

| From                                                                                          | To                          | MEA               | MAA       |
|-----------------------------------------------------------------------------------------------|-----------------------------|-------------------|-----------|
| *MEA IS ESTABLISHED WITH A GAP IN NAVIGATION SIGNAL COVERAGE.<br>FAIRBANKS, AK VORTAC .....   | NORTHWAY, AK VORTAC .....   | 18000             | 45000     |
| § 95.7589 Jet Route J589 Is Amended To Delete                                                 |                             |                   |           |
| ROSEBURG, OR VOR/DME .....                                                                    | CORVALLIS, OR VOR/DME ..... | 18000             | 45000     |
| CORVALLIS, OR VOR/DME .....                                                                   | U.S. CANADIAN BORDER .....  | 28000             | 45000     |
| Airway segment                                                                                |                             | Changeover points |           |
| From                                                                                          | To                          | Distance          | From      |
| § 95.8003 VOR Federal Airways Changeover Points<br>V495 Is Amended To Delete Changeover Point |                             |                   |           |
| WHATCOM, WA VORTAC .....                                                                      | VICTORIA, CA VOR/DME .....  | 10                | WHATCOM   |
| SEATTLE, WA VORTAC .....                                                                      | VICTORIA, CA VOR/DME .....  | 50                | SEATTLE   |
| § 95.8005 Jet Routes Changeover Points<br>J502 Is Amended To Delete Changeover Point          |                             |                   |           |
| SEATTLE, WA VORTAC .....                                                                      | VICTORIA, CA VOR/DME .....  | 50                | SEATTLE   |
| J589 Is Amended To Delete Changeover Point                                                    |                             |                   |           |
| CORVALLIS, OR VOR/DME .....                                                                   | VICTORIA, CA VOR/DME .....  | 100               | CORVALLIS |

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BILLING CODE 4910–13–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory  
Commission

18 CFR Part 284

[Docket No. RM96–1–043; Order No. 587–AA]

Standards for Business Practices of  
Interstate Natural Gas Pipelines

AGENCY: Federal Energy Regulatory  
Commission.

ACTION: Final rule.

SUMMARY: The Federal Energy  
Regulatory Commission amends its  
regulations to incorporate by reference,  
with certain enumerated exceptions, the

latest version (Version 4.0) of Standards  
for Business Practices of Interstate  
Natural Gas Pipelines adopted by the  
Wholesale Gas Quadrant (WGQ) of the  
North American Energy Standards  
Board (NAESB). NAESB’s revisions in  
this version of the standards are  
designed to promote greater efficiency  
and reliability of the natural gas  
industry’s operations and strengthen the  
cybersecurity protections provided  
within the standards.

DATES:

Effective date: This rule is effective  
February 7, 2025.

Compliance date: Compliance filings  
required by this final rule are due on  
February 3, 2025. Compliance with the  
standards incorporated by reference in  
this rule is required by August 1, 2025.

Incorporation by reference: The  
incorporation by reference of certain  
publications listed in this rule is

approved by the Director of the Federal  
Register as of February 7, 2025.

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## I. Overview

1. In this final rule, the Federal Energy Regulatory Commission (Commission) amends its regulations at 18 CFR 284.12 to incorporate by reference, with certain enumerated exceptions,<sup>1</sup> the latest version (WGQ Version 4.0) of business practice standards applicable to natural gas pipelines. On October 2, 2023, NAESB reported to the Commission that it had approved WGQ Version 4.0 to replace the currently incorporated version (Version 3.2) of those business practice standards. On May 21, 2024, NAESB reported a minor correction to WGQ Version 4.0. This final rule requires interstate natural gas pipelines to file compliance filings with the Commission by February 3, 2025, with an effective date of the tariff records of August 1, 2025.

2. The implementation of these standards will promote greater efficiency and reliability of the natural gas industry's operations and strengthen the cybersecurity protections provided within the standards.<sup>2</sup>

## II. Background

3. 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 system. These regulations have been promulgated in the Order No. 587 series of orders,<sup>3</sup> wherein the Commission has incorporated by reference standards for interstate natural gas pipeline business practices and electronic communications that were developed and adopted by NAESB's WGQ. Upon incorporation by reference, this version of the standards will replace the currently incorporated version (Version

3.2) of those business practice standards.

4. 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),<sup>4</sup> which in 2019 issued a DOE-sponsored cybersecurity surety assessment of the NAESB standards.<sup>5</sup>

5. 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.

6. 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.<sup>6</sup>

<sup>4</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>5</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.

<sup>6</sup> *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).

7. 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.<sup>7</sup> 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.<sup>8</sup>

8. 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.<sup>9</sup> INGAA also supports the Commission's proposed rulemaking but urges that the Commission 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.<sup>10</sup>

## III. Discussion

9. 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.

<sup>7</sup> NAESB WGQ implemented 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.

<sup>8</sup> NAESB states that the standard changes are to ensure the hierarchical structure of the dataset complied with the Accredited Standards Institute X12 Transaction Set 811 Consolidated Service Invoice/Statement.

<sup>9</sup> 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.

<sup>10</sup> INGAA Comments at 2.

<sup>1</sup> As explained below, we are not incorporating by reference in this final rule the optional model contracts and the eTariff-related standards included in the North American Energy Standards Board (NAESB) Wholesale Gas Quadrant (WGQ) Version 4.0 package of business practice standards.

<sup>2</sup> 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.

<sup>3</sup> This series of orders began with the Commission's issuance of Order No. 587, *Standards for Business Practices of Interstate Natural Gas Pipelines*, 61 FR 39053 (July 26, 1996), FERC Stats. & Regs. ¶ 31,038 (1996) (cross-referenced at 76 FERC ¶ 61,042).

10. 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. |

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

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

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

13. 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),<sup>11</sup> 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.

14. 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.

**1. WGQ Cybersecurity Related Standards**

15. The new WGQ Cybersecurity Related Standards Manual consolidates existing NAESB cybersecurity-related standards from various NAESB standards manuals into a single manual. This consolidation should make the NAESB and Commission processes for revising NAESB cybersecurity standards easier and faster to help match the fast pace of changes in cybersecurity practices. These standards focus on strengthening the cybersecurity practices used by the industry through the mitigation of potential vulnerabilities and the use of secure communication and encryption methodologies.

**2. Other Standards Modifications**

16. In response to industry request, WGQ Version 4.0 adds new data elements to the WGQ Additional Standards and the WGQ Capacity Release Related Standards and modifies existing data elements in the WGQ Flowing Gas Related Standards and the WGQ Invoicing Related Standards to improve efficiencies of business processes for transportation service providers and parties interacting with these entities.<sup>12</sup>

17. The revised WGQ Additional Standards add a new data element, "Cycle Indicator," to the data set for the Storage Information standard to address technical details for reporting natural gas storage balances and the activities that affect storage balances. The new sender's option data element "Cycle Indicator" will support the reporting of storage information data for each cycle while also allowing parties receiving such information to distinguish between the data more easily for individual transactions.<sup>13</sup>

18. Revisions to the WGQ Flowing Gas Related Business Practice Standards include a change to the "Service Requester Contract" data element from "not used" to "mutually agreed," for allocation of natural gas between parties under two pre-determined allocation transaction types, found within the

allocation matrix included as part of WGQ Standard 2.4.3.<sup>14</sup>

19. NAESB revised the WGQ Invoicing Related Standards by modifying the "Charge Type Rate" data element contained in the data set for the Transportation/Sales Invoice standard to allow for the identification of multiple rates that may be applicable for a single transaction or service. The modification to the data element allows transportation service providers to use a "null" value in circumstances where information describing the applicable charge type rate is included as part of miscellaneous notes. This change will allow transportation service providers to make available a summary of the amount due for each line item of an invoice with detailed, breakout information regarding the applicable rate and make it easier for a customer to ascertain the final charge amount.<sup>15</sup>

20. The revised WGQ Capacity Release Related Standards add a new sender's option data element, "Location Indicator Data," to the Transactional Reporting—Capacity Release standard to provide a mechanism for a transportation service provider to communicate the locations at which a discounted rate is offered as well as if the rate is associated with a single location, multiple locations, or all locations.

21. Also included in WGQ Version 4.0 is a previous revision to an existing WGQ Invoicing Related Standard that modifies the "Electronic Delivery Mechanism (EDI) X12 Mapping Guidelines" by adding code values for five data elements to WGQ Standard 3.4.1—Transportation/Sales Invoice to ensure the hierarchal structure of the dataset complied with the Accredited Standards Institute X12 Transaction Set 811 Consolidated Service Invoice/Statement.

**3. Standards Not Incorporated by Reference**

22. We continue our past practice<sup>16</sup> of not incorporating by reference into our regulations the WGQ standard contracts relating to the sale of natural gas because we do not require the use of these contracts.<sup>17</sup> Thus, we also do not incorporate by reference the WGQ 4.0

<sup>11</sup> Public Law 104–113, 12(d), 110 Stat. 775 (1996).

<sup>12</sup> Natural gas transportation service is provided by interstate pipelines, intrastate pipelines, natural gas gathering pipelines, and local distribution companies; all are referred to as "transportation service providers."

<sup>13</sup> Informational Report at 4.

<sup>14</sup> The matrix identifies the data elements needed to communicate the results of the allocation process.

<sup>15</sup> Informational Report at 5.

<sup>16</sup> See, e.g., *Standards for Bus. Practices of Interstate Nat. Gas Pipelines*, Notice of Proposed Rulemaking, 86 FR 12879 (March 5, 2021), 174 FERC ¶ 61,103, at P 19 (2021) (*Version 3.2 NOPR*).

<sup>17</sup> *Id.*; *Standards for Bus. Practices of Interstate Nat. Gas Pipelines*, Order No. 587–V, 77 FR 43711 (Jul. 26, 2012), 140 FERC ¶ 61,036, at P 11 n.11 (2012).

Contracts Related Standards Manual. In addition, consistent with our findings in past proceedings, we do not incorporate by reference the WGQ eTariff Related Standards because the Commission has previously adopted and posted its standards and protocols for electronic tariff filings based on NAESB standards.<sup>18</sup>

### B. Required Compliance Filings

23. As suggested by INGAA, we will delay implementation of this final rule until after the 2024–2025 winter heating period. To implement the standards that we are incorporating by reference in this final rule, we will require each interstate natural gas pipeline to file a separate tariff record reflecting the changed standards by February 3, 2025.<sup>19</sup> In response to INGAA's concern that the Commission could require implementation of this final rule during the winter heating season, we will require the compliance filings to be made with an effective date of August 1, 2025. We are adopting this implementation schedule to give the interstate natural gas pipelines subject to these standards adequate time to implement these changes.

### C. Implementation Procedures

24. We will continue the compliance filing requirements as revised and prescribed in Order No. 587–V to increase the transparency of the interstate natural gas pipelines' incorporation by reference of the NAESB WGQ Standards so that shippers and the Commission will know which tariff provision(s) implements each standard as well as the status of each standard.<sup>20</sup> We require each interstate natural gas pipeline to submit its compliance filing no later than February 3, 2025.

25. Consistent with the Commission's practice since Order No. 587–V, each interstate natural gas pipeline must designate a single tariff section under which every NAESB WGQ Standard incorporated by reference by the Commission is listed.<sup>21</sup> In that tariff

section, the pipeline must list for each standard:

(a) whether the standard is incorporated by reference;

(b) for those standards not incorporated by reference, the tariff provision that complies with the standard; or

(c) 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.<sup>22</sup>

26. Likewise, consistent with past practice, we will post on our eLibrary website (under Docket No. RM96–1–043) a sample tariff format, to provide filers with an illustrative example to aid them in preparing their compliance filings.

27. Consistent with our policy since Order No. 587–V,<sup>23</sup> entities may request waivers under the requirements set forth in Order No. 587–V and the Commission will then evaluate those requests at that time.<sup>24</sup>

28. 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 4.0 Standards.

29. This implementation approach continues the Commission's 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.

### IV. Notice of Use of Voluntary Consensus Standards

30. Office of Management and Budget (OMB) Circular A–119 (section 11) (Feb. 10, 1998) provides that when a federal agency issues or revises a regulation containing a standard, the agency should publish a statement in the final rule stating whether the adopted

standard is a voluntary consensus standard or a government-unique standard. In this final rule, we are incorporating by reference voluntary consensus standards developed by NAESB's WGQ. In section 12(d) of NTT&AA, Congress affirmatively requires federal agencies to use technical standards developed by voluntary consensus standards organizations to carry out policy objectives or activities determined by the agencies unless use of such standards would be inconsistent with applicable law or otherwise impractical.<sup>25</sup>

### V. Incorporation by Reference

31. The Office of the Federal Register requires agencies incorporating material by reference in final rules to discuss the ways that the materials it incorporates by reference are reasonably available to interested parties and how interested parties can obtain the materials.<sup>26</sup> The regulations also require agencies to summarize, in the preamble of the final rule, the material it incorporates by reference. The standards that we are incorporating by reference in this final rule consist of seven suites of NAESB WGQ Business Practice Standards, which include a minor correction to the invoicing related standards, that address a variety of topics and are designed to streamline the transactional processes for the wholesale natural gas industry by promoting a more competitive and efficient market. These include the: WGQ Additional Business Practice Standards; WGQ Nominations Related Business Practice Standards; WGQ Flowing Gas Related Business Practice Standards; WGQ Invoicing Related Business Practice Standards, with WGQ Invoicing Related Standards Minor Correction MC24002; WGQ Quadrant Electronic Delivery Mechanism Related Business Practice Standards; WGQ Capacity Release Related Business Practice Standards; and WGQ Cybersecurity Related Standards.

32. As noted above, included in the standards incorporated by reference is the WGQ Invoicing Related Standards Minor Correction (MC 24002), which is an errata to update the Informational Report to the existing standard which supports the communication of invoices between trading partners.

33. We summarize these standards below. The WGQ Additional Business Practice Standards address six areas: Creditworthiness; Storage Information;

<sup>18</sup> Version 3.2 NOPR, 174 FERC ¶ 61,103 at P 19; *Elec. Tariff Filings*, Order No. 714, 73 FR 57515 (Oct. 3, 2008), 124 FERC ¶ 61,270 (2008).

<sup>19</sup> To aid in compliance, promptly after issuance of this final rule, we will post a sample tariff record on the Commission's website that may be accessed at [www.ferc.gov/ferc-online/elibrary](http://www.ferc.gov/ferc-online/elibrary). All interstate natural gas pipelines are to file their tariff records in conformance with this sample tariff record.

<sup>20</sup> Order No. 587–V, 140 FERC ¶ 61,036 at PP 36–39.

<sup>21</sup> *Trans-Union Interstate Pipeline L.P.*, 141 FERC ¶ 61,167, at P 36 (2012) (Order No. 587–V Compliance Order); *Version 3.2 NOPR*, 174 FERC ¶ 61,103 at P 21.

<sup>22</sup> 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.

<sup>23</sup> Order No. 587–V, 140 FERC ¶ 61,036.

<sup>24</sup> Order No. 587–V Compliance Order, 141 FERC ¶ 61,167 at PP 4, 38 (a pipeline does not need to seek a waiver for standards that address business practices that the pipeline does not offer).

<sup>25</sup> Public Law 104–113, 12(d), 110 Stat. 775 (1996), 15 U.S.C. 272 note (1997).

<sup>26</sup> 1 CFR 51.5 (2023). See *Incorporation by Reference*, 79 FR 66267 (Nov. 7, 2014).

Gas/Electric Operational Communications; Operational Capacity; Unsubscribed Capacity; and Location Data Download.

- The Creditworthiness related standards describe requirements for the exchange of information, notification, and communication between parties during the creditworthiness evaluation process.
- The Storage Information related standards define the information to be provided to natural gas service requesters related to storage activities and/or balances.
- The Gas/Electric Operational Communications related standards define communication protocols intended to improve coordination between the natural gas and electric industries in daily operational communications between gas transportation service providers and gas-fired power plants. These standards include requirements for communicating anticipated power generation fuel needs for the upcoming day as well as any operating problems that might hinder gas-fired power plants from receiving contractual gas quantities.
- The Operational Capacity related standards define requirements for the transportation service provider's reporting of its operational capacity, total scheduled quantity, and operationally available capacity.
- The Unsubscribed Capacity related standards define requirements for the transportation service provider's reporting of its available unsubscribed capacity.
- The Location Data Download related standards define requirements for the use of codes assigned by the transportation service provider for locations and common codes for parties communicating electronically.

34. The WGQ Nominations Related Business Practice Standards define the process by which a natural gas service requester with a natural gas transportation contract nominates (or requests) service from a pipeline or a transportation service provider for the delivery of natural gas.

35. The WGQ Flowing Gas Related Business Practice Standards define the business processes related to the communication of entitlement rights of flowing gas at a location, of the entitlement rights on a contractual basis, of the management of imbalances, and of the measurement and gas quality information of the actual flow of gas.

36. The WGQ Invoicing Related Business Practice Standards define the process for the communication of charges for services rendered (Invoice),

communication of details about funds rendered in payment for services rendered (Payment Remittance), and communication of the financial status of a customer's account (Statement of Account).

37. The WGQ Quadrant Electronic Delivery Mechanism Related Business Practice Standards define the framework for the electronic dissemination and communication of information between parties in the North American wholesale gas marketplace for Electronic Data Interchange/EDM transfers, batch flat file/EDM transfers, informational postings websites, Electronic Bulletin Boards/EDM, and interactive flat file/EDM.

38. The WGQ Capacity Release Related Business Practice Standards define the business processes for communication of information related to the selling of all or any portion of a transmission service requester's contract rights.

39. The WGQ Cybersecurity Related Standards consolidate existing NAESB cybersecurity-related standards from various standards manuals into a single manual. These standards define the requirements for ensuring the security of electronic communications and transactions among parties.

40. Commission regulations provide that copies of the standards incorporated by reference may be obtained through purchase or otherwise from the North American Energy Standards Board, 801 Travis Street, Suite 1675, Houston, TX 77002; phone: (713) 356-0060; website: [www.naesb.org/](http://www.naesb.org/). The standards can also be reviewed without purchasing them.

41. The procedures used by NAESB make its standards reasonably available to those affected by Commission regulations, which generally is comprised of entities that have the means to acquire the information they need to effectively participate in Commission proceedings. Participants can join NAESB, for an annual membership cost of \$8,000, which entitles them to full participation in NAESB and enables them to obtain these standards at no additional cost. Non-members may obtain any of the ten individual standards manuals for \$250 per manual, which in the case of these standards would total \$2,500 for all ten manuals. Non-members also may obtain the complete set of Standards Manuals for \$2,000.

42. NAESB provides ample opportunities for non-members, including agents, subsidiaries, and affiliates of NAESB members, to obtain access to the copyrighted standards through a no-cost limited copyright

waiver. The limited copyright waivers are issued by the NAESB office and are granted to non-members on a case-by-case basis for the purpose of evaluating standards prior to purchase and/or reviewing the standards to prepare comments to a regulatory agency. Following the granting of a limited copyright waiver, the non-member is provided with read-only access to the standards through the end of the comment period or some other set period of time via Locklizard Safeguard Secure Viewer.<sup>27</sup> NAESB will grant one limited copyright waiver per company for each set of standards or final actions. Any entity seeking a limited copyright waiver should contact the NAESB office.

## VI. Information Collection Statement

43. The OMB regulations require that OMB approve certain reporting, record keeping, and public disclosure requirements (information collection) imposed by an agency.<sup>28</sup> Therefore, we are submitting our proposed information collection to OMB for review in accordance with section 3507(d) of the Paperwork Reduction Act of 1995. Upon approval of a collection of information, OMB will assign an OMB control number and an expiration date. Respondents subject to the filing requirements of a rule will not be penalized for failing to respond to these collections of information unless the collection of information displays a valid OMB control number.

44. The Commission solicited comments on our need for this information, whether the information will have practical utility, the accuracy of the provided burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods for minimizing respondents' burden, including the use of automated information techniques.

45. *Public Reporting Burden:* The burden estimates for this final rule are for one-time implementation of the information collection requirements of this final rule (including tariff filing, documentation of the process and procedures, and information technology work).

46. The collections of information related to this final rule fall under FERC-545 (Gas Pipeline Rates: Rate Change (Non-Formal))<sup>29</sup> and FERC-549C (Standards for Business Practices

<sup>27</sup> For more information on Locklizard, please refer to the company's website: [www.locklizard.com](http://www.locklizard.com).

<sup>28</sup> 5 CFR 1320.11 (2023).

<sup>29</sup> FERC-545 covers rate change filings made by natural gas pipelines, including tariff changes.

of Interstate Natural Gas Pipelines).<sup>30</sup> The following estimates of reporting burden are related only to this Final Rule and include the costs to pipelines

for compliance with the Commission's directives in this final rule. The burden estimates are primarily related to implementing these standards and

regulations and will not result in ongoing costs.

#### RM96-1-043 NOPR (STANDARDS FOR BUSINESS PRACTICES OF INTERSTATE NATURAL GAS PIPELINES)

|                            | Number of respondents <sup>31</sup> | Annual number of responses per respondent | Total number of responses | Average burden hr. per response | Total annual burden hours & total annual cost <sup>32</sup> | Annual costs per respondent (\$) |
|----------------------------|-------------------------------------|-------------------------------------------|---------------------------|---------------------------------|-------------------------------------------------------------|----------------------------------|
|                            | (1)                                 | (2)                                       | (1) * (2) = (3)           | (4)                             | (3) * (4) = (5)                                             | (5)/(1) = (6)                    |
| FERC-545 (one-time) .....  | 193                                 | 1                                         | 193                       | 10 hrs.; \$1,110 .....          | 1,930 hrs.; \$214,230 .....                                 | \$1,110                          |
| FERC-549C (one-time) ..... | 193                                 | 1                                         | 193                       | 100 hrs.; \$11,100 .....        | 19,300 hrs.; \$2,142,300 .....                              | \$11,100                         |
| Total .....                |                                     |                                           | 386                       |                                 | 21,230 hrs.; \$2,356,530.                                   |                                  |

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:  $1,930 \div 3 = 643.33$  hours/year over 3 years

FERC-549C:  $19,300 \div 3 = 6,433.33$  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)

**Title:** FERC-545, Gas Pipeline Rates: Rates Change (Non-Formal); FERC-549C, Standards for Business Practices of Interstate Natural Gas Pipelines.

**Action:** Proposed information collections

**OMB Control Nos.:** 1902-0154 (FERC-545), 1902-0174 (FERC-549C).

**Respondents:** Business or other for profit (e.g., Natural Gas Pipelines, applicable to only a few small businesses).

**Frequency of Responses:** One-time implementation (related to business procedures, capital/start-up).

**Necessity of Information:** In response to NAESB's standard development activities, the Commission has determined that the revisions the Commission makes in this final rule to its regulations would make minor adjustments to the standards previously adopted by the Commission. The standards consolidate the cybersecurity standards in one standards manual for ease of reference and revision, deleting one element in the Data Dictionary for internet ET included in the WGQ

Cybersecurity Related Standards and makes numerous minor changes throughout the corresponding manual and the WGQ EDM Related Standards to correct typographical and capitalization errors.

47. Further, in response to industry requests or through the normal course of WGQ activities, the Commission has determined that the revisions the Commission makes in this final rule to its regulations would upgrade current business practices and communication standards by specifically: (1) adding a new data element, "Cycle Indicator," to the data set for the Storage Information standard to address technical details for the reporting of storage balances and the activities that affect storage balances; (2) revising the data element "Service Requester Contract" contained in the data set for the Flowing Gas Related Allocation standard to identify the applicable contract and to support the communication of the results of processes used to allocate the actual flow of gas quantities to parties involved in a transaction; (3) 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; (4) adding a new sender's option data element, "Location Indicator Data," to the Transactional Reporting—Capacity Release standard to improve efficiencies by providing a mechanism for a transportation service provider to communicate the locations at which a discounted rate is offered as well as if

the rate is associated with a single location, multiple locations, or all locations; (5) adding code values for five data elements to the EDI X12 Mapping Guidelines in the Transportation/Sales Invoice standard to ensure the hierarchical structure of the dataset complied with the Accredited Standards Institute X12 Transaction Set 811 Consolidated Service Invoice/Statement. In addition, the Commission's Office of Enforcement will use the data for general industry oversight.

**Internal Review:** The Commission has reviewed the requirements pertaining to business practices of interstate natural gas pipelines adopted by NAESB and has determined that the revisions the Commission makes in this final rule to its regulations are necessary to promote greater efficiency and reliability of the natural gas industry's operations and strengthen cybersecurity protections. These requirements conform to our plan for efficient information collection, communication, and management within the natural gas pipeline industry. The Commission has determined through its internal review that there is specific, objective support for the burden estimates associated with the information requirements.

48. Interested persons may obtain information on the reporting requirements by contacting the following: Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426; email: [DataClearance@ferc.gov](mailto:DataClearance@ferc.gov).

49. Comments concerning the collection of information(s) and the associated burden estimate(s), should be

<sup>30</sup> FERC-549C covers Standards for Business Practices of Interstate Natural Gas Pipelines.

<sup>31</sup> The number of respondents 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.

<sup>32</sup> The estimated hourly cost (salary plus benefits) provided in this section is based on the salary

figures for March 2024 posted on June 18, 2024 by the Bureau of Labor Statistics for the Utilities sector (available at [www.bls.gov/oes/current/naics3221000.htm](http://www.bls.gov/oes/current/naics3221000.htm)) and scaled to reflect benefits using the relative importance of employer costs for employee compensation (available at <https://www.bls.gov/news.release/eccec.nr0.htm>). The hourly estimates for salary plus benefits are:

Computer and Information Systems Manager (Occupation Code: 11-3021), \$115.47.

Computer and Information Analysts (Occupation Code: 15-1221), \$87.19.

Electrical Engineer (Occupation Code: 17-2071), \$79.31.

Legal (Occupation Code: 23-0000), \$162.66.

The average hourly cost (salary plus benefits), weighting these skill sets evenly, is \$111.16. We round it to \$111/hour.

sent to the Office of Information and Regulatory Affairs, the Office of Management and Budget, Washington, DC 20503; attention: Desk Officer for the Federal Energy Regulatory Commission, phone: (202) 395-0710; fax: (202) 395-4718. A copy of the comments on information collection should also be sent to the Commission, in Docket No. RM96-1-043 by any of the following methods:

- eFiling at Commission's website: [www.ferc.gov/docs-filing/efiling.asp](http://www.ferc.gov/docs-filing/efiling.asp);
- U.S. Postal Service Mail: Persons unable to file electronically may mail similar pleadings to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426; or
- Delivery of filings other than by eFiling or the U.S. Postal Service should be delivered to Health and Human Services, 12225 Wilkins Avenue, Rockville, Maryland 20852.

## VII. Environmental Analysis

50. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>33</sup> The actions that we take here fall within categorical exclusions in the Commission's regulations for rules that are clarifying, corrective, or procedural, for information gathering, analysis, and dissemination, and for rules regarding sales, exchange, and transportation of natural gas that require no construction facilities.<sup>34</sup> Therefore, an environmental review is unnecessary and has not been prepared as part of this final rule.

## VIII. Regulatory Flexibility Act

51. The Regulatory Flexibility Act of 1980 (RFA)<sup>35</sup> generally requires a description and analysis of proposed rules that will have significant economic impact on a substantial number of small entities. The Commission is not required to make such an analysis if proposed regulations would not have such an effect.

52. As we stated in the WGQ Version 4.0 NOPR, approximately 193 interstate natural gas pipelines, both large and small, are potential respondents subject to the requirements adopted by this rule. Most of the natural gas pipelines regulated by the Commission do not fall within the RFA's definition of a small

entity,<sup>36</sup> which is currently defined for natural gas pipelines as a company that, in combination with its affiliates, has total annual receipts of \$41.5 million or less.<sup>37</sup> For the year 2022, only 14 potential respondents not affiliated with larger companies had annual revenues in combination with their affiliates of \$41.5 million or less and therefore could be considered a small entity under the RFA. This represents about eight percent of the total universe of potential respondents that may have a significant burden imposed on them. We estimate that the one-time implementation cost of the proposals in this final rule is \$2,356,530 (or \$12,210 per entity, regardless of entity size).<sup>38</sup> We do not consider the estimated \$12,210 impact per entity to be significant. Moreover, these requirements are designed to benefit all customers, including small businesses that must comply with them. Further, as noted above, adoption of consensus standards 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. Because of that representation and the fact that industry conducts business under these standards, the Commission's regulations should reflect those standards that have the widest possible support.

53. Accordingly, pursuant to section 605(b) of the RFA,<sup>39</sup> the regulations proposed herein should not have a significant economic impact on a substantial number of small entities.

## IX. Document Availability

54. In addition to publishing the full text of this document in the **Federal Register**, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the internet through the Commission's Home Page ([www.ferc.gov/](http://www.ferc.gov/)).

55. From the Commission's Home Page on the internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading.

<sup>36</sup> See 5 U.S.C. 601(3) citing section 3 of the Small Business Act (SBA), 15 U.S.C. 623. Section 3 of the SBA defines a "small business concern" as a business that is independently owned and operated, and that is not dominant in its field of operation.

<sup>37</sup> 13 CFR 121.201 (Subsector 486-Pipeline Transportation; North American Industry Classification System code 486210; Pipeline Transportation of Natural Gas) (2023). "Annual Receipts" are total income plus cost of goods sold.

<sup>38</sup> This number is derived by dividing the total cost figure by the number of respondents. \$2,356,530/193 = \$12,210.

<sup>39</sup> 5 U.S.C. 605(b).

To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

56. User assistance is available for eLibrary and the Commission's website during normal business hours from the Commission's Online Support at 202-502-6652 (toll free at 1-866-208-3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or the Public Reference Room; phone: (202) 502-8371, TTY (202) 502-8659; email: [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

## X. Effective Date and Congressional Notification

57. These regulations are effective February 7, 2025. The Commission has determined, with the concurrence of the Administrator of the Office of Information and Regulatory Affairs of OMB, that this rule is not a "major rule" as defined in section 351 of the Small Business Regulatory Enforcement Fairness Act of 1996. This final rule is being submitted to the Senate, House, and Government Accountability Office.

## List of Subjects in 18 CFR Part 284

Continental shelf, Incorporation by reference, Natural gas, Reporting and recordkeeping requirements.

By direction of the Commission.

Issued: November 22, 2024.

**Debbie-Anne A. Reese,**  
Secretary.

In consideration of the foregoing, the Commission amends 18 CFR part 284 as follows.

## PART 284—CERTAIN SALES AND TRANSPORTATION OF NATURAL GAS UNDER THE NATURAL GAS POLICY ACT OF 1978 AND RELATED AUTHORITIES

- 1. The authority citation for part 284 continues to read as follows:

**Authority:** 15 U.S.C. 717-717z, 3301-3432; 42 U.S.C. 7101-7352; 43 U.S.C. 1331-1356.

- 2. Amend § 284.12 by:
  - A. Revising paragraphs (a)(1)(i) through (vii);
  - B. Adding paragraph (a)(1)(viii); and
  - C. Revising paragraph (a)(2).

The revisions and additions read as follows:

### § 284.12 Standards for pipeline business operations and communications.

- (a) \* \* \*
- (1) \* \* \*

(i) WGQ Additional Standards (Version 4.0, September 29, 2023);

(ii) WGQ Nominations Related Standards (Version 4.0, September 29, 2023);

<sup>33</sup> *Regulations Implementing the National Environmental Policy Act*, Order No. 486, 52 FR 47897 (Dec. 17, 1987), FERC Stats. & Regs. Preambles 1986-1990 ¶ 30,783 (1987) (cross-referenced at 41 FERC ¶ 61,284).

<sup>34</sup> See 18 CFR 380.4(a)(2)(ii), 380.4(a)(5), and 380.4(a)(27) (2023).

<sup>35</sup> 5 U.S.C. 601-612.

(iii) WGQ Flowing Gas Related Standards (Version 4.0, September 29, 2023);

(iv) WGQ Invoicing Related Standards (Version 4.0, September 29, 2023);

(v) WGQ Invoicing Related Standards Minor Correction/Clarification MC24002, approved by the WGQ on May 2, 2024 (Minor Correction/Clarification MC24002 was implemented on May 17, 2024).

(vi) WGQ Quadrant Electronic Delivery Mechanism Related Standards (Version 4.0, September 29, 2023);

(vii) WGQ Capacity Release Related Standards (Version 4.0, September 29, 2023); and

(viii) WGQ Cybersecurity Related Standards (Version 4.0, September 29, 2023)

(2) The material listed paragraph (a)(1) is incorporated by reference into this section with the approval of the Director of the Federal Register under 5 U.S.C. 552(a) and 1 CFR part 51. All approved material is available for inspection at the Federal Energy Regulatory Commission and at the National Archives and Records Administration (NARA). For assistance in viewing the material, contact the Federal Energy Regulatory Commission at: 888 First Street NE, Washington, DC 20426 phone: 202–502–8371; email: [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov); website: <https://www.ferc.gov>. For information on the availability of this material at NARA, visit [www.archives.gov/federal-register/cfr/ibr-locations](http://www.archives.gov/federal-register/cfr/ibr-locations) or email [fr.inspection@nara.gov](mailto:fr.inspection@nara.gov). The material also may be obtained from the North American Energy Standards Board, 801 Travis Street, Suite 1675, Houston, TX 77002; phone: (713) 356–0060; website: <https://www.naesb.org/>.

\* \* \* \* \*

[FR Doc. 2024–28090 Filed 12–6–24; 8:45 am]

BILLING CODE 6717–01–P

## DEPARTMENT OF JUSTICE

### Office of the Attorney General

#### 28 CFR Part 50

[Docket No. OAG 177; AG Order No. 6101–2024]

RIN 1105–AB62

#### Guidelines and Limitations for Settlement Agreements Involving Payments to Non-Governmental Third Parties

AGENCY: Department of Justice.

ACTION: Final rule.

SUMMARY: This final rule adopts without change the interim final rule issued by

the Department of Justice (“Department” or “DOJ”) on May 10, 2022, that revoked a prohibition on the inclusion of provisions in settlement agreements directing or providing for a payment or loan to a non-governmental person or entity not a party to the dispute, subject to limited exceptions.

DATES: This rule is effective December 9, 2024.

#### FOR FURTHER INFORMATION CONTACT:

Robert Hinchman, Senior Counsel, Office of Legal Policy, U.S. Department of Justice, telephone (202) 514–8059 (not a toll-free number).

SUPPLEMENTARY INFORMATION: The Department has established a docket for this action on the [www.regulations.gov](http://www.regulations.gov) site under Docket DOJ–OAG–2022–0001. All documents in the docket are listed on the <http://www.regulations.gov> website.

#### I. Summary of This Rulemaking

##### A. Overview of This Rule

On December 16, 2020, the Department issued a regulation prohibiting, subject to limited exceptions, the inclusion of provisions in settlement agreements directing or providing for a payment or loan, in cash or in kind, to any non-governmental person or entity not a party to a dispute. *Prohibition on Settlement Payments to Non-Governmental Third Parties*, 85 FR 81409 (“the December 2020 Rule”) (adding 28 CFR 50.28). On May 10, 2022, DOJ published for public comment an interim final rule (“IFR”) that revoked the December 2020 Rule, *Guidelines and Limitations for Settlement Agreements Involving Payments to Non-Governmental Third Parties*, 87 FR 27936.

The IFR also solicited public comment on an Attorney General memorandum posted on the DOJ website in conjunction with the IFR, the Memorandum for the Heads of Department Components and United States Attorneys from the Attorney General, *Re: Guidelines and Limitations for Settlement Agreements Involving Payments to Non-Governmental Third Parties* (May 5, 2022) (the “May 2022 Memorandum”), [https://www.justice.gov/d9/pages/attachments/2022/05/05/02\\_ag\\_guidelines\\_and\\_limitations\\_memorandum\\_0.pdf](https://www.justice.gov/d9/pages/attachments/2022/05/05/02_ag_guidelines_and_limitations_memorandum_0.pdf) (last visited Oct. 31, 2024).

This preamble responds to comments received on the IFR. As reflected in this preamble, the Department is not making any changes to the rule or to the May 2022 Memorandum.

That said, DOJ is using the opportunity of this final rule to publicly announce that it will add two

provisions to the section of the *Justice Manual* (<https://www.justice.gov/jm/justice-manual>) addressing third-party payments, section 1–17.000, *Settlement Agreements Involving Payments to Non-Governmental Third Parties*, as discussed later in this preamble.

##### B. Background Explanation for This Rule

The Department, as explained in this preamble, has concluded that its action in May 2022 to revoke 28 CFR 50.28 and establish the current policy continues to be appropriate. The Department has authority to settle litigation incident to the Attorney General’s power to supervise litigation for the United States. *Authority of the United States to Enter Settlements Limiting the Future Exercise of Executive Branch Discretion*, 23 Op. O.L.C. 126, 135 (1999) (“*Authority of the United States to Enter Settlements*”). The Department regularly settles civil and criminal matters to compensate victims, redress harms, and punish and deter unlawful conduct without the costs and delay that can accompany trials. For decades and across Administrations, Department components entered into settlement agreements that involved payments to certain third parties as a means of addressing harms arising from violations of Federal law.

It has been the consistent view of the Office of Legal Counsel (“OLC”), acknowledged when the December 2020 Rule was promulgated, that settlements involving payments to non-governmental third parties can comport with the Miscellaneous Receipts Act (“MRA”), 31 U.S.C. 3302(b). See Memorandum for William P. Barr, Attorney General, from Steven A. Engel, Assistant Attorney General, Office of Legal Counsel, *Re: Final Rule Prohibiting Settlement Payments to Non-Governmental Third Parties* at 2 (Dec. 4, 2020) (“December 2020 OLC Memo”) (citing *Application of the Government Corporation Control Act and the Miscellaneous Receipts Act to the Canadian Softwood Lumber Settlement Agreement*, 30 Op. O.L.C. 111, 119 (2006) (“*Softwood Lumber*”)), [https://www.justice.gov/oip/foia-library/foia-processed/general\\_topics/settlement\\_guidelines\\_third\\_parties\\_2\\_14\\_23/download](https://www.justice.gov/oip/foia-library/foia-processed/general_topics/settlement_guidelines_third_parties_2_14_23/download) (last visited Oct. 31, 2024).

In 2017, the Attorney General issued a memorandum prohibiting Department attorneys from entering into case resolutions in civil and criminal matters providing for certain third-party payments. See Memorandum for All Component Heads and United States Attorneys from the Attorney General,