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News Media Contact

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Docket No. RM96-1-037

FERC Proposes to Update Standards for Business Practices for Interstate Gas Pipelines

The Federal Energy Regulatory Commission (FERC) is seeking public comment on a proposal that would benefit the wholesale gas market by updating and improving standards for business practices of interstate natural gas pipelines.

FERC today issued a proposed rule that would amend its regulations to incorporate by reference, with certain exceptions, the latest version of business practice standards adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board (NAESB) applicable to natural gas pipelines. These are known as Version 2.0 Standards.

The new standards include provisions that support coordination between the natural gas and electric industries, standards for pipeline postings of information regarding waste heat, and general revisions to the standards designed to allow more efficient processing of wholesale natural gas transactions. FERC proposes not to adopt certain NAESB standards regarding posting of operationally available and unsubscribed capacity that appear to conflict with Commission regulations.

With respect to the standards regarding coordination between the natural gas and electric industries, the new standards provide public utilities and other shippers with clear identification of changes in pipelines' system conditions by creating 15 new notice types posted on the pipelines' websites and disseminated through email. The new notice types inform shippers and interested parties of intraday bumps, operational flow orders and other critical notices. The use of these additional notice categories should enable shippers to more quickly identify changes in pipeline conditions by enabling them to filter pipeline notices more efficiently.

FERC proposes that pipelines implement the new standards beginning the first day of the month four full months after issuance of a final rule. Pipelines also would be required to file revised tariffs reflecting the new standards at least two months before implementation of the new standards. A sample of the revised tariff may be viewed here: <http://www.ferc.gov/industries/gas/indus-act/pipelines/standards.asp>

Comments are due 30 days after publication in the *Federal Register*. They may be filed either electronically using the eFiling link at www.ferc.gov (Documents and Filings tab) or by postal mail to FERC, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

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