

## Final Minutes

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### Electric/Gas Operations Committee

Meeting No. 44

November 19, 2013

2:30 PM – 3:30 PM ET

Teleconference

#### Attendees

M. Babula  
T. Bohan  
W. Callan  
L. Curran  
K. Dadah  
J. Esposito  
S. Foley  
T. Gwilliam  
C. Heigel  
K. Iampen  
K. Joseph  
E. Karanian  
S. Leahy  
J. Norden  
M. Petit  
J. Rinker  
G. Ritter  
L. Sanders  
C. Sculley  
D. Skipworth  
E. Soderman  
J. Stanzione  
G. Whitney  
D. Wrick  
C. Zaluga

#### Representing

ISO New England  
Unitil  
ISO New England  
ISO New England  
MMWEC  
Iroquois Gas Transmission System  
Spectra Energy  
Iroquois Gas Transmission System  
Exelon  
Repsol  
NYISO  
Yankee Gas / Northeast Utilities  
Northeast Gas Association  
ISO New England  
Irving Oil  
Spectra Energy  
GDF SUEZ LNG/Distrigas  
Tennessee Gas Pipeline  
Tennessee Gas Pipeline  
Tennessee Gas Pipeline  
Yankee Gas / Northeast Utilities  
National Grid  
GDF SUEZ LNG/Distrigas  
Spectra Energy  
MMWEC

#### ***Introductions***

Mr. Babula welcomed everyone to the forty-fourth meeting of the Electric/Gas Operations Committee (EGOC). Introductions were made.

#### ***1.0 Administrative Matters***

##### ***1.1 ISO New England's (ISO-NE) Information Policy and the Northeast Gas Association's (NGA) Antitrust Compliance Procedure***

Mr. Babula stated that ISO-NE staff was bound by the requirements of the ISO New England Information Policy and that regional natural gas sector representatives were

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ISO-NE PUBLIC

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bound by the requirements of the Northeast Gas Association's Antitrust Compliance Procedures.

## ***1.2 Approval of Draft Minutes of EGOE Mtg. No. 43***

The meeting participants reviewed the *Draft-For-Approval Minutes of EGOE Meeting No. 43*, a March 20, 2013 teleconference. Upon a motion, the draft meeting minutes were approved as presented.

## ***2.0 Post Summer 2013 Review***

### ***2.1 ISO-NE***

Mr. Callan presented a series of slides on summer 2013 operations. The summer's peak demand of 27,359 MW occurred on July 19, 2013, which was the 4<sup>th</sup> highest New England on-peak electrical load. ISO-NE implemented OP4 once during the summer, on July 19, due to generator reductions and transmission constraints. He also noted that coordination with the regional gas pipelines on maintenance went very well during the summer.

### ***2.2 Natural Gas Sector***

The gas industry participants had only brief comments on this topic. Ms. Iampen noted that offshore gas production from the Deep Panuke project started in August, reaching about 150 MMcf/d by October. Boil-off gas compression has been installed at Canaport LNG to allow the facility to be shutdown during periods of low demand so that LNG inventory can be preserved for periods of high demand. The boil-off gas compression allows Canaport LNG to compress the boil-off gas (~10 MMcf/d) and deliver it into Brunswick Pipeline for sale to the market in lieu of flaring it when the LNG facility is offline.

## ***3.0 Pre-Winter 2013/14 Forecast***

### ***3.1 ISO-NE***

Mr. Callan presented a series of slides on the winter electric outlook. The 50/50 Reference Case forecast projects a peak load of 21,299 MW, with the 90/10 High Case forecast projecting a peak of 21,934 MW. ISO has been observing a flattening of winter loads in recent years; energy efficiency measures, particularly in lighting, appear to have had an impact.

Mr. Callan then discussed the "Winter 2013/14 Reliability Solution" to be in place this winter, with oil-fired generation as the reliability option. Among the points he made were the following:

- Selected Market Participants with oil-fired assets will establish minimum oil inventories in their tanks by December 1, 2013;
- If assets are dual fuel, they will be required to test their ability to swap to a secondary fuel;
- Generators will not be committed or dispatched differently as a result of participating within this program;

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- Fuel awards have been made to individual generator assets. However, fuel may be used by any generator drawing from a “common” storage tank.

ISO is purchasing approximately 1.5 million barrels of residual oil and/or 1.3 million barrels of distillate oil. FERC accepted this ISO-NE proposal in October 2013. The program is in place for this winter only.

### ***3.2 Pipelines / LNG / LDC***

Mr. Skipworth noted that Tennessee Gas Pipeline is nearly complete with all maintenance activities and storage refills and he anticipates all will be completed on schedule. High pipeline capacity utilization is expected during the winter. TGP had two expansion projects that went into service on November 1 – the “Northeast Upgrade” and the “MPP Project.”

Mr. Esposito noted that Iroquois Gas Transmission has completed its maintenance work and is ready for winter operations.

Ms. Wrick said that northern storage for Spectra Energy Transmission is close to 90% full. Encana recently reported that the Deep Panuke production is offline until November 28 for scheduled maintenance. The “NJ-NY Expansion Project” went into service on November 1 and has had a positive impact on basis differential within the New York metropolitan areas. Spectra continues to work to advance its “AIM Project” for the New England market; it currently is in the FERC pre-filing process.

Mr. Whitney reported that the Distrigas facility has completed its fall maintenance and is ready for winter operations.

Ms. Iampen reported that Canaport LNG is ready for winter operations. The regional market should anticipate less LNG vaporization this winter as compared to last winter.

Gas utility representatives from National Grid, Northeast Utilities and Unitil noted normal operations and that their gas supply contracts are in place and storage is where it should be for this time of year.

### ***3.3 Communication Protocols***

On November 15, FERC issued a final rule allowing interstate natural gas pipelines and electric transmission operators to share non-public operational information to promote the reliability and integrity of their systems. The rule authorizes interstate natural gas pipeline and electric transmission operators to voluntarily share non-public, operational information. ISO, NGA and several entities on the teleconference filed comments in this proceeding.

Mr. Norden said that ISO-NE will be convening a stakeholder group in the near future to address this rule and consider the process going forward.

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### **4.0 Regional Infrastructure Updates**

As noted earlier, several interstate pipeline projects were recently placed into service in the New Jersey – New York metropolitan area. No other updates were provided.

### **5.0 ICF White Papers Prepared for ISO-NE**

Mr. Babula noted that today, ISO-NE is posting on its web site two new White Papers from ICF Consulting. These White Papers deal with natural gas issues and are titled:

1. *Gas-Fired Power Generation in Eastern New York and its Impact on New England's Gas Supplies – Dated 11-18-2013*
2. *Implications of Demand-Side Management Programs for Natural Gas Use in New England – Dated 11-18-2013.*

### **6.0 EIPC Gas-Electric System Interface Study**

Mr. Babula briefed the committee on the status of the Eastern Interconnection Planning Collaborative (EIPC) and its “Gas-Electric System Interface Study.” On October 23, the EIPC announced that it has chosen Levitan & Associates, Inc. (Boston, MA) to lead the technical analyses for the study which is funded by the U.S. Department of Energy (DOE).

EIPC's six Participating Planning Authorities leading the study are: ISO New England (ISO-NE); New York Independent System Operator (NYISO); PJM Interconnection (PJM); Independent Electric System Operator (IESO); Midcontinent ISO (MISO), including the Entergy system; and the Tennessee Valley Authority (TVA). The combined geographic areas of these Participating Planning Authorities will form the study region for the analyses. PJM is administering the project through the U.S. DOE. Natural gas is among the new stakeholder group sectors. Mr. Stanzione (NGRID) is the representative for the gas LDCs, and Mr. Donald Santa of INGAA is the representative for interstate gas pipelines. The consultant report is expected to be released in the first half of 2015. The scope of work can be found on the EIPC website at: [http://www.eipconline.com/RFP\\_for\\_Study.htm](http://www.eipconline.com/RFP_for_Study.htm)

### **7.0 Other Business**

Mr. Norden said that ISO-NE was planning in the near future to survey natural gas companies within the region about identifying their critical facilities, to help ensure that critical gas facilities are exempted from any potential electrical load-shedding schemes. ISO had made a similar request several years ago to which many of the companies provided the requested (CEII) information on a confidential basis.

Mr. Leahy noted that NGA is in the process of updating its annual Gas Supply Manual and will make that available to state agencies and the ISOs/RTOs in the near future.

### **8.0 Action Items**

ISO-NE will be coordinating a stakeholder process on the implementation of enhanced gas-electric communications in the aftermath of the recent FERC ruling.

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### ***9.0 Next Meeting***

The next EGOE teleconference will be scheduled at a future date. The EGOE meeting adjourned at 3:30 PM.

Respectfully submitted,

Mr. Stephen Leahy  
Northeast Gas Association