

155 FERC ¶ 61,177
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Norman C. Bay, Chairman;
Cheryl A. LaFleur, Tony Clark,
and Colette D. Honorable.

Gulf Shore Energy Partners, LP

Docket No. RP16-748-000

ORDER GRANTING IN PART AND DENYING IN PART REQUESTS FOR
WAIVERS AND EXTENSIONS OF TIME AND CONDITIONALLY ACCEPTING
TARIFF FILING

(Issued May 19, 2016)

1. On March 28, 2016, Gulf Shore Energy Partners, LP (Gulf Shore) submitted a tariff filing containing revised tariff records¹ to comply with the requirements established in Order Nos. 587-W² and 809³ issued in Docket Nos. RM96-1-038 and RM14-2-003, and RM14-2-000, respectively. The proposed tariff provisions implement the North American Energy Standards Board (NAESB) Wholesale Gas Quadrant's (WGQ) revised business practice standards that the Commission incorporated by reference in those rules. Additionally, Gulf Shore has requested certain waivers and extensions of time to comply with the requirements in those orders and the revised business practice standards the Commission incorporated by reference in those rules. As discussed below,

¹ Gulf Shore Energy Partners, LP, FERC NGA Gas Tariff, Gulf Shore Energy Partners, LP GAS TARIFF ORIGINAL VOLUME NO. 1, [GT&C Section 8.9, Scheduling of Receipts and Deliveries, 4.0.0](#), [GT&C Section 8.11, Temporary Release or Permanent Assignment of Rights to Firm, 5.0.0](#), and [GT&C Section 8.29, North American Industries Standards Board \(NAESB\) Standards, 5.0.0](#).

² *Standards for Business Practices of Interstate Natural Gas Pipelines; Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities*, Order No. 587-W, 80 Fed. Reg. 67,302 (Nov. 2, 2015), FERC Stats. & Regs. ¶ 31,373 (2015) (Order No. 587-W).

³ *Coordination of the Scheduling Processes of Interstate Natural Gas Pipelines and Public Utilities*, Order No. 809, 80 Fed. Reg. 23,198 (Apr. 24, 2015), FERC Stats. & Regs. ¶ 31,368 (2015) (Order No. 809).

in this order we will accept Gulf Shore's tariff records for filing, effective April 1, 2016, as requested, subject to Gulf Shore making an additional compliance filing as described in this order. Additionally, as discussed below, we will grant in part, and deny in part, Gulf Shore's requests for waivers and extensions of time.

I. Background

2. On April 16, 2015, the Commission issued Order No. 809, a final rule amending the Commission's regulations to incorporate by reference standards developed and filed by NAESB relating to the scheduling of transportation service on interstate natural gas pipelines to better coordinate the scheduling practices of the wholesale natural gas and electric industries, as well as to provide additional scheduling flexibility to all shippers on interstate natural gas pipelines. In Order No. 809, the Commission revised the nationwide Timely Nomination Cycle nomination deadline for scheduling natural gas transportation from 11:30 a.m. Central Clock Time (CCT) to 1:00 p.m. CCT and revised the intraday nomination timeline, to include adding an additional intraday scheduling opportunity during the gas operating day. The Commission required interstate natural gas pipelines to comply with the revised NAESB standards incorporated in that rule beginning on April 1, 2016.⁴ In addition, the Commission required pipelines to file tariff records to reflect the changed standards by February 1, 2016.⁵

3. On October 16, 2015, the Commission issued Order No. 587-W, a final rule amending its regulations to incorporate by reference the latest version (Version 3.0) of seven business practice standards adopted by the WGQ of NAESB applicable to interstate natural gas pipelines. These updated business practice standards contain and supplement the revisions to the NAESB scheduling standards previously accepted by the Commission in Order No. 809 as part of the Commission's efforts to harmonize gas-electric scheduling coordination. In addition, the updated standards revise the codes used to identify receipt and delivery locations in the "Index of Customers." Further, for consistency with the revisions to the Index of Customers, the Commission amended its regulations by making conforming changes to the regulations on interstate natural gas pipeline filings and postings. These changes were required to be implemented on April 1, 2016, and the Commission required interstate natural gas pipelines to file tariff records to reflect the changed standards by February 1, 2016. These implementation dates were picked to coincide with the previously established implementation dates set in Order No. 809 to allow pipelines to make only a single tariff filing covering both Order Nos. 809 and 587-W.

⁴ Order No. 809, FERC Stats. & Regs. ¶ 31,368 at P 168.

⁵ *Id.*

4. Gulf Shore filed its proposed revised tariff records to adopt Version 3.0 of the NAESB WGQ Standards, consistent with the Commission's requirements in Order Nos. 587-W and 809. Gulf Shore requests waiver of the Commission's 30-day notice requirement⁶ so that the tariff records referenced in footnote 1 become effective April 1, 2016.

II. Notice of Filing

5. Notice of Gulf Shore's filing was published in the *Federal Register*, 81 Fed. Reg. 19,598 (2016), with interventions and protests due on or before April 11, 2016. None was filed.

III. Discussion

A. Overview

6. We find that Gulf Shore's tariff filing generally complies with the requirements in Order Nos. 587-W and 809 and, therefore, accept it for filing, subject to certain conditions, as discussed below. The Commission has reviewed Gulf Shore's request for extensions of time and waivers and finds that Gulf Shore has provided good cause for the Commission to grant most of its requests. However, Gulf Shore's request for an extension of time to comply with NAESB WGQ Version 3.0 Standard 5.3.25 is denied as discussed below.

B. Waiver of the Electronic Data Interchange Data Sets, Electronic Delivery Mechanism Standards, and "Customer Activities" Website Requirements

7. Gulf Shore requests continuation of its waiver of the NAESB WGQ Version 3.0 Electronic Data Interchange (EDI) datasets, Electronic Delivery Mechanism (EDM) Standards, and the "Customer Activities" section of its website. Gulf Shore explains that its system consists of a 5-foot long pipeline connecting the interstate pipeline systems of Transcontinental Gas Pipe Line Company, LLC and Florida Gas Transmission Company, LLC. Gulf Shore notes that it only has one firm shipper, and one receipt and one delivery point. Gulf Shore asserts that it has never received a request for a capacity release from any shipper. Gulf Shore contends that the implementation of the EDI, EDM related Standards would be unduly burdensome given Gulf Shore's small size and limited income stream. Gulf Shore states that, as of April 1, 2016, Gulf Shore will allow a shipper to submit a nomination under the new timelines in Order Nos. 809 and 587-W and will accept such nomination pursuant to a waiver of Gulf Shore's tariff. Gulf Shore

⁶ 18 C.F.R. § 154.207 (2015).

asserts that the Commission has previously granted Gulf Shore a waiver of the NAESB WGQ Standards relating to EDI datasets, EDM Standards and the “Customer Activities” section of its website due to Gulf Shore’s operational and market circumstances.⁷ For good cause shown, the Commission grants Gulf Shore continuation of these requested waivers.⁸

C. Extension of Time to Implement EDI, EDM, and Internet Electronic Transport Requirements

8. Gulf Shore requests an extension of time to implement NAESB WGQ Version 3.0 Standards relating to various EDI, EDM, and Internet Electronic Transport (IET) requirements until such time as a request is made to Gulf Shore by a Part 284 open access customer requesting that Gulf Shore provide such electronic data services to it. In support of its request, Gulf Shore explains that it is a small one-customer pipeline and the burden of compliance would be substantial. Gulf Shore asserts that its informational posting website is sufficiently robust and user friendly to enable shippers and interested persons to readily access pipeline information with its existing methods. Gulf Shore states that the Commission has previously granted an extension of time to comply with these Standards, and that it continues to operate on the same basis the Commission relied on when it previously granted extensions for compliance with these Standards.⁹ For good cause shown, the Commission grants Gulf Shore an extension of time to comply with EDI, EDM, and IET transactions, as requested.¹⁰ The extensions of time are limited to

⁷ *Gulf Shore Energy Partners, LP*, 144 FERC ¶ 61,115, at P 18 (2013) (*Gulf Shore*); *Dominion South Pipeline Co., LP*, 141 FERC ¶ 62,183 (2012).

⁸ NAESB WGQ Version 3.0 Standards 0.3.21, 0.3.22, 0.4.1 through 0.4.3, 1.3.48, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.79, 1.4.1 through 1.4.7, 2.3.6, 2.3.25, 2.3.32, 2.3.42, 2.3.51 through 2.3.53, 2.4.1 through 2.4.11, 2.4.17, 2.4.18, 3.3.23, 3.3.24, 3.4.1 through 3.4.4, 4.3.1 through 4.3.3, 4.3.16 through 4.3.18, 4.3.20, 4.3.22 through 4.3.28, 4.3.30 through 4.3.36, 4.3.38, 4.3.40 through 4.3.50, 4.3.52 through 4.3.55, 4.3.57, 4.3.58, 4.3.60 through 4.3.62, 4.3.66 through 4.3.69, 4.3.72, 4.3.75, 4.3.78 through 4.3.87, 4.3.89 through 4.3.105, 5.3.10, 5.3.13, 5.3.14, 5.3.35, 5.3.72, 5.4.14 through 5.4.17, 5.4.20 through 5.4.27, 10.3.1, 10.3.3 through 10.3.12, and 10.3.14 through 10.3.27.

⁹ *Gulf Shore*, 144 FERC ¶ 61,115 at P 19.

¹⁰ NAESB WGQ Version 3.0 Standards 1.3.3, 1.3.4, 1.3.9, 1.3.11, 1.3.13, 1.3.22, 1.3.23, 1.3.27, 1.3.32, 1.3.33, 1.3.36 through 1.3.46, 1.3.51, 1.3.72, 2.3.40, 2.3.46 (as it relates to Internet website requirements), 3.3.26, 5.3.11, 5.3.12, 5.3.18, 5.3.20, 5.3.24, and 5.3.31 through 5.3.34.

the NAESB WGQ Version 3.0 Standards promulgated by Order No. 587-W,¹¹ and will be in effect until 90 days after Gulf Shore receives a request from a Part 284 customer asking Gulf Shore to offer transactions or data via its website. Further, Gulf Shore must be fully compliant with the provisions of Order No. 809 (e.g., the requirements relating to revised nomination and scheduling timelines),¹² and the Version 3.0 Standards as it relates to proprietary location codes¹³ by April 1, 2016.

9. However, while the Commission will (as described above) grant Gulf Shore's request for a waiver and extension of time of the various EDI, EDM, and IET requirements, we will deny Gulf Shore's request for extension of time to comply with NAESB WGQ Version 3.0 Standard 5.3.25, because it has failed to show why it cannot process capacity release requests through other means. In any event, Gulf Shore has not asked for or received waivers or extensions of time to comply with any of the other capacity release business practice standards, and has provided no sound reason why it warrants an extension of time for compliance with this standard.

D. Compliance Filing

10. While, as explained above, Gulf Shore's compliance filing is largely compliant with the directives in Order Nos. 587-W and 809, we find that an additional compliance filing is needed to reflect the findings in this order. Thus, we will direct Gulf Shore to file revised tariff records within 20 days from the date of issuance of this order to (1) remove Standard 5.3.25 from the section titled "Standards for which Waiver or Extension of Time to Comply have been granted;" (2) either incorporate Standard 5.3.25 by reference or include the text of the Standard; (3) remove Standard 1.3.2(vi) from the section titled "Standards Incorporated by Reference;" (4) change the reference from

¹¹ See *B-R Pipeline Co.*, 128 FERC ¶ 61,126, at P 6 (2009) (each time the Commission adopts new versions of the standards, a pipeline seeking to retain an existing waiver must request a waiver of the new standards).

¹² See *Equitrans L.P.*, 153 FERC ¶ 61,320 (2015) (granting extension of time of the electronic standards in Version 3.0 standards, because pipeline had developed a work-around to ensure timely compliance with the business practice standards of Order No. 809).

¹³ *Id.* PP 9-13 ("Compliance with the Version 3.0 Standards requiring interstate pipelines to post on their Internet websites information on the proprietary location codes does not require an interstate pipeline to incur substantial additional software upgrade costs."); see also *Venice Gathering System, L.L.C.*, 153 FERC ¶ 61,321, at PP 10-11 (2015) (discussing the importance of ensuring a coordinated scheduling timeline across the pipeline grid).

Standard 1.3.2(i-v)* to Standard 1.3.2(i-vi) in the section titled “Standards not Incorporated by Reference and their Location in Tariff;” (5) revise the posting deadline for non-biddable releases during the Timely Cycle in GT&C Section 8.11, Temporary Release or Permanent Assignment of Rights to Firm; (6) remove Standard 10.3.2; (7) remove Standard 5.3.73 from section titled "Standards Incorporated by Reference," because the text of the Standard is included in GT&C Section 8.11.7, Offers to Acquire Firm Capacity; and (8) revise the text of the Evening Nomination Cycle in GT&C Section 8.9, Scheduling of Receipts and Deliveries.

The Commission orders:

(A) Gulf Shore’s referenced tariff records are hereby accepted for filing, to be effective April 1, 2016, subject to it making a compliance filing with 20 days from the date of issuance of this order revising its tariff as discussed in the body of this order.

(B) Gulf Shore’s request for waiver of section 154.207 of the Commission’s regulations is hereby granted, subject to the applicable conditions as discussed in the body of this order.

(C) Gulf Shore’s requests for extensions of time and/or waivers are granted in some instances and denied in others, as discussed in the body of this order and the extensions of time and/or waivers granted herein are limited to the NAESB WGQ’s Version 3.0 Standards promulgated by Order No. 587-W. Gulf Shore is hereby directed to update its tariff within 20 days from the date of issuance of this order to reinstate the extension denied.

(D) Gulf Shore’s request for extension of time to comply with NAESB WGQ Version 3.0 Standard 5.3.25 is hereby denied, as discussed in the body of this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.