

Gas-Electric Coordination: The Generator Perspective

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The Electric Power Supply Association

Who We Are



EPSA is the national trade association representing America's competitive power suppliers. EPSA members provide about **150,000 MW** of reliable and competitively priced electricity from environmentally responsible facilities using a diverse mix of fuels and technologies including natural gas, wind, solar, hydropower, geothermal, storage, biomass, and coal.

EPSA seeks to bring the benefits of competition to all power customers.

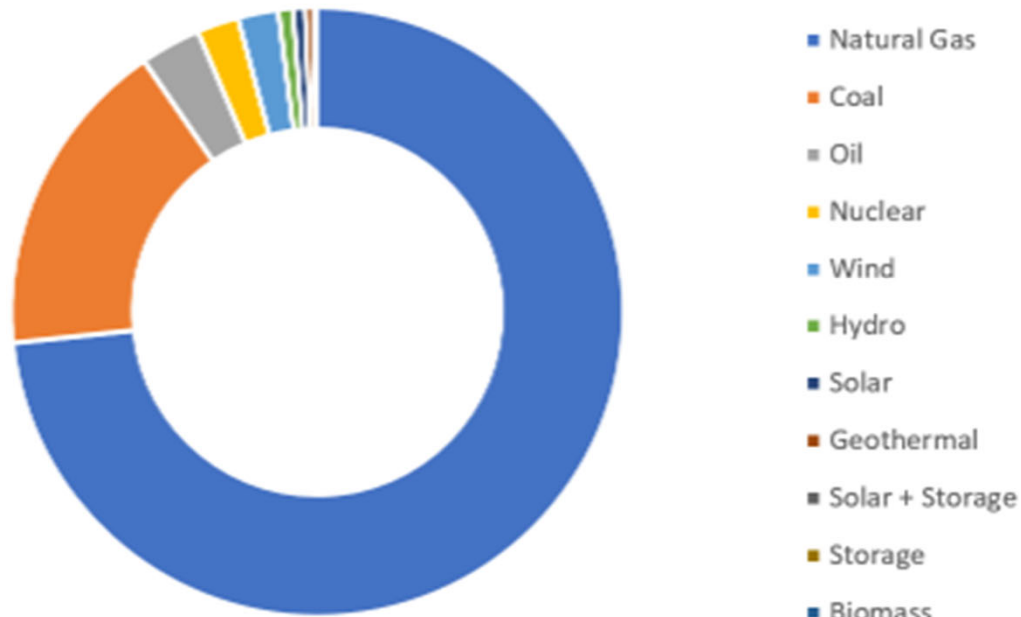


Learn more at www.epsa.org and connect with us on [LinkedIn](#) and Twitter [@EPSAnews](#).

Competitive Power Suppliers in EPSA Membership



EPSA Member Company Assets



- **150,000 MW** nationwide
- **20%** of installed generation in US



Gas/Electric Coordination Concerns After Winter Storms Uri & Elliott

- Gas/Electric issues have presented challenges for years
- Winter Storms Uri (Feb 2021) and Elliott (Dec 2022) highlighted reliability concerns and FERC, NERC, Regional Entities joint assessments and Staff Reports.
 - Joint Staff Report: *February 2021 Cold Weather Outages in Texas and the South Central United States* (Nov 2021; report [link](#); presentation [link](#))
 - Joint Staff Report: *Inquiry into Bulk-Power system Operations During December 2022 Winter Storm Elliott* (Nov 2023; report [link](#))
 - Uri report directs NAESB to bring both industries to the table to identify and address “all” gas/electric concerns
- NAESB Gas-Electric Harmonization Forum issues report (July 2023; report [link](#)):
“Houston, we have a problem”



Generators, Gas Suppliers, and Pipelines Form Reliability Alliance

- After WS Elliott, the shared responsibility for power system reliability was clear and offered a “live” case study
- Small group of trade groups (EPSA, INGAA, NGSA) each with just a few members sat in a closed room, in person, for 6 months
- Initial mission – identify what happens during an extreme period and develop key problem set
- Moved to solutions – no silver bullet or buckshot, but incremental improvements can mitigate problems and build toward better coordination
- Issued paper ([link](#)) and expanding outreach, continue to work on industry-driven approaches to gas/electric coordination
- EPSA generator-specific additions to Reliability Alliance recommendations ([link](#) - Statement for FERC 2023 Annual Reliability Technical Conference)

What to Keep in Mind

- Approximately 360 days/year, the two systems work extremely well
- Focus on extreme weather or high demand periods on both systems – *mission critical* for now
- Looking ahead, system changes and new demands will require improvements or reforms as system slack diminishes but more flexibility is needed
- Infrastructure needs – for new facilities or expansion – is the discussion stopper now with little hope of changing
- Are there outside the box improvements or approaches we're not thinking about?



Gas/Electric Coordination in 2024

- FERC, NERC staff highlight improved system performance during Winter Storms Gerri and Heather (January 2024) (staff presentation [link](#))
- NAESB – Joint Subcommittees assess communications standards for improvements
 - Identifying communication gaps across gas-electric systems
 - Scheduled for completion this summer – any revisions to be filed at FERC
- Organized power markets – ISOs/RTOs – individually working on operational issues (e.g., aligning day ahead schedules, reflecting gas system conditions, following gas day schedule)
- Changes don't address a primary issue – infrastructure expansion and addition to address demand and changing operational needs to support changing power resource mix (influx of intermittent generation)



Overview: Generator Recommendations

See EPSA statement at FERC annual reliability conference: [link](#)

- Rely on market-based mechanisms to develop services or products to address operational stress and fuel supply readiness
- Improve prices in the power markets to include fuel costs, signal advanced fuel procurement, or address compensation for fuel purchases
- Focus on Day-Ahead notification to support gas arrangements and scheduling in advance of run times
- Fix Real-Time market challenges to align with (or recognize) the gas intraday cycles and allow gas system conditions to be considered in generator availability
- Face the weekend/holiday gas procurement conundrum – If you know, you know
- Should we address the gas day/power day differences?



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