

February 24, 2011

Gerry W. Cauley President and Chief Executive Officer North American Electric Reliability Corporation 116-390 Village Boulevard Princeton, New Jersey 08540-5721

Dear Mr. Cauley:

An unprecedented cold snap in early February in Texas and other parts of the southwestern United States adversely impacted the delivery of power from natural gas, coal and wind during a period of heavy heating demand for natural gas and electricity. The natural gas industry is interested in working with NERC and others, both to gain a fuller understanding of what transpired and to take steps to minimize such serious impacts in the future.

These power outages highlight the interdependency of the electric power and natural gas systems and provide a basis for examining whether there are opportunities for improvements. While extreme temperatures, such as those experienced by Texas in early February, are rare, industry officials and regulators need to consider what additional measures would prevent a reoccurrence of power shortages. We must recognize the growing interdependence between natural gas and the power grid and work, in coordination with your organization, to find balanced solutions.

To that end, the Natural Gas Council, composed of all the natural gas sectors, pledges to join with any and all relevant parties to seek ways to mitigate such occurrences going forward, not just in Texas but throughout the country.

We look forward to working with you and the many other energy stakeholders to improve the operation of our country's entire energy system.

Sincerely,

David McCurdy President & CEO

American Gas Association

Dave Modurdy

Don Santa

President & CEO

Interstate Natural Gas Association

Barry Russell President & CEO

Independent Petroleum Association of

America

Skip Horvath

President & CEO

K. Skip Howalk

Natural Gas Supply Association

cc: Chairman Jon Wellinghoff, Federal Energy Regulatory Commission
Commissioner Cheryl LaFleur, Federal Energy Regulatory Commission
Commissioner Phillip Moeller, Federal Energy Regulatory Commission
Commissioner John Norris, Federal Energy Regulatory Commission
Commissioner Marc Spitzer, Federal Energy Regulatory Commission
Mr. Charles Gray, Executive Director, National Association of Regulatory Utility
Commissioners