

Climate Change, Extreme Weather, and)
Electric System Reliability) Docket No. AD21-13-000

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II. STATEMENT OF INTEREST

APGA is the national, non-profit association of publicly-owned natural gas distribution systems, with over 735 members in 38 states. Overall, there are approximately 1,000 publicly-owned systems in the United States. Publicly-owned gas systems are not-for-profit retail distribution entities that are owned by, and accountable to, the citizens they serve. They include municipal gas distribution systems, public utility districts, county districts, and other public agencies that have natural gas distribution facilities.

While the technical conference is focused on exploring how climate change and extreme weather impact electric system reliability, natural gas plays a significant role in that reliability, as approximately 40 percent of electricity generation is from natural gas-fired power plants.³ Natural gas continues to be a resilient, reliable, clean, and affordable fuel for not only electricity generation but also for direct use in homes and businesses. In fact, during the severe winter weather events experienced by the central U.S. in February 2021, despite disruptions to some natural gas supply sources and some significant increases in natural gas-fired electric generation, local distribution companies (LDCs) such as APGA member systems maintained service with minimal disruption. For instance, in Texas, where daily gas flows to power generation increased by 183 percent while combined residential and commercial gas demand increased by

³ *Electricity explained*, U.S. Energy Information Administration (Mar., 18, 2021), <https://www.eia.gov/energyexplained/electricity/electricity-in-the-us.php#:~:text=Natural%20gas%20was%20the%20largest,power%20plants%20use%20steam%20turbines>.

238 percent,⁴ 99.95 percent of residential gas customers maintained their gas services.⁵

APGA is encouraged to see FERC explore the potential ways to harden the electric system. Accordingly, due to the interwoven nature of the electric and natural gas markets, we look forward to being a collaborative stakeholder in any potential actions that may impact the natural gas industry and public gas utilities.

III. APGA AND THE NATURAL GAS INDUSTRY ARE KEY STAKEHOLDERS FOR ANY DISCUSSIONS IMPACTING GAS-ELECTRIC COORDINATION

In its supplemental notice,⁶ the Commission laid out an array of issues for which it requested stakeholder feedback. In particular, one question requested comments on whether potential changes to gas-electric coordination might be warranted:

5. Are there improvements to coordinated operations and planning between energy systems (e.g., the natural gas and electric power systems) that would help reduce risk factors related to common mode failures? What could those improved steps include?⁷

While we do not have any suggestions on potential improvements at this time, this is an extensive and difficult topic that would require further review before any changes could

⁴ Percentages are from pre-event levels. *Natural Gas Market Performance During the February 2021 Cold Weather Event*, American Gas Association (Apr., 5, 2021), <https://www.aga.org/globalassets/research--insights/reports/energy-analysis-2021-01-natural-gas-market-performance-during-the-february-2021-cold-weather-event.pdf>.

⁵ Written testimony of the Hon. Christi Craddick, Chairman of the Railroad Commission of Texas, to the Subcommittee on Oversight and Investigations of the House Committee on Energy & Commerce (Mar., 22, 2021), *available at* https://energycommerce.house.gov/sites/democrats.energycommerce.house.gov/files/documents/Witness%20Testimony_Craddick_OI_2021.03.24.pdf.

⁶ Climate Change, Extreme Weather, and Electric System Reliability; Supplemental Notice of Technical Conference Inviting Comments, 86 FR 14895 (Mar. 19, 2021).

⁷ *Id.*

be implemented. APGA would like to participate in any discussions that may impact the current gas-electric coordination scheme.

APGA has previously engaged in efforts to further gas-electric coordination, such as by working with other stakeholders through the North American Energy Standards Board (NAESB) at the direction of the Commission.⁸ Our members support reasonable measures to enhance gas-electric coordination, provided that such measures do not unnecessarily diminish the quality of firm transportation service or impose additional costs upon our members with no additional benefits. As not-for-profit LDCs serving their communities, APGA member systems want to ensure that any changes in gas-electric coordination ensure that service to high-priority residential and commercial consumers is protected.

Accordingly, APGA, as well as other gas industry representatives,⁹ are key stakeholders for the Commission to engage if it ultimately decides to pursue any changes to the current gas-electric coordination scheme in its efforts to further electric system reliability.

IV. CONCLUSION

APGA thanks the Commission for its inquiry into this critical and timely topic and look forward to being a collaborative stakeholder for any future discussion regarding potential changes that may impact the natural gas industry and public gas utilities.

⁸ *E.g.*, APGA representatives participated in NAESB Gas-Electric Harmonization Forum meetings in 2016, which were convened at the direction of FERC, and have consistently engaged in other gas-electric coordination activities (e.g., APGA has filed comments in FERC Docket Nos. AD14-19 and RM14-2-000, among others).

⁹ APGA is authorized to state that the American Gas Association, which represents investor-owned natural gas utilities, supports APGA's comments and encourages the Commission to engage with various natural gas industry stakeholders as it considers gas-electric coordination issues.

Respectfully submitted,

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