



FEDERAL ENERGY REGULATORY COMMISSION

NEWS

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Docket Nos. RM07-9-000, RM07-20-000

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FERC Proposes Revisions to Financial Reporting Requirements for Gas Companies

The Federal Energy Regulatory Commission today proposed revisions to its financial forms, statements and reports submitted by interstate natural gas companies so that the information will better reflect current market and cost information the Commission needs to carry out its regulatory responsibilities.

The proposed revisions also will strengthen the ability of shippers to file complaints under Section 5 of the Natural Gas Act (NGA) against pipelines by assuring access to public information that is a sufficient basis for a complaint.

The Commission is seeking public comment on a proposed rule that would revise FERC Form No. 2, Annual Report for Major Natural Gas Companies; FERC Form 2A, Annual Report for Non-Major Natural Gas Companies; and FERC Form 3-Q, Quarterly Financial Report of Electric Utilities, Licensees and Natural Gas Companies.

“The information to be collected under this proposed rule would keep pace with the rapid changes going on within the industry,” Commission Chairman Joseph T. Kelliher said. “We have seen a fall in the number of general rate cases since we eliminated the triennial restatement of rates in Order No. 636 and in some cases, pipeline rates have not been reviewed for more than a decade. These changes will provide more detail so the Commission and the public can assess whether pipeline rates are just and reasonable. This proposed rule will assure public access to information that is a sufficient basis for a section 5 rate complaint.”

The proposed rule would require, among other things, natural gas companies to (1) submit additional revenue information, including reporting revenue from shipper-supplied gas, (2) identify the costs associated with affiliate transactions, and (3) provide additional information on incremental facilities and discounted and negotiated rates.

The Commission proposes an effective date of January 1, 2008. This would require companies subject to the new requirements to file revised Form 3-Q quarterly reports beginning with the first quarter of 2009. The revised Forms 2 and 2-A for calendar year 2008 would be filed by April 30, 2009.

The Commission also proposes to eliminate the requirement to file FERC Form No. 11, Natural Gas Pipeline Company Quarterly Statement of Monthly Data, and to extend the period of time to May 18 of the year following the submittal of annual and quarterly forms to file the Report of Certification.

The Commission is concurrently issuing a Notice of Inquiry (NOI) (Docket No. RM07-20-000) seeking comment on several specific proposals for natural gas pipeline rate recovery of fuel, lost and unaccounted-for gas. While the proposed rule in Docket No. RM07-9 seeks comment on updating the Commission’s financial forms, the NOI seeks comment on Commission policy regarding the method of cost recovery used by pipelines and whether that policy should change to prescribe a uniform recovery method for all pipelines.





Comments are due within 45 days after publication of the proposed rule in The Federal Register. Comments must cite the docket number, RM07-9-000, and may be submitted by postal mail to FERC, Office of the Secretary, Washington, DC 20426 or by email following the procedures described at the eFiling link, <http://www.ferc.gov/docs-filing/efiling.asp> found on the Commission's website at www.ferc.gov.

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