

Electric Gas Working Group Meeting Minutes

July 30, 2019 8:30 a.m.–4:30 p.m.

WECC Offices
Salt Lake City, Utah

Introduction and Chair's Remarks

NERC Antitrust Compliance Guidelines and Public Announcement Security Briefing

- Michelle Thiry, the Chair of the EGWG, provided updates in regards to the agenda as well as the logistics for completing the industry-led guideline for fuel assurance. The guideline is on track and will be completed in October for NERC Planning Committee review and approval. Several sub-groups have been working on the principles for fuel assurance as well as developing a protocol for industry to use to develop studies to evaluate fuel assurance. The extranet site has been set up by NERC to be used for collaboration for all of these documents which are presently posted. All members of the EGWG should have access to this site but must first register with NERC for a UMR user ID and password. Those credentials will provide access to the EGWG site. If anyone has issues getting access to this site please contact Thomas Coleman with a copy of the screen shot demonstrating why access has been denied.
- Boardwalk Pipeline presented an overview of flexibility and security within their pipeline footprint. The theme was flexibility underscoring the latitude with hourly takes vs daily takes. The industry has been responsive to the shift from coal to natural gas and the electric markets now comprising close to 40% of pipeline throughput. This has resulted in pipelines offering more flexible services including no-notice services and bundled storage services. It is important to note that many marketers that subscribe to firm transportation and storage services are also able to provide call options to power generators which does not necessarily require the generator to hold firm transportation on the pipeline system in order to receive firm deliveries as these can be bundled in a service provided by marketers. The pipelines increasingly have added more remote start compressor stations and automation. Typically electric compressor stations will have diesel back-up in the event of a power outage, therefore not hindering natural gas deliveries. Communications protocols have also advanced with the use of satellite phones in the event of communications emergencies. Boardwalk conducts a fly over of their system every two weeks by helicopter and also conducts mock emergency training. They adhere to PHMSA regulations. Boardwalk uses smart pigs that are computer controlled to pig the pipeline system. Although the infrastructure is aging, this is routinely replaced and updated thus not posing reliability risks to the natural gas pipeline infrastructure. In addition to No-Notice service Boardwalk offers market lateral service, enhanced parking service, and firm pipeline capacity with storage for additional flexibility.

- Brent Turner from BP spoke in regards to natural gas capacity and the domestic supply of natural gas being very vibrant. He spoke of the ability for natural gas to respond to market demands. Reserves of natural gas are very plentiful. Storage has been resilient and is presently above its 5 year average. The United States has also shifted to become a gas exporter with significant demand emanating from Mexico. Electric generation in the U.S. is now 37% from natural gas and 25% from coal which is a direct shift from just several years earlier. Long Term Henry Hub spot prices continue to be in the \$3.00 or less range which equated to low electric prices from natural gas fired generation. Supply diversification = Reliability.
- Sam Chanoski from NERC's E-ISAC provided a presentation on the interaction of the E-ISAC with the G-ISAC
- The presentations will be included on the EGWG site.
- Mike Knowland from ISO-NE presented on the work his sub-group has completed in regards to a framework for studying and modeling. That framework consists of six defined steps:
 - I. Problem Statement and study prerequisites
 - II. Data gathering
 - III. Formulate assumptions and system conditions.
 - IV. Contingency Selection
 - V. Selection of tools for analysis
 - VI. Push the button for the study to be conducted.

Discussion ensued about NERC TPL-001-4 standard and the potential necessity to have a similar standard for single largest contingency for pipelines, However it was pointed out that even a guillotine cut can provide for deliveries through backhauls and other pipelines. The DOE petition for rulemaking on fuel resiliency and pricing was discussed as well. The goal here is to make the guideline somewhat responsive to DOE's petition for rulemaking on fuel resiliency and pricing. Discussion continued about the problems with New England and the lack of an ability to build infrastructure compounded with the fact that on very cold days or very hot days there is simply not enough natural gas to go around. The question was posed about the possibility of having a step seven in the framework for solution or next steps/recommendations.

- EGWG members were encouraged to join this sub group or the sub group on principles of fuel assurance in order to advance the process to meet our October deadline. Additionally members were encouraged to provide comments to the working document which is on the extranet site.
- These subgroups are expected to complete their work prior to the next EGWG meeting in September.
- WECC also wanted to inform the EGWG of their upcoming WECC Gas/Electric Forum Part II. A link to this meeting is attached: [Here](#)
- Committee leadership is determining the exact dates of the next meeting which will be communicated shortly.