

**SUPPORTING STATEMENT FOR
RM96-1-044 Proposed Rule and
FERC-549C, Standards for Business Practices of Interstate Natural Gas Pipelines,
OMB Control Number 1902-0174**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review the revision of the FERC-549C information collection, Standards for Business Practices of Interstate Natural Gas Pipelines, OMB Control Number 1902-0174, in connection with the Notice of the Final Rule in Docket No. RM96-1-044.

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, revisions to three of the Version 4.0 Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board (NAESB).¹ These amendments would affect FERC-545 and FERC-549C. This supporting statement addresses the changes to FERC-549C. A separate supporting statement addresses the changes to FERC-545.

The information collection at FERC-549C is involved in the Commission's compliance with sections 4, 5, 7, 8, 10, 14, 16, and 20 of the Natural Gas Act (NGA),² and sections 311, 501, and 504 of the Natural Gas Policy Act of 1978 (NGPA).³ The Commission adopted the information collection activities in FERC-549C in association with NAESB business practice standards that update and standardize the natural gas industry's business practices and procedures and in addition improve the efficiency of the gas market and the means by which the gas industry conducts business across the interstate pipeline grid.

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. The process of standardizing business practices in the natural gas pipeline industry began with a Commission initiative to standardize electronic communication of capacity release transactions. Working groups composed of all segments of the natural gas industry were created and ultimately led to the creation of NAESB.

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.

² 15 U.S.C. 717c-717w, 717o

³ 15 U.S.C. 3301-3432

In the Order No. 587 series of orders,⁴ 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 NAESB. Currently effective Version 3.2 of the standards will be replaced by Version 4.0 when the Final Rule is finalized and implemented.

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.

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

The Final Rule revises the information collection activities in FERC-545 by modifying an existing standard WGQ Version 4.0 to WGQ Standard No. 4.3.23 under the Quadrant Electronic Delivery Mechanism Standards manual. It will establish a new information posting category, Gas Electric Coordination, for use by a transportation service provider as part of its Informational Postings Web site. The revised WGQ Standard No. 4.3.23 creates a central location on an Informational Postings Web site where a transportation service provider can post publicly available data, including scheduled quantity information, to help RTOs/ISOs and other parties access these data. Further, this Final Rule will add a new standard under the WGQ Capacity Release Standards. The new standard in WGQ Standard No. 5.3.74, will support the inclusion of geographic information when a natural gas transportation service provider issues a critical notice, such as geographic information of impacted areas, locations, and pipeline facilities.⁵

⁴ 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).

⁵ Critical notices are notices posted on a transportation service provider's website that, according to existing WGQ Version 4.0 Standard No. 5.2.1, "pertain to information on transportation service provider conditions that affect scheduling or adversely affect

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

The implementation of these business practice standards and regulations has promoted the additional efficiency and reliability of the natural gas industries' operations thereby helping the Commission to carry out its responsibilities under the NGA. In addition, the Commission's Office of Enforcement will use the data for general industry oversight. These requirements conform to our plan for efficient information collection, communication, and management within the natural gas pipeline industries.

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

The Commission has implemented the capability and requirement for electronic tariff filings. Further, the Commission has improved the security for submitting electronic tariff filings. In addition, the Commission has improved the pipelines' online process of appointing and modifying agents with the authority to make an electronic tariff filing on the pipeline's behalf.

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 duplication. No duplication of the information collection requirements has been found.

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

The Small Business Administration's (SBA) Office of Size Standards develops the numerical definition of a small business as matched to North American Industry Classification System Codes (NAICS). The SBA (in 13 CFR 121.201) has established a size standard for pipelines transporting natural gas, currently stating that a firm is a small entity if its total annual receipts (in combination with its affiliates) are \$41.5 million or less.⁶

scheduled gas flow.”

⁶ U.S. Small Business Administration, Table of Small Business Size Standards for Pipeline Transportation of Natural Gas, NAICS Code 486210, Subsector 486 at 13 CFR 121.201.

The FERC-549C filings are 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 was 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.

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

The FERC-549C collection activities in the Final Rule are one-time compliance filings. 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.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

The 549C presents no special circumstances.

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

The Commission published the NOPR on November 19, 2025 (90 FR 52012) and invited public comments until January 20, 2025. The Commission received a total of eight comments regarding the proposed rule. Of these, only one comment specifically addressed matters related to the Paperwork Reduction Act (PRA). The individual who filed the comment pertaining to the PRA opposes the NOPR proposal, arguing that the paperwork and compliance burdens were understated and raised general concerns about regulatory burdens. However, this commenter does not address or find fault with any specific proposed NAESB standards modification nor proposes to make any specific changes regarding the proposed standards. The Final Rule Published on May 28, 2026 (91 FR 31651)

9. EXPLAIN ANY PAYMENT OR GIFTS TO RESPONDENTS

There are no payments or gifts made or given to respondents associated with FERC-549C.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Final Rule in Docket No. RM96-1-044 does not affect assurances of confidentiality. In the previously approved Standards, NAESEB 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,⁷ which encrypts data to hide information from electronic observers on the internet. NAESEB 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 keys⁸ must be no shorter than 2048 bits, Elliptic Curve Digital Signature Algorithm keys⁹ must be no shorter than 224 bits, Hash¹⁰ algorithms should be from the Secure Hash Algorithm (SHA)-2¹¹ 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, NAESEB deleted Standard 4.3.83 to remove legacy support references and maintain a minimum encryption strength of 128 bits. Further, NAESEB revised existing Standards 10.2.34 and 10.3.15 to delete a proprietary Pretty Good Privacy (PGP)¹² related hyperlink and to accommodate license-free OpenPGP, respectively. NAESEB 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 C.F.R. Section 388.112.

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

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

⁷ 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.

⁸ 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.

⁹ Elliptic Curve Digital Signature Algorithm public keys generate an encrypted signature to validate data.

¹⁰ 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).

¹¹ SHA-2 is a set of cryptographic hash functions.

¹² PGP is a proprietary (i.e., an organization must pay to use it) encryption program developed to enhance the confidentiality and integrity of data.

12. ESTIMATED BURDEN OF COLLECTION OF INFORMATION

*Estimate of Annual Burden:*¹³ The estimated hourly cost (salary plus benefits) provided in this section is based on the salary figures for May 2024 posted on April 2, 2025 by the Bureau of Labor Statistics for the Utilities sector (available at https://www.bls.gov/oes/current/naics2_22.htm) and scaled to reflect benefits using the relative importance of employer costs for employee compensation (available at <https://www.bls.gov/news.release/ecec.nr0.htm>). The hourly estimates for salary plus benefits are:

1. Computer and Information Systems Manager (Occupation Code: 11-3021), \$110.62
2. Computer and Information Analysts (Occupation Code: 15-1210), \$68.34
3. Electrical Engineer (Occupation Code: 17-2071), \$71.19
4. Legal (Occupation Code: 23-0000), \$140.76

The average hourly cost (salary plus benefits), weighing these skill sets evenly, is \$97.728. We round it to \$98/hour

The Commission estimates the estimated annual burden and cost for this information collection, due to the proposed rule in Docket No. RM96-1-044, as follows:

Type of Response	Number of Respondents (1)	Average Number of Responses per Respondent (2)	Total Number of Responses (3)	Average Burden & Cost per Response (4)	Total Annual Burden Hours & Total Annual Cost (3 * 4 = 5)	Cost per Respondent (5 / 1 = 6)
FERC-549C (one-time)	193	1	193	100 hrs.; \$9,800	19,300 hrs.; \$1,891,400	\$9,800

13. ESTIMATE OF THE TOTAL ANNUAL COST BURDEN TO RESPONDENTS

There are no capital or start-up costs that are not associated with the burden hours. All of the costs are related to burden hours and are detailed in Questions #12 and #15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

¹³ “Burden” is the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. For further explanation of what is included in the information collection burden, refer to 5 CFR 1320.3.

The PRA Administration Cost of \$7,978 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 2025 average cost per Full- Time Equivalent (salary plus benefits) of \$214,093 per year (for 2,080 work hours).

	Number of Hours or FTE's	Estimated Annual Federal Cost (\$)
PRA Administration Cost	-	\$7,978
Data Processing and Analysis Cost	0.25	\$53,523.25
Total		\$61,501.25

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

The burden estimates associated with the final rule in Docket No. RM96-1-044 are program changes for FERC-549C to the version update and compliance filings. The following table shows the change in burden.

	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change Due to Agency Discretion
FERC-549C				
Annual Number of Responses	747	554	0	+193
Annual Time Burden (Hr.)	72,773	53,473	0	+19,300
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

Despite the fact that FERC-549C data are publicly available, there are no tabulating, statistical or publication plans.

17. DISPLAY OF EXPIRATION DATE

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

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.