nationalgrid

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Joint Business Practices Subcommittee North American Energy Standards Board 1415 Louisiana Street, Suite 3460 Houston, Texas 77002

RE: Review of the Gas/Electric Coordination Standards

National Grid is an electric and gas utility delivering power and heat to more than 5 million people in New York and Massachusetts. With almost 9,000 miles of electric transmission lines, 70,000 miles of electric distribution circuits, and 36,000 miles of gas pipelines in the US, we help heat and power homes and businesses and connect communities to the energy they need. Our 17,000 employees, two-thirds of whom belong to a union, are at the heart of transforming our electricity and natural gas networks with smarter, cleaner, and more resilient energy solutions to achieve net-zero by 2050.

Since January 31, 2024, the Joint WEQ, WGQ, and RMQ Business Practices Subcommittees (BPS) have held a series of meetings to address the three-part annual plan assignment from the NAESB Board of Directors regarding the development of gas-electric coordination standards. Participants have submitted several suggestions to create greater consistency and increase communication and information sharing between parties during critical events. National Grid appreciates the opportunity to submit these comments to express its thoughts on two, related issues that stem from this conversation.

Nomination Rankings

At the meeting on February 29, 2024, there was a brief discussion regarding changes to nomination rankings. As background, nominations are submitted to pipelines by both suppliers and end users and both entities prioritize their various nominations in the event of curtailments. Currently, both counterparties in a commodity gas sale/purchase can change pipeline nomination rankings up until the end of the Gas Day without consent from one another. If suppliers make changes to their nomination rankings at the very end of a Gas Day, especially when a pipeline's operational capabilities are curtailed, it can lead to cuts in delivered volumes leaving end-user counterparties short of supply with very little notice and insufficient time to arrange for alternate supplies to be delivered. For gas distribution utilities this can strain on-system resources including liquefied natural gas ("LNG").

National Grid understands that nomination rankings are an important mechanism that can provide flexibility to shippers. However, National Grid submits that ranking-only changes to nominations should be prohibited after the Intra-Day 2 nomination window.¹ This would afford parties time during the Intra-Day 3 nomination window to address any curtailments resulting from

¹ To be clear, this proposed restriction would not apply to end-users making nominations under no-notice transportation services.

nomination ranking changes while also ensuring that end-users don't face ranking-related cuts in deliveries late in the Gas Day.

Standardized Confirmations

National Grid believes significant issues remain on pipeline natural gas systems related to the <u>accuracy</u> of flowing volumes especially during winter events. If there is a cut/curtailment in a multi-leg path, EDI does not exist between all pipelines to ensure accuracy of reporting for flowing volumes. End users, such as National Grid, rely on the availability and accuracy of this information to make decisions throughout the Gas Day. Failure of pipelines to timely and accurately report this information to customers precludes customers from responding appropriately during a curtailment and can lead to the imposition of penalties and imbalance charges on end users.

Broadly speaking, National Grid submits that NAESB should encourage transparency and consistency among connecting pipelines, especially as it relates to volume flow. More specifically, National Grid believes that pipelines should consider standardizing and, ideally, automating the systems that manage confirmations.

Thank you for your consideration, and please feel free to reach out to me with any questions or concerns.

Respectfully submitted,

Andréw MacBride Director, Wholesale Market Strategy nationalgrid 170 Data Drive Waltham, MA 02451