

Coordination Between Natural Gas and Electricity Industries

Business Practices of Natural Gas Utilities in Illinois



Scheduling Timeline

	Start of Gas Day	Timely Cycle	Evening Cycle	Intraday 1 Cycle	Intraday 2 Cycle	Intraday 3 Cycle	Intraday 4 Cycle
Current	9 a.m.	11:30 a.m.	6 p.m.	10 a.m.	5 p.m. No-Bump		
FERC NOPR	4 a.m.	1 p.m.	6 p.m.	8 a.m.	10:30 a.m.	4 p.m.	7 p.m. No-Bump

- Moves the start of the gas day and the timely nomination deadline
- Provides four intraday nomination cycles
- Clarifies policy regarding bumping during nomination cycles
- Requires interstate pipelines to offer multi-party service agreements

Scheduling Timelines vs. Pipeline Capacity

Increasing communications and **reconciling** natural gas and electric days may permit the market to operate more **effectively**.

Timeline adjustments will not create additional pipeline capacity.

Power Market Differences in Cost Recovery

Interruptible Transport is lower cost but not as readily available during times of peak demand.

Establish a mechanism for determining the amount of pipeline capacity needed to ensure electric grid reliability.

Reform wholesale power market rules to assign responsibility for holding pipeline capacity; provide a means to recover costs.

Impact on LDCs – Portfolio Costs

LDCs will be impacted by changes to the natural gas day and scheduling:

- Reliance on, and demand for, no-notice storage services
- Greater use of on-system storage and peak shaving services
- Higher pipeline fuel costs
- Increased interstate pipeline operational flow orders
- Commodity price volatility

Impact on LDCs – Operational Costs

Potentially higher delivery charges to customers:

- Safety and security requirements to facilitate manual system operations
- Additional personnel for monitoring and administration (i.e. scheduling & nominating)
- Billing and accounting system changes
- Staffing levels