##### February 22, 2022

**TO:** NAESB Advisory Council

**FROM:** Caroline Trum, Director, Wholesale Electric Quadrant

**RE: Gas-Electric Harmonization Efforts**

On February 17, 2022, the Wholesale Electric Quadrant (WEQ), Wholesale Gas Quadrant (WGQ), and Retail Markets Quadrant (RMQ) Business Practices Subcommittees (BPS), held a kick-off meeting to begin standard development efforts to address Standards Request R21006. Submitted by Southwest Power Pool, the request is intended to support enhanced communication practices between the natural gas and electric markets during impending extreme weather-related emergency operation conditions. The first standard development item of the request, assigned jointly to the WEQ, WGQ, and RMQ BPS, will be to define a standard for the declaration of an impending extreme weather-related emergency operating condition, including defining what might constitute such an event. Once completed, the subcommittees will move on to address other items proposed in the request. These include creating standard designations of critical electric and natural gas infrastructures during impending extreme weather-related emergency operating conditions and defining standards and communication protocols that support commercial information sharing between necessary parties during such events. The next meeting of the joint subcommittees will be held on Tuesday, March 1 from 1:00 – 4:00 PM Central.

During the April 22, 2021 meeting of the NAESB Board of Directors, the Chair of the Board reactivated the NAESB Gas-Electric Harmonization Committee to gain a better understanding regarding any changes to the NAESB Business Practice Standards that could improve gas-electric coordination as well as help ensure the organization would be prepared to respond to any action resulting from the FERC, NERC, and Regional Entity Joint Staff Inquiry regarding the February 2021 Cold Weather Grid Operations as well as. The committee held a series of meetings throughout 2021 to review previous gas-electric coordination standard development efforts, including the standards jointly developed by WGQ and WEQ and mandated for use by FERC that establish communication protocols utilized by transportation service providers and natural gas-fired power plants as part of daily, operational communications. Additionally, the committee asked industry to submit proposals identifying areas of standards development for future consideration by NAESB. As a result of these efforts, the committee determined to submit two work papers to the FERC, NERC, and Regional Entity Joint Staff. The first work paper overviewed the existing NAESB gas-electric coordination standards, and the second outlined previous efforts to identify policy issues and other considerations by NAESB.

On November 23, 2021, the NAESB Gas-Electric Harmonization Committee met to review the final report on the FERC, NERC, and Regional Entity Joint Staff Inquiry – February 2021 Cold Weather Grid Operations. During this meeting, the committee also reviewed and unanimously endorsed the submittal to NAESB of a request for standards development drafted by Southwest Power Pool to support enhanced communications between natural gas and electric markets.

At the meeting held on December 9, 2021, the NAESB Board of Directors discussed the activities of the NAESB Gas-Electric Harmonization Committee and the subsequently submitted Standards Request R21006. As a result of these discussions, the NAESB Board of Directors took action to add the standards request as to the 2022 WEQ, WGQ, and RMQ Annual Plans, reflected as 2022 WEQ Annual Plan Item 7, 2022 WGQ Annual Plan Item 5, and 2022 RMQ Annual Plan Item 3.