

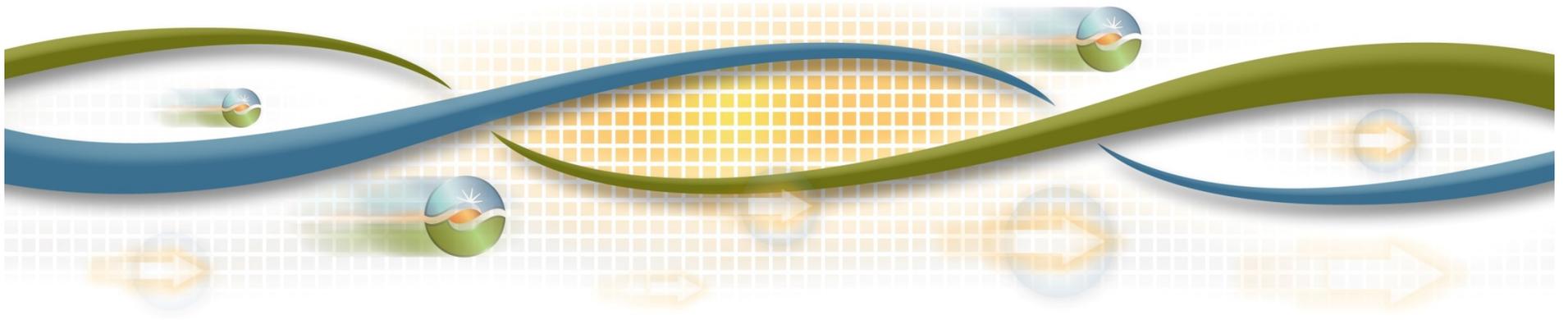


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# The Effect of Adjusted Gas Nomination Schedule on Integration of Gas/Electric System Operations

Brad Bouillon

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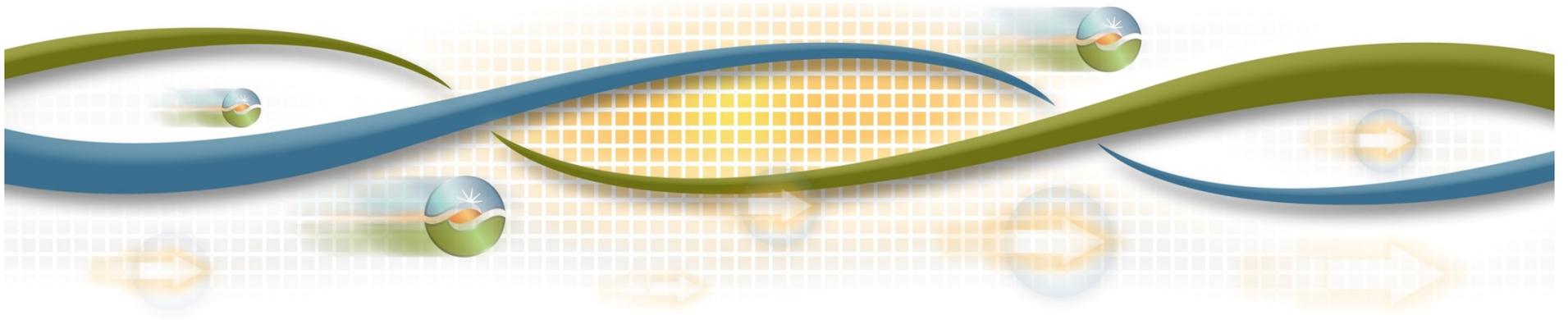




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## Agenda

- Reason for changes
- Proposed changes
- Objectives
- Next steps



# Natural Gas Council Gas Day Initiative

- Council approval of process in September 2013
  - Willing to explore changes to FERC policies on the gas day and gas nomination schedule that would improve coordination with electric day and electric commitment and dispatch schedules, without imposing undue costs on gas customers
  - Recognize central issue of how to expand gas infrastructure, particularly in Northeast, will not be solved by scheduling issues
- Steering Committee
  - Representatives from each sector (6 producers, 6 pipelines, 6 LDCs)
- Technical Working Group
  - Over 70 schedulers, operators, traders, regulatory reps from each sector
  - Industrial customers participated
- Consensus Strawman
  - Steering Committee achieved consensus around strawman
  - Council approved the recommendation to initiate a dialogue with electric stakeholders toward reaching a comprehensive and lasting resolution of the scheduling issues based upon the consensus strawman



- FERC kept apprised

# Consensus Strawman

1. Extends Timely Nomination deadline to 1:00 pm CT (from current 11:30 am)
2. Provides two bumpable intraday cycles during business day
3. Adds third, evening intraday cycle for early morning gas flow
4. Retains 9:00 am CT for start of the gas day



# Current Gas Schedule vs. Strawman

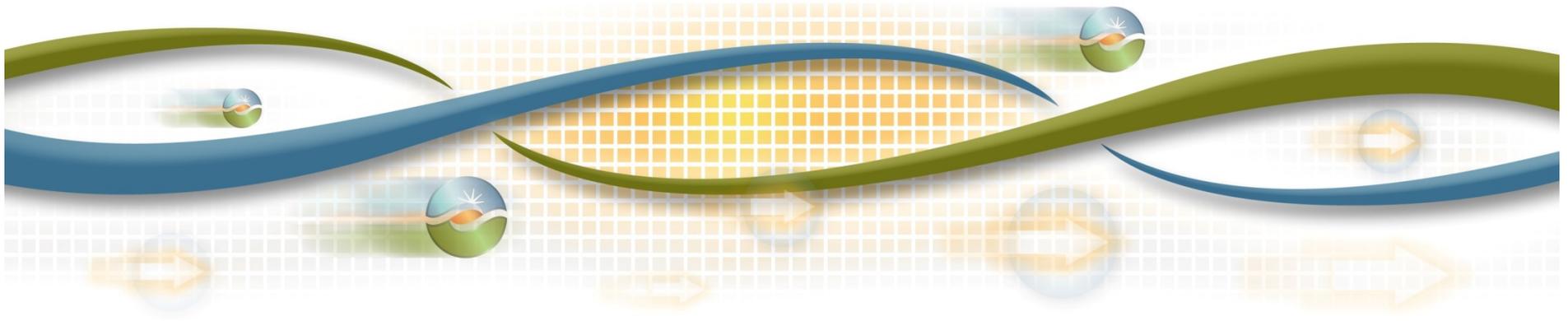
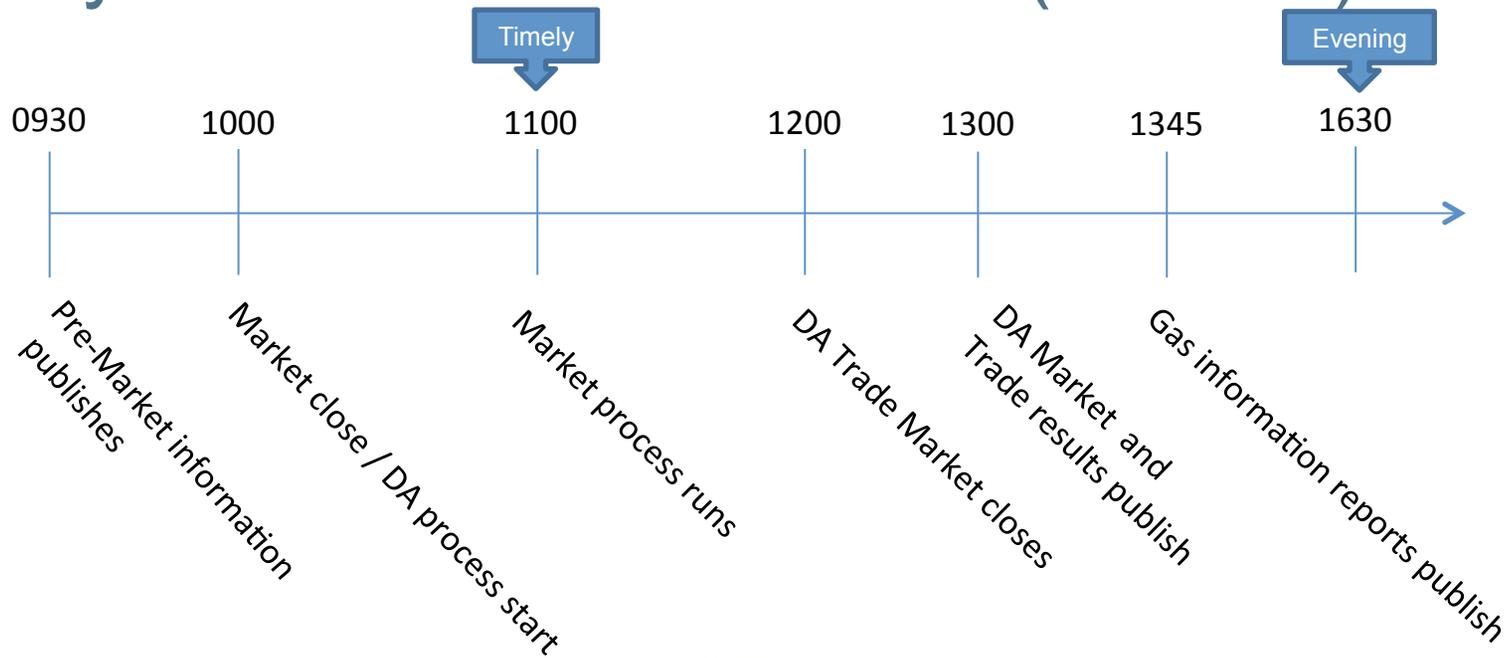
		Current	Strawman
<b>Timely Cycle</b>	Nomination Deadline	11:30 a.m.	1:00 p.m.
	Confirmations	3:30 p.m.	4:30 p.m.
	Schedule Issued	4:30 p.m.	5:00 p.m.
	Start of Gas Flow	9:00 a.m.	9:00 a.m.
<b>Evening Cycle</b>	Nomination Deadline	6:00 p.m.	6:30 p.m.
	Confirmations	9:00 p.m.	9:00 p.m.
	Schedule Issued	10:00 p.m.	9:30 p.m.
	Start of Gas Flow	9:00 a.m.	9:00 a.m.
<b>Intraday 1 Cycle</b>	Nomination Deadline	10:00 a.m.	9:00 a.m.
	Confirmations	1:00 p.m.	11:30 a.m.
	Schedule Issued	5:00 p.m.	12:00 noon
	Start of Gas Flow	5:00 p.m.	3:00 p.m.
	Hours of Flow	16 hours	18 hours
<b>Intraday 2 Cycle</b>	Nomination Deadline	5:00 p.m.	2:00 p.m.
	Confirmations	8:00 p.m.	4:00 p.m.
	Schedule Issued	9:00 p.m.	4:30 p.m.
	Start of Gas Flow	9:00 p.m.	9:00 p.m.
	Hours of Flow	12 hours	12 hours
	Firm Bumping Rights	No-bump	Bumpable
<b>Intraday 3 Cycle</b>	Nomination Deadline	-	9:00 p.m.
	Confirmations	-	11:00 p.m.
	Schedule Issued	-	11:30 p.m.
	Start of Gas Flow	-	12:00 a.m.
	Hours of Flow	-	9 hours
	Firm Bumping Rights	-	No-bump





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# Day Ahead Market Timeline (Current)

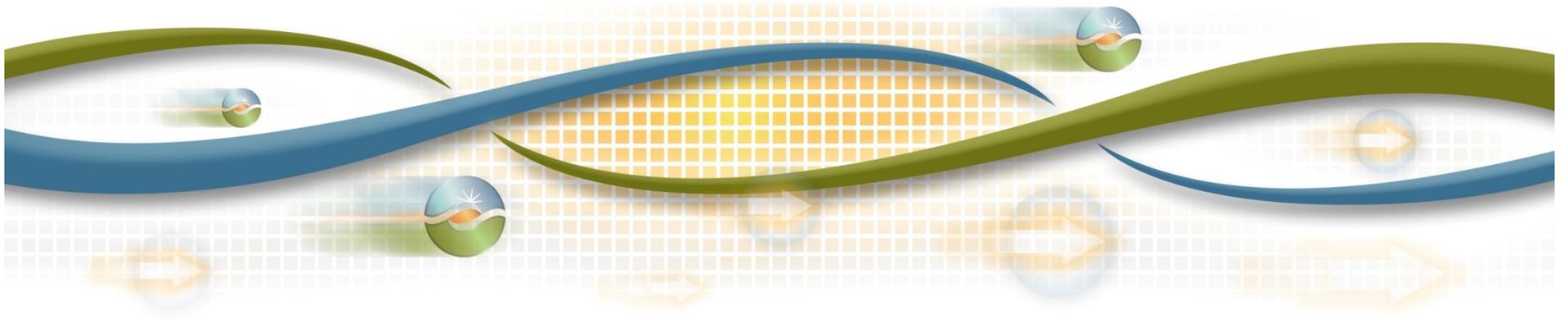




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## Goals

- Enable proactive gas procurement
- Ensure gas resource generation reliability
- Minimize price volatility





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## Next Steps

- Further discussion on both gas and electric sides
- FERC is driving additional changes
- Ultimately several different changes could occur

