SUPPORTING STATEMENT FOR
RM96-1-044 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 Notice of the Final Rule in Docket No. 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-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] 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.

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.

[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, 717d, and 717o.

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 relevant accounting, technical and trade terms and prescribe forms, statements, reports and regulations.

When pipelines adjust their rates and tariff provisions to meet market and customer needs. Commission review of these proposed changes to ensure rates remain just and reasonable and that services are not provided in an undue 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.

Furthermore, 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 the 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] 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

[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).

(WGQ) of the North American Energy Standards Board (NAESB). Upon incorporation by reference, these revisions to three sets of standards will add two new standards and revise one standard in the currently incorporated version of NAESB's business practice standards.

On December 4, 2024, NAESB filed a an Information Report that it had approved revisions to three sets of the current Version 4.0 business practice standards .[4] The implementation of these standards and regulations will streamline the process for accessing publicly available gas-electric coordination data during extreme cold weather or emergency events and improve communication among natural gas and electricity market participants to enhance situational awareness during extreme cold weather events.

The revisions to WGQ Version 4.0 include business practice standards developed and modified in response to Recommendation 5 of the report that the staffs of the Commission, North American Electric Reliability Corporation (NERC), and Regional Entities issued November 7, 2023and subsequent directives from the NAESB Board of Directors.[5] The NAESB Informational Report identifies all the changes made to the revised WGQ Version 4.0 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.

As addressed in the Notice of Proposed Ruling (NOPR), on December 4, 2024, these revisions to the standards would improve the reliability of the interstate natural gas infrastructure to support the bulk electric system and improve communication among gas and electric market participants to enhance situational awareness during extreme cold weather events. Notably, the Informational Report identifies revisions to three sets of standards which include two new standards and one revised standard. One new standard facilitates the posting of applicable scheduled quantity information for power plants that are directly connected to the pipeline as part of the new "Gas Electric Coordination"

[4] NAESB WGQ Business Practice Standards Version 4.0 Report, Docket No. RM96-1-000 (Dec. 3, 2024) (Informational Report).

[5] FERC et al., *FERC, NERC & Reg'l Entity Staff Rep.: Inquiry into Bulk-Power Sys. Operations During Dec. 2022 Winter Storm Elliott*, Docket No. AD23-8-000, at 143 (Nov. 7, 2023) (Recommendation 5), https://elibrary.ferc.gov/eLibrary/filedownload?fileid=00F8FAAC-A049-C84B-8784-8BB5FEC00000 (as updated Feb. 28, 2024, https://elibrary.ferc.gov/eLibrary/filedownload?fileid=BB92A244-97DD-C8A7-96AC-8D897D600000).

posting category. The one revised standard includes a new "Gas Electric Coordination" posting category. The second new standard supports the inclusion of the geographic information of impacted area(s), location(s), and/or pipeline facility by a transportation service provider when issuing a critical notice.

2. 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:

(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.[6]

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,[7] 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.[8] 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 revised WGQ Version 4.0 Standards. This continues our practice of having pipelines include in their tariffs a common location that identifies the way in which the pipeline incorporates 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 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, the proposals in this Final Rule will add a new standard under the WGQ Capacity Release

[6] 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.

[7] Ord. No. 587-V, 140 FERC ¶ 61,036.
[8] Ord. No. 587-V Compliance Order, 141 FERC ¶ 61,167 at PP 4, 38.

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.[9]

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 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.

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

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

The FERC-545 is 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.

[9] 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 scheduled gas flow."

6. 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.

7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION COLLECTION

The FERC-545 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 collections FERC-545.

10. DESCRIBE ANY ASSURANCE OF CONFIDENTIALITY PROVIDED TO RESPONDENTS

The Final Rule in Docket No. RM96-1-044 would not affect any assurance of confidentiality in connection with FERC-545.

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.

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.

12. 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 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

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	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. $980	1,930 hrs. $189,140	$980

13. 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. RM96-1-044. All the costs are related to burden hours and are detailed in Questions #12 and #15.

14. ESTIMATED ANNUALIZED COST TO FEDERAL GOVERNMENT

The PRA Administration Cost of $8,404 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 2026 average cost per Full- Time Equivalent (salary plus benefits) of $213,003 per year (for 2,080 work hours).

	Number of Hours or FTE's	**Estimated Annual Federal Cost ($)**
PRA Administration Cost	N/A	$8,404
Data Processing and Analysis Cost	0.75	$159,752.25
FERC Total for		$168,156.25

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

The burden estimates associated with the proposed rule in Docket No. RM96-1-044 are the program changes for FERC-545. The following table shows the change in burden as a result of the Final Rule.

	Total Request	Previously Approved	Change due to Adjustment in Estimate	Change due to Agency Discretion
FERC-545				
Annual Number of Responses	1,499	1,306	0	+193
Annual Time Burden (Hr.)	284,103	282,173	0	+1,930
Annual Cost Burden ($)	$0	$0	$0	$0

16. TIME SCHEDULE FOR PUBLICATION OF DATA

Even though FERC-545 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 at https://www.ferc.gov/information-collections.

18. EXCEPTIONS TO THE CERTIFICATION STATEMENT

There are no exceptions.