

**SUPPORTING STATEMENT FOR  
FERC-549C<sup>1</sup> (Standards for Business Practices of Interstate Natural Gas Pipelines)  
as modified by Final Rule in Docket No. RM96-1-041<sup>2</sup>**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review/approve changes to and the extension of the FERC-549C information collection (Standards for Business Practices of Interstate Natural Gas Pipelines), as stated in the Final Rule in Docket No. RM96-1-041.

The Commission is submitting this consolidated supporting statement to OMB with one ICR for each of the two separate OMB Control Numbers (1902-0154 for FERC-545 and 1902-0174 for FERC-549C). Additionally, each ICR will contain information regarding the extension of each collection (the majority of each collections' requirements remain unchanged) and additional requirements due to the modifications of the Final Rule in Docket. No. RM96-1-041 (Final Rule).

**1. CIRCUMSTANCES THAT MAKE THE COLLECTION OF INFORMATION NECESSARY**

**Final Rule in Docket RM96-1-041**

The Final Rule says in part [footnotes omitted]:

“On September 29, 2017, NAESB filed a report informing the Commission that it had adopted and ratified WGQ Version 3.1 of its business practice standards applicable to natural gas pipelines. The NAESB report identifies all the changes made to the Version 3.0 Standards and summarizes the deliberations that led to the changes. It also identifies changes to the existing standards that were considered but not adopted due to a lack of consensus or other reasons.

On August 21, 2018, the Commission issued a Notice of Proposed Rulemaking (NOPR) proposing to incorporate by reference NAESB WGQ Version 3.1 business

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<sup>1</sup> The submittal to OMB for the NOPR in RM96-1-041 was made under a temporary collection number (and temporary placeholder), FERC-549C1 (OMB Control No. TBD) to enable FERC to submit this package timely to OMB for review under the Paperwork Reduction Act. This was done because another unrelated item was pending OMB review under FERC-549C, and only one item per OMB Control Number can be pending OMB review at a time.

<sup>2</sup> This supporting statement will also contain information concerning the extension of the FERC-549C information collection.

practice standards applicable to natural gas pipelines, with certain enumerated exceptions into its regulations.<sup>3</sup>

Following issuance of the NOPR regarding NAESB's WGQ Version 3.1 business practice standards, the Tennessee Valley Authority (TVA) and the Interstate Natural Gas Association of America (INGAA) filed comments. TVA expresses support for the Commission's proposal to incorporate by reference NAESB's WGQ Version 3.1 business practice standards. INGAA also supports the Commission's proposal in the Version 3.1 NOPR, but urges the Commission to ensure that implementation of a Final Rule in this proceeding does not occur prior to April 1, 2019, which will be after the winter heating season. INGAA states that implementation of a Final Rule in this proceeding will require substantial time and effort from both the pipelines and their customers to alter business systems, scheduling, and coordination processes, and thus it would be best to schedule implementation to not occur during the winter heating season."

In the Final Rule, the Commission amends its regulations in 18 CFR 284.12 to incorporate by reference, with certain enumerated exceptions, the latest version (Version 3.1) of business practice standards applicable to interstate natural gas pipelines (adopted by the Wholesale Gas Quadrant (WGQ) of the North American Energy Standards Board (NAESB)), replacing Version 3.0. Under this Final Rule, interstate natural gas pipelines are required to file compliance filings with the Commission by April 1, 2019, and are required to comply with the standards incorporated by reference in this rule on and after August 1, 2019. Adoption of the Version 3.1 business practice standards will allow NAESB and its members to continue their efforts to update and improve the wholesale natural gas industry's business practice standards, which will benefit all participants in the wholesale natural gas market as shown by the consensus support for the revised standards from all segments of the industry.

### **FERC-549C (renewal)**

The business practice standards under FERC-549C are required to carry out the Commission's policies in accordance with the general authority in Sections 4, 5, 7, 8, 10, 14, 16, and 20 of the Natural Gas Act (NGA) (15 U.S.C. 717c-717w), and Sections 311, 501, and 504 of the Natural Gas Policy Act of 1978 (NGPA) (15 U.S.C. 3301-3432). The Commission adopted these business practice standards in order to update and standardize the natural gas industry's business practices and procedures as well as to improve the efficiency of the gas market and the means by which the gas industry conducts business across the interstate pipeline grid.

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<sup>3</sup> *Standards for Business Practices of Interstate Natural Gas Pipelines*, Notice of Proposed Rulemaking, 83 FR 44521 (Aug. 31, 2018), FERC Stats. & Regs. ¶ 32,728 (Aug. 21, 2018) (Version 3.1 NOPR).

In various orders since 1996<sup>4</sup>, FERC has adopted regulations to standardize the business practices and communication methodologies of interstate natural gas pipelines in order to create a more integrated and efficient pipeline industry. In general, when and if NAESB-proposed standards (e.g., consensus standards developed by the WGQ, an accredited standards organization under the auspices of the American National Standards Institute (ANSI)) are approved by the Commission, the Commission incorporates them by reference into its approval. The process of standardizing business practices in the natural gas industry began with a Commission initiative to standardize electronic communication of capacity release transactions. The outgrowth of the initial Commission standardization efforts produced working groups composed of all segments of the gas industry and ultimately, the Gas Industry Standards Board (GISB), a consensus organization open to all members of the gas industry was created. GISB was succeeded by NAESB.

NAESB<sup>5</sup> is a voluntary non-profit organization comprised of members from the retail and wholesale natural gas and electric industries. NAESB's mission is to take the lead in developing standards across these industries to simplify and expand electronic communication, and to streamline business practices. Core to its objective is to lead to a seamless North American marketplace for natural gas, as recognized by its customers, the business community, industry participants and regulatory bodies. NAESB has divided its efforts among four quadrants, including two retail quadrants, a wholesale electric quadrant, and the WGQ. The NAESB WGQ standards are a product of this effort. Industry participants seeking additional or amended standards (including principles, definitions, standards, data elements, process descriptions, technical implementation instructions) submit a request to the NAESB office, detailing the change, so that the appropriate process may take place to amend the standards.

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

### **Final Rule in Docket RM96-1-041**

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<sup>4</sup> FERC-549C was created in Order No. 587 (July 26, 1996, 61 FR 39053) because interstate natural gas pipelines were required to adopt certain standards for business practices that required changes in the day-to-day operations. In addition, these standards required pipelines to adopt certain mechanisms for electronic communication between the pipelines and those doing business with the pipelines.

<sup>5</sup> Additional information is available on NAESB's website at <http://www.naesb.org/>. NAESB described its standards development process as of January 29, 2013 in "Submittal of Modifications to the NAESB Public Key Infrastructure Standards and Other Standards to support the Public Key Infrastructure (Docket Nos. RM05-5-000 and RM05-5-022)," Appendix E, posted on ferc.gov at <http://elibrary.ferc.gov/idmws/common/opennat.asp?fileID=13165589>. The same process is used by the WGQ in developing standards for interstate natural gas pipelines, with the exception that the composition of the voting segments have been designed to match the participants in the natural gas industry.

The Final Rule in RM96-1-041 requires interstate natural gas pipelines to make a one-time tariff filing to reflect the changes in the updated NAESB standards in FERC-545. The Commission reviews the FERC-549C materials to determine whether proposed transportation and sales rates and terms and conditions of service are just and reasonable. The Commission uses the information to monitor rates and terms and conditions of service related to jurisdictional transportation, natural gas storage, and unbundled sales activities of jurisdictional companies. In addition to fulfilling the Commission's obligations under the NGA, the information enables the Commission to monitor the activities and evaluate transactions of the natural gas industry to ensure competitiveness and improved efficiency of the industry's operations.

### **FERC-549C (renewal)**

The Commission requires the FERC-549C because the NOPR in Docket RM96-1-041 proposes to amend its regulations at 18 CFR 284.12 to incorporate by reference, with certain exceptions, Version 3.1 of business practice standards adopted by NAESB applicable to natural gas pipelines. The Version 3.1 standards also revise the codes used to identify receipt and delivery locations in the Index of Customers.

Failure to collect this information would prohibit the Commission from monitoring and properly evaluating pipeline transactions and meeting statutory obligations under both the NGPA and the NGA.

Additionally, the incorporation by reference of consensus standards helps ensure the reasonableness of these standards because they have enlisted broad support from industry participants representing all segments of the industry. Interstate natural gas pipelines will need to file new tariffs with the Commission only if: a) they do not currently offer multi-party transportation contracts and b) shippers request that the pipeline offer such contracts.

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

#### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

In previous rulemakings,<sup>6</sup> the Commission implemented the capability and requirement for electronic filing of all tariff submissions. FERC also improved the security of submitting those electronic filings and the pipelines' on-line process of appointing and modifying agents with the authority to make a filing on the pipeline's behalf (providing filing companies with greater control over the agents eligible to make specific types of filings on their behalf).

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<sup>6</sup> More information is available on FERC's eTariff page at <http://www.ferc.gov/docs-filing/etariff.asp>.

### **FERC-549C (renewal)**

The information resulting from the FERC-549C data requirements will not be filed at FERC. Instead it will be posted on the pipelines' Internet websites, provided to third parties, or retained by the pipeline. The Internet and current software allow easy access and use of data on the pipelines' Internet websites and for the transmittal of information to users.

#### **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 NO. 2.**

### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

Commission filings and data requirements are periodically reviewed in conjunction with OMB clearance expiration dates. This includes a review of the Commission's regulations and data requirements to identify duplication. No duplication of the information collection requirements has been found.

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

### **Final Rule in Docket RM96-1-041**

The Small Business Administration's (SBA) Office of Size Standards develops the numerical definition of a small business as matched to North American Industry Classification System Codes (NAICS). The SBA (in 13 CFR 121.101) has established a size standard for pipelines transporting natural gas, stating that a firm is a small entity if its annual receipts (including those of its affiliates) are \$27.5 million or less.<sup>7</sup>

### **FERC-549C (renewal)**

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<sup>7</sup> U.S. Small Business Administration, Table of Small Business Size Standards for Pipeline Transportation of Natural Gas, NAICS Code 486210, available at [https://www.sba.gov/sites/default/files/files/Size\\_Standards\\_Table.pdf](https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf), Subsector 486. Matched to North American Industry Classification System Codes, Natural Gas Pipeline Transportation, NAICS Code 486210, page 27, July 14, 2014, available at [https://www.sba.gov/sites/default/files/files/Size\\_Standards\\_Table.pdf](https://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf), Subsector 486.

The FERC-549C information collection will impact the proposed business standards, practices and procedures for the day-to-day operations of major and a few non-major natural gas companies. These transactions would occur even without the standards, but the standards assure they are conducted in a standardized manner. The business practice standards are designed to benefit all customers, including small businesses. The Commission allows for extensions of time and for waivers of the business practice standards, when appropriate. Such extensions or waivers are based on a pipeline's individual circumstances, including the size of the pipeline. For smaller pipelines, the Commission has granted waivers of some of the standards when such pipelines have shown that complying with such standards would prove unduly burdensome.

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

### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

FERC-545 is a one-time compliance filing. Failure to collect the information would prohibit the Commission from properly monitoring and evaluating pipeline transactions and meeting statutory obligations under the NGPA and NGA.

## **7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION**

### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

The FERC-549C presents no special circumstances.

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

### **Final Rule in Docket RM96-1-041 and FERC-545 (renewal)**

The Commission's outside consultation was in the form of a notice of proposed rulemaking (NOPR)<sup>8</sup> that included the Commission's best estimate of the burden imposed by compliance with the requirements proposed in the NOPR, as well as the availability of waivers, where requested and appropriate. Interested persons were notified through publication in the Federal Register that they could file comments on the proposals in the NOPR, including the burden estimate. In addition, potential commenters were specifically informed that they could file comments on the proposed collection of information and associated burden directly with OMB. There were two comments filed with the Commission in response to the NOPR. All were

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<sup>8</sup> Issued on 8/21/2018; published on 8/31/2018 (83 FR 44521)

generally supportive of the Commission's proposals and raised no concerns about the burden estimate in the NOPR. There were also no concerns about the burden estimate filed with OMB. Accordingly, the Commission used the same estimate in its Final Rule.<sup>9</sup>

The Commission also issued a 60-day public notice<sup>10</sup> and a 30-day public notice<sup>11</sup> concerning the renewal of currently approved burden for the FERC-549C information collection. No comments were received from the public in response to either of those notices.

## 9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

There are no payments or gifts made or given to respondents associated with collections FERC-549C and the Final Rule.

## 10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

The FERC-549C data is public. In general, for all submittals to the Commission, filers may submit specific requests for confidential treatment to the extent permitted by law; details are available in 18 C.F.R. Section 388.112.

## 11. PROVIDE ADDITIONAL JUSTIFICATION FOR ANY QUESTIONS OF A SENSITIVE NATURE, SUCH AS SEXUAL BEHAVIOR AND ATTITUDES, RELIGIOUS BELIEFS, AND OTHER MATTERS THAT ARE COMMONLY CONSIDERED PRIVATE.

### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

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

## 12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

### **Final Rule in Docket RM96-1-041**

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<sup>9</sup> Issued on 11/15/2018; published on 12/3/2018 (83 FR 62242)

<sup>10</sup> Publication in the Federal Register occurred on 8/16/2018 (83 FR 40759)

<sup>11</sup> Publication in the Federal Register occurred on 10/31/2018 (83 FR 54737)

The following estimates of reporting burden are related only to this Final Rule in RM96-1-041 and anticipate the costs to pipelines for compliance. The burden estimates are primarily related to start-up to implement these standards and regulations and will not result in ongoing costs.

| <b>RM96-1-041 Final Rule (Standards for Business Practices of Interstate Natural Gas Pipelines)</b> |   |  |   |  |   |   |
|---|---|--|---|--|---|---|
|   | <b>Number of Respondents<sup>12</sup></b><br><b>(1)</b> | <b>Annual Number of Responses per Respondent</b><br><b>(2)</b> | <b>Total Number of Responses (1)*(2)=</b><br><b>(3)</b> | <b>Average Burden Hr. Per Response</b><br><b>(4)</b> | <b>Total Annual Burden Hours &amp; Total Annual Cost<sup>13</sup></b><br><b>(3)*(4)=(5)</b> | <b>Annual Costs Per Respondent (\$)</b><br><b>(5) * (1) = (6)</b> |
| FERC-545 (one-time)   | 165   | 1  | 165   | 10 hrs.;<br>\$1,020                                  | 1,650 hrs.;<br>\$168,000  | \$1,020   |
| FERC-549C (one-time)  | 165   | 1  | 165   | 22 hrs.;<br>\$2,244                                  | 3,630 hrs.;<br>\$370,260  | \$2,244   |
| <b>TOTAL</b>  |   |  | 330   |  | 5,280 hrs.;<br>\$538,560  |   |

The one-time burden (for both the FERC-545 and FERC-549C) will be averaged over three years:

FERC-545: 1,650 hours ÷ 3 = 550 hours/year over three years

FERC-549C: 3,630 hours ÷ 3 = 1,210 hours/year over three years

The number of responses is also averaged over three years (for both the FERC-545 and FERC-549C):

FERC-545: 165 responses ÷ 3 = 55 responses/year

FERC-549C: 165 responses ÷ 3 = 55 responses/year

The responses and burden for Years 1-3 will total respectively as follows:

<sup>12</sup> The number of respondents is the number of entities upon which a change in burden from the current standards to the proposed will be observed. It is not the total number of entities to which the current or proposed standards are applicable.

<sup>13</sup> The estimated hourly cost (salary plus benefits) provided in this section is based on the salary figures for May 2017 posted by the Bureau of Labor Statistics for the Utilities sector (available at [https://www.bls.gov/oes/current/naics3\\_221000.htm](https://www.bls.gov/oes/current/naics3_221000.htm)) and scaled to reflect benefits using the relative importance of employer costs in employee compensation from May 2017 (available at <http://www.bls.gov/news.release/ecec.nr0.htm>). The hourly estimates for salary plus benefits are:

Computer and Information Systems Manager (Occupation Code: 11-3021), \$96.51

Electrical Engineer (Occupation Code: 17-2071), \$66.90

Legal (Occupation Code: 23-0000), \$143.68

The average hourly cost (salary plus benefits), weighting all of these skill sets evenly, is \$102.36. The Commission rounds it to \$102/hour.

FERC-549C (OMB Control No. 1902-0174)  
 Docket No. RM96-1-041 Final Rule (issued 11/15/2018)  
 RIN: 1902-AF54  
 Updated: 2/12/2019

Year 1: 55 responses; 550 hours (FERC-545); 1,210 hours (FERC-549C)  
 Year 2: 55 responses; 550 hours (FERC-545); 1,210 hours (FERC-549C)  
 Year 3: 55 responses; 550 hours (FERC-545); 1,210 hours (FERC-549C)

**FERC-549C (removal of one-time burden)**

Also, FERC staff is removing a one-time requirement that is outside of its implementation period, has been completed, and should no longer apply the FERC-549C reporting burden:

- Implementation of New Standards and 1 Added Intraday Nomination Cycle<sup>14</sup>: 80 responses and 13,200 hours annually (averaged over Years 1-3)<sup>15</sup>

**FERC-549C (renewal)**

| <b>FERC-549C: Standards for Business Practices of Interstate Natural Gas Pipelines</b> |                                      |  |  |  |   |   |
|--|--------------------------------------|--|--|--|---|---|
|  | <b>Number of Respondents<br/>(1)</b> | <b>Average Number of Responses per Respondent<br/>(2)=(3)÷(1)<sup>16</sup></b> | <b>Total Number of Responses<br/>(3)</b> | <b>Average Burden Hrs. &amp; Cost (\$)<br/>Per Response<sup>17</sup><br/>(4)</b> | <b>Total Annual Burden Hours &amp; Total Annual Cost (\$)<br/>(3)*(4)=(5)</b> | <b>Cost per Respondent (rounded)<br/>(\$)<br/>(5)÷(1)</b> |
| Standards for Business Practices of Interstate Natural Gas Pipelines                   | 165                                  | 2.97   | 490                                      | 96 hrs.;<br>\$8,928  | 47,040 hrs.;<br>\$4,374,720   | \$26,513  |

<sup>14</sup> The RM14-2-000 Final Rule (Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities) was issued on 4/16/2015; reporting requirements were completed on 2/1/2016.

<sup>15</sup> There is an ongoing component of this category of 250 responses and 30,113 hours per year, which are retained in the IC.

<sup>16</sup> The average number of responses per respondent were calculated by dividing the total number of responses (Column 3) in each category by the number of responses (Column 1).

<sup>17</sup> The estimated hourly cost (salary plus benefits) provided in this section is based on the salary figures ([https://www.bls.gov/oes/current/naics3\\_221000.htm](https://www.bls.gov/oes/current/naics3_221000.htm)) and benefits (<http://www.bls.gov/news.release/ecec.nr0.htm>) for May 2017 posted by the Bureau of Labor Statistics for the Utilities sector. The hourly estimates for salary plus benefits are:

- Petroleum Engineer (Occupation Code: 17-2171), \$71.62
- Computer Systems Analyst (Occupation Code: 15-1121), \$67.82
- Legal (Occupation Code: 23-0000), \$143.68
- Economist (Occupation Code: 19-3011), \$71.98

The average hourly cost (salary plus benefits) is calculated weighting each of the aforementioned wage categories as follows: \$71.62 (0.3) + \$143.68 (0.3) + \$67.82 (0.15) + \$71.98 (0.25) = \$92.76. The Commission rounds it to \$93/hour.

**Total requested responses and burden for FERC-549C:**

Annual response: 55 response/year (due to Final Rule in RM96-1-041) + 490 responses/year (FERC-549C renewal) = 545 responses/year.

Annual hourly burden 1,210 hours (due to Final Rule in R96-1-041) + 47,040 hours (FERC-549C renewal) = 48,250 hours/year.

**13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS**

**Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

There are no capital or start-up costs for the requirements in the Final Rule in RM96-1-041 that are not associated with the burden hours. All of the costs are related to burden hours and are detailed in Paragraphs 12 and 15.

**14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT**

The following federal costs relate only to the new requirements in the Final Rule.

|   | <b>Number of Hours or FTE's</b> | <b>Estimated Annual Federal Cost (\$) <sup>18</sup></b> |
|---|---------------------------------|---|
| PRA <sup>19</sup> Administration Cost <sup>20</sup>   | -                               | \$ 4,193 <sup>21</sup>                                  |
| Data Processing and Analysis, Sub-Total <sup>22</sup> | 1 <sup>23</sup>                 | \$164,820   |
| <i>FERC-545</i>                                       | 0.75                            | \$123,615   |
| <i>FERC-549C</i>                                      | 0.25                            | \$41,205  |
| <b>FERC Total</b>                                     | <b>1</b>                        | <b>\$164,820</b>  |

<sup>18</sup> Based on FERC's Fiscal Year 2018 average cost per FTE (salary plus benefits) of \$164,820 per year (or 2,080 work hours), rounded to \$79.00 per hour.

<sup>19</sup> Paperwork Reduction Act of 1995 (PRA)

<sup>20</sup> The PRA Administration Cost is \$ 4,931, and includes preparing supporting statements, notices, and other activities associated with Paperwork Reduction Act compliance.

<sup>21</sup> This cost will be applied to both the FERC-545 and FERC-549C information collections as related to their respective ICRs.

<sup>22</sup> The estimate of federal FTE's and the indicated split between FERC-545 and FERC-549C is based on staff's experience and the fact that the FERC-545 filings are one-time filings, with the FERC-549C requirements both one-time and on-going.

<sup>23</sup> The 1 FTE we are estimating here in connection with the issuance of the Final Rule in Docket No. RM96-1-041 does not represent an additional FTE.

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

### **Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

**FERC-549C (as affected by the Final Rule in RM96-1-041).** The Final Rule in RM96-1-041 amends the Commission's regulations at 18 CFR 284.12(a) to incorporate by reference the latest version (Version 3.1) of seven business practice standards applicable to interstate natural gas pipelines adopted by NAESB's WGQ. By incorporating these standards by reference into the Commission's regulations the Commission has made compliance mandatory and enforceable. Non-compliance, absent a specific waiver, violates the Commission's regulations as well as the terms of each pipeline's tariff. The final rule revises and replaces the existing incorporated business practices standards (the Version 3.0 standards) to make two substantive revisions to its Nominations Related Standards, one to establish a standard rounding process for elapsed-prorated-scheduled quantity calculations, and a second to revise the specifications for the information to be included in a nomination request.

NAESB also adopted three revisions to the Quadrant Electronic Delivery Mechanism Related Standards. First, it has increased the allowable field length in ASCII Comma Separated Value Files to 3000 characters. Second, it has adopted new Standard 4.3.106 to allow checkboxes and radio buttons in the Transmission Service Providers' Electronic Bulletin Boards. Third, NAESB modified its standards to update the operating systems and web browsers that entities should support on behalf of users. Additionally, clarifying language was added to the Secure Sockets Layer/Transport Layer Security protocols.

Other changes adopted by NAESB to the business practice standards included changes to the NAESB WGQ data sets and other technical implementation documentation as well as revisions to the Flowing Gas Related data sets and technical implementation. Further, NAESB revised the Imbalance Trade data set and revised two Senders Option data elements. In addition, NAESB adopted revisions to the Capacity Release Related data sets and technical implementation. NAESB also revised Standard 6.3.1 (i.e., the NAESB Base Contract for Sale and Purchase of Natural Gas) to add language directing users to NAESB's copyright disclaimer posted on the NAESB website. Identical language was added to three additional NAESB WGQ Contracts.

Lastly, NAESB added a self-identification provision that assists end users in determining whether counterparties are commercial market participants as defined by the United States Commodity Futures Trading Commission.

**FERC-549C, Other Program Changes Not Related to RM96-1-041.** As mentioned in Question #12, FERC staff is removing a one-time requirement that is outside of its

implementation period, has been completed, and should no longer apply the FERC-549C reporting burden:

- Implementation of New Standards and 1 Added Intraday Nomination Cycle: 80 responses and 13,200 hours annually (averaged over Years 1-3)<sup>24</sup>

**FERC-549C (changes due to Adjustment in Estimate)**

FERC subject-matter experts revised the organization and labelling for the reporting requirements based on their actual organization in FERC regulations. This more granular approach allowed a more thorough review of the FERC-549C information collection. The existing FERC-549 reporting burden experienced changes: 1) a small decrease in annual filers (5 less responses per year) and 2) revised burden per response as related to each reporting requirement (which resulted in an additional 13,297 hours per year industry wide).

Also, in ROCIS, the IC containing this one-time requirement contained ongoing requirements in the amounts of 250 responses and 30,113 hours annually.

**Total requested responses and burden for FERC-549C:**

Annual response: 55 responses/year (due to Final Rule in RM96-1-041) + 490 responses/year (FERC-549C renewal) = 545 responses/year.

Annual hourly burden 1,210 hours (due to Final Rule in R96-1-041) + 47,040 hours (FERC-549C renewal) = 48,250 hours/year.

**Summary table** of changes to burden hours, with current approved inventory, as listed in ROCIS and reginfo.gov follow. (The additional implementation burden due to the Final Rule in RM96-1-041 is being averaged over Years 1-3, as discussed in #12 above.)

|                            | <b>Total Request</b> | <b>Previously Approved</b> | <b>Change due to Adjustment in Estimate</b> | <b>Change Due to Agency Discretion</b> |
|----------------------------|----------------------|----------------------------|---|--|
| <b>FERC-549C</b>           |                      |                            |   |  |
| Annual Number of Responses | 545                  | 495                        | 75  | -25                                    |
| Annual Time Burden (Hr.)   | 48,250               | 46,943                     | 13,297                                      | -11,990                                |

<sup>24</sup> The 13,200 hour reduction is reflected in the Summary table by the net reduction of 11,900 hours in the Change Due to Agency Discretion column [-13,200 hours (one-time) + 1,210 hours (one-time due to RM96-1-041 Final Rule) = -11,990].

|                         |     |     |     |     |
|-------------------------|-----|-----|-----|-----|
| Annual Cost Burden (\$) | \$0 | \$0 | \$0 | \$0 |
|-------------------------|-----|-----|-----|-----|

**16. TIME SCHEDULE FOR PUBLICATION OF DATA**

**Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

There are no publications of the information.

**17. DISPLAY OF EXPIRATION DATE**

**Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

The expiration dates are displayed on [ferc.gov](http://www.ferc.gov) with links to the updated table from <http://www.ferc.gov/docs-filing/info-collections.asp>.

**18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

**Final Rule in Docket RM96-1-041 and FERC-549C (renewal)**

There are no exceptions.