

**Supporting Statement for  
FERC-537 (Gas Pipeline Certificates: Construction, Acquisition, and  
Abandonment)  
Associated with RM25-12-000**

The Federal Energy Regulatory Commission (Commission or FERC) requests that the Office of Management and Budget (OMB) review the proposed modifications to *FERC-537: Gas Pipeline Certificates: Construction, Acquisition, and Abandonment*, as described in the RM25-12-000: Revisions to the Blanket Certificate Program. *FERC-537* (OMB Control No. 1902-0060) is an existing Commission data collection, that implements sections 3 and 7 of the Natural Gas Act (NGA).

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

Section 7 of the Natural Gas Act<sup>1</sup> provides that no natural gas company may engage in the transportation and sale of natural gas in interstate commerce for resale, the construction of facilities to be used in those activities, or the abandonment of any jurisdictional service or facilities, without first obtaining prior Commission approval for such activities. To fulfill this statutory responsibility, the Commission has implemented a number of different certificate programs, including various generic determinations of public convenience and necessity. In 1982, the Commission instituted a blanket certificate program, pursuant to which interstate pipelines that hold a certificate of public convenience and necessity under section 7(c) of the Natural Gas Act (NGA) may obtain a one-time blanket certificate under Part 157, Subpart F of the Commission's regulations to undertake, without a case-specific authorization order, certain activities automatically and certain other activities after prior notice.<sup>2</sup> The blanket certificate program was designed to "provide streamlined procedures which increase flexibility and reduce regulatory burden" for a generic class of routine activities, with particular conditions and procedures to ensure consistency with the Commission's statutory obligations under the NGA and environmental statutes.<sup>3</sup>

The last major modification to the blanket certificate program occurred in 2006, when the Commission, among other things, increased the cost limits, made mainline facilities eligible for the blanket certificate program, and expanded the environmental conditions

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<sup>1</sup> 15 U.S.C. 717f(c).

<sup>2</sup> 18 CFR part 157, subpart F.

<sup>3</sup> *Interstate Pipeline Certificates for Routine Transactions*, Order No. 234, FERC Stats. & Regs. ¶ 30,368, at 30,201 (1982) (cross-referenced at 19 FERC ¶ 61,216); see also *Revisions to the Blanket Certificate Regulations & Clarification Regarding Rates*, Order No. 686, 117 FERC ¶ 61,074, at P 7 (2006) ("The blanket certificate program was designed to provide an administratively efficient means to authorize a generic class of routine activities, without subjecting each minor project to a full, case-specific NGA section 7 certificate proceeding.").

and notice provisions.<sup>4</sup> The Commission reiterated that it continued to apply the framework and principles expressed in the 1982 rulemaking to distinguish those types of activities that may be conducted under an interstate pipeline's blanket certificate authority from those that merit closer, case-specific scrutiny due to their potentially significant impact on rates, services, safety, security, competing natural gas companies or their customers, or on the environment.<sup>5</sup>

To ensure that infrastructure projects can continue to be developed in a timely manner without undue regulatory review, in 2025, the Commission issued a notice of inquiry (NOI) requesting stakeholder comments on whether, and if so how, the Commission should modify the blanket certificate program to adjust the cost limitations for projects.<sup>6</sup>

The Notice of Proposed Rulemaking in Docket No. RM25-12-000 used input from the NOI and describes proposed changes to the blanket certificate program including:

- increasing cost limits,
- annual adjustment approaches,
- incremental rates,
- extending the in-service requirement timeframe,
- harmonizing cost limit approaches for receipt points and delivery points,
- abandonment costs
- authorization approaches for abandonment of storage wells
- removing cost limits for expansions of existing compressor stations
- updating reporting requirements to disclose the beneficiaries of automatic authorization projects
- harmonizing notification requirements with Section 7 applications
- allowing the use of appropriate federal databases to assist in identifying if blank activities would affect a listed species or critical habitat
- other technical edits, removal of outdated regulations, and conforming changes

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

The Commission uses information provided through the FERC-537 data collection to analyze requests by natural gas pipelines pursuant to NGA section 7(c) permission to acquire, build, or abandon pipelines and / or state facilities. The regulations also include different conditions under which it is not necessary to obtain prior Commission approval for such activities.

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<sup>4</sup> Order No. 686, 117 FERC ¶ 61,074.

<sup>5</sup> *Id.* P 8.

<sup>6</sup> *Blanket Certificate Cost Limitations*, 191 FERC ¶ 61,207 (2025) (NOI).

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

There is an ongoing FERC effort to increase the use of improved information technology in order to reduce the compliance burden. Materials required by FERC-537 may be submitted through FERC's eFiling system.

**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**

Filing requirements are periodically reviewed as OMB review dates arise or as the Commission may deem necessary in carrying out its regulatory responsibilities under the NGA and NEPA in order to eliminate duplication and ensure that filing burden is minimized. There are no similar sources for information available that can be used or modified for these reporting purposes.

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

The FERC-537 filing collects data from both large and small respondent companies. The data required impose the least possible burden for companies while collecting the required information for the certificated rate filings. If implemented, the proposed rulemaking would also expand the blanket authorization program and reduce the activities that require prior approval, thus also reducing reporting burden for large and small entities.

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

The Commission reviews and analyzes the information subject to FERC-537 to determine whether to approve or deny the requested authorization. If the Commission failed to collect these data, it would lose its ability to review relevant information to determine whether the requested certificate should be authorized.

## **7. EXPLAIN ANY SPECIAL CIRCUMSTANCES RELATING TO THE INFORMATION**

FERC-537 presents only one special circumstance. The Commission's regulation at 18 CFR 157.6, which applies to the FERC-537 collection of information, requires applicants to file an original plus seven paper copies. On its face, this regulation exceeds the OMB limitation of two copies at 5 CFR 1320.5(d)(2)(iii). However, the regulation at 18 CFR 157.6 an applicant that uses electronic eFiling is not required to provide seven paper copies. Since eFiling is currently the typical method for submitting information involving FERC-537, the special circumstance presented by 18 CFR 157.6 is rarely pertinent.

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

To ensure that infrastructure projects can continue to be developed in a timely manner without undue regulatory review, the Commission issued a notice of inquiry (NOI) in this proceeding, requesting stakeholder comments on whether, and if so how, the Commission should modify the blanket certificate program to adjust the cost limitations for projects.<sup>7</sup>

The Commission received 17 comments—nine from pipeline companies and related trade associations, four from pipeline customer groups, one from a non-governmental organization, one from a state government official, and two from individuals.<sup>8</sup> The comments addressed a variety of issues, including the appropriate cost limits, the scope of projects that may be constructed, reporting requirements, and the rate treatment for blanket certificate projects.<sup>9</sup> Additionally, Energy Transfer LP (Energy Transfer) filed supplemental comments, and the Natural Gas Supply Association (NGSA),<sup>10</sup> American Gas Association (AGA),<sup>11</sup> American Public Gas Association (APGA),<sup>12</sup> and the Process

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<sup>7</sup> *Blanket Certificate Cost Limitations*, 191 FERC ¶ 61,207 (2025) (NOI).

<sup>8</sup> Additionally, Ms. Diana Dakey filed comments in Docket No. CP25-208-000 generally opposing alteration or waiver of the Commission's regulations. Diana Dakey Comments, Docket No. CP25-208-000, at 2 (filed July 21, 2025).

<sup>9</sup> Energy Transfer LP supports the Commission allowing minor LNG projects to proceed under the blanket certificate program. This topic is the subject of a separate notice of inquiry, and is accordingly not discussed further herein. See *Authorizations for Certain Activities at Liquefied Nat. Gas Plants*, 193 FERC ¶ 61,141 (2026).

<sup>10</sup> NGSA represents integrated and independent companies that supply natural gas and is the only national trade association that solely focuses on producer-marketer issues related to the downstream natural gas industry.

<sup>11</sup> AGA represents more than 200 local energy companies that deliver natural gas throughout the United States.

<sup>12</sup> APGA is a trade association for more than 730 communities across the US that own and operate their retail gas distribution entities.

Gas Consumers Group (PGC)<sup>13</sup> and the Industrial Energy Consumers of America (IECA)<sup>14</sup> filed reply comments.<sup>15</sup> All of the comments are publicly available online by searching FERC's [eLibrary system](#) for RM25-12-000.

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

There are no payments or gifts to respondents of FERC-537.

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

The Commission does not guarantee the information provided by applicants to be confidential. The Commission encourages applicants to indicate information which may be Critical Energy/Electric Infrastructure Information (CEII), or privileged, and thus initially confidential. CEII as defined in Section 18 CFR 388.113 includes information about proposed or existing natural gas facilities that could be used by a person planning an attack on critical energy infrastructure. Privileged material most often includes proprietary business information, specific cultural resource details and locations, and personal identification information of affected landowners. More information about CEII and privileged security levels of information is posted at <http://www.ferc.gov/legal/ceii-foia/ceii.asp> and <http://www.ferc.gov/legal/ceii-foia/ceii/classes.asp>. The Commission's procedures in Part 388 are designed to ensure that CEII and privileged material are not placed in the Commission's public records.

**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 associated with FERC-537.

**12. ESTIMATED BURDEN COLLECTION OF INFORMATION**

The Commission estimates the total burden for FERC-537 as a result of the proposed rulemaking would be:

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<sup>13</sup> PGC is a trade association that represents energy-intensive large industrial and manufacturing natural gas consumers.

<sup>14</sup> IECA is a nonpartisan association of manufacturing companies for industries including chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, consumer goods, building products, automotive, independent oil refining, and cement.

<sup>15</sup> Although the NOI did not provide for reply comments, we accept the pleadings because they have assisted our development of this notice of proposed rulemaking.

	<b>Number of Respondents (1)</b>	<b>Annual Number of Responses per Respondent (2)</b>	<b>Total Number of Responses (1)*(2)=(3)</b>	<b>Average Burden &amp; Cost Per Response<sup>16</sup> (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)<sup>17</sup></b>
18 CFR 157.6 Interstate Certificate and Abandonment Applications <sup>18</sup>	22	1.39	30.58	500 hrs.; \$51,000	15,290 hrs.; \$ 1,559,580	\$70,890
18 CFR 157.53 Pipeline Purging/Testing Exemptions	1	1	1	50 hrs.; \$5,100	50 hrs.; \$5,100	\$5,100
18 CFR 157.203(c) Blanket Certificates Prior Notice Filings	30	2.125	63.75	200 hrs.; \$20,400	12,750 hrs.; \$ 1,300,500	\$43,350
18 CFR 157.207 Blanket Certificates – Annual Reports	176	1	176	50 hrs.; \$5,100	8,800hrs.; \$897,600	\$5,100
18 CFR 284.11 NGPA Section 311 Construction – Annual Reports	75	1	75	50 hrs.; \$5,100	3,750 hrs.; \$382,500	\$5,100

<sup>16</sup> Commission staff estimates that the industry’s hourly cost for wages plus benefits is similar to the Commission’s \$102 FY 2026 average hourly cost for wages and benefits.

<sup>17</sup> Each of the figures in this column are rounded to the nearest dollar.

<sup>18</sup> This proposed rulemaking would reduce the number of applications. There is no proposed impact on the other parts of this collection.

18 CFR 284.221 Blanket Certificates – Transportation by Interstate Pipelines on behalf of others	1	1	1	100 hrs.; \$10,200	100 hrs.; \$10,200	\$10,200
18 CFR 284.8 <sup>19</sup> Request for Waiver of Capacity Release Regulations	31	1.39	43.09	10 hrs.; \$1,020	430.9 hrs.; \$ 43,952	\$1,418
18 CFR 284.13(e) and 284.126(a) Interstate and Intrastate Bypass Notice	2	1	2	30 hrs.; \$3,060	60 hrs.; \$6,120	\$3,060
18 CFR 284.221 Blanket Certificates – Transportation by Interstate Pipelines on behalf of others	1	1	1	100 hrs.; \$10,200	100 hrs.; \$10,200	\$10,200
18 CFR 284.224 Blanket Certificate - Hinshaw Pipeline Blanket Certificates	2	1	2	75 hrs.; \$7,650	150 hrs.; \$15,300	\$7,650

<sup>19</sup> A Certificate Abandonment Application would require waiver of the Commission’s capacity release regulations in 18 CFR 284.8; therefore this activity is associated with Interstate Certificate and Abandonment Applications.

18 CFR 157.18 Non-facility Certificate or Abandonment Applications	11	1.36	14.96	75 hrs.; \$7,650	1,122 hrs.; \$114,444	\$10,200
Project based Labor wages	22	1	22	15 hrs. \$1,530	330 hrs. \$33,660	\$1,530
<b>TOTAL</b>			<b>431<sup>20</sup> (rounded)</b>		<b>42,833 hrs.; (rounded) \$4,368,956</b>	

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

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

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

The estimate of the cost for analysis and processing of filings is based on salaries and benefits for professional and clerical support. The Commission also incurs costs associated with obtaining OMB clearance for the FERC-537 information collection under the Paperwork Reduction Act (PRA). The PRA Administrative Cost is a federal cost associated with preparing, issuing, and submitting materials necessary to comply with the PRA for any vehicle (including a rulemaking) used to create, modify, extend, or discontinue an information collection. This average annual cost includes requests for extensions, all associated rulemakings and orders, other changes to the collection, and associated publications in the Federal Register.

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<sup>20</sup> Note: These figures differs slightly from those in ROCIS due to rounding.

	<b>Number of Employees (FTE)<sup>21</sup></b>	<b>Estimated Annual Federal Cost</b>
Analysis and Processing of filings	4	\$852,012
PRA Administrative Cost		\$8,404
<b>FERC Total</b>		<b>\$860,416</b>

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

The Commission estimates that the proposals in this notice of proposed rulemaking will expand the scope and scale of projects that interstate natural gas pipelines may construct without a case-specific authorization order and increase the cost limits for such projects, among other changes. As a result, these proposals would reduce the number of full applications and reporting burden.

The following table shows the total burden of the new collection of information. The format, labels, and definitions of the table follow the ROCIS submission system’s “Information Collection Request Summary of Burden” for the metadata.

	<b>Total Request (Rounded)<sup>22</sup></b>	<b>Previously Approved (Rounded)</b>	<b>Change Due to Adjustment in Estimate</b>	<b>Change Due to Agency Discretion</b>
Annual Number of Responses	431	444	0	-13
Annual Time Burden (Hrs.)	42,833	49,091	0	-6,258
Annual Cost Burden (\$)	\$0	\$0	\$0	\$0

### 16. TIME SCHEDULE FOR PUBLICATION OF DATA

There are no publications for the collections of information.

### 17. DISPLAY OF EXPIRATION DATES

The expiration date for FERC-537 (November 30, 2027) will not change as a result of the proposed rule. The OMB expiration date is posted on [Information Collections | Federal Energy Regulatory Commission \(ferc.gov\)](https://www.ferc.gov/information-collections).

<sup>21</sup> The Commission’s FY 2026 average cost for wages and benefits is \$102/hr or \$213,003 annually.

<sup>22</sup> Note: These figures differ slightly from those in ROCIS due to rounding.

**18. EXCEPTIONS TO THE CERTIFICATION STATEMENT**

There are no exceptions.