

EC-1 Resolution on Gas-Electric Alignment for Reliability (GEAR) Recommendations

Whereas new technologies for renewable electricity generation combined with the significant increase in natural gas production and a corresponding decrease in gas prices have increased dependence on gas for electricity generation;

Whereas because natural gas systems were designed primarily to deliver gas for home heating and industrial processes, not to supply fuel for electric generation plants, gas infrastructure and markets are not aligned with emerging demands for electric generation;

Whereas the lack of coordination between these systems poses serious reliability concerns in some regions of the United States, especially during winter storms when dependence on gas for both home heating and power electric generation is high;

Whereas recognizing this problem, on November 21, 2023, the NARUC Executive Committee approved the creation of the Gas-Electric Alignment for Reliability Task Force to bring together state regulators and industry representatives to develop recommendations to better align the gas and electric industries;

Whereas GEAR has completed its work and generated the attached 41-page report, which includes nine recommendations;

Whereas some recommendations have already been adopted by the NARUC Board of Directors;

Whereas, the final GEAR Report includes the following recommendations that:

- (1) support the creation of a voluntary ongoing Natural Gas Readiness Forum dedicated to the enhancement of U.S. natural gas value chain reliability via the promotion of communication, peer-to-peer connections, situational awareness, and education among its participants and stakeholders to anticipate and respond to calamitous events and other issues;
- (2) with the expertise and influence of its member states, NARUC should support federal permitting reform that would address infrastructure hurdles in a meaningful way such that new infrastructure may be in place in a timely manner to meet growing and changing natural gas and electricity demand;
- (3) states and organized power markets evaluate a wide array of solutions that affect the investment in, development of, and use of storage of all types, including associated infrastructure, to support the electricity grid and end use customer reliability under high energy demand conditions;
- (4) that states should be encouraged to be aware of utilities' load shed practices and should reach out to their ISO/RTO, regulated utilities, and any other relevant electricity consuming groups and review information from NERC to better understand load shed practices, when load shed practices were last updated, and evaluate if changes are needed for the current electricity consumption landscape;
- (5) while historically, natural gas markets have worked well, improvements to ensure greater liquidity and transparency on winter weekends, when there is limited trading, can help to ensure

that reliability is enhanced at a reasonable cost to customers, fully recognizing that these decisions will involve tradeoffs and risk-shifting;

- (6) states, in lieu of direct winterization regulations for natural gas production, provide for consideration of the need and feasibility of a market-driven process that allows cost recovery for utilities and generators that pay a premium for a verified winterized or enhanced performance (e.g., storage and other assets) product for the purpose of increasing reliability through supply loss mitigation;
- (7) GEAR encourages state regulators and policymakers to support stakeholder actions for market-based solutions to incent and advance natural gas fuel procurement and provide economic certainty, consistent with recommendations to improve natural gas unit scheduling and dispatch;
- (8) to ensure system reliability for states with limited and/or no natural gas demand response programs, state regulators in those jurisdictions may want to consider building out robust demand response programs to reduce or shift their energy usage during periods of high demand or system stress, such as severe weather events; and finally,
- (9) that states should consider supporting or adopting measures that facilitate more timely and frequent use of interstate capacity release or asset management arrangements (AMAs) by its utilities so the marketplace may benefit from a more efficient allocation of firm interstate transportation and storage capacity; *now therefore be it*

Resolved that the Board of Directors of the National Association of Regulatory Utility Commissioners , convened at its 2025 Annual Meeting and Education Conference in Seattle, Washington, congratulates and extends its sincere thanks to all of the GEAR participants for their extensive and collaborative work and adopts the attached GEAR report and its recommendations.

Passed by the Executive Committee on November 8, 2025.

Adopted by the NARUC Board of Directors on November 11, 2025.