

SUPPORTING STATEMENT FOR
FERC-549B Gas Pipeline Rates: Capacity Information

The Federal Energy Regulatory Commission (Commission) requests Office of Management and Budget (OMB) approval and three year extension of **FERC-549B Gas Pipeline Rates: Capacity Reports and Index of Customers** (OMB Control No. 1902-0169).

A. JUSTIFICATION

1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY

The information collected under the requirements of FERC-549B includes both the Index of Customers (IOC) report under 18 CFR 284.13(c) and capacity reporting requirements under 18 CFR 284.13(b), 284.13(d)(1) and 284.13(d)(2) (Attachment 2).

FERC-549B is required to implement the statutory provisions of sections 4, 5, and 16 of the Natural Gas Act (NGA), 15 USC 717c, 717d and 717o, PL 75-688, 52 Stat. 822 and 830 (Attachment 1). Under Section 4, of the NGA, rates are established by the pipeline filing for rate changes. The rate thus established continues in effect until the pipeline makes a subsequent rate case filing or the Commission takes action under Section 5 of the NGA and determines that the existing rates are not just and reasonable. Section 16 authorizes the Commission to prescribe the rules and regulations necessary to administer its rates mandates.

CAPACITY REPORTS

There are three distinct capacity reporting requirements under this collection. The first of these is in Commission regulations at 18 CFR 284.13(b) and requires information on firm and interruptible services to be posted on the pipeline's website. The second is at 18 CFR 284.13(d)(1) and requires information on capacity and flow information be posted on the pipeline's website. The third is at 18 CFR 284.13(d)(2) and requires an annual filing of peak day capacity.

On April 4, 1992, in Order No. 636, (RM91-11-000) the Commission established a capacity release mechanism under which shippers could release firm transportation and storage capacity on either a short or long term basis to other shippers wanting to obtain capacity. Pipelines posted available firm and interruptible capacity information on their electronic bulletin boards (EBBs) to inform potential shippers.

On August 3, 1992, in Order No. 636-A (RM91-11-002), the Commission determined through staff audits, that the efficiency of the capacity release mechanism could be enhanced by standardizing the content and format of capacity release information and the methods by which shippers accessed this information, which pipelines posted to their EBBs.

On March 29, 1995, through Order 577 (RM95-5-000), the Commission amended §284.243(h) of its regulations to allow shippers the ability to release capacity without having to comply with the Commission's advance posting and bidding requirements.

On February 9, 2000, in Order No. 637, (RM98-10-000), to create greater substitution between different forms of capacity and to enhance competition across the pipeline grid, the Commission revised its capacity release regulations regarding scheduling, segmentation and flexible point rights, penalties, and reporting requirements. This resulted in more reliable capacity information availability and price data that shippers needed to make informed decisions in a competitive market as well as to improve shipper's and the Commission's ability to monitor the market for potential abuses. This order also required company postings to be on the company website instead of outdated EBBs.

INDEX OF CUSTOMERS

In Order 581, issued September 28, 1995 (Docket No. RM95-4-000), the Commission established the IOC quarterly information requirement. This Order required the reporting of five data elements in the IOC filing: the customer name, the rate schedule under which service is rendered, the contract effective date, the contract termination date, and the maximum daily contract quantity, for either transportation or storage service, as appropriate. This reporting requirement applies to both interstate and intrastate pipelines.

In a notice issued separate from Order 581 in Docket No. RM95-4-000, issued February 29, 1996, the Commission, through technical conferences with industry, determined that the IOC data reported should be in tab delimited format on diskette and in a form as proscribed in Appendix A of the rulemaking. In a departure from past practice, a three-digit code, instead of a six-digit code, was established to identify the respondent.

In Order 637, issued February 9, 2000 (Docket Nos. RM98-10-000 and RM98-12-000), the Commission required the filing of: the receipt and delivery points held under contract and the zones or segments in which the capacity is held, the common transaction point codes, the contract number, the shipper identification number, an indication whether the

contract includes negotiated rates, the names of any agents or asset managers that control capacity in a pipeline rate zone, and any affiliate relationship between the pipeline and the holder of capacity. It was stated in the Order that the changes to the Commission's reporting requirements would enhance the reliability of information about capacity availability and price that shippers need to make informed decisions in a competitive market as well as improve shippers' and the Commission's ability to monitor marketplace behavior to detect, and remedy anti-competitive behavior. Order 637 required a pipeline post the information quarterly on its Internet websites instead of on the outdated EBBs.

2. HOW, BY WHOM, AND FOR WHAT PURPOSE THE INFORMATION IS TO BE USED AND THE CONSEQUENCES OF NOT COLLECTING THE INFORMATION

This information provides the Commission with the ability to analyze capacity held on pipelines in order to better monitor marketplace behavior, and to detect, and remedy anti-competitive behavior.

The implementation of these reporting requirements improves competition in the market by expanding shippers' information about potential capacity alternatives. Difficulty in obtaining information can reduce competition because buyers may not be aware of potential alternatives and cannot compare prices between those alternatives. The reporting requirements expand shippers' knowledge of alternative capacity offerings by providing more information about the capacity available from the pipeline as well as those shippers holding capacity that is potentially available for release. The reporting requirements further provide shippers with more accurate information about the value of capacity over particular pipeline corridors so that shippers can make more informed choices about the prices of capacity they may wish to purchase.

3. DESCRIBE ANY CONSIDERATION OF THE USE OF IMPROVED INFORMATION TECHNOLOGY TO REDUCE BURDEN AND TECHNICAL OR LEGAL OBSTACLES TO REDUCING BURDEN

In Order 636, the Commission required pipeline companies to establish EBBs to provide shippers with equal and timely access to the information request under FERC-549B. Shippers were required to post their available capacity on the EBBs for bidding by potential purchasers. In Order 581, the Commission required the establishment of the electronic IOC, that it be posted to shippers' EBBs and submitted on diskette, in tab-delimited format to the Commission. The tab-delimited files are available for download from the Commission's website:

<http://www.ferc.gov/docs-filing/forms/form-549b/data.asp>; hardcopy IOC filings are generated by Commission staff from the tab-delimited data and are available in eLibrary:

In Order 637, the Commission recognized that the majority of pipelines had transferred their information to Internet sites and so to ensure uniformity and efficiency, required that information be posted there, in lieu of to EBBs.

The Commission now recognizes that respondents are using information technology to a much greater degree than before, allowing for automatic posting of data, and a sharp decline in the burden.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION AND SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSE(S) DESCRIBED IN INSTRUCTION

Filing requirements are periodically reviewed as OMB review dates arise or as the Commission may deem necessary in carrying out its regulatory responsibilities under the NGA and NGPA in an effort to alleviate duplication and to ensure the reporting burden is minimized. All Commission information collections are subject to analysis by Commission staff and are examined for redundancy. There are no forms or other Commission reporting or recordkeeping requirements that require similar or complimentary information be maintained or reported.

5. METHODS USED TO MINIMIZE BURDEN IN COLLECTION OF INFORMATION INVOLVING SMALL ENTITIES

These filings impact the day-to-day operations of both major and non-major natural gas pipeline companies. Specific efforts have been made by the Commission to minimize the burden imposed on pipeline companies by requiring only information that is on-hand to them. This is in an effort to impact, as little as possible, normal daily pipeline operations, in order to report this information.

6. CONSEQUENCE TO FEDERAL PROGRAM IF COLLECTION WERE CONDUCTED LESS FREQUENTLY

The Commission and the industry would be placed at a disadvantage by not having

available the most current data for competitive and regulatory purposes. Both need access to up-to-date information to monitor the self-implementing pipeline transportation and storage activities that are being carried out in a nondiscriminatory manner.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

There are no special circumstances requiring this collection to be conducted in a manner inconsistent with 5 CFR 1320.5(d)(2)

8. DESCRIBE EFFORTS TO CONSULT OUTSIDE THE AGENCY; SUMMARIZE PUBLIC COMMENTS AND THE AGENCY'S RESPONSE TO THESE COMMENTS

In accordance with OMB requirements in 5 CFR 1320.8(d), the renewal of the FERC-549B information collection was noticed in the Federal Register on June 23, 2011 (Attachment 3). No comments were received in response to this notice.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

No gifts or payments have been made to the respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

All information filed is made publicly available. However, a company may request confidential treatment of the FERC-549B information required through the Freedom of Information Act and Commission regulations at 18 CFR 388.112.

11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE THAT ARE CONSIDERED PRIVATE

There are no questions of a sensitive nature in the reporting requirements.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The estimated annual public reporting burden for this collection is estimated as:

| FERC-549B | Number of | Number of | Average | Total Annual |
|-----------|-----------|-----------|---------|--------------|
|-----------|-----------|-----------|---------|--------------|

| Requirement² | Respondents Annually (1) | Responses Per Respondent (2) | Burden Hours Per Response (3) | Burden Hours (1)x(2)x(3) |
|---|---------------------------------|-------------------------------------|--------------------------------------|---------------------------------|
| Capacity Reports under 284.13(b) and 284.13(d)(1) | 129 | 6 ¹ | 145 | 112,230 |
| Peak Day Annual Capacity Report under 284.13(d) (2) | 129 | 1 | 10 | 1,290 |
| Index of Customers under 284.13(c) | 129 | 4 | 3 | 1,548 |
| Total | 129 | 11 | 81.09 | 115,068 |

The following table compares the current inventory to the new inventory:

| Form 6² | Number of Respondents Annually (1) | Number of Responses Per Respondent (2) | Average Burden Hours Per Response (3) | Total Annual Burden Hours (1)x(2)x(3) |
|---------------------------|---|---|--|--|
| Current Inventory | 102 | 10 | 176.8 | 180,336 |
| New Inventory | 129 | 11 | 81.09 | 115,068 |
| Agency Adjustment | +27 | +1 | -95.71 | -65,268 |

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

1 The Commission uses 6 responses per respondent and 145 hours per response as the estimated burden on industry, recognizing that capacity reports are posted on a pipeline’s website potentially many more times than 6 per year.

2 Some of the figures do not calculate exactly due to rounding/truncating error.

| Total Respondent Burden Hours | | Number of Hours an Employee Works per Year | | Estimated Average Annual Cost per Employee | | Total Annualized Cost |
|-------------------------------|---|--|---|--|---|-----------------------|
| 115,068 | ÷ | 2080 | x | \$142,372 | = | \$7,876,183 |

The estimated cost per respondent is \$61,056 (rounded off).

The respondent burden includes the total time, effort, or financial resources expended by the respondent to assemble and disseminate the information. The cost estimate is based on salaries for professional and support staff, as well as direct and indirect overhead costs.

14. ESTIMATED ANNUALIZED COST TO THE FEDERAL GOVERNMENT

The estimated annualized cost to the Federal government for FERC-549B is as follows:

| | | |
|--|----|----------|
| Operation | | |
| (a) Information Collection Clearance | | \$ 1,575 |
| (b) Analysis/administration of collection (2.25 FTEs @ \$142,372) | \$ | 320,337 |
| Year of Operation Total | \$ | 321,912 |

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15. REASONS FOR CHANGES IN BURDEN INCLUDING THE NEED FOR ANY INCREASE

FERC Staff have determined that the estimated burden associated with the capacity reports under 284.13(b) and 284.13(d)(1) was too high for existing industry practices. Pipelines are now complying with reporting requirements using information technology to automate posting on websites, resulting in an estimated 50% reduction in hours per response (approximately 90,000 hour/year reduction). Other changes in the burden are an inclusion of an estimate of the peak day capacity reporting requirement (determined to be covered under FERC-549B, an increase of 1,290 hours/year), and an increase in the total number of respondents from 102 to 129 (resulting in an increase of approximately 24,000 hours/year). Incorporating all the adjustments to the burden results in a net 65,268 hour/year reduction.

While the estimated burden is reduced substantially, the cost per staff employee has increased, resulting in a higher total annualized cost per hour on respondents than previously reported (however, the net cost is lower than it was previously due to the burden hour reduction).

16. TIME SCHEDULE FOR THE PUBLICATION OF DATA

The results of this information collection are not published by the Commission. However, the capacity and IOC information is posted on the pipelines' Internet websites for public disclosure.

17. DISPLAY OF EXPIRATION DATE

It is not possible to display the OMB approval expiration date for this information collection because the information is not collected on a standard, preprinted form which would avail itself to this display. However, the electronic filing instruction manual and the instructions for posting the IOC information on the pipelines' Internet websites does contain both the OMB control number and expiration date.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

The Commission does not use either the capacity reports or the IOC information for statistical purposes.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

This is not an information collection employing statistical methods.

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ATTACHMENT 1

NGA, SEC. 4. RATES AND CHARGES; SCHEDULES; SUSPENSION OF NEW RATES

Sec. 4. (a) All rates and charges made, demanded, or received by any natural-gas company for or in connection with the transportation or sale of natural gas subject to the jurisdiction of the Commission, and all rules and regulations affecting or pertaining to such rates or charges, shall be just and reasonable, and any such rate or charge that is not just and reasonable is hereby declared to be unlawful.

(b) No natural-gas company shall, with respect to any transportation or sale of natural gas subject to the jurisdiction of the Commission, (1) make or grant any undue preference or advantage to any person or subject any person to any undue prejudice or disadvantage, or (2) maintain any unreasonable difference in rates, charges, service, facilities, or in any other respect, either as between localities or as between classes of service.

(c) Under such rules and regulations as the Commission may prescribe, every natural-gas company shall file with the Commission, within such time (not less than sixty days from the date this act takes effect) and in such form as the Commission may designate, and shall keep open in convenient form and place for public inspection, schedules showing all rates and charges for any transportation or sale subject to the jurisdiction of the Commission, and the classifications, practices, and regulations affecting such rates and charges, together with all contracts which in any manner affect or relate to such rates, charges, classifications, and services.

(d) Unless the Commission otherwise orders, no change shall be made by any natural-gas company in any such rate, charge, classification, or service, or in any rule, regulations, or contract relating thereto, except after thirty days' notice to the Commission and to the public. Such notice shall be given by filing with the Commission and keeping open for public inspection new schedules stating plainly the change or changes to be made in the schedule or schedules then in force and the time when the change or changes will go into effect. The Commission, for good cause shown, may allow changes to take effect without requiring the thirty days' notice herein provided for by an order specifying the changes so to be made and the time when they shall take effect and the manner in which they shall be filed and published.

(e) Whenever any such new schedule is filed the Commission shall have authority, either upon complaint of any State, municipality, State commission, or gas distributing company or upon its own initiative without complaint, at once, and if it so orders, without answer or formal pleading by the natural-gas company, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, charge, classification, or service; and, pending such hearing and the decision thereon, the Commission, upon filing with such schedules and delivering to the natural-gas company affected thereby a statement in writing of its reasons for such suspension, may suspend the operation of such schedule and defer the use of such rate, charge, classification, or service, but not for a longer period than five months beyond the time when it would otherwise go into effect; and

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after full hearings, either completed before or after the rate, charge, classification, or service goes into effect, the Commission may make such orders with reference thereto as would be proper in a proceeding initiated after it had become effective. If the proceeding has not been concluded and an order made at the expiration of the suspension period, on motion of the natural gas company making the filing, the proposed change of rate, charge, classification, or service shall go into effect. Where increased rates or charges are thus made effective, the Commission may, by order, require the natural gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such increase, specifying by whom and in whose behalf such amounts were paid, and, upon completion of the hearing and decision, to order such natural gas company to refund, with interest, the portion of such increased rates or charges by its decision found not justified. At any hearing involving a rate or charge sought to be increased, the burden of proof to show that the increased rate or charge is just and reasonable shall be upon the natural gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.

(f) Authorization of Storage and Storage-Related Services at Market-Based Rates.--(1) In exercising its authority under this Act or the Natural Gas Policy Act of 1978 ([15 U.S.C. 3301](#) et seq.), the Commission may authorize a natural gas company (or any person that will be a natural gas company on completion of any proposed construction) to provide storage and storage-related services at market-based rates for new storage capacity related to a specific facility placed in service after the date of enactment of the Energy Policy Act of 2005, notwithstanding the fact that the company is unable to demonstrate that the company lacks market power, if the Commission determines that--

(A) market-based rates are in the public interest and necessary to encourage the construction of the storage capacity in the area needing storage services; and

(B) customers are adequately protected.

(2) The Commission shall ensure that reasonable terms and conditions are in place to protect consumers.

(3) If the Commission authorizes a natural gas company to charge market-based rates under this subsection, the Commission shall review periodically whether the market-based rate is just, reasonable, and not unduly discriminatory or preferential.

NGA, SEC. 5. FIXING RATE AND CHARGES; DETERMINATION OF COST OF PRODUCTION OR TRANSPORTATION

Sec. 5. (a) Whenever the Commission, after a hearing had upon its own motion or upon complaint of any State, municipality, State commission, or gas distributing company, shall find that any rate, charge, or classification demanded, observed, charged, or collected by any natural-gas company in connection with any transportation or sale of natural gas, subject to the jurisdiction of the Commission, or that any rule, regulation, practice, or contract affecting such rate, charge, or classification is unjust, unreasonable, unduly discriminatory, or preferential, the Commission shall determine the just and reasonable rate, charge, classification, rule, regulation, practice, or contract to be thereafter observed and in force, and shall fix the same by order: *Provided, however,* That the Commission shall have no power to order any increase in any rate contained in the currently effective schedule of such natural-gas company on file with the Commission, unless such increase is in accordance with a new schedule filed by such natural-gas company; but the Commission may order a decrease where existing rates are unjust, unduly discriminatory, preferential, otherwise unlawful, or are not the lowest reasonable rates.

(b) The Commission upon its own motion, or upon the request of any State commission, whenever it can do so without prejudice to the efficient and proper conduct of its affairs, may investigate and determine the cost of the production or transportation of natural gas by a natural-gas company in cases where the Commission has no authority to establish a rate governing the transportation or sale of such natural gas.

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NGA, SEC. 16. ADMINISTRATION POWERS OF COMMISSION; RULES, REGULATIONS, AND ORDERS

Sec. 16. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed. Unless a different date is specified therein, rules and regulations of the Commission shall be effective thirty days after publication in the manner which the Commission shall prescribe. Orders of the Commission shall be effective on the date and in the manner which the Commission shall prescribe. For the purposes of its rules and regulations, the Commission may classify persons and matters within its jurisdiction and prescribe different requirements for different classes of persons or matters. All rules and regulations of the Commission shall be filed with its secretary and shall be kept open in convenient form for public inspection and examination during reasonable business hours.

ATTACHMENT 2

Regulations 18 CFR Sec. 284.13 Reporting requirements for interstate pipelines

§284.13 Reporting requirements for interstate pipelines

An interstate pipeline that provides transportation service under subparts B or G of this part must comply with the following reporting requirements.

(a) *Cross references.* The pipeline must comply with the requirements in Part 358, Part 250, and Part 260 of this chapter, where applicable.

(b) *Reports on firm and interruptible services.* An interstate pipeline must post the following information on its Internet web site, and provide the information in downloadable file formats, in conformity with §284.12 of this part, and must maintain access to that information for a period not less than 90 days from the date of posting.

(1) For pipeline firm service and for release transactions under §284.8, the pipeline must post with respect to each contract, or revision of a contract for service, the following information no later than the first nomination under a transaction:

(i) The full legal name of the shipper, and identification number, of the shipper receiving service under the contract, and the full legal name, and identification number, of the releasing shipper if a capacity release is involved or an indication that the pipeline is the seller of transportation capacity;

(ii) The contract number for the shipper receiving service under the contract, and, in addition, for released transactions, the contract number of the releasing shipper's contract;

(iii) The rate charged under each contract;

(iv) The maximum rate, and for capacity release transactions not subject to a maximum rate, the maximum rate that would be applicable to a comparable sale of pipeline services;

(v) The duration of the contract;

(vi) The receipt and delivery points and zones or segments covered by the contract, including the industry common code for each point, zone, or segment;

(vii) The contract quantity or the volumetric quantity under a volumetric release;

(viii) Special terms and conditions applicable to a capacity release transaction, including all aspects in which the contract deviates from the pipeline's tariff, and special details pertaining to a pipeline transportation contract, including whether the contract is a negotiated rate contract, conditions applicable to a discounted transportation contract, and all aspects in which the contract deviates from the pipeline's tariff.

(ix) Whether there is an affiliate relationship between the pipeline and the shipper or between the releasing and replacement shipper.

(x) Whether a capacity release is a release to an asset manager as defined in §284.8(h)(3) and the asset manager's obligation to deliver gas to, or purchase gas from, the releasing shipper.

(xi) Whether a capacity release is a release to a marketer participating in a state-regulated retail access program as defined in §284.8(h)(4).

(2) For pipeline interruptible service, the pipeline must post on a daily basis no later than the first nomination for service under an interruptible agreement, the following information:

(i) The full legal name, and identification number, of the shipper receiving service;

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- (ii) The rate charged;
- (iii) The maximum rate;
- (iv) The receipt and delivery points covered between which the shipper is entitled to transport gas at the rate charged, including the industry common code for each point, zone, or segment;
- (v) The quantity of gas the shipper is entitled to transport;
- (vi) Special details pertaining to the agreement, including conditions applicable to a discounted transportation contract and all aspects in which the agreement deviates from the pipeline's tariff.
- (vii) Whether the shipper is affiliated with the pipeline.

(c) *Index of customers.* (1) On the first business day of each calendar quarter, an interstate pipeline must file with the Commission an index of all its firm transportation and storage customers under contract as of the first day of the calendar quarter that complies with the requirements set forth by the Commission. The Commission will establish the requirements and format for such filing. The index of customers must also be posted on the pipeline's Internet web, in accordance with standards adopted in §284.12 of this part, and made available from the Internet web site in a downloadable format complying with the specifications established by the Commission. The information posted on the pipeline's Internet web site must be made available until the next quarterly index is posted.

(2) For each shipper receiving firm transportation or storage service, the index must include the following information:

- (i) The full legal name, and identification number, of the shipper;
- (ii) The applicable rate schedule number under which the service is being provided;
- (iii) The contract number;
- (iv) The effective and expiration dates of the contract;
- (v) For transportation service, the maximum daily contract quantity (specify unit of measurement), and for storage service, the maximum storage quantity (specify unit of measurement);
- (vi) The receipt and delivery points and the zones or segments covered by the contract in which the capacity is held, including the industry common code for each point, zone, or segment;
- (vii) An indication as to whether the contract includes negotiated rates;
- (viii) The name of any agent or asset manager managing a shipper's transportation service; and
- (ix) Any affiliate relationship between the pipeline and a shipper or between the pipeline and a shipper's asset manager or agent.

(3) The requirements of this section do not apply to contracts which relate solely to the release of capacity under §284.8, unless the release is permanent.

(4) Pipelines that are not required to comply with the index of customers posting and filing requirements of this section must comply with the index of customer requirements applicable to transportation and sales under Part 157 as set forth under §154.111(b) and (c) of this chapter.

(5) The requirements for the electronic index can be obtained from the Federal Energy Regulatory Commission, Division of Information Services, Public Reference and Files Maintenance Branch, Washington, DC 20426.

(d) *Capacity and flow information.* (1) An interstate pipeline must provide on its Internet web site and in downloadable file formats, in conformity with §284.12 of this part, equal and timely access to information relevant to the availability of all transportation services whenever capacity is

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scheduled, including, but not limited to, the availability of capacity at receipt points, on the mainline, at delivery points, and in storage fields, whether the capacity is available directly from the pipeline or through capacity release, the total design capacity of each point or segment on the system, the amount scheduled at each point or segment whenever capacity is scheduled, and all planned and actual service outages or reductions in service capacity. An interstate pipeline must also provide information about the volumes of no-notice transportation provided pursuant to §284.7(a)(4). This information must be posted at each receipt and delivery point before 11:30 a.m. central clock time three days after the day of gas flow and must reflect the pipeline's best estimate. Updated information must be posted at each receipt and delivery point as necessary within ten business days after the month of gas flow.

(2) An interstate pipeline must make an annual filing by March 1 of each year showing the estimated peak day capacity of the pipeline's system, and the estimated storage capacity and maximum daily delivery capability of storage facilities under reasonably representative operating assumptions and the respective assignments of that capacity to the various firm services provided by the pipeline.

(e) *Semi-annual storage report.* Within 30 days of the end of each complete storage injection and withdrawal season, the interstate pipeline must file with the Commission a report of storage activity. The report must be signed under oath by a senior official, consist of an original and five conformed copies, and contain a summary of storage injection and withdrawal activities to include the following:

(1) The identity of each customer injecting gas into storage and/or withdrawing gas from storage, identifying any affiliation with the interstate pipeline;

(2) The rate schedule under which the storage injection or withdrawal service was performed;

(3) The maximum storage quantity and maximum daily withdrawal quantity applicable to each storage customer;

(4) For each storage customer, the volume of gas (in dekatherms) injected into and/or withdrawn from storage during the period; and (5) The unit charge and total revenues received during the injection/withdrawal period from each storage customer, noting the extent of any discounts permitted during the period.

(f) *Notice of bypass.* An interstate pipeline that provides transportation (except storage) to a customer that is located in the service area of a local distribution company and will not be delivering the customer's gas to that local distribution company, must file with the Commission, within thirty days after commencing such transportation, a statement that the interstate pipeline has notified the local distribution company and the local distribution company's appropriate regulatory agency in writing of the proposed transportation prior to commencement.

[Order 637, 65 FR 10221, Feb. 25, 2000, as amended by Order 637-A, 65 FR 35765, June 5, 2000; Order 2004, 68 FR 69157, Dec. 11, 2003; Order 712, 73 FR 37092, June 30, 2008; Order 720, 73 FR 73517, Dec. 2, 2008; Order 720-B, 75 FR 44900, July 30, 2010]

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ATTACHMENT 3

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

[Docket No. IC11-549B-000]

COMMISSION INFORMATION COLLECTION ACTIVITIES (FERC-549B);
COMMENT REQUEST; EXTENSION

(June 16, 2011)

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of proposed information collection and request for comments.

SUMMARY: In compliance with the requirements of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, 44 USC 3506(c)(2)(A) (2006), (Pub. L. No. 104-13), the Federal Energy Regulatory Commission (Commission or FERC) is soliciting public comment on the proposed information collection described below.

DATES: Comments in consideration of the collection of information are due [insert date that is 60 days after publication in the Federal Register].

ADDRESSES: Commenters must send an original of their comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, NE, Washington, DC 20426. Comments may be filed either on paper or on CD/DVD, and should refer to Docket No. IC11-549B-000. Documents must be prepared in an acceptable filing format and in compliance with Commission submission guidelines at <http://www.ferc.gov/help/submission-guide.asp>. eFiling and eSubscription are not available for Docket No. IC11-549B-000, due to a system issue.

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All comments and FERC issuances may be viewed, printed or downloaded remotely through FERC's eLibrary at <http://www.ferc.gov/docs-filing/elibrary.asp>, by searching on Docket No. IC11-549B. For user assistance, contact FERC Online Support by e-mail at ferconlinesupport@ferc.gov, or by phone at: (866) 208-3676 (toll-free), or (202) 502-8659 for TTY.

FOR FURTHER INFORMATION: Ellen Brown may be reached by e-mail at DataClearance@FERC.gov, telephone at (202) 502-8663, and fax at (202) 273-0873.

SUPPLEMENTARY INFORMATION: The information collected under the requirements of FERC-549B, "Gas Pipeline Rates: Capacity Information", includes both the Index of Customers (IOC) report under Commission regulations at 18 Code of Federal Regulations (CFR) 284.13(c) and three capacity reporting requirements. One of these is in Commission regulations at 18 CFR 284.13(b) and requires reports on firm and interruptible services. The second is at 18 CFR 284.13(d)(1) and requires pipelines make information on capacity and flow information available on their Internet web sites. The third is at 18 CFR 284.13(d)(2) and requires an annual filing of peak day capacity.

CAPACITY REPORTS UNDER 284.13(b) AND 284.13(d)(1)

On April 4, 1992, in Order No. 636 (RM91-11-000), the Commission established a capacity release mechanism under which shippers could release firm transportation and storage capacity on either a short- or long-term basis to other shippers wanting to obtain capacity. Pipelines posted available firm and interruptible capacity information on their

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electronic bulletin boards (EBBs) to inform potential shippers.

On August 3, 1992, in Order No. 636-A (RM91-11-002), the Commission determined through staff audits, that the efficiency of the capacity release mechanism could be enhanced by standardizing the content and format of capacity release information and the methods by which shippers accessed this information, which pipelines posted to their EBBs

On March 29, 1995, through Order 577 (RM95-5-000), the Commission amended §284.243(h) of its regulations to allow shippers the ability to release capacity without having to comply with the Commission's advance posting and bidding requirements.

On February 9, 2000, in Order No. 637 (RM98-10-000), to create greater substitution between different forms of capacity and to enhance competition across the pipeline grid, the Commission revised its capacity release regulations regarding scheduling, segmentation and flexible point rights, penalties, and reporting requirements. This resulted in more reliable capacity information availability and price data that shippers needed to make informed decisions in a competitive market as well as to improve shipper's and the Commission's ability to monitor the market for potential abuses.

PEAK DAY ANNUAL CAPACITY REPORT UNDER 284.13(d)(2)

18 CFR 284.13(d)(2) requires an annual peak day capacity report of all interstate pipelines, including natural gas storage only companies. This report is generally a short report showing the peak day design capacity or the actual peak day capacity achieved, with a short explanation, if needed. The regulation states:

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An interstate pipeline must make an annual filing by March 1 of each year showing the estimated peak day capacity of the pipeline's system, and the estimated storage capacity and maximum daily delivery capability of storage facilities under reasonably representative operating assumptions and the respective assignments of that capacity to the various firm services provided by the pipeline.

This annual report/filing is publicly available, while other more specific interstate pipeline and storage capacity details are filed as CEII, such as the Annual System Flow Diagram (FERC-567) which are not publicly available.

INDEX OF CUSTOMERS UNDER 284.13(c)

In Order 581, issued September 28, 1995 (Docket No. RM95-4-000), the Commission established the IOC quarterly information requirement. This Order required the reporting of five data elements in the IOC filing: the customer name, the rate schedule under which service is rendered, the contract effective date, the contract termination date, and the maximum daily contract quantity, for either transportation or storage service, as appropriate.

In a notice issued separate from Order 581 in Docket No. RM95-4-000, issued February 29, 1996, the Commission, through technical conferences with industry, determined that the IOC data reported should be in tab delimited format on diskette and in a form as proscribed in Appendix A of the rulemaking. In a departure from past practice, a three-digit code, instead of a six-digit code, was established to identify the respondent.

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In Order 637, issued February 9, 2000 (Docket Nos. RM98-10-000 and RM98-12-000), the Commission required the filing of: the receipt and delivery points held under contract and the zones or segments in which the capacity is held, the common transaction point codes, the contract number, the shipper identification number, an indication whether the contract includes negotiated rates, the names of any agents or asset managers that control capacity in a pipeline rate zone, and any affiliate relationship between the pipeline and the holder of capacity. It was stated in the Order that the changes to the Commission's reporting requirements would enhance the reliability of information about capacity availability and price that shippers need to make informed decisions in a competitive market as well as improve shippers' and the Commission's ability to monitor marketplace behavior to detect, and remedy anti-competitive behavior. Order 637 required a pipeline post the information quarterly on its Internet websites instead of on the outdated EBBs.

ACTION: The Commission is requesting a three-year extension of the FERC-549B reporting requirements, with no changes.

BURDEN STATEMENT: The estimated annual public reporting burden for this collection is estimated as:

| FERC-549B Requirement | Number of Respondents Annually (1) | Number of Responses Per Respondent (2) | Average Burden Hours Per Response (3) | Total Annual Burden Hours (1)x(2)x(3) |
|---|---|---|--|--|
| Capacity Reports under 284.13(b) and 284.13(d)(1) | 129 | 6 | 145 | 112,230 |

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| | | | | |
|---|-----|---|----|---------|
| Peak Day Annual Capacity Report under 284.13(d) (2) | 129 | 1 | 10 | 1,290 |
| Index of Customers under 284.13(c) | 129 | 4 | 3 | 1,548 |
| Total | | | | 115,068 |

The total estimated annual cost burden to respondents is \$7,876,183 (115,068 hours/2,080 hours³ per year, times \$142,372⁴). The estimated annual burden per respondent is \$61,056 (rounded).

The reporting burden includes the total time, effort, or financial resources expended to generate, maintain, retain, disclose, or provide the information including: (1) reviewing instructions; (2) developing, acquiring, installing, and utilizing technology and systems for the purposes of collecting, validating, verifying, processing, maintaining, disclosing and providing information; (3) adjusting the existing ways to comply with any previously applicable instructions and requirements; (4) training personnel to respond to a collection of information; (5) searching data sources; (6) completing and reviewing the collection of information; and (7) transmitting or otherwise disclosing the information.

The estimate of cost for respondents is based upon salaries for professional and clerical support, as well as direct and indirect overhead costs. Direct costs include all costs directly attributable to providing this information, such as administrative costs and the cost for information technology. Indirect or overhead costs are costs incurred by an organization

³ Estimated number of hours and employee works each year.

⁴ Estimated average annual cost per employee.

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in support of its mission. These costs apply to activities which benefit the whole organization rather than any one particular function or activity.

Comments are invited on: (1) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology e.g. permitting electronic submission of responses.

Kimberly D. Bose,
Secretary.