

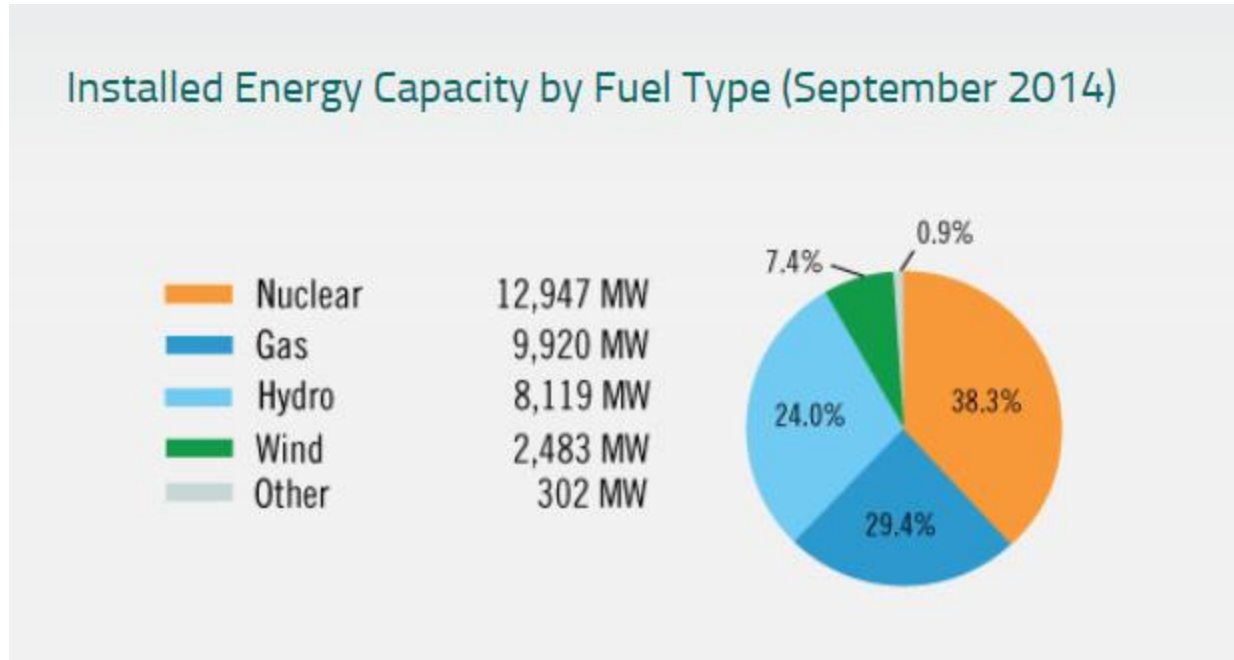
# IESO Gas-Electric Coordination

Ontario Energy Board, 2014 Natural Gas Market Review  
Consultation and Stakeholder Conference (EB-2014-0289)



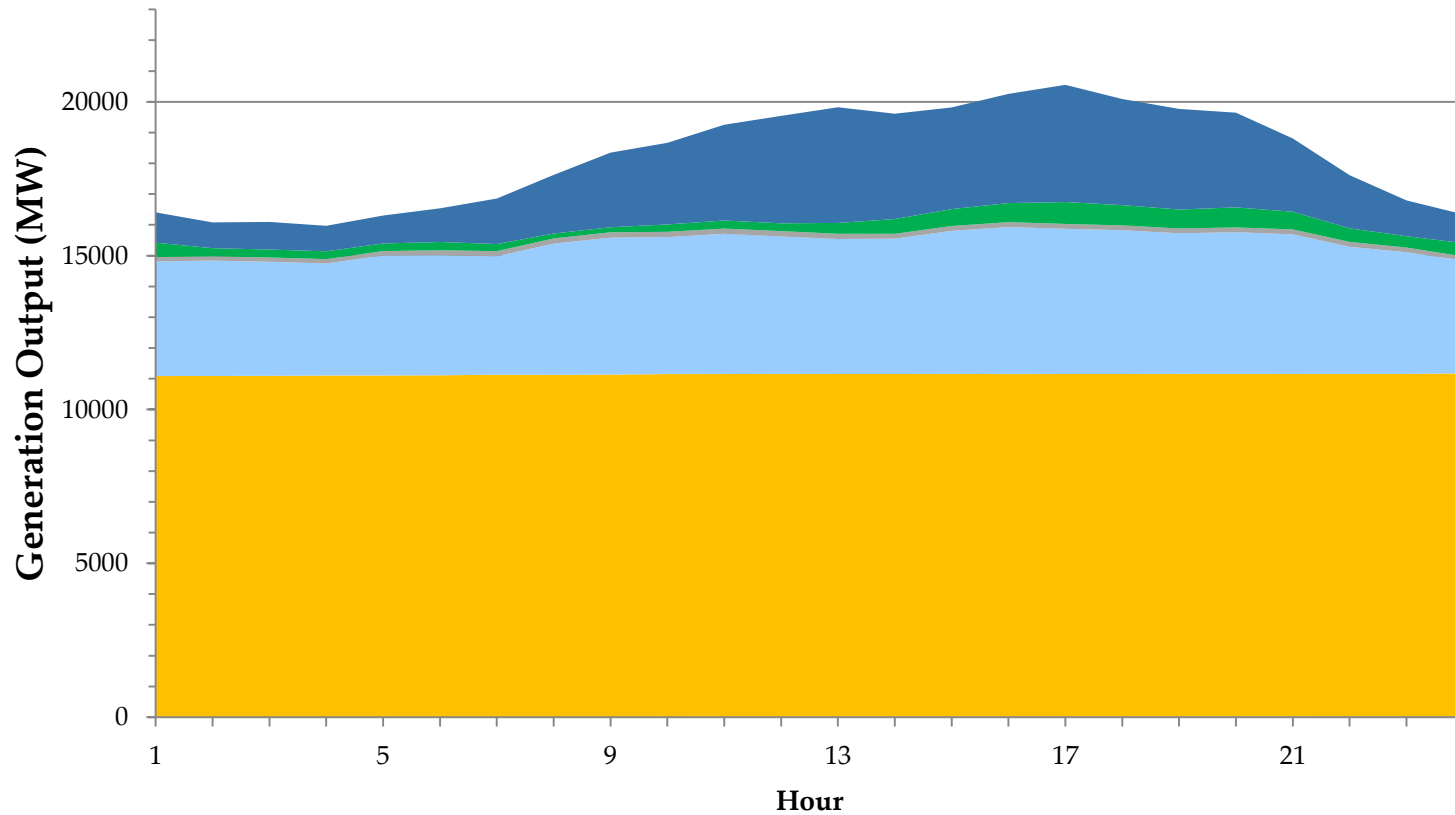
1. Importance of Gas-Electric Coordination
2. Gas-Electric Coordination Initiatives
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# Importance of Gas-Electric Coordination

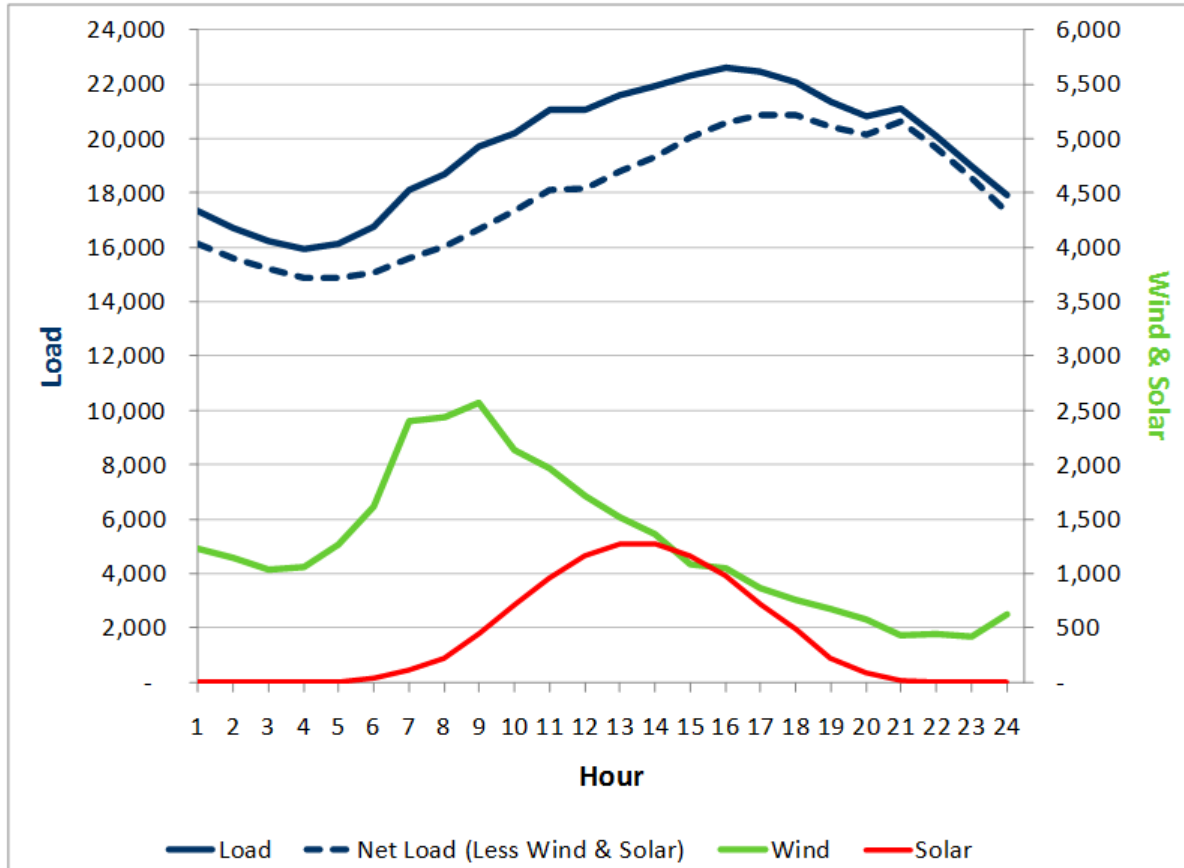


August 27, 2014

■ Nuclear ■ Hydro ■ Other ■ Wind ■ Gas



Wind & Solar Performance - Simulated Peak Demand Day



- Electricity and natural gas pipeline industries have operated together successfully for decades.
- In recent years, growing interdependence has created more frequent reliability challenges.
- Interdependence issues often occur during extreme cold weather, electricity outages, or gas supply disruptions.

# Gas-Electric Coordination Initiatives



- FERC Order 787 Communications
- FERC NOPR Scheduling Coordination (Docket RM14-2)
- IESO Gas Electric Review

FERC Order 787 was issued on November 15, 2013

- Interstate pipeline companies and ISOs are authorized to share non-public information to promote reliable service or operational planning.
- Several ISOs in the USA share gas generator schedules with pipeline and storage providers.
- Pipelines in the USA share maintenance and outage plans with ISOs.

FERC has proposed that the North American Energy Standards Board (“NAESB”) adopt Business Practice Standards for natural gas transportation service scheduling to better coordinate natural gas and electricity scheduling practices, and provide additional natural gas scheduling flexibility.

	Current NAESB Standard		FERC NOPR		NAESB WGQ response	
	Deadline	Gas Flow	Deadline	Gas Flow	Deadline	Gas Flow
Gas Day	-	09:00	-	04:00	-	09:00
Timely Nomination	11:30	09:00	13:00	04:00	13:00	04:00
Evening Day-Ahead	18:00	09:00	18:00	04:00	18:00	04:00
Intraday 1	10:00	17:00	08:00	12:00	10:00	14:00
Intraday 2	17:00	21:00	10:30	16:00	14:30	18:00
Intraday 3	-	-	16:00	19:00	19:00	22:00
Intraday 4	-	-	19:00	21:00	-	-

All times are Central Time.

- Should the proposed Gas Nomination windows be adopted by NAESB, the IESO will investigate changing the IESO Day Ahead Commitment Process times to provide alignment with gas nomination windows.
- IESO is advising the OEB of this development and is currently undertaking discussions with pipeline operators to monitor any potential impacts to Gas-Electric Coordination efforts.

IESO instituted its own Gas-Electric Coordination Review during 2014. The review consisted of:

- Interviewing gas generators and pipelines
- Reviewing IESO Market Rules and Market Manuals
- Reviewing other ISO and FERC information as it relates to Gas-Electric Coordination
- Reviewing public gas info (pipelines, other ISO websites)

## Recommendations resulting from IESO Gas-Electric Review:

- Review Outage Reporting requirements with gas generators
- Review how gas generators should offer due to equipment start-up limitations
- Create a new signal for generators without offers in the real-time market
- Enhance communications protocols between gas generators, gas pipeline and storage providers, and the IESO

## Actions resulting from IESO Gas-Electric Review:

- Webinar with gas generators was held Oct 15<sup>th</sup> where the IESO:
  - Reviewed outage reporting requirements with gas generators,
  - Reviewed how gas generators should offer due to equipment start-up limitation, and
  - Improved communications protocols between gas generators.
- IESO is in the process of creating a new signal for generators without offers in Real-Time Market.

# Enhancing Communication



- IESO recognizes:
  - There is an opportunity for enhanced gas-electric coordination with gas pipelines and storage providers.
  - Gas pipelines and gas storage providers are not bound by IESO Market Rules to share non-public operational information.
- IESO proposes Market Rule changes to:
  - Authorize the sharing of non-public operational information necessary for promoting reliability and operational planning, and
  - Include provisions to ensure confidentiality.

The IESO is requesting the OEB to review any regulatory instruments (e.g., Gas Distributor Access Rule) that may prohibit gas pipelines and gas storage providers from sharing non-public operational information that is necessary for promoting reliability and operational planning.

# Thank you!