

October 10, 2023

Chairman Willie L. Phillips
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington DC 20426

Dear Chairman Phillips:

The independent market monitors of SPP, CAISO, MISO, NYISO, PJM, and ISO-NE want to take this opportunity to express our support for the recommendations in the Gas Electric Harmonization Forum (GEH) Report submitted to you by NAESB GEH Chairs on July 28, 2023. We also want to express our gratitude to the GEH Chairs for driving a large and diverse stakeholder process that led to the development of that report and the final recommendations.

In a time of unprecedented transformation, the reliability of the bulk electric system (BES) is increasingly dependent on the reliability of natural gas-fired generators. As noted in multiple forums, recent winter storm and summer heat events have highlighted that the electric and natural gas systems do not function in an integrated manner when needed most, resulting in the loss of hundreds of lives and over \$100 billion in economic damage from the 2021 and 2022 winter storms alone.

We recognize that the report's primary recommendation is that an optimal solution likely requires federal legislation that creates a NERC-like organization for the natural gas industry. However, that outcome is uncertain. Given that uncertainty, we strongly support FERC's past, current, and future efforts to improve the reliability of natural gas-fired generators within the North American BES.

The GEH report identifies twenty recommendations to improve gas-electric coordination and reliability. The recommendations reflect the critical interdependencies between the gas and electric systems and the clear need for harmonization in the areas of operations, planning, and markets. While there is general agreement among the Market Monitors that many of the recommendations could support BES reliability, we note that different RTOs/ISOs face different challenges. For instance, some have implemented or are implementing a number of the GEH Forum's recommendations.

The Market Monitors encourage FERC to take actions to use the recommendations in this report to provide transparency and clarity of roles, responsibilities, and actions necessary to improve natural gas and electric systems harmonization.

We appreciate your time and consideration. Please let us know if you have any questions or if there is any other way we can assist your efforts.

Sincerely,

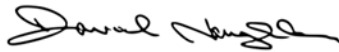


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