



*Filed Via Email (naesb@naesb.org)*

July 20, 2021

North American Energy Standards Board  
801 Travis St., Suite 1675  
Houston, Texas 77002

**RE: AGA’s Response to the Request for Comments Issued on June 21, 2021 Regarding the NAESB Gas Electric Harmonization Committee**

North American Energy Standards Board:

The American Gas Association (“AGA”) appreciates the opportunity to comment on the June 21, 2021 Request for Comment (“June 21 Request”) issued by the North American Energy Standards Board (“NAESB”) regarding the NAESB Gas Electric Harmonization (“GEH”) Committee. As discussed herein, gas-electric issues related to Winter Storm Uri and the recent pipeline cybersecurity attack are currently being studied or soon to be addressed by the Federal Energy Regulatory Commission (“FERC”), North American Electric Reliability Corporation (“NERC”), Transportation Security Administration (“TSA”) and other authorities. Accordingly, until such time as their findings are announced, it is not necessary for the GEH Committee to act.

**I. Introduction**

AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 76 million residential, commercial and industrial natural gas customers in the U.S., of which 95 percent — more than 72 million customers — receive their gas from AGA members. AGA is an advocate for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies, and industry associates. Today, natural gas meets more than thirty percent of the United States’ energy needs. AGA is an active member of NAESB and has participated in the various prior gas-electric coordination and harmonization efforts at NAESB and in other forums.

**II. Comments**

The June 21 Request states that the GEH Committee was reconvened in response to the recent events noted in the April 22, 2021 NAESB Board of Directors meeting and further discussed by the NAESB Board Strategy Committee on May 20, 2021. The June 21 Request also notes that the GEH Committee held a meeting on June 16, 2021. The Co-chairs of the GEH Committee and NAESB distributed the June 21 Request for comments seeking feedback on the following questions:

**Matthew J. Agen**, Assistant General Counsel, Office of General Counsel

400 N. Capitol St. NW 4<sup>th</sup> Floor, Washington, DC, 20001 P 202-824-7090 F 202-824-9144 E [magen@aga.org](mailto:magen@aga.org) [www.aga.org](http://www.aga.org)

- Is there specific action to support gas and electric market coordination that NAESB GEH Committee should recommend to the Board of Directors in response to recent events and/or the energy grid transformation? These actions may include, but are not limited to:
  - a review of the existing NAESB gas-electric coordination standards for possible changes,
  - the development of new market coordination standards,
  - a review of coordination processes with external organizations, and
  - any other activities within the scope of NAESB.
- Are there current activities underway within the industry that would preclude or delay action by NAESB related to gas and electric market coordination at this time, including but not limited to the FERC and NERC Joint Inquiry into 2021 Cold Weather Grid Operations?
- Are there other directions the Board of Directors should consider to support gas-electric market coordination?

AGA appreciates NAESB’s desire to foster gas-electric harmonization even in the midst of difficult operational circumstances. However, in response to the June 21 Request and the questions listed above, AGA submits that any GEH Committee efforts related to Winter Storm Uri in February of 2021, the recent cyberattack on the Colonial Pipeline in May 2021, or other potential gas-electric issues, appear to be premature. AGA recommends that the GEH Committee refrain from taking any substantive actions at this time. First, it is not clear what specific problem(s) NAESB or the GEH Committee would try to analyze and solve. Second, it is possible that NAESB may receive appropriate direction on harmonization/coordination issues in the coming months, and it would be prudent to defer any action of the GEH Committee until further guidance is received.

#### **A. The GEH Committee Should Not Act During The Pendency Of The FERC/NERC Inquiry**

Regarding Winter Storm Uri, FERC and NERC have opened a joint inquiry into the 2021 cold weather grid operations.<sup>1</sup> As part of that inquiry, FERC and NERC are analyzing the operations of the bulk-power system during the extreme winter weather conditions in February 2021 in the Midwest and South central states. It is AGA’s understanding that a report will be issued later this year on Winter Storm Uri. AGA anticipates that the report will include recommendations based on what FERC and NERC find as part of the inquiry. Since the FERC/NERC report is pending, AGA believes the best course of action is to wait and review what the report finds and recommends. Furthermore, the issuance of the report may not even necessitate NAESB action.

Preliminary observations suggest that the failure to implement certain recommendations after the 2011 weather event, changes in the overall generation mix, the policies of the Electric Reliability Council of Texas, and multiple other factors, including fuel and winterization issues, could have contributed in some way to the 2021 event, and the FERC/NERC report is expected to

---

<sup>1</sup> See “FERC, NERC to Open Joint Inquiry into 2021 Cold Weather Grid Operations,” <https://www.ferc.gov/news-events/news/ferc-nerc-open-joint-inquiry-2021-cold-weather-grid-operations>, (last visited: July 20, 2021).

provide greater clarity on these matters. Action by NAESB and the GEH Committee should be avoided in advance of the FERC/NAESB report in order to avoid acting prematurely.

NAESB members and the GEH Committee should seek to avoid the possibility of prejudging matters, but instead exercise patience until the causes of the energy disruption are more fully known. Once more is known and there is a specific gas-electric harmonization issue that needs to be addressed and direction is received from the FERC/NERC report, for example, then the GEH Committee can initiate work on that matter. It seems premature to start a GEH Committee effort to address issues related to Winter Storm Uri without relevant information, which will be forthcoming.

### **B. The GEH Committee Should Not Take Action On Cybersecurity Matters**

During the June 16, 2021 GEH Committee meeting, one of the Co-chairs mentioned cybersecurity as a potential gas-electric issue. AGA recommends that the GEH Committee avoid initiating any actions on cybersecurity matters, relative to GEH issues at this time.

On May 28, 2021, the Transportation Security Administration (“TSA”) issued Security Directive Pipeline 2021-01 (“SD1”), “Enhancing Pipeline Cybersecurity.” SD1 was the federal government’s industry-wide action in response to a ransomware compromise of Colonial Pipeline’s information technology system, which resulted in Colonial taking precautionary steps to shutdown one of its major liquid fuel lines. TSA is leading this effort in coordination with the Department of Homeland Security Cybersecurity & Infrastructure Security Agency. SD1 applies to hazardous liquid pipelines, natural gas pipelines, and LNG facilities identified by TSA as critical pipeline systems. The critical pipeline systems identified by TSA includes systems owned and operated by AGA member companies. SD1 has three leading requirements – designating a corporate Cybersecurity Coordinator to serve as TSA’s primary contact; the reporting of cybersecurity incidents; and completing a pre-set cybersecurity vulnerability assessment. SD1 may be followed by a further directive(s) and/or formal rulemaking proceeding(s) may be undertaken by TSA in the future. Therefore, since TSA has not requested NAESB take any specific action on cybersecurity matters, AGA believes that there is no need for the GEH Committee, in particular, to address this matter at this time.

Furthermore, AGA is aware that NAESB’s WGQ Electronic Delivery Mechanisms (“EDM”) Subcommittee and the WEQ Cybersecurity Subcommittee (“CSS”) have standing agenda items to annually review NAESB standards for cybersecurity improvements. AGA is also aware that those subcommittees are in the process of reviewing the guidelines reflected in Executive Order 14028, *Improving the Nation’s Cybersecurity*, which was issued on May 12, 2021 in response to the Colonial Pipeline cybersecurity incident. AGA believes that the CSS and EDM Subcommittees are, currently, the appropriate NAESB venues to address cybersecurity matters as those subcommittees have already been designated to be working on the issue already.

### **III. Conclusion**

The American Gas Association respectfully requests that NAESB consider these comments in response to its June 21 Request. In particular, AGA recommends that the GEH Committee

refrain from taking any substantive actions at this time since it is not clear what specific problem(s) NAESB or the GEH Committee would try to analyze and solve. AGA looks forward to working with NAESB on the GEH Committee at the appropriate time.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. J. Agen", is written over a horizontal line.

Matthew J. Agen  
Assistant General Counsel  
American Gas Association  
400 N. Capitol Street, NW  
Washington, DC 20001  
202-824-7090  
[magen@aga.org](mailto:magen@aga.org)

July 20, 2021