**SUPPORTING STATEMENT FOR**

**RM96-1-043 and**

**FERC-545**, **Gas Pipeline Rates: Rate Change (Non-Formal),**

**OMB Control Number 1902-0154**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review the revision of the FERC-545 information collection, Gas Pipeline Rates: Rate Change (Non-Formal), OMB Control Number 1902-0154 in connection with the Final Rule in Docket No. RM96-1-043*.*

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

In the Final Rule, the Commission amends its regulations at 18 CFR 284.12 to incorporate by reference, with certain enumerated exceptions, Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board (NAESB).[[1]](#footnote-3) These amendments would affect FERC-545 and FERC-549C. This supporting statement addresses the changes to FERC-545. A separate supporting statement addresses the changes to FERC-549C.

FERC-545 is involved in the Commission’s compliance with sections 4, 5, and 16 of the Natural Gas Act (NGA).[[2]](#footnote-4) NGA Sections 4, 5, and 16 authorize the Commission to inquire into rate structures and methodologies and to set rates at a just and reasonable level. Specifically, a natural gas company must obtain Commission authorization for all rates and charges made, demanded, or received in connection with the transportation or sale of natural gas in interstate commerce.

Under the NGA, a natural gas company’s rates must be just and reasonable and not unduly discriminatory or preferential. The Commission may act under different sections of the NGA to effect a change in a natural gas company’s rate. When the Commission reviews rate increases that a natural gas company has proposed, it is subject to the requirement of section 4(e) of the NGA. Under section 4(e), the natural gas company bears the burden of proving that its proposed rates are just and reasonable. On the other hand, when the Commission seeks to impose its own rate determination, it must do so in compliance with section 5(a) of the NGA. Under section 5, the Commission must first establish that its alternative rate proposal is both just and reasonable.

Section 16 of the NGA states that the Commission “shall have the 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 provisions of [the NGA].” In other words, section 16 of the NGA grants the Commission the power to define accounting, technical and trade terms, prescribe forms, statements, declarations or reports and to prescribe rules and regulations.

Pipelines adjust their tariffs to meet market and customer needs. Commission review of these proposed changes is required to ensure rates remain just and reasonable and that services are not provided in an unduly or preferential manner. The Commission’s regulation in 18 C.F.R. Part 154 specifies what changes are allowed and the procedures for requesting Commission approval.

The Commission sets rates for interstate pipeline services in several types of proceedings. For example, when a pipeline files to increase its rates, it makes a filing with the Commission under section 4 of the NGA. These types of filings are referred to as general section 4 rate cases. In the subsequent proceedings under section 4, the Commission reviews all of a pipeline’s rates and services. A pipeline can file a general section 4 rate case anytime it wishes, provided the pipeline did not agree otherwise in a settlement. A pipeline must demonstrate that the new rates it proposes to charge are just and reasonable. When a rate increase filing is made pursuant to section 4, the application is typically suspended and set for hearing by a Commission Order.

Since 1996, the Commission has adopted regulations to standardize the business practices and communication methodologies of interstate natural gas pipelines to create a more integrated and efficient pipeline grid. These regulations have been promulgated in the Order No. 587 series of orders,[[3]](#footnote-5) wherein the Commission has incorporated by reference standards for interstate natural gas pipeline business practices and electronic communications that were developed and adopted by the Wholesale Gas Quadrant (WGQ) of the North American Energy Standards Board (NAESB). Upon incorporation by reference, Version 4 of the standards will replace the currently incorporated Version 3.2 of those business practice standards.

On October 2, 2023, NAESB filed a notice that it had approved Version 4.0 to replace the currently incorporated version (Version 3.2) of those business practice standards (Informational Report).[[4]](#footnote-6) The implementation of these standards and regulations will promote greater efficiency and reliability of the natural gas industries’ operations and strengthen the cybersecurity protections provided within the standards.**[[5]](#footnote-7)**

WGQ Version 4.0 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),**[[6]](#footnote-8)** which in 2019 issued a cybersecurity surety assessment of the NAESB standards sponsored by DOE.**[[7]](#footnote-9)**

The NAESB Informational Report identifies all the changes made to the WGQ Version 4 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.

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

The following information is the subject of the FERC-545 information collection: (1) tariff filings and any related compliance filings; (2) rate case filings and any related compliance filings; (3) informational reports; (4) negotiated rates; (5) non-conforming agreement filings; and (6) NAESB Activity (tariff portion only). In summary, the Commission uses the FERC-545 information to (1) ensure there are adequate customer protections under section 4 of the NGA; (2) review rates and terms and conditions of service changes by natural gas companies for the transportation and storage of natural gas; (3) provide general industry oversight; and (4) supplement documentation during FERC’s audits process.

The Commission reviews the FERC-545 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.

Consistent with our practice since Order No. 587-V, each pipeline must designate a single tariff section under which every NAESB WGQ Standard incorporated by reference by the Commission is listed. For each standard, the pipeline must specify in the tariff section or tariff sheet(s) listing all the NAESB standards:

1. whether the standard is incorporated by reference;
2. for those standards not incorporated by reference, the tariff provision that complies with the standard; or
3. for those standards with which the pipeline does not comply, an explanatory statement, including an indication of whether the pipeline has been granted a waiver, extension of time, or other variance with respect to compliance with the standard.**[[8]](#footnote-10)**

A sample tariff format is posted, to provide filers an illustrative example to aid them in preparing their compliance filings. Consistent with our policy since Order No. 587-V,**[[9]](#footnote-11)** requests for waivers that do not meet the requirements set forth in Order No. 587-V will not be granted. In particular, as we explained in Order No. 587-V, waivers are unnecessary and will not be granted when the standard applies only on condition the pipeline performs a business function and the pipeline currently does not perform that function.**[[10]](#footnote-12)** If the pipeline is requesting a continuation of an existing waiver or extension of time, it must include a table in its transmittal letter that identifies the standard for which the Commission granted a waiver or extension of time, and the docket number or order citation to the proceeding in which the Commission granted the waiver or extension of time. The pipeline also must present an explanation for why such waiver or extension of time should remain in force with regard to the WGQ Version 4 Standards. This continues our practice of having pipelines include in their tariffs a common location that identifies the way in which the pipeline is incorporating all the NAESB WGQ Standards and the standards with which it is required to comply.

The Final Rule revises the information collection activities in FERC-545 by modifying the “Charge Type Rate” data element contained in the data set for the Transportation/Sales Invoice standard that allows for the identification of multiple rates that may be applicable for a single transaction or service.

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

The Commission has improved the security for submitting electronic tariff filings. In addition, the Commission improved the pipelines’ on-line process of appointing and modifying agents with the authority to make an electronic tariff filing on the pipeline’s behalf.

1. **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.**

Commission filings and data requirements are periodically reviewed in conjunction with OMB clearance expiration dates. No duplication of the information collection requirements has been found.

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

The FERC-545 are filing requirements related to pipeline rate filing obligations for the transportation and storage of natural gas. The filings collect data from both large and small respondent companies. The data required were designed to impose the least possible burden for companies, while collecting the information required for processing the filings. Use of the Internet to file documents electronically is the primary method the Commission uses to minimize the filing burden.

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

The 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 Natural Gas Policy Act and Natural Gas Act.

1. **EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION**

The FERC-545 presents no special circumstances.

1. **DESCRIBE EFFORTS TO CONSULT OUTSIDE THE AGENCY: SUMMARIZE PUBLIC COMMENTS AND AGENCY'S RESPONSE TO THESE COMMENTS**
2. The Commission published the NOPR on April 5, 2024 (89 FR 23954) and invited public comments until June 4, 2024. The Final Rule published on XX/XX/XX addresses: On October 2, 2023, NAESB filed a report (Informational Report) informing the Commission that it had adopted and ratified WGQ Version 4.0 of its business practice standards applicable to interstate natural gas pipelines. WGQ Version 4.0 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 Laboratories (Sandia),**[[11]](#footnote-13)** which in 2019 issued a DOE-sponsored cybersecurity surety assessment of the NAESB standards.**[[12]](#footnote-14)**

NAESB’s Informational Report identifies all the changes made to the WGQ Version 3.2 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.

On March 21, 2024, the Commission issued a Notice of Proposed Rulemaking proposing to amend its regulations to incorporate by reference, with certain enumerated exceptions, the WGQ Version 4.0 business practice standards applicable to interstate natural gas pipelines.**[[13]](#footnote-15)**

On May 21, 2024, NAESB submitted, and the Commission noticed for comment, an errata filing to update the Informational Report, noting a minor correction to an existing WGQ standard.**[[14]](#footnote-16)** The standard supports the communication of invoices between trading partners, including transactions for natural gas transportation and sales and related charges and/or allowances. NAESB states that it adopted and ratified the changes for that standard on March 23, 2020, which became effective on November 3, 2020, but were inadvertently omitted from WGQ Version 3.2 and WGQ Version 4.0. The minor correction revised the Electronic Delivery Mechanism (EDI) X12 Mapping Guidelines for existing WGQ standard 3.4.1 – Transportation/Sales Invoice to add code values for five data elements.**[[15]](#footnote-17)**

In response to the WGQ Version 4.0 NOPR, the American Gas Association (AGA) and the Interstate Natural Gas Association (INGAA) filed comments. AGA expresses support of the Commission’s proposed rulemaking as well as the minor correction submitted by NAESB on May 21, 2024.**[[16]](#footnote-18)** INGAA also supports the Commission’s proposed rulemaking but urges that the Commission does not implement the Final Rule during the winter heating season, and thus, requests that the implementation date of the Final Rule should not be earlier than April 1, 2025.**[[17]](#footnote-19)**

**Discussion**

In the WGQ Version 4.0 NOPR, the Commission proposed to incorporate by reference in its regulations the NAESB WGQ Version 4.0 business practice standards, with the exception of NAESB’s standards specifying the terms of optional model contracts and the eTariff-related standards. No commenters opposed the Commission’s proposal.

In this Final Rule, we adopt the proposal to incorporate by reference, in our regulations, the NAESB WGQ Version 4.0 business practice standards, with certain exceptions. As an initial matter, we note that the WGQ Version 4.0 business practice standards include modifications, reservations, deletions, and additions to the following set of Version 3.2 WGQ Standards. (Each set of Business Practice Standards is referred to as a manual.)

|  |  |
| --- | --- |
| **Manual** | **Business Practice Standards** |
| 0 | Additional Standards |
| 2 | Flowing Gas Related Standards |
| 3 | Invoicing Related Standards |
| 4 | Quadrant Electronic Delivery Mechanism Standards |
| 5 | Capacity Release Related Standards |
| 10 | WGQ / REQ / RGQ Internet Electronic Transport |

Additionally, the WGQ Version 4.0 business practice standards include one new manual of standards:

|  |  |
| --- | --- |
| **Manual** | **Business Practice Standards** |
| 12 | Cybersecurity Related Standards |

We require compliance filings be made by February 3, 2025, with an effective date of August 1, 2025. as more fully described below.

We discuss below some specific aspects of NAESB’s Informational Report.

**The NAESB WGQ Version 4.0 Business Practice Standards**

NAESB used its consensus procedures to develop and approve the WGQ Version 4.0 business practice standards. As the Commission found in Order No. 587, the adoption of consensus standards is appropriate, because the consensus process helps ensure the reasonableness of the standards by requiring that the standards draw support from a broad spectrum of industry participants representing all segments of the industry. Moreover, since the industry itself must conduct business under these standards, the Commission’s regulations should reflect those standards that have the widest possible support. In section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTT&AA),**[[18]](#footnote-20)** Congress affirmatively requires federal agencies to use technical standards developed by voluntary consensus standards organizations, like NAESB, as means to carry out policy objectives or activities.

We incorporate by reference into the Commission’s regulations the WGQ Version 4.0 business practice standards, with the exception of NAESB’s standards specifying the terms of optional model contracts and the eTariff-related standards, as discussed below.

**9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS**

There are no payments or gifts made or given to respondents associated with collections FERC-545.

1. **DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS**

The Final Rule in Docket No. RM96-1-043 would not affect any assurance of confidentiality in connection with FERC-545. However, in Version 3.2 NAESB added language to existing Standards 4.3.60, 4.3.61, 10.2.33, and 10.3.25 to clarify the Transport Layer Security protocol,**[[19]](#footnote-21)** which encrypts data to hide information from electronic observers on the internet. NAESB also deleted all references to the Secure Sockets Layer protocol in the standards. Concerning identification key lengths, the Sandia Surety Assessment recommended that Rivest-Shamir-Adelman keys**[[20]](#footnote-22)** must be no shorter than 2048 bits, Elliptic Curve Digital Signature Algorithm keys**[[21]](#footnote-23)** must be no shorter than 224 bits, Hash**[[22]](#footnote-24)** algorithms should be from the Secure Hash Algorithm (SHA)-2**[[23]](#footnote-25)** or SHA-3 families, and acceptable Advanced Encryption Standard key lengths range from 128, to 192, to 256. The Sandia Surety Assessment recommended that, in general, implementors use the largest feasible key length consistent with implementation of current business processes. In response, NAESB deleted Standard 4.3.83 to remove legacy support references and maintain a minimum encryption strength of 128 bits. Further, NAESB revised existing Standards 10.2.34 and 10.3.15 to delete a proprietary Pretty Good Privacy (PGP)**[[24]](#footnote-26)**‑related hyperlink and to accommodate license-free OpenPGP, respectively. NAESB also adopted a new Standard 10.2.39 to specify that OpenPGP should be used to create public and private keys for privacy and digital signature applications.

In general, for submittals to the Commission, filers may submit specific requests for confidential treatment to the extent permitted by law; details are available in 18 CFR Section 388.112.

1. **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.**

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

1. **ESTIMATED BURDEN OF COLLECTION OF INFORMATION**

The following estimates of reporting burden are related only to the Final Rule and anticipate the costs to interstate natural gas pipelines for compliance with our proposals in the Final Rule. The burden estimates are primarily related to implementing these standards and regulations and will not result in ongoing costs.

The Commission estimates the annual public reporting burden and cost for the FERC-545, in connection with the Final Rule, as follows. Please note that the number of respondents in the following table is the number of entities in which a change in burden from the current standards to the proposed exists, not the total number of entities from the current or proposed standards that are applicable.

The estimated hourly cost (salary plus benefits) provided in the following table is based on the salary figures for May 2023 by the Bureau of Labor Statistics for the Utilities sector (available at <https://www.bls.gov/oes/current/naics3_221000.htm>) and scaled to reflect benefits using the relative importance of employer costs for employee compensation from December, 2023 (available at <https://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), $101.58;
* Computer and Information Analysts (Occupation Code: 15-1120(1221), $87.42;
* Electrical Engineer (Occupation Code: 17-2071), $70.19; and
* Legal (Occupation Code: 23-0000), $142.65.

The average hourly cost (salary plus benefits), weighting these skill sets evenly, is $101.46. We round that cost to $101/hour.

| **RM96-1-043 Final Rule (Standards for Business Practices of Interstate Natural Gas Pipelines)** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Number of Respondents**  **(1)** | **Annual Number of Responses per Respondent**  **(2)** | **Total Number of Responses (1)\*(2)=**  **(3)** | **Average Burden Hr. Per Response**  **(4)** | **Total Annual Burden Hours & Total Annual Cost**  **(3)\*(4)=(5)** | **Annual Costs Per Respondent**  **($)**  **(5)/ (1) = (6)** |
| FERC-545 (one-time) | 193 | 1 | 193 | 10 hrs.;  $1,010 | 1,930 hrs.;  $194,930 | $1,010 |

The one-time burden (for both the FERC-545 and FERC-549C) would take place in Year 1 and will be averaged over 3 years as follows:

FERC-545: 1,930 ÷ 3 = 643.33 hours/year over 3 years

FERC-549C: 19,300 ÷ 3 = 6,433.33 hours/year over 3 years

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

Year 1: 64.33 responses; 643.33 hours (FERC-545); 6,433.33 hours (FERC-549C)

Year 2: 64.33 responses; 643.33 hours (FERC-545); 6,433.33 hours (FERC-549C)

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

There are no capital or start-up costs for FERC-545 and the Final Rule at Docket No. RM96-1-043. All the costs are related to burden hours and are detailed in Questions #12 and #15.

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

The PRA Administration Cost of $8,396.00 in the following table includes the federal costs of preparing supporting statements, notices, and other activities associated with compliance with the Paperwork Reduction Act. The Data Processing and Analysis Cost in the following table is based on FERC’s Fiscal Year 2024 average cost per Full- Time Equivalent (salary plus benefits) of $207,786 per year (for 2,080 work hours).

|  |  |  |
| --- | --- | --- |
|  | **Number of Hours or FTE’s** | **Estimated Annual Federal Cost ($)** |
| PRA Administration Cost | N/A | $8,396.00 |
| Data Processing and Analysis Cost | 0.75 | $155,839.50 |
| **FERC Total for FERC-545** |  | $164,235.50 |

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

The burden estimates associated with the proposed rule in Docket No. RM96-1-043 are program changes for FERC-545. In the following table, the requested burdens include those in Version 4.0 in Docket No. RM96-1-043. The previous burdens are those approved as a result of the final rule approving Version 3.2.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Total Request** | **Previously Approved** | **Change due to Adjustment in Estimate** | **Change due to Agency Discretion** |
| **FERC-545** | | | | |
| **Annual Number of Responses** | 1,387 | 1,382 | 0 | +5 |
| **Annual Time Burden (Hr.)** | 306,827 | 306,777 | 0 | +50 |
| **Annual Cost Burden ($)** | $0 | $0 | $0 | $0 |

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

Despite the fact that FERC-545 data are publicly available, there are no tabulating, statistical or publication plans.

1. **DISPLAY OF EXPIRATION DATE**

The expiration date is displayed in a table posted on ferc.gov at <https://www.ferc.gov/information-collections>.

1. **EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions.

1. NAESB is an American National Standards Institute-accredited, non-profit standards development organization formed for the purpose of developing voluntary standards and model business practices that promote more competitive and efficient natural gas and electric markets. [↑](#footnote-ref-3)
2. 15 U.S.C. 717c, 717d, and 717*o*. [↑](#footnote-ref-4)
3. This series of orders began with the Commission’s issuance of *Standards for Bus. Practices of Interstate Nat. Gas Pipelines*, Ord. No. 587, FERC Stats. & Regs. ¶ 31,038 (1996). [↑](#footnote-ref-5)
4. *See* Docket No. RM96-1, NAESB WGQ Business Practice Standards Version 4.0 Report (October 2, 2023). [↑](#footnote-ref-6)
5. As explained below, NAESB has developed and adopted, in conjunction with Sandia National Laboratories, a series of business practice standards to strengthen the cybersecurity protections provided within the standards. [↑](#footnote-ref-7)
6. 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. [↑](#footnote-ref-8)
7. 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. [↑](#footnote-ref-9)
8. Shippers can use the Commission’s electronic tariff system to locate the tariff record containing the NAESB standards, which will indicate the docket in which any waiver or extension of time was granted. [↑](#footnote-ref-10)
9. Ord. No. 587-V, 140 FERC ¶ 61,036. [↑](#footnote-ref-11)
10. Ord. No. 587-V Compliance Order,141 FERC ¶ 61,167 at PP 4, 38. [↑](#footnote-ref-12)
11. 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. [↑](#footnote-ref-13)
12. 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. [↑](#footnote-ref-14)
13. *Standards for Bus. Pracs. of Interstate Nat. Gas Pipelines*, Notice of Proposed Rulemaking, 89 FR 23954 (Apr. 4, 2024), 186 FERC ¶ 61,196 (2024) (WGQ Version 4.0 NOPR). [↑](#footnote-ref-15)
14. NAESB adopted the minor correction, Minor Correction MC24002, on May 17, 2024, which modifies NAESB WGQ Standard No. 3.4.1 – Transportation / Sales Invoice included in the WGQ Invoicing Related Standards. [↑](#footnote-ref-16)
15. NAESB states that the standard changes are to ensure the hierarchal structure of the dataset complied with the Accredited Standards Institute X12 Transaction Set 811 Consolidated Service Invoice/Statement. [↑](#footnote-ref-17)
16. AGA Comments at 1. AGA also expresses its disappointment that Standards Request No. 23001 was not part of the proposed revisions. AGA Comments at 1-2. These comments do not pertain to this Final Rule, and thus, will not be addressed. [↑](#footnote-ref-18)
17. INGAA Comments at 2. [↑](#footnote-ref-19)
18. Pub. L. No. 104-113, § 12(d), 110 Stat. 775 (1996). [↑](#footnote-ref-20)
19. The National Institute of Standards and Technology Special Pub. 800-52 requires government Transport Layer Security servers and clients to support Transport Layer Security Version 1.2 and recommends support for Transport Layer Security Version 1.3 by the year 2024. [↑](#footnote-ref-21)
20. Rivest-Shamir-Adelman is a public key infrastructure algorithm composed of a public component and a private component that is typically installed on a recognized Certificate Authority. [↑](#footnote-ref-22)
21. Elliptic Curve Digital Signature Algorithm public keys generate an encrypted signature to validate data. [↑](#footnote-ref-23)
22. A Hash is a cryptology technique used for digital signatures in which a series of numbers that may represent, for example, a password, an image, a document, or an executable file is used to generate a cryptographic hash (i.e., a large number). [↑](#footnote-ref-24)
23. SHA-2 is a set of cryptographic hash functions. [↑](#footnote-ref-25)
24. PGP is a proprietary (i.e., an organization must pay to use it) encryption program developed to enhance the confidentiality and integrity of data. [↑](#footnote-ref-26)