Via email and posting

April18, 2016

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

**cc:** NAESB Advisory Council

**FROM:** North American Energy Standards Board Office

**RE:** Announcement & Agenda for the GEH Forum Meeting – May 13, 2016

Dear Board Members, GEH Forum Participants and Interested Parties,

Thank you for your continued interest in the activities of the NAESB Gas-Electric Harmonization (GEH) Forum. As you know, the GEH Forum presented a report[[1]](#footnote-1) to the Board of Directors during its April 7, 2016 meeting describing the GEH Forum efforts to respond to the board directives expressed through 2016 WEQ Annual Plan Item 7.a[[2]](#footnote-2) and 2016 WGQ Annual Plan Item 3.a.[[3]](#footnote-3) Additionally, preliminary results from the March 24, 2016 GEH Forum survey were shared during the board and related leadership meetings. During the April 7th meeting, the board determined to postpone taking any action in response to FERC Order No. 809 until the full results of the survey could be analyzed and reviewed by the GEH Forum. As such, a GEH Forum meeting will be held on May 13, 2016 in Houston to review the results of the data collected through the March 24, 2016 survey and a subsequent board conference call will be held on May 31, 2016 to make determination on future action.

As with the GEH Forum meetings held in March, the May 13, 2016 meeting will take place at the Hilton Americas Hotel in downtown Houston.[[4]](#footnote-4) Please note that this will be a single day meeting and will start at 10:00 am and end at 4:00 pm Central that day. As previously noted, NAESB does not have a room block at the Hilton. The meeting will be available by conference call and web cast for those unable to travel. In addition to participating in person or via conference call/webcast, any interested party can ensure that their perspectives are presented and made a part of the record through written comments. Broad participation will ensure that our board receives robust information and a meaningful record when determining the best manner in which to proceed.

**To participate in this meeting, please provide an RSVP to the office (drager@naesb.org, 713-356-0060) by the close of business on Wednesday, May 11, 2016.** When you RSVP (to participate by phone or in person), you will be assessed a $200-per-person meeting fee charge to defray the costs of holding the meetings. To avoid any confusion, please note that this is a per-person fee not a per-company fee. Any participant who is a member of the press, or is with a state or federal regulatory agency, or is a representative of a consumer advocacy group is exempt from the meeting fee.

After you RSVP, you will receive an email confirmation with instructions for payment of the meeting fee. When indicating your intent to participate, please provide the following registration information –

• Name

• Company

• Representation in either the Wholesale Gas or Wholesale Electric Quadrant

• Segment representation (Descriptions provided in the background documents as part of the attached agenda)

• Participation by conference call/web cast or in-person.

You should select only one segment and only one quadrant. RSVPs are particularly important for these meetings to ensure we have adequate space and enough phone lines for those participating through conference calling. For those participating by conference call/webcast, your email confirmation will include the call in information. A registration list will be made available prior to the meeting.

Please note that the lunch break is scheduled for more than an hour, as lunch will not be provided during the meeting. Also, should you bring laptops or other electronic devices, please ensure your battery is fully charged as power strips are not available. If you need access to the internet, please bring your own Wi-Fi device. Complimentary internet access is available in the lobby.

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.

Again, thank you for your interest and please do not hesitate to call our office if you need additional information.

**BACKGROUND INFORMATION**

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.[[5]](#footnote-5)

¶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.***”

WEQ & WGQ 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

PREVIOUS WORK PAPERS:

* NAESB GEH Forum Distribution List 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](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>
* Description of NAESB Quadrant Segments and Balanced Voting Process: <http://www.naesb.org/pdf4/geh_040114am_w1.doc>
* GEH Forum Meeting Notes – January 25, 2016: <https://www.naesb.org/pdf4/geh012516notes.docx>
* GEH Forum Meeting Presentations – February 18-19, 2016:
	+ NAESB WGQ Pipeline Segment: <https://www.naesb.org/pdf4/geh021816w1.pdf>
	+ PJM: <https://www.naesb.org/pdf4/geh021816w2.pdf>
	+ ACES Power: <https://www.naesb.org/pdf4/geh021816w3.pptx>
	+ Fidelity National Information Services: <https://www.naesb.org/pdf4/geh021816w4.pptx>
		- Fidelity National Information Services – Additional Notes and Comments including Examples: <https://www.naesb.org/pdf4/geh021816w10.docx>
	+ Skipping Stone: <https://www.naesb.org/pdf4/geh021816w5.pptx>
	+ Environmental Defense Fund: <https://www.naesb.org/pdf4/geh021816w6.pptx>
	+ EnCORE with support from RBN: <https://www.naesb.org/pdf4/geh021816w7.pptx> ,
	G. Danner: <https://www.naesb.org/pdf4/geh021816w11.zip> (Zip file due to size)
	+ OATI, Inc.: <https://www.naesb.org/pdf4/geh021816w8.pptx>
		- OATI, Inc. – Addendum: <https://www.naesb.org/pdf4/geh021816w9.pdf>
	+ GEH Forum Feb 18-19, 2016 White Board Notes: <https://www.naesb.org/pdf4/geh021816a1.docx>
* NAESB Staff Notes of the GEH Forum Meeting – February 18-19, 2016: https://www.naesb.org/pdf4/geh021816notes.docx
* GEH Forum Meeting Comments – March 7-8, 2016:
	+ Comments from the American Gas Association: https://www.naesb.org/pdf4/geh030716w3.pdf
	+ Comments from PCI: https://www.naesb.org/pdf4/geh030716w2.pdf
	+ Comments from OATI: https://www.naesb.org/pdf4/geh030716w5.pdf
* NAESB Staff Notes of the GEH Forum Meeting – March 7-8, 2016: <https://www.naesb.org/pdf4/geh030716notes.docx>
	+ GEH Forum March 7-8, 2016 Facilitator Notes on Issues: <https://www.naesb.org/pdf4/geh030716w6.docx>
* NAESB Staff Notes of the GEH Forum Meeting – March 21-22, 2016: *to be posted shortly*
* GEH Forum Meeting Comments – March 21-22, 2016:
	+ Comments from S. Munson (Excel Spreadsheet of Categorized Issues): <https://naesb.org/pdf4/geh032116w3.xlsx>
	+ Comments from S. Munson (Word Formatted Tables of Categorized Issues): <https://naesb.org/pdf4/geh032116w4.docx>
	+ Comments from the Pipelines (Excel Spreadsheet of Categorized Issues): <https://naesb.org/pdf4/geh032116w5.xlsx>
	+ Comments from PCI: <https://naesb.org/pdf4/geh032116w6.pdf>

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>.

**NAESB GAS-ELECTRIC HARMONIZATION FORUM**

**Meeting**

**Friday, May 13, 2016– 10:00 am to 4:00 pm Central**

**Available by Phone and Web Cast**

**In Person Attendance Hilton Americas-Houston[[6]](#footnote-6), Houston, Texas**

**agenda[[7]](#footnote-7)**

**9:30 am** Coffee

**10:00 am 1.** Administrative and Organizational Review

 Welcome

 Antitrust Guidance

 Adoption of Agenda

 **2.** Review of the April 7, 2016 Board of Directors Meeting

 **3.** Review and discuss the March 24, 2016 GEH Forum Results: https://www.naesb.org/pdf4/geh\_report\_addendum\_041816.docx

 **Lunch**

 **4.** Discuss potential steps forward the Board of Directors could consider and related schedules for standards development including status and progress reports to the board

 **5.** Closing Remarks

**4:00 pm 6.** Adjourn

**NAESB GAS-ELECTRIC HARMONIZATION FORUM**

**Meeting**

**Friday, May 13, 2016– 10:00 am to 4:00 pm Central**

WORK PAPERS

NAESB RSVP List: <https://www.naesb.org/pdf4/naesb_geh_forum_rsvp_051316.pdf> *- this document will be updated as RSVPs are received*

NAESB GEH Forum Distribution List: <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 Timeline: <https://www.naesb.org/misc/ferc_order809_historical_timeline.doc>

GEH Forum NAESB Staff Notes of March 21-22, 2016:[*to*](https://www.naesb.org/pdf4/geh030716notes.docx) *be posted shortly*

Board of Directors Draft Meeting Notes from April 7, 2016: *to be posted shortly*

GEH Forum Report to the Board of Directors – April 7, 2016: <https://naesb.org//pdf4/geh_report_040516.docx>

GEH Forum Survey Results March 31, 2016 Preliminary Results: <https://naesb.org//pdf4/geh033116preliminarydraft_survey_results.docx>

GEH Forum Survey Excel Spreadsheet aggregated by quadrant and question: <https://www.naesb.org/misc/geh_survey_summary_033116.xlsx>

GEH Forum Survey Results April 15, 2016 Full Results: <https://www.naesb.org/pdf4/geh_report_addendum_041816.docx>

*Comments and Supporting Documentation will be posted as received on the NAESB Web Site and forwarded to the RSVP list for the meeting*. *Background information can be found beginning on page 3 of this packet*

1. The GEH Forum Report can be found through the following hyperlink: <https://naesb.org//pdf4/geh_report_040516.docx> [↑](#footnote-ref-1)
2. The 2016 WEQ Annual Plan can be found through the following hyperlink: <http://www.naesb.org/pdf4/weq_2016_annual_plan.docx> [↑](#footnote-ref-2)
3. The 2016 WGQ Annual Plan can be found through the following hyperlink: <http://www.naesb.org/pdf4/wgq_2016_annual_plan.docx> [↑](#footnote-ref-3)
4. Hilton Americas is located in downtown Houston, Hilton Americas-Houston, 1600 Lamar, Houston, Texas, 77010, and Phone - 713-739-8000. [↑](#footnote-ref-4)
5. 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-5)
6. Hilton Americas is located in downtown Houston, Hilton Americas-Houston, 1600 Lamar, Houston, Texas, 77010, and Phone - 713-739-8000. [↑](#footnote-ref-6)
7. As always, the chair reserves the right to extend the time of the meeting to ensure that agenda items are addressed. The times indicated on the agenda will be followed to ensure that agenda items are allotted an appropriate amount of time. Should an agenda item conclude earlier than its announced time slot, the remaining time could be allotted to other agenda items at the discretion of the chair. [↑](#footnote-ref-7)