Via email & posting

November 8, 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:** FERC, NERC and Regional Entity Staff Report Concerning 2022 Winter Storm Elliott

Dear NAESB Members, NAESB Advisory Council, NAESB GEH Forum Participants, and Interested Parties,

As you may know, on November 7, 2023, the Federal Energy Regulatory Commission (FERC or Commission) and the North American Electric Reliability Corporation (NERC) released a final report on Winter Storm Elliott, *Inquiry into Bulk-Power System Operations During December 2022 Winter Storm Elliott* (Report).[[1]](#footnote-1) In the Report, Recommendation 5 calls for the “The North American Energy Standards Board [to] convene natural gas infrastructure entities, electric grid operators, and LDCs 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, and identified specific areas for consideration that would expand upon the existing NAESB gas-electric coordination standards. Per the Report, these areas are intended to support improved communication and information sharing among operators of production facilities, other natural gas infrastructure entities, Balancing Authorities, shippers, and end-use customers (i.e. Local Distribution Companies) when situations arise before or during extreme weather events that may have potential adverse impacts on reliability. Specifically noted for consideration are communications concerning aggregated volume data or confirmed scheduled quantities for upstream delivery points on the pipeline system and communications concerning operational issues, including locational information and estimated outage duration, that will help BAs, LDCs, and shippers in planning for potential critical notices, operational flow orders or force majeure events. The Report also recognized that these communications will require safeguards to protect commercially sensitive information and pointed to those utilized by Bulk Electric System entities.

Given the clear direction provided by the Commission in the Report and the identification of actionable standards development areas included in Recommendation 5 for NAESB, I have conferred with the Managing Committee and have directed the staff to initiate activities to prepare for the development of standards in the areas identified in the report. Within the coming weeks, NAESB will distribute proposed language that will build upon the provisional items related to the Winter Storm Elliott Report that was adopted by the WGQ and WEQ Executive Committees for the 2024 Quadrant Annual Plans. The language can be reviewed and finalized during our December 14, 2023 Board of Directors meeting.

We are very grateful for the confidence that the FERC and NERC have shown in our organization, and we look forward to addressing this challenge with diligence and in a considerate and collaborative manner.

With Best Regards,

|  |
| --- |
| MDSignature |

Michael Desselle, Chairman

North American Energy Standards Board

cc: Ms. Rae McQuade, President, North American Energy Standards Board

Ms. Valerie Crockett, Vice Chair, Wholesale Gas Quadrant, North American Energy Standards Board

Mr. Jonathan Booe, Executive Vice President & COO, North American Energy Standards Board

1. The Report can be found through the following hyperlink: <https://www.naesb.org/pdf4/ferc_nerc_regional_entity_staff_report_Nov2023_cold_weather_outages_110723.pdf> [↑](#footnote-ref-1)