



March 20, 2014

Commissioner John R. Norris

FEDERAL ENERGY REGULATORY COMMISSION

STATEMENT

Docket Nos. RM14-2-000, EL14-22-000, EL14-23-000, EL14-24-000, EL14-25-000, EL14-26-000,

EL14-27-000, and RP14-442-000

Item Nos. M-1, M-2 and M-3

Statement of Commissioner John R. Norris on Gas-Electric Coordination Orders

"I wanted to first recognize the hard work of this team over the last two years. You have conducted extensive industry outreach, organized the technical conferences that the Commission and Commission staff have held, and now have prepared these draft orders.

"I know that many in industry have been working hard, particularly over the last several months, to find solutions to gas-electric coordination issues. I appreciate all the work that has been done thus far to offer solutions. I especially commend the Natural Gas Council for its efforts. I recognize that finding solutions is particularly challenging for the natural gas industry which faces a greater share of the burden with respect to necessary changes to allow for the better coordination of the gas and electric industries.

"I support today's order because I believe a more formal process with a specific timeline for action is needed now to bring together all segments of the gas and electric industries to find solutions to gas-electric issues facing our industry. NAESB is an appropriate, consensus-building forum for the next step in that formal process. I believe that industry efforts in recent months provide for a good head start in the NAESB process. I emphasize that today's orders provide industry with flexibility to find creative, consensus solutions to gas-electric coordination issues.

"I believe these orders promote a more efficient use of our existing pipeline infrastructure by looking first to how pipelines and electric generators are operating before investing additional funds in new infrastructure.

"Our orders today offer one potential set of solutions to the challenges we are facing due to the increased reliance on natural gas in recent years. But, these orders are not the only answer to the problems facing industry related to reliance on natural gas as a fuel source. We will keep an open mind as we consider any results of the NAESB consensus process and any additional comments placed in the record regarding today's orders. While we have conducted comprehensive outreach to industry over the last two years and today's orders represent the results of that outreach, I also believe that industry is in the best position to assess potential solutions. I want to emphasize that I am not committed to the specific proposals set forth in the NOPR. Rather, I am truly open to other options that may be proposed by industry, both the gas and electric sectors, that address the Commission's gas-electric coordination concerns. In that respect, I urge all of you to participate in the NAESB process and provide your essential input to find solutions to these looming issues."