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## FERC Takes Next Step in Gas-Electric Coordination Initiative

The Federal Energy Regulatory Commission (FERC) today announced plans for the next step in exploring critical issues related to coordination between the natural gas and electric industries. Today's order directs FERC staff and the nation's regional grid operators to report on coordination efforts and activities, and sets the stage for further Commission examination of these issues.

FERC's action comes after a series of five regional technical conferences at which gas and electric market participants discussed the challenges of meeting increased demand for natural gas by electric power generators and how that affects the larger energy markets. Responding to concerns heard during the August 2012 conferences, the Commission directs staff to conduct a further technical conference that will focus on ways to enhance communication between the industries.

Many participants in the August conferences also raised issues related to gas and electric scheduling, including the need for a standard energy day and how electric utilities can most effectively match their scheduling times with the nationwide gas scheduling timeline. So, the Commission also directs staff to conduct a technical conference on how to design the most efficient scheduling systems for both industries.

Finally, the order requires reports on coordination efforts and activities. The regional power market operators must appear before the Commission on May 16, 2013, and October 17, 2013, to detail their efforts and progress in improving coordination between the industries. The Commission also wants to hear about any natural gas transportation concerns that arise during the winter heating season and any fuel-related generator outages during the winter and spring.

To monitor the industries' progress, the order directs staff to report to the Commission on the natural gas and electric coordination activities at least once each quarter in 2013 and 2014.

Along with the order, the Commission today released a staff report detailing discussions at the five regional conferences.

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