

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

[Docket No. IC22-2-000]

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

(January 20, 2022)

**AGENCY:** Federal Energy Regulatory Commission.

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

**SUMMARY:** In compliance with the requirements of the Paperwork Reduction Act of 1995, the Federal Energy Regulatory Commission (Commission or FERC) is soliciting public comment on the currently approved information collection, FERC-549C, (Standards for Business Practices of Interstate Natural Gas Pipelines), which will be submitted to the Office of Management and Budget (OMB) for review.

**DATES:** Comments on the collection of information are due [**INSERT DATE 30 days after date of publication in the Federal Register**].

**ADDRESSES:** Send written comments on FERC-549C to OMB through

[www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Attention: Federal Energy Regulatory

Commission Desk Officer. Please identify the OMB Control Number (1902-0174) in the subject line of your comments. Comments should be sent within 30 days of publication of this notice to [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain).

Please submit copies of your comments to the Commission. You may submit copies of your comments (identified by Docket No. IC22-2-000) by one of the following methods:

Electronic filing through <http://www.ferc.gov>, is preferred.

- Electronic Filing: Documents must be filed in acceptable native applications and print-to-PDF, but not in scanned or picture format.
- For those unable to file electronically, comments may be filed by USPS mail or by hand (including courier) delivery.
  - Mail via U.S. Postal Service Only: Addressed to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, N.E., Washington, DC 20426.
  - Hand (including courier) delivery: Deliver to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

*Instructions:* OMB submissions must be formatted and filed in accordance with submission guidelines at [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). Using the search function under the “Currently Under Review” field, select Federal Energy Regulatory Commission; click “submit,” and select “comment” to the right of the subject collection.

*FERC submissions* must be formatted and filed in accordance with submission guidelines at: <http://www.ferc.gov>. For user assistance, contact FERC Online Support by e-mail at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or by phone at: (866) 208-3676 (toll-free).

*Docket:* Users interested in receiving automatic notification of activity in this docket or in viewing/downloading comments and issuances in this docket may do so at <https://www.ferc.gov/ferc-online/overview>.

**FOR FURTHER INFORMATION CONTACT:** Ellen Brown may be reached by e-mail at [DataClearance@FERC.gov](mailto:DataClearance@FERC.gov), telephone at (202) 502-8663.

**SUPPLEMENTARY INFORMATION:****1. FERC-549C**

*Title:* FERC-549C, Standards for Business Practices of Interstate Natural Gas Pipelines

*OMB Control No.:* 1902-0174

*Type of Request:* Three-year extension of the FERC-549C information collection requirements with no changes to the current reporting requirements. No comments were received on the 60 day notice published on November 15, 2021 (86 FR 63010).

*Abstract:* 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),<sup>1</sup> and sections 311, 501, and 504 of the Natural Gas Policy Act of 1978 (NGPA).<sup>2</sup> The Commission adopted these business practice standards in order to update and standardize the natural gas industry's business practices and procedures in addition to improving the efficiency of the gas market and the means by which the gas industry conducts business across the interstate pipeline grid. In various orders since 1996, the Commission has adopted regulations to standardize the business practices and communication methodologies of interstate natural gas pipelines proposed by the North American Energy Standards Board (NAESB) in order to create a more integrated and efficient pipeline industry.<sup>3</sup> Generally, when and if NAESB-proposed standards (e.g. consensus standards developed by the Wholesale Gas Quadrant

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<sup>1</sup> 15 U.S.C. 717c-717w

<sup>2</sup> 15 U.S.C. 3301-3432

<sup>3</sup> This series of orders began with the Commission's issuance of *Standards for Business Practices of Interstate Natural Gas Pipelines*, Order No. 587, FERC Stats. & Regs. ¶ 31,038 (1996).

(WGQ)<sup>4</sup>) 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 natural gas industry. The Gas Industry Standards Board (GISB) is a consensus organization open to all members of the gas industry was created. GISB was succeeded by NAESB. NAESB 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. NAESB's core objective is to facilitate 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 (to include principles, definitions, standards, data elements, process descriptions, and technical implementation instructions) must submit a request to the NAESB office, detailing the change, so that the appropriate process may take place to amend the standards.

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<sup>4</sup> An accredited standards organization under the auspices of the American National Standards Institute (ANSI).

Failure to collect the FERC-549C data would prevent the Commission from monitoring and properly evaluating pipeline transactions and/or meeting statutory obligations under both the NGA and NGPA.

On August 17, 2020, NAESB filed a report informing the Commission that it had adopted and ratified WGQ Version 3.2 of its business practice standards applicable to interstate natural gas pipelines. Version 3.2 of the WGQ includes business practice standards developed and modified in response to industry requests and directives from the NAESB Board of Directors. This version also includes the standards developed in response to the recommendations of Sandia National Laboratory (Sandia),<sup>5</sup> which in 2019 issued a cybersecurity surety assessment of the NAESB standards sponsored by DOE (Sandia Surety Assessment),<sup>6</sup> and the standards developed to enable the use of distributed ledger technologies when transacting the NAESB Base Contract for Sale and Purchase of Natural Gas. The NAESB report identifies all the changes made to the WGQ Version 3.1

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<sup>5</sup> Sandia is a multidisciplinary national laboratory and federally funded research and development center for the U.S. Department of Energy's (DOE) National Nuclear Security Administration that supports numerous federal, state, and local government agencies, companies, and organizations.

<sup>6</sup> In April 2017, NAESB announced that Sandia, through funding provided by DOE, would be performing a surety assessment of the NAESB standards. As determined by Sandia and DOE, the purpose of the surety assessment was to analyze cybersecurity elements within the standards, focusing on four areas: (1) the NAESB Certification Program for Accredited Certification Authorities, including the Wholesale Electric Quadrant (WEQ)-012 Public Key Infrastructure Business Practice Standards, the NAESB Accreditation Requirements for Authorized Certificate Authorities, and the Authorized Certification Authority Process; (2) the WEQ Open Access Same-Time Information Systems suite of standards; (3) the WGQ and Retail Markets Quadrant Internet Electronic Transport (IET) and Quadrant Electronic Delivery Mechanism (EDM) Related Standards Manual; and (4) a high-level dependency analysis between the gas and electric markets to evaluate the different security paradigms the markets employ.

Standards and summarizes the deliberations that led to the changes being made. It also identifies changes to the existing standards that were considered but not adopted due to a lack of consensus or other reasons.

*Type of Respondents:* Natural gas pipelines under the jurisdiction of NGA and NGPA.

*Estimate of Annual Burden.*<sup>7</sup> The Commission estimates the total annual burden and cost for this information collection as follows:<sup>8</sup>

<b>FERC-549C: Standards for Business Practices of Interstate Natural Gas Pipelines</b>						
	<b>Number of Respondents (1)</b>	<b>Average Number of Responses per Respondent (2)</b>	<b>Total Number of Responses (1)*(2) =(3)</b>	<b>Average Burden &amp; Cost Per Response<sup>9</sup> (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)</b>

<sup>7</sup> “Burden” is the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. For further explanation of what is included in the information collection burden, refer to Title 5 Code of Federal Regulations 1320.3.

<sup>8</sup> Commission staff estimates that the industry’s skill set and cost (for wages and benefits) for FERC-549C are approximately the same as the Commission’s average cost. The FERC 2021 average salary plus benefits for one FERC full-time equivalent (FTE) is \$180,703/year (or \$87.00/hour) 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))

<sup>9</sup> The estimated hourly cost (salary plus benefits) provided in this section is based on the salary figures for May 2021 posted by the Bureau of Labor Statistics for the Utilities sector (available at [http://www.bls.gov/oes/current/naics2\\_22.htm#13-0000](http://www.bls.gov/oes/current/naics2_22.htm#13-0000)) and scaled to reflect benefits using the relative importance of employer costs in employee compensation from June 2021 (available at [https://www.bls.gov/oes/current/naics2\\_22.htm](https://www.bls.gov/oes/current/naics2_22.htm)). The hourly estimates for salary plus benefits are:

- Petroleum Engineer (Occupation Code: 17-2171), \$74.20
- Computer Systems Analysts (Occupation Code: 15-1120), \$67.99
- Legal (Occupation Code: 23-0000), \$142.25
- Economist (Occupation Code: 19-3011), \$75.75

The average hourly cost (salary plus benefits) is calculated weighting each of the aforementioned wage categories as follows: \$74.20 (0.3) + \$142.25 (0.3) + \$67.99 (0.15) + \$75.75 (0.25) = \$94.07.

Burden from Final Rule RM96-1-42 (NAESB Version 3.2)	59.33	1	59.33	100 hrs.; \$9,407	5,933.33 hrs.; \$558,148.35	\$9,407
Standards for Business Practices of Interstate Natural Gas Pipelines	165	2.96	490	96 hrs.; \$9,030.72	47,040 hrs.; \$4,425,052.80	\$26,818.50
<b>Total for FERC-549C</b>			549.33		52,973.33 hrs.; \$4,983,201.15	

*Comments:* Comments are invited on: (1) whether the 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 and cost of the collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information collection; and (4) ways to minimize the burden of the collection of information on those who are to respond, including the use of automated collection techniques or other forms of information technology.

Kimberly D. Bose,  
Secretary.