To: NAESB@naesb.org

From: American Gas Association

Date: August 15, 2014

Cc: vthomason@naesb.org; rmcquade@naesb.org

Re: NAESB Request for Formal Comments on 2014 WGQ Annual Plan Item No. 11.c and other Recommendations

 The American Gas Association (“AGA”) respectfully submits these comments in response to NAESB’s July 18, 2014 Request for Formal Comments on the 2014 Annual Plan of the Wholesale Gas Quadrant (“WGQ”) Item No. 11.c., on the 2014 WGQ Annual Plan Item 10 – Posting of Offers to Purchase Capacity, and on the 2014 WGQ Annual Plan Item 8 / MC12042 / MC12044 – Imbalance Trading – Elimination of Data Set Reference to EDI. AGA supports the proposed modifications to the WGQ business practices standards set forth in these requests and urges their adoption.

 The AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 71 million residential, commercial and industrial natural gas customers in the U.S., of which 94 percent – more than 68 million customers – receive their gas from AGA members. AGA is an advocate for local natural gas utility companies and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international gas companies and industry associates. Today, natural gas meets almost one-fourth of the United States’ energy needs. For more information, please visit [www.aga.org](http://www.aga.org). AGA members participate in the NAESB WGQ.

 On July 18, 2014, NAESB circulated for industry comment the recommendations, developed by the Business Practice Subcommittee and the Information Requirements/Technical Subcommittee, to modify the NAESB WGQ standards to support the Notice of Proposed Rulemaking of the Federal Energy Regulatory Commission (“FERC”) on Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities, in Docket No. RM14-2-000,[[1]](#footnote-1) as well as related standards including changes to the Capacity Release and the Capacity Recall timelines. As stated in NAESB’s notice, the proposed modified standards reflect changes to the gas nomination schedule that have broad support among participants in the electric and natural gas industries. Specifically, the proposed standards modify the timely and evening next day nomination cycles, the three intraday nomination cycles, as well as the capacity release and recall standards. Such changes represent an alternative to the gas nomination schedule proposed by FERC in its Notice of Proposed Rulemaking in Docket No. RM14-2-000. Importantly, NAESB’s proposed modified standards do not specify a start of the gas day.

 AGA supports NAESB’s proposed modified business practice standards contained in the July 18, 2014 notices. The AGA further encourages NAESB to maintain sufficient time in the Timely Nomination Cycle for delivery point operators to confirm their nominations before they are due. AGA believes that the modifications reflect significant consensus among participants in the electric and natural gas industries and may provide enhanced scheduling flexibility for some electric generators to improve electric reliability.

All correspondence and other communications filed in this proceeding should be served on the following:

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1. 79 Fed. Reg. 18223 (April 1, 2014). [↑](#footnote-ref-1)