_order_on_rehearing.docx>
* FERC Order No. 809 Timeline: <https://www.naesb.org/misc/ferc_order809_historical_timeline.doc>
* NAESB Board of Directors Meeting – December 10, 2015: <https://www.naesb.org//pdf4/bd121015dm.docx>
* 2016 WEQ Annual Plan: <http://www.naesb.org/pdf4/weq_2016_annual_plan.docx>
* 2016 WGQ Annual Plan: <http://www.naesb.org/pdf4/wgq_2016_annual_plan.docx>
* GEH Forum Schedule of Meetings: <https://www.naesb.org/pdf4/geh012516w2.doc>
* GEH Forum Request for Presentations: <https://www.naesb.org/pdf4/geh012516w1.doc>

Information on all NAESB activities can be found at <http://www.naesb.org>, and for GEH Forum activities at <http://www.naesb.org/naesb_geh_forum.asp>.

1. The 2016 WEQ Annual Plan can be found through the following hyperlink: <http://www.naesb.org/pdf4/weq_2016_annual_plan.docx> [↑](#footnote-ref-1)
2. The 2016 WGQ Annual Plan can be found through the following hyperlink: <http://www.naesb.org/pdf4/wgq_2016_annual_plan.docx> [↑](#footnote-ref-2)
3. April 16, 2015 - FERC Order No. 809 (Docket No. RM14-2-000): <https://www.naesb.org/pdf4/ferc041615_order809_geh_final_rule.pdf> [↑](#footnote-ref-3)
4. September 17, 2015 - FERC Order No. 809 Order on Rehearing (Docket No. RM14-2-001): <https://www.naesb.org/pdf4/ferc091715_order809_order_on_rehearing.docx> [↑](#footnote-ref-4)