

Supporting Statement for
**FERC-592, Standards of Conduct for Transmission Providers and Marketing
Affiliates of Interstate Pipelines**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review and approve **FERC-592, Standards of Conduct for Transmission Providers and Marketing Affiliates of Interstate Pipelines**, for a three-year period. FERC-592 (OMB Control No. 1902-0157) is an existing Commission data collection.

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

This information collection assists the Commission in complying with sections 4 and 5 of the Natural Gas Act (NGA)¹ which require the Commission to ensure that pipeline rates and terms and conditions of service are just and reasonable and not unduly discriminatory or preferential. As a result of these statutory provisions, the Commission is responsible for promoting competitive and efficient markets, while mitigating market power and preventing undue discrimination, especially for the Commission's "prime constituency, captive customers vulnerable to pipelines' market power."² In short, the Commission must foster an efficient market that provides good alternatives to as many shippers as possible, while creating a regulatory framework for protecting captive customers that lack viable alternatives.

The Commission implements this information collection in accordance with 18 CFR Part 358 and 18 CFR §250.16. These regulations only apply to interstate natural gas pipelines that engage in transportation transactions with their marketing affiliates.

The Standards of Conduct at Part 358 and related document retention/posting requirements enable the Commission and the public to monitor, deter, and take action to prevent an interstate natural gas pipeline from giving its marketing affiliate an undue preference or engaging in unduly discriminatory behavior in favor of its marketing affiliate.

18 CFR Part 358 (Standards of Conduct)

Undue preferences toward marketing affiliates can occur through discriminatory behavior in favor of a marketing affiliate or by providing the marketing affiliate with preferential access to non-public transportation information. The Commission believes that all transportation customers must have simultaneous access to the same information available to the Transmission Provider if truly nondiscriminatory transmission services are to be a reality. The Commission provides transportation customers access to select information and information with which the pipeline might favor its affiliate. Requiring transparency of that information ensures that all customers are treated in a non-

¹ 15 U.S.C. § 717c and 717d.

² *United Distribution Companies v. FERC*, 88 F.3d 1105, 1123 (D.C. Cir. 1996).

discriminatory manner. Accordingly, the Standards of Conduct requirements at Part 358 promote transparency.

The information collection, retention, and posting requirements of Part 358 include:

- (1) Information disclosed to Marketing Affiliate [post with exceptions];
- (2) Names & addresses of Marketing Affiliates;
- (3) List of facilities shared with Marketing Affiliate;
- (4) Job titles & descriptions of transmission function employees (“TFE”);
- (5) Transfers of TFE to a position as a marketing function employee, or the reverse;
- (6) Potential merger partners; and
- (7) Posting instructions describing how they implement the Standards of Conduct.

18 CFR § 250.16, and the FERC-592 log/format

The regulation at 18 CFR § 250.16(c)(1) requires that any interstate pipeline that relies upon contract information or other data to allocate capacity to maintain a log showing, for each transportation contract (both for marketing affiliates and non-affiliates), on its system:

- The shipper’s name (including a designation whether the shipper is a local distribution company, an interstate pipeline, an intrastate pipeline, an end-user, a producer, a marketer, or a pipeline sales operating unit);
- The shipper’s affiliation with the pipeline;
- The contract number; and
- The applicable dates or other information used to allocate capacity under the pipeline’s tariff.

The FERC-592 log provides the electronic formats for maintaining information on discounted transportation transactions and capacity allocation to support monitoring of activities of interstate pipeline marketing affiliates. The log data relating to each contract must be maintained as long as the contract is used to allocate capacity and for three years after the contract data is no longer used for capacity allocation.

The regulation at 18 CFR § 250.16(c)(2) states, “The current log of allocation data for marketing affiliates must be posted on the pipeline’s Internet Web site....”

The regulation at 18 CFR § 250.16(d)(1) states: “A pipeline that provides transportation service at a discounted rate must maintain, for each billing period, the following information: the name of the shipper being provided the discount; the affiliate's role in the transportation transaction (i.e. shipper, marketer, supplier, seller); the duration of the discount; the maximum rate or fee; the rate or fee actually charged during the billing period; and the quantity of gas scheduled at the discounted rate during the billing period

for each delivery point. The discount information with respect to each transaction must be maintained for three years from the date the transaction commences.”

The information required by 18 CFR § 250.16 must be provided to the Commission upon request and must be made available to the public.³

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

The information maintained and posted by the respondents is used by the Commission to monitor the pipeline's transportation, sales, and storage activities for its marketing affiliate to deter undue discrimination by pipeline companies in favor of their marketing affiliates. The information is also used by non-affiliated shippers or others (such as state commissions) to determine whether they have been harmed by affiliate preference and, in some cases, to prepare submissions and formulate positions in rate cases and other proceedings.

The information required by Part 358 is maintained and provided by the respondents on their internet websites. When a pipeline is required to post information on its internet website following a disclosure of non-public information to its marketing affiliate, non-affiliated shippers obtain comparable access to the non-public transportation information, which allows them to compete with marketing affiliates on a more equal basis.

The information required by 18 CFR § 250.16 and the FERC-592 log assist the Commission in effectively monitoring whether pipelines are giving discriminatory preference to their marketing affiliates.

Without this collection of information the Commission would have difficulty effectively monitoring whether pipelines are giving discriminatory preference to their marketing affiliates; and Non-affiliated shippers, state commissions, and others would have difficulty determining whether they have been harmed by affiliate preference and preparing submissions for rate cases and other proceedings.

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

Transmission customers are able to access Standards of Conduct information from interstate natural gas pipelines via the internet. The Commission is committed to reducing the burden on the interstate natural gas pipelines and their shippers through the use of improved information technology. In 1987, when the Standards of Conduct were initially adopted, they included both filing and posting requirements. As the Commission has modified the obligations (to eliminate the filing requirements and to enhance the posting

³ 18 CFR §§ 250.16 (c)(3) and (d)(2).

requirements), the technology has also improved, allowing transmission customers to have contemporaneous access to information.

In FERC-592, the Commission is committed to the use of information technology. Per 18 CFR 250.16, the Commission requires generally that interstate natural gas pipeline companies that conduct transportation transactions with its marketing or brokering affiliate must:

- o post “the current log of allocation data for marketing affiliates on their web sites...”;
- o maintain both the log of allocation of pipeline capacity and transportation discount information and make these logs available to the Commission or other parties to a Commission hearing;
- o upon request by the Commission, provide the information consistent with instructions; and
- o maintain tariff provisions containing procedures used to resolve complaints by shippers and potential shippers, including a provision that the pipeline will respond within 48 hours and in writing within 30 days to such complaints.

These requirements allow flexibility as to how interstate natural gas pipeline companies store and represent the data on their web sites and on their data storage systems.

4. DESCRIBE EFFORTS TO IDENTIFY DUPLICATION AND SHOW SPECIFICALLY WHY ANY SIMILAR INFORMATION ALREADY AVAILABLE CANNOT BE USED OR MODIFIED FOR USE FOR THE PURPOSE(S) DESCRIBED IN INSTRUCTION NO. 2.

Commission filings and data requirements are periodically reviewed in conjunction with OMB clearance expiration dates. This includes a review of the Commission's regulations and data requirements to identify any duplication.

The data maintenance and reporting requirements in 18 CFR § 250.16 ensure that interstate natural gas pipeline rates are just and reasonable and not unduly discriminatory by providing preferential treatment to their marketing affiliates. Discount information is also used in rate cases.

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

The regulation at 18 CFR § 358.1(d) allows a transmission provider to seek a waiver from the Standards of Conduct. Several interstate natural gas pipelines have sought and received partial waivers of the Standards of Conduct based on their small size.

Only transmission providers owning, operating, and/or controlling facilities used for the transportation of natural gas in interstate commerce that engage in transportation

transactions with their marketing affiliates are required to comply with the requirements at 18 CFR § 250.16 and the FERC-592 log of data used to allocate capacity. The Commission does not monitor the size of this limited category of transmission providers, but assumes that few of them are small entities.

Because the information collected under FERC-592 is publicly available, it seems possible that small entities may be among those that benefit from the information.

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

If the data were not updated regularly, the Commission, public, and industry would be placed at a disadvantage by not having the most current data available for competitive and regulatory purposes. The Commission needs access to up-to-date information to monitor self-implementing activities of the transmission providers to ensure that transmission services are being provided in a nondiscriminatory manner.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION

There are no special circumstances.

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

In accordance with OMB requirements, the Commission published a 60-day notice⁴ and a 30-day notice⁵ to the public regarding this information collection on August 26, 2025 and December 18, 2025, respectively. Within the public notice, the Commission noted that it would be requesting a three-year extension of the public reporting burden with no change to the existing requirements concerning the collection of data. The Commission received no comments in response to the 60-day notice.

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts to FERC-592 respondents.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Commission does not consider the filings within FERC-592 to be confidential. Information provided with the filing may be submitted with a specific request for confidential treatment to the extent permitted by law and pursuant to FERC's regulations.

⁴ 90 FR 41557.

⁵ 90 FR 59105.

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

The Commission does not consider any of the questions within FERC-592 of a sensitive nature that would be considered private.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

The Commission estimates the Public Reporting Burden for this information collection as follows:

Number of Respondents (1)	Annual Number of Responses per Respondent (2)	Total Number of Responses (1)*(2)=(3)	Average Burden & Cost Per Response⁶ (4)	Total Annual Burden Hours & Total Annual Cost (3)*(4)=(5)	Cost per Respondent (\$) (5)÷(1)
85	1	85	117 hrs.; \$12,051	9,945 hrs.; \$1,024,335	\$12,051

13. ESTIMATE OF TOTAL ANNUAL COST OF BURDEN TO RESPONDENTS

There are no non-labor costs. All costs are related to burden hours and are addressed in Questions #12 and #15.

⁶ The Commission staff estimates that the industry's hourly cost for wages plus benefits is similar to the Commission's \$103 FY 2025 average hourly cost for wages and benefits.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

	Number of Employees (FTEs)	Estimated Annual Federal Cost
PRA ⁷ Administration Cost ⁸	-	\$7,978
Data Processing and Analysis ⁹	1	\$214,093
FERC Total		\$222,071

The Commission bases its estimate of the “Analysis and Processing of filings” cost to the Federal Government on salaries and benefits for professional and clerical support. This estimated cost represents staff analysis, decision making, and review of any actual filings made in response to the information collection.

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

There are no changes to the reporting requirements or proposed burden.

16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no tabulating, statistical or tabulating analysis or publication plans for the collection of information. The data are used for regulatory purposes only.

17. DISPLAY OF EXPIRATION DATE

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

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.

⁷ Paperwork Reduction Act of 1995 (PRA).

⁸ The PRA Administration Cost includes preparing supporting statements, notices, and other activities associated with Paperwork Reduction Act compliance.

⁹ The FTE cost figure uses the 2025 FERC average salary plus benefits (\$214,093/year or \$103/hour).