

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, DC 20426

April 12, 2017

OFFICE OF THE CHAIRMAN

Ms. Rae McQuade
President & COO
North American Energy Standards Board
801 Travis Street, Suite 1675
Houston, TX 77002

Dear Ms. McQuade:

Thank you for your March 30, 2017 report to the Commission concerning the North American Energy Standards Board's (NAESB's) efforts to respond to the Commission's request in Order No. 809 that the "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."¹ I understand from your report that the recommendations for additional standards and/or modification of existing standards to address the Commission's request did not garner the requisite support in NAESB's Wholesale Gas Quadrant.

I appreciate NAESB's efforts and would like to thank all the stakeholders that have invested their time and effort in the endeavor to address the Commission's request. Even though consensus could not be achieved to develop standards, I believe the record developed and the discussions among the industry members will assist the Commission in its considerations, as well as help inform continuing industry-initiated efforts to improve the integration of the gas and electric industries, an issue of critical importance to both industries. I also appreciate NAESB's continued willingness to support the Commission's gas-electric harmonization effort and its willingness to address any additional Commission requests, but I am not requesting any further efforts, at this time, to respond to the Commission's request in Order No. 809.

Very truly yours,



Cheryl A. LaFleur
Acting Chairman

¹ *Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities*, Order No. 809, 80 Fed. Reg. 23,198 (Apr. 24, 2015), FERC Stats. & Regs. ¶ 31,368 (2015). In its September 17, 2015 Order on Rehearing in Docket No. RM14-2-001, the Commission found "it reasonable for the industry to begin considering [computerized scheduling] standards and to submit standards or a report on the development of such standards by October 17, 2016." 152 FERC ¶ 61,212 (2015) at P 25. Furthermore, on October 18, 2016 Chairman Bay sent a letter to NAESB in which he "encourage[d] NAESB to complete by March 31, 2017 the development of standards or modification to existing standards as needed to support the request of the Commission and to provide opportunities for faster and more frequent scheduling."