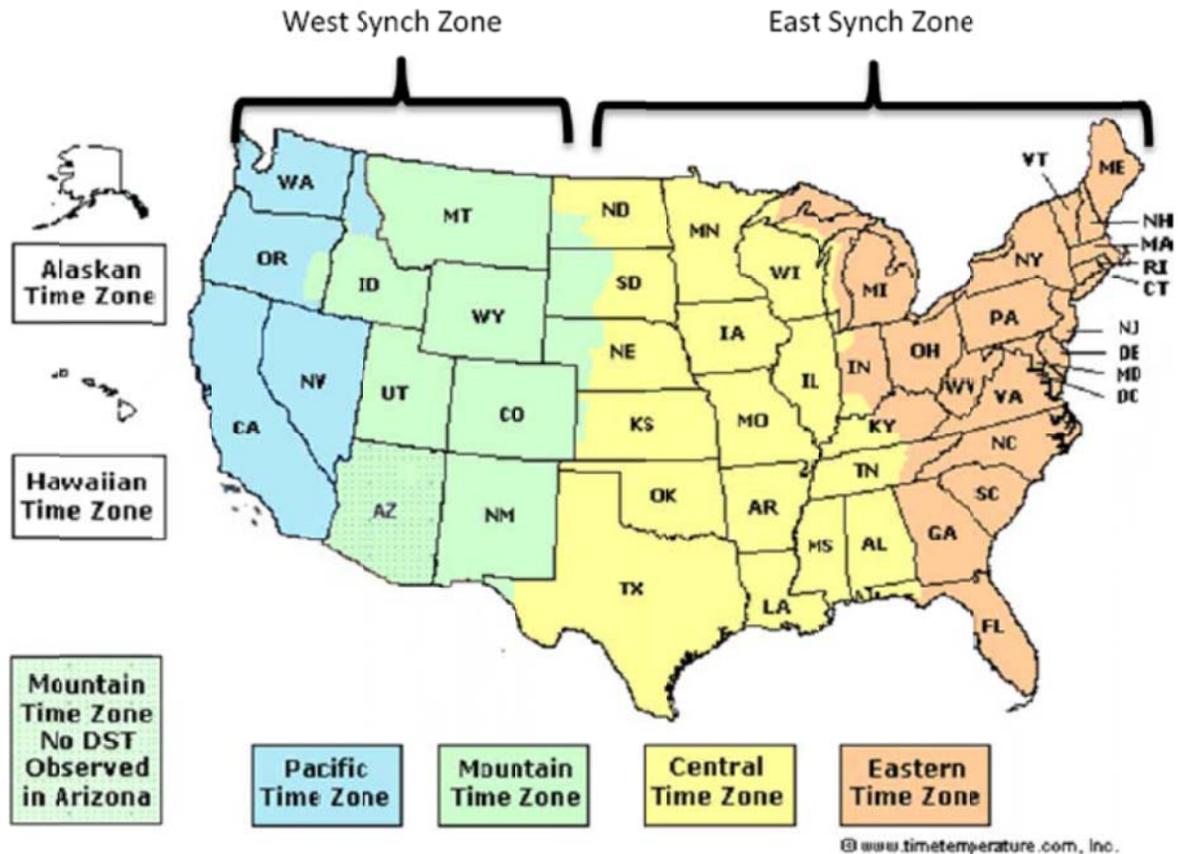


Eastern and Western Energy Days – Synch Zones



Eastern and Western Energy Days

Skipping Stone proposes the introduction of an “Eastern Energy Day” and a “Western Energy Day” for both gas and electricity markets in these respective regions. These days would commence at 6:00 AM in each of the Pacific and Eastern Time Zones with the Mountain and Central commencements at 7:00 AM and 5:00 AM local time respectively. At first, the existing scheduling deadlines for next day service in both the gas and electricity markets, including either of the jump-ball New England proposals, could remain ‘as-is’. The two industries could then work through both the proposed market operational changes for gas nominations and electricity settlement and physical operational changes for scheduling timelines intended to increase responsiveness and coordination frequency; see White Paper (available at www.skippingstone.com) for details.

Notably, 154 of 165 FERC regulated interstate “Natural Gas Companies” (i.e., FERC regulated pipelines and storage operators) fit comfortably into these East and West Synch Zones. As part of implementing these two Synch Zones, it is proposed that the remaining 11 can choose which Synch Zone to be part of.