

148 FERC ¶ 61,024  
UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

18 CFR Part 154

[Docket No. RM14-21-000]

Natural Gas Act Pipeline Maps

(July 17, 2014)

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Federal Energy Regulatory Commission (Commission or FERC) is proposing to amend the filing requirements for natural gas pipeline system maps. Under current regulations, natural gas pipelines must include a system map as part of their tariff on file with the Commission, and file an updated map by the following April for any year that there is a major change in the pipeline's system. Additionally, this map must be posted on the pipeline's own website. In order to reduce regulatory burden on these pipelines, the Commission proposes to eliminate the requirement to file a map as part of the tariff, leaving only the requirement to maintain a map on the pipeline's own website.

Furthermore, in order to promote transparency, the Commission proposes to change the deadline for updating system maps. Currently, if a pipeline experiences a major change that renders its existing map obsolete, it must make a tariff filing no later than April 30 of the subsequent calendar year. The Commission proposes a quarterly deadline for updating pipeline maps.

DATES: Comments are due [Insert Date 60 days after publication of this notice in the FEDERAL REGISTER].

ADDRESSES: Comments, identified by docket number, may be filed in the following ways:

- Electronic Filing through <http://www.ferc.gov>. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not in a scanned format.
- Mail/Hand Delivery: Those unable to file electronically may mail or hand-deliver comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

*Instructions*: For detailed instructions on submitting comments and additional information on the rulemaking process, see the Comment Procedures Section of this document.

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SUPPLEMENTARY INFORMATION:

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

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NOTICE OF PROPOSED RULEMAKING

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Docket No. RM14-21-000

NOTICE OF PROPOSED RULEMAKING

(July 17, 2014)

1. The Federal Energy Regulatory Commission (Commission or FERC) is proposing to revise its regulations regarding the requirement that interstate natural gas pipelines subject to our jurisdiction under the Natural Gas Act (NGA)<sup>1</sup> file the system maps as part of their tariffs. Currently, pursuant to sections 154.103 and 154.106 of our regulations,<sup>2</sup> natural gas pipelines must have a system map in their tariffs on file with the Commission and, pursuant to section 284.12(a)(1)(v),<sup>3</sup> on the tariff section of their websites. In order to reduce regulatory burden on these pipelines, the Commission proposes to eliminate the requirement that natural gas pipelines have a system map on file with the Commission but retain the requirement to post the system map on their websites. Furthermore, in order to promote transparency, the Commission is also proposing to change the deadline for updating maps. Natural gas pipeline companies would be required to update the map

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<sup>1</sup> 15 U.S.C. 717.

<sup>2</sup> 18 CFR 154.103 and 154.106 (2013).

<sup>3</sup> 18 CFR 284.12(a)(1)(v) (2013).

on their website within the calendar quarter of any major system change instead of annually by April 30.

## **I. Background**

2. The Commission has required natural gas pipelines to include system maps in their tariffs since 1948.<sup>4</sup> The Commission made clarifying modifications to the original regulation in 1995,<sup>5</sup> and edits to accommodate electronic tariff filing (eTariff) in 2008.<sup>6</sup>

The current-day map publication regulation, 18 CFR 154.106, states:

- a. The map must show the general geographic location of the company's principal pipeline facilities and of the points at which service is rendered under the tariff. The boundaries of any rate zones or rate areas must be shown and the areas or zones identified. The entire system should be displayed on a single map. In addition, a separate map should be provided for each zone.

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<sup>4</sup> *Amendment of Regulations and Approved Forms Under the Natural Gas Act, to Prescribe Revised Rules Governing the Form, Composition, Filing, and Posting of Rate Schedules and Tariffs for the Transportation or Sale of Natural Gas Subject to the Jurisdiction of the Commission*, [Order No. 144](#), 13 FR 6371, 6374 (issued Oct. 28, 1948, published Oct. 30, 1948, corrected Nov. 12, 1948).

<sup>5</sup> *Filing and Reporting Requirements for Interstate Natural Gas Company Rate Schedules and Tariffs*, Order No. 582, 60 FR 52,960, FERC Stats. & Regs. ¶ 31,025 (1995).

<sup>6</sup> *Electronic Tariff Filings*, Order No. 714, 73 FR 57,515, FERC Stats. & Regs. ¶ 31,276 (2008) *clarified*, Order No. 714-A, 147 FERC ¶ 61,115 (2014).

- b. [Reserved]
  - c. The map must be revised to reflect any major changes. The revised map must be filed no later than April 30 of the calendar year after the major change.<sup>7</sup>
3. As with other parts of tariffs, pipeline system maps must be filed with the Commission solely in electronic format. Order No. 714 required that all natural gas pipeline tariffs and tariff revisions, including those concerning system maps, be filed electronically according to a set of standards developed in conjunction with the North American Energy Standards Board (NAESB).<sup>8</sup> Moreover, under NAESB Wholesale Gas Quadrant Standard 4.3.23, and as incorporated by reference in section 284.12(a)(1)(v) of the Commission's regulations,<sup>9</sup> each pipeline must display its entire tariff (including the map) on its website. Pipeline system maps, however, are often created using specialized software, and can be densely populated with data. These factors have created constraints in the ability of pipelines to file maps as part of their electronically filed tariffs. For

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<sup>7</sup> 18 CFR 154.106.

<sup>8</sup> Order No. 714, FERC Stats. & Regs. ¶ 31,276 at P 1.

<sup>9</sup> 18 CFR 284.12(a)(1)(v).

example, eTariff limits the size of all individual tariff records to 10 megabytes.<sup>10</sup> Further, system maps may only be filed in one of two electronic formats, RTF or PDF.<sup>11</sup> In practice, it is technically difficult to create and file a map in RTF. Further, pipelines have informed Commission Staff that converting their maps to a small-size PDF often compels them to reduce the quality of the maps.

4. As noted, the current regulation requires the filing of an updated map only if there is a major change, and thus not all pipelines have major changes requiring such a filing every year. Over the past three years, the Commission received an average of 21 filings per year that were exclusively pursuant to section 154.106. Additionally, pipelines sometimes file system maps intermittently throughout the year as part of more general tariff filings.

## **II. Discussion**

### **A. Proposed Changes**

5. The Commission proposes two changes to the gas pipeline map regulations with the aim of promoting transparency and reducing regulatory burden. In an effort to reduce regulatory burden, the Commission proposes to eliminate the requirement that system

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<sup>10</sup> See *Implementation Guide for Electronic Filing of Parts 35, 154, 284, 300, and 341 Tariff Filings* (April 29, 2014) Data Dictionary, Record Binary Data, available at <<http://www.ferc.gov/docs-filing/etariff/implementation-guide.pdf>>.

<sup>11</sup> *Id.* at Data Dictionary, Record Content Type Code. RTF refers to Rich Text Format which is a standardized textual format that can be produced by a number of word processors. PDF refers to Portable Document Format, which is a format used for representing documents that closely resembles the original formatting of the document.

maps be filed in as part of natural gas pipeline tariffs. In the place of system maps, the Commission proposes to require that pipelines provide a tariff record that contains a website address, or uniform resource locator (URL) reference, to the pipeline's publicly available website where maps may be accessed. The Commission proposes that natural gas pipelines post their system maps on the Informational Postings portion of their respective websites in accordance with applicable NAESB standards. Upon the adoption of this rule, NAESB should also consider whether additional standards are needed to assure accessibility and uniformity in the presentation of the maps.

6. The proposal to eliminate the map filing requirement effectively renders the April 30 regulatory deadline obsolete. Thus, in order to ensure a higher level of transparency, the Commission proposes to require pipelines to update system maps more promptly, so that customers and potential customers can obtain a realistic picture of the pipeline's configuration, its zone boundaries, and the areas to which its rates apply. While zone boundaries do not often change, the markets pipelines serve do change more frequently as pipelines add laterals, extend mainlines, abandon plant or change operations. Requiring pipelines to update their maps in the calendar quarter that they implement a major system change will enhance transparency by ensuring that shippers have an accurate depiction of the pipeline in a timelier manner.

7. Pursuant to the Commission's current regulatory structure, pipelines must already provide new tariff language or maps in advance.<sup>12</sup> While we continue to encourage such promptness, for the purposes of section 154.106, the Commission proposes to reduce the current lag period to a calendar quarter.<sup>13</sup> Because it is relatively rare for pipelines to engage in major changes that require new maps more than once a year, this change should only slightly increase the number of website map updates but it will increase the public's confidence that a pipeline's map is up-to-date and relevant. Furthermore, connecting map update deadlines to the calendar quarter will assist those pipelines that prefer specified calendar dates for their compliance obligations. Accordingly, the Commission proposes to define the new deadline as follows (new language in bold):

“The map must be revised to reflect any major change no later than **the end of the calendar quarter of** the major change.”

8. Furthermore, just as all tariff records, including tariff maps, must have an effective date under the current regulations, the Commission will also require website maps to

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<sup>12</sup> Currently, section 4 of the Natural Gas Act obligates pipelines to announce the proposed tariff changes to terms, conditions, and rates at least 30 days *before* the change goes into effect. Pipelines often include maps with these filings in order to meet the burden of demonstrating justness and reasonableness. Most filings under section 7 of the Natural Gas Act expressly require a map, as per Commission regulations. *E.g.*, 18 CFR 157.208, 157.211, 157.213, 157.214, 157.215, 157.216 (2013).

<sup>13</sup> “Calendar quarter” has its standard meaning, as used, *e.g.*, in 18 CFR 141.400 and 284.126 (2013): January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31.

display an effective date. Pipelines are also permitted to display maps showing past, future, or hypothetical operations, so long as these maps are clearly labeled as such.

9. The Commission is taking this action as part of our commitment to continually review our regulations and eliminate those requirements that impose an unnecessary burden on regulated entities. We find that our proposal to have pipelines incorporate the system map by reference to a location on their websites will retain all of the transparency and consumer safeguards embodied in the Commission's existing regulations. However, it will eliminate approximately 21 filings each year, and the concomitant technical burdens of conforming maps to the eTariff requirements, thereby reducing the regulatory burden on the pipelines and the Commission.

**B. Scope**

10. The Commission emphasizes that the only change contemplated by this Proposed Rule is to the filing requirements for system maps in the eTariff system, sections 154.103 and 154.106 of the Commission's regulations. Other filing requirements, including the system flow diagrams and maps in Form 567,<sup>14</sup> Exhibits F and G,<sup>15</sup> and Exhibits V and Z,<sup>16</sup> are unchanged and are not the subject of this proceeding.

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<sup>14</sup> 18 CFR 260.8 (2013)

<sup>15</sup> 18 CFR 157.14(a)(6) through (9) (2013).

<sup>16</sup> 18 CFR 157.18(c) and (g) (2013).

11. Additionally, this Proposed Rule does not affect the substantive content of the map, as defined in the existing regulation (e.g., “general geographic location” and “the boundaries of any rate zones or rate areas must be shown”). Nor does it affect the triggering event for filing a new map (i.e., “major change”). By freeing pipelines of the need to convert their maps into small-sized RTF or PDF files, the Commission predicts that the overall quality of pipeline maps will improve without the need for prescriptive regulation.

12. The Commission proposes that, on the first day of the calendar quarter that starts 90 days after the Final Rule is published in the *Federal Register*, all pipelines would file a compliance tariff filing. This compliance filing would revise their respective tariffs to remove their system maps and provide the website address or URL reference. Assuming that pipelines do not change their URL reference, all future map updates should be able to be made without need for making any filing with the Commission.

### **III. Information Collection Statement**

13. The following collections of information contained in this proposed rule are being submitted to the Office of Management and Budget (OMB) for review under section 3507(d) of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(d).

14. The Commission solicits comments on the Commission’s need for this information, whether the information will have practical utility, the accuracy of the provided burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods for minimizing respondents’ burden, including the use of automated information techniques.

15. The following burden estimates reflect the time necessary for respondents to update their tariffs according to this proposed rule, as well as the burden reduction as respondents will no longer have to file system map adjustments. Also, there is a small burden increase to account for the proposed requirement that pipelines update their system maps on a more frequent basis than annually. The Commission bases the estimated number of respondents on the number of Natural Gas Act jurisdictional companies with tariffs on file, accounting for companies that have waivers. The Commission assumes that in the first year the only difference in burden for respondents is to make the one time tariff changes estimated at eight hours per respondent. In each year, starting in the second, the Commission estimates that approximately 21 respondents per year will experience a four hour reduction in burden from no longer filing system map adjustments with the Commission. Also starting in the second year, the Commission estimates that approximately four respondents will see an increase of four hours per year in order to update their maps more frequently. The following table shows the proposed rule burden hour impact.

	<b>Total Number of Responses (A)</b>	<b>Burden Hours per Response (B)</b>	<b>Total Annual Burden Hours (C)= (A)*(B)</b>	<b>Total Annual Cost<sup>17</sup> =(C)*(\$/hour)</b>
One-time tariff filing (year 1)	165	8	1,320	\$168,960 (\$128/hr)
Burden Reduction (year 2 and beyond)	21	4	-84	-\$5,124 (\$61/hr)
Additional burden for more frequent map updates (year 2 and beyond)	4	4	16	\$976 (\$61/hr)
<b>Total – Year 1</b>	<b>165</b>	<b>8</b>	<b>1,320</b>	<b>\$168,960</b>
<b>Total – Year 2 and beyond</b>	<b>-17</b>	<b>4</b>	<b>-68</b>	<b>-\$4,148</b>

<sup>17</sup> The estimates for Total Annual Cost are derived using the following formula: Total Annual Burden Hours \* \$ per Hour = Total Annual Cost. For the one-time tariff filing the hourly loaded (wage plus benefits) wage is \$128 and is based on the loaded wage of an attorney. For the burden reduction and additional updates the hourly loaded wage is \$61 and is based on the loaded wage of a civil engineer and a computer/math specialist. The hourly wage figures come from the Bureau of Labor Statistics (BLS) at [http://www.bls.gov/oes/current/naics2\\_22.htm](http://www.bls.gov/oes/current/naics2_22.htm) and the benefits are calculated using BLS information at <http://www.bls.gov/news.release/ecec.nr0.htm>. Each response to the proposed regulation in Column A is expected to correspond to a unique respondent. As a result, total number of responses equals the expected total number of respondents.

*Title:* FERC-545, Gas Pipeline Rates: Non Formal

*Action:* One-time filing and reduced future filings

*OMB Control Number:* 1902-0154

*Respondents:* Natural Gas Pipelines

*Frequency of Responses:* One-time implementation and future reduction in number of responses. Responses are mandatory.

*Necessity of Information:* The proposals in this Proposed Rule would, if implemented, reduce the burden of interstate natural gas pipelines resulting from compliance with the Commission's regulations.

*Internal Review:* The Commission has reviewed the requirements pertaining to proposed modification of the Commission's regulations and made a preliminary determination that the proposed revisions are necessary to reduce the burden imposed by the Commission on the natural gas industry. The Commission has assured itself, by means of its internal review, that there is specific, objective support for the burden estimates associated with the information requirements.

16. Interested persons may obtain information on the reporting requirements by contacting the following: Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 [Attention: Ellen Brown, Office of the Executive Director, e-mail: [DataClearance@ferc.gov](mailto:DataClearance@ferc.gov), phone: (202) 502-8663, fax: (202) 273-0873].

17. Comments concerning the collection of information and the associated burden estimate, should be sent to the Commission in this docket and to the Office of Management and Budget, Office of Information and Regulatory Affairs,

Washington, DC 20503 [Attention: Desk Officer for the Federal Energy Regulatory Commission, telephone: (202) 395-4638, fax: (202) 395-4718].

#### **IV. Environmental Analysis**

18. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>18</sup> The Commission has categorically excluded certain actions from these requirements as not having a significant effect on the human environment.<sup>19</sup> The actions proposed here fall within categorical exclusions in the Commission's regulations for rules that are clarifying, corrective, or procedural, for information gathering, analysis, and dissemination, and for sales, exchange, and transportation of natural gas that requires no construction of facilities.<sup>20</sup> Therefore, an environmental assessment is unnecessary and has not been prepared as part of this NOPR.

#### **V. Regulatory Flexibility Act**

19. The Regulatory Flexibility Act of 1980 (RFA)<sup>21</sup> generally requires a description and analysis of final rules that will have significant economic impact on a substantial number of small entities. The RFA mandates consideration of regulatory alternatives that

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<sup>18</sup> *Regulations Implementing the National Environmental Policy Act of 1969*, Order No. 486, FERC Stats. & Regs. ¶ 30,783 (1987).

<sup>19</sup> 18 CFR 380.4 (2013).

<sup>20</sup> *See* 18 CFR 380.4(a)(2)(ii), 380.4(a)(5), 380.4(a)(27) (2013).

<sup>21</sup> 5 U.S.C. 601-612.

accomplish the stated objectives of a proposed rule and that minimize any significant economic impact on a substantial number of small entities. The Small Business Administration's (SBA) Office of Size Standards develops the numerical definition of a small business.<sup>22</sup> The SBA has established a size standard for pipelines transporting natural gas, stating that a firm is small if its annual receipts are less than \$25.5 million.<sup>23</sup>

20. The changes proposed here only impact interstate pipelines. Approximately 165 entities would be potential respondents subject to data collection FERC-545 reporting requirements. More than half of these entities are large entities. Using 2013 revenue data from the Form 2 and 2A, the Commission estimates that 19 percent or 26 total pipelines not affiliated with larger companies had annual revenues of less than \$25.5 million. Moreover, these changes are designed to benefit all customers, including small businesses. The Commission estimates that the one-time cost per small entity is \$1,024.<sup>24</sup> In the future, small entities should see a cost savings related to avoiding filing requirements related to system maps. The Commission does not consider the estimated \$1,024 impact per entity to be significant. Accordingly, pursuant to §605(b) of the RFA, the Commission certifies that this proposed rule should not have a significant economic impact on a substantial number of small entities.

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<sup>22</sup> 13 CFR 121.101 (2013).

<sup>23</sup> 13 CFR 121.201, subsection 486.

<sup>24</sup> See the Information Collection section for further explanation.

**VI. Comment Procedures**

21. The Commission invites interested persons to submit written comments on the proposed regulation modifications promulgated in this NOPR, as well as any related matters or alternative proposals that commenters may wish to discuss. Comments are due [Insert Date 60 days after publication in the Federal Register]. Comments must refer to Docket No. RM14-21-000, and must include the commenter's name, the organization they represent, if applicable, and their address. Comments may be filed either in electronic or paper format.

22. The Commission encourages comments to be filed electronically via the eFiling link on the Commission's website at <<http://www.ferc.gov>>. The Commission accepts most standard word processing formats. Documents created electronically using word processing software should be filed in native applications or print-to-PDF format and not in a scanned format. Commenters filing electronically do not need to make a paper filing.

23. Commenters that are not able to file comments electronically must send an original of their comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426.

24. All comments will be placed in the Commission's public files and may be viewed, printed, or downloaded remotely as described in the Document Availability Section below. Commenters on this proposal are not required to serve copies of their comments on other commenters.

**VII. Document Availability**

25. In addition to publishing the full text of this document in the *Federal Register*, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page <<http://www.ferc.gov>> and in the Commission's Public Reference Room during normal business hours (8:30 a.m. to 5:00 p.m. Eastern time) at 888 First Street NE, Room 2A, Washington DC 20426.

26. From the Commission's Home Page on the Internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

27. User assistance is available for eLibrary and the Commission's website during normal business hours from the Commission's Online Support at (202) 502-6652 (toll free at 1-866-208-3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or the Public Reference Room at (202) 502-8371, TTY (202) 502-8659. E-mail the Public Reference Room at [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

List of subjects in 18 CFR Part 154

Natural Gas, Pipelines, Reporting and recordkeeping requirements.

By direction of the Commission.

( S E A L )

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

In consideration of the foregoing, the Commission proposes to amend Part 154.106, Chapter I, Title 18, *Code of Federal Regulations*, as follows:

**PART 154—RATE SCHEDULES AND TARIFFS**

1. The authority citation for part 154 continues to read as follows:

Authority: 15 U.S.C. 717 -717w; 31 U.S.C. 9701; 42 U.S.C. 7102 -7352.

2. Revise § 154.103(a) to read as follows:

**§154.103 Composition of tariff.**

(a) The tariff must contain sections, in the following order: A table of contents, a preliminary statement, a uniform resource locator for the Internet address of a map of the system, currently effective rates, composition of rate schedules, general terms and conditions, form of service agreement, and an index of customers.

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3. Revise § 154.106 to read as follows:

**§154.106 Map.**

(a) The tariff must state a uniform resource locator on the pipeline's Internet website, at which the general public may display and download system map(s).

(b) The map must show the general geographic location of the company's principal pipeline facilities and of the points at which service is rendered under the tariff. The boundaries of any rate zones or rate areas must be shown and the areas or zones identified. The entire system should be displayed on a single map. In addition, a separate map should be provided for each zone.

(c) The map must be revised to reflect any major change no later than the end of the calendar quarter of the major change.