

167 FERC ¶ 61,041
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Cheryl A. LaFleur, Richard Glick,
and Bernard L. McNamee.

Tallgrass Interstate Gas Transmission, LLC	Docket Nos. RP19-810-000
Trailblazer Pipeline Company LLC	RP19-811-000
Rockies Express Pipeline LLC	RP19-812-000

ORDER GRANTING REQUESTS FOR EXTENSION OF TIME

(Issued April 18, 2019)

1. On March 6, 2019, as supplemented on March 15, 2019, Tallgrass Interstate Gas Transmission, LLC, Trailblazer Pipeline Company LLC, and Rockies Express Pipeline LLC (the Tallgrass Pipelines) filed, in Docket Nos. RP19-810-000, RP19-811-000, and RP19-812-000, respectively, motions for extension of time until December 31, 2020, to comply with certain of the North American Energy Standards Board (NAESB) Version 3.1 business practice standards (Version 3.1 Standards) adopted by NAESB's Wholesale Gas Quadrant (WGQ) applicable to interstate natural gas pipelines, and incorporated by reference by the Commission in Order No. 587-Y,¹ in light of a contemplated transition to a new gas information management system. As discussed below, we grant the Tallgrass Pipelines' requests for extensions of time until December 31, 2020, to comply with certain of the NAESB WGQ Version 3.1 Standards relating to electronic processing.

I. Background

2. On November 15, 2018, the Commission issued Order No. 587-Y, a Final Rule amending its regulations² to incorporate by reference the NAESB WGQ Version 3.1 Standards. The revisions made by NAESB in this version of the standards are designed to clarify the processing of certain business transactions. Most notable, NAESB adopted two substantive revisions to its Nominations Related Standards, one to establish a standard

¹ *Standards for Business Practices of Interstate Natural Gas Pipelines*, Order No. 587-Y, 165 FERC ¶ 61,109 (2018) (Order No. 587-Y).

² 18 C.F.R. § 284.12 (2018).

rounding process for elapsed-prorated-scheduled quantity³ calculations and a second to revise the specifications for the information to be included in a nomination request. Under Order No. 587-Y, the Final Rule, interstate natural gas pipelines are required to file compliance filings with the Commission by April 1, 2019, and are required to comply with the standards incorporated by reference in Order No. 587-Y on and after August 1, 2019.⁴

3. The Tallgrass Pipelines request extensions of time until December 31, 2020, so that they will be excused from their obligation to comply with certain of the NAESB WGQ Version 3.1 Standards during the requested time period.⁵ The Tallgrass Pipelines argue that good cause exists to grant their requests.

4. In support of their requests, the Tallgrass Pipelines state that they do not currently have the capability to fully implement all of the NAESB WGQ Version 3.1 Standards by August 1, 2019. Further, the Tallgrass Pipelines state that to implement all of the NAESB WGQ Version 3.1 Standards using the current gas information management system of the Tallgrass Pipelines, the current system would need to be upgraded to a new software version, which the Tallgrass Pipelines aver would require significant coding and testing and cost a minimum of \$1 million. Thus, the Tallgrass Pipelines state that they are currently working diligently to transition to a new gas information management system. The Tallgrass Pipelines explain that the new gas information management system is anticipated to be in place no later than December 31, 2020, at which time, the Tallgrass Pipelines state, they will be fully compliant with all of the NAESB WGQ Version 3.1 Standards. The Tallgrass Pipelines assert that granting their extension of time requests will not affect business functionality or adversely impact their respective customers. The Tallgrass Pipelines further assert that they will continue to work with their vendor to expedite the process and to implement the required NAESB WGQ Version 3.1 Standards on a more expedited schedule, if possible.

³ Standard 1.2.12 of the Nominations Related Standards defines the elapsed-prorated-scheduled quantity to mean:

That portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected.

⁴ Order No. 587-Y, 165 FERC ¶ 61,109 at P 23.

⁵ NAESB WGQ Version 3.1 Standards 0.4.2, 0.4.3, 0.4.4, 1.4.1, 1.4.2, 1.4.4, 1.4.5, 1.4.6, 2.4.1, 2.4.3, 2.4.4, 4.3.80, 4.3.106, 5.4.20, 5.4.21, 5.4.22, 5.4.24, 5.4.25, and 5.4.26.

5. The Tallgrass Pipelines state that they each plan to submit their compliance tariff filings incorporating the remaining NAESB WGQ Version 3.1 Standards by April 1, 2019, with an effective date of August 1, 2019, as required by Order No. 587-Y.

II. Notice of Filings

6. Notices of the Tallgrass Pipelines' filings were published in the *Federal Register*, 84 Fed. Reg. 9326-01 (2019), with protests due on or before March 13, 2019. No protests or adverse comments were filed.

III. Discussion

Extensions of Time to Comply With Certain of the NAESB WGQ Version 3.1 Standards

7. We have reviewed the Tallgrass Pipelines' requests for an extension of time, and we find that the Tallgrass Pipelines have provided good cause for the Commission to grant their requests. The Tallgrass Pipelines are requesting extensions of time only to accommodate delays in establishing their electronic processing systems. Therefore, we find that granting the requested extensions of time to implement the requirements set forth in NAESB WGQ Version 3.1 Standards 0.4.2, 0.4.3, 0.4.4, 1.4.1, 1.4.2, 1.4.4, 1.4.5, 1.4.6, 2.4.1, 2.4.3, 2.4.4, 4.3.80, 4.3.106, 5.4.20, 5.4.21, 5.4.22, 5.4.24, 5.4.25, and 5.4.26 as they apply to electronic processes,⁶ until December 31, 2020, will not affect business functionality or adversely impact their respective customers. However, consistent with Commission precedent, we clarify that the extensions of time granted herein do not apply to the requirements set forth in the following NAESB WGQ Version 3.1 Standards related to the posting of proprietary location codes⁷ on the pipelines' Internet website: 0.4.4, 1.4.1, 1.4.4, 1.4.5, 1.4.6, 2.4.1, 2.4.3, 5.4.24, 5.4.25, and 5.4.26.⁸

⁶ See *Destin Pipeline Co., L.L.C.*, 160 FERC ¶ 61,116, at P 7 (2017) (where the Commission granted the requested extension of time until August 26, 2017, to comply with certain of the NAESB WGQ Version 3.0 Standards relating to electronic processing).

⁷ Proprietary location codes are used by interstate pipelines to identify active interconnection points, referenced in their Form No. 549B, Index of Customers, through the website postings.

⁸ See *Equitrans L.P.*, 153 FERC ¶ 61,320, at PP 10-13 (2015) (where the Commission denied the requested extension of time to implement the requirements for the NAESB WGQ Version 3.0 Standards related to the posting of proprietary location codes on the pipeline's Internet website).

8. As this is a compliance filing to a rulemaking under section 5 of the Natural Gas Act (NGA) and not a filing under section 4 of the NGA, the notice period in NGA section 4 does not pertain to the instant filings. Accordingly, the extensions of time will become effective on August 1, 2019, the date interstate natural gas pipelines are required to begin compliance with the NAESB WGQ Version 3.1 Standards.

The Commission orders:

The Tallgrass Pipelines are hereby granted extensions of time from August 1, 2019 until December 31, 2020, to comply with certain of the NAESB WGQ Version 3.1 Standards relating to electronic processing, as discussed in the body of this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Deputy Secretary.