193 FERC ¶ 61,041

DEPARTMENT OF ENERGY

FEDERAL ENERGY REGULATORY COMMISSION

18 CFR Part 284

Docket No. RM96-1-044

Standards for Business Practices of Interstate Natural Gas Pipelines

(Issued October 16, 2025)

**AGENCY**: Federal Energy Regulatory Commission.

**ACTION**: Notice of proposed rulemaking.

**SUMMARY**: The Federal Energy Regulatory Commission (Commission) proposes to amend its regulations to incorporate by reference certain modifications to the latest version (Version 4.0) of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant (WGQ) of the North American Energy Standards Board (NAESB). NAESB’s revisions in Version 4.0 of the standards streamline the process for accessing publicly available gas-electric coordination data during extreme cold weather or emergency events.

**DATES**: Comments are due **[60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

**ADDRESSES**: Comments, identified by docket number, may be filed in the following ways. Electronic filing through https://www.ferc.gov, is preferred.

* Electronic Filing: Documents must be filed in acceptable native applications and print-to-PDF, but not in scanned or picture format.
* For those unable to file electronically, comments may be filed by U.S. Postal Service mail or by hand (including courier) delivery.
	+ Mail via U.S. Postal Service Only: Addressed to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street, N.E., Washington, DC 20426.
	+ Hand (including courier) delivery: Deliver to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

The Comment Procedures Section of this document contains more detailed filing procedures.

**FOR FURTHER INFORMATION CONTACT**:

Jerry Chiang (Technical Issues)

Office of Technical Reporting and Economics

Federal Energy Regulatory Commission

888 First Street NE, Washington, DC 20426

(202) 502-8786

*jerry.chiang@ferc.gov*

Oscar F. Santillana (Technical Issues)

Office of Energy Market Regulation

Federal Energy Regulatory Commission

888 First Street NE, Washington, DC 20426

(202) 502-6392

*oscar.santillana@ferc.gov*

David Faerberg (Legal Issues)

Office of the General Counsel

Federal Energy Regulatory Commission

888 First Street NE, Washington, DC 20426

(202) 502-8275

*david.faerberg@ferc.gov*

**SUPPLEMENTARY INFORMATION**:

193 FERC ¶ 61,041

UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

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| Standards for Business Practices of Interstate Natural Gas Pipelines | Docket No. | RM96-1-044 |

NOTICE OF PROPOSED RULEMAKING

(Issued October 16, 2025)

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# Overview

1. The Federal Energy Regulatory Commission (Commission) proposes to amend its regulations at 18 CFR 284.12 to incorporate by reference the latest modifications to Version 4.0 of Standards for Business Practices of Interstate Natural Gas Pipelines adopted by the Wholesale Gas Quadrant (WGQ) of the North American Energy Standards Board (NAESB) applicable to interstate natural gas pipelines. The incorporation by reference of these standards into the Commission’s regulations would improve the coordination between the natural gas pipelines and electric utilities. Such coordination is essential to maintaining reliability for both the natural gas pipeline network system and the bulk electric system, especially during periods when both systems have coincident peak requirements.
2. NAESB is an American National Standards Institute-accredited, non-profit standards development organization formed for the purpose of developing voluntary standards and model business practices that promote more competitive and efficient natural gas and electric markets. On December 4, 2024, NAESB filed a report informing the Commission that it had modified Version 4.0 of the business practice standards (Informational Report).[[1]](#footnote-2) These revisions to the standards would improve the reliability of the interstate natural gas infrastructure to support the bulk electric system and improve communication among gas and electric market participants to enhance situational awareness during extreme cold weather events.[[2]](#footnote-3)

# Background

1. Since 1996, the Commission has incorporated by reference in its regulations NAESB’s business practice standards and communication methodologies of interstate natural gas pipelines to create a more integrated and efficient pipeline network system. These regulations have been promulgated in the Order No. 587 series of orders,[[3]](#footnote-4) wherein the Commission has incorporated by reference the standards for interstate natural gas pipeline business practices and electronic communications developed by NAESB’s WGQ. Upon incorporation by reference, these revisions to the standards will modify the currently incorporated version (Version 4.0) of NAESB’s business practice standards.
2. On July 25, 2022, then-Chairman Richard Glick of the Commission and Jim Robb, President and CEO of the NERC, sent a letter to NAESB requesting NAESB convene a forum “to identify actions that will improve the reliability of the natural gas infrastructure system as necessary to support the bulk electric system and to address recurring challenges stemming from natural gas-electric infrastructure interdependency.”[[4]](#footnote-5)
3. In response to that letter, NAESB convened a Gas-Electric Harmonization Forum to consider issues related to the challenges stemming from natural gas-electric interdependency. Over 700 individuals representing more than 370 different organizations from all segments of the natural gas and electric markets participated in the Gas-Electric Harmonization Forum. NAESB released its Gas-Electric Harmonization Forum Report on July 28, 2023, which identified 20 recommendations for consideration to improve the reliability of natural gas infrastructure as necessary to support the bulk electric system and to address the recurring challenges stemming from natural gas-electric interdependency.
4. On November 7, 2023, as updated on February 28, 2024, the Commission, NERC, and various regional entities published a report on the performance of the bulk power system during Winter Storm Elliot in December of 2022.**[[5]](#footnote-6)** The report looked at the cold weather event that occurred between December 21 and December 26, 2022 (Winter Storm Elliott), in which unplanned cold-weather outages significantly jeopardized grid reliability. Part of this analysis looked at how the events affected the interrelation between transportation on natural gas pipelines and generator outages. The Winter Storm Elliot Report included several recommendations concerning natural gas-electric coordination. Specifically, to help improve the interrelation between natural gas pipelines and the electric system, the report recommended that NAESB “convene natural gas infrastructure entities, electric grid operators, and LDCs (local distribution companies) to identify improvements in communication during extreme cold weather events to enhance situational awareness.”[[6]](#footnote-7)
5. In response to the Winter Storm Elliot Report, the NAESB Board of Directors created a jointly assigned annual plan item as part of the WGQ, Wholesale Electric Quadrant (WEQ), and Retail Market Quadrant (RMQ) 2024 Annual Plans. The Annual Plan directed the Joint WGQ, WEQ, and RMQ Business Practices Subcommittees to review and modify the NAESB Gas/Electric Coordination Business Practice Standards, and any corresponding standards, that could improve communications among gas and electric market participants and enhance situational awareness during extreme weather events without endangering sensitive commercial information. Between January and
July 2024, the Joint WGQ, WEQ, and RMQ Business Practices Subcommittees held
ten meetings to identify and evaluate possible areas of standards development. NAESB states that “on July 19, 2024, the joint subcommittees voted out a recommendation proposing new and revised WGQ Business Practice Standards.” NAESB further states that “[o]n October 24, 2024, the NAESB WGQ Executive Committee voted to approve the recommendation with super majority support. NAESB WGQ membership subsequently ratified the new and revised standards on November 25, 2024.”[[7]](#footnote-8)
6. On December 4, 2024, NAESB filed its Informational Report informing the Commission that it had modified Version 4.0 of the NAESB WGQ Business Practice Standards applicable to interstate natural gas pipelines. The NAESB Informational Report identifies three modifications to the WGQ Version 4.0 standards, which include one revised standard and two new standards, and discusses the deliberations that led to the changes. The revision creates a central location on pipeline Informational Postings Web sites where transportation service providers can post publicly available data, including scheduled quantity information. This revision establishes a new information posting category, “Gas Electric Coordination,” for use, when applicable, by a transportation service provider to help streamline the process for Regional Transmission Organizations/Independent System Operators (RTO/ISO) and other parties accessing this data during extreme weather or emergency events. One new standard facilitates the posting of applicable scheduled quantity information for power plants that are directly connected to the pipeline as part of the “Gas Electric Coordination” category. The second new standard supports the inclusion of the geographic information of impacted area(s), location(s), and/or pipeline facility(ies) by a transportation service provider when issuing a critical notice. Pipelines are currently required to make this information available through computer-to-computer electronic data interchange in addition to other batch file downloadable formats they may provide.[[8]](#footnote-9)

# Discussion

1. In this notice of proposed rulemaking (NOPR), we propose to incorporate by reference in our regulations the three modifications to Version 4.0 of the NAESB WGQ consensus business practice standards. As an initial matter, we note that the modified WGQ Version 4.0 standards include two new standards and one revised standard to the following sets of existing Version 4.0 WGQ Business Practice Standards. Each set of Business Practice Standards is hereafter referred to as a “manual.”

|  |  |
| --- | --- |
| **Manual** | **Business Practice Standards** |
| 0 | Additional Standards |
| 4 | Quadrant Electronic Delivery Mechanism Related Standards |
| 5 | Capacity Release Related Standards |

We propose that compliance filings to revise pipeline tariffs to reflect the changes in accordance with a final rule be filed with the Commission no later than 120 days after the Commission issues a final rule in this proceeding or, if the compliance filing date falls on a weekend or holiday, on the first business day thereafter, with a proposed effective date 180 days from the date compliance filings are due in this proceeding.

1. We discuss below some specific aspects of NAESB’s Informational Report.

## Modifications to Version 4.0 of Business Practice Standards

1. NAESB uses its consensus process to develop and approve WGQ business practice standards. As the Commission found in the Order No. 587 series of orders, incorporation by reference of consensus standards is appropriate, because the consensus process helps ensure the reasonableness of the standards by requiring that the standards draw support from a broad spectrum of industry participants representing all segments of the industry. Moreover, because the industry conducts business under these standards, the Commission has found value in incorporating standards that have the widest possible support. In section 12(d) of the National Technology Transfer and Advancement Act of 1995,[[9]](#footnote-10) Congress affirmatively requires federal agencies to use technical standards developed by voluntary consensus standards organizations, like NAESB, to carry out policy objectives or activities.

### WGQ Additional Standards

1. The modified WGQ Version 4.0 added a new standard, WGQ Standard No. 0.3.30, to the Additional Standards manual, which supports a natural gas transportation service provider in posting scheduled quantity information for power plants directly connected to the pipeline, as part of the newly established Gas Electric Coordination category. WGQ Standard No. 0.3.30 identifies examples of the data that could be posted in the new category, including Cycle Indicator (Cycle) which are the specific times throughout the gas day for shippers to submit nomination requests for natural gas transportation. According to existing NAESB standard provisions, “Cycle” would include each of the five standard daily nominations cycles (Timely, Evening, Intraday 1, Intraday 2, and Intraday 3) or additional transportation service provider defined cycles. WGQ Standard 0.3.30 also includes the Effective Gas Day (Eff Gas Day), which is the Gas Day for which the information is applicable, beginning at 9AM Central Clock Time and ending 9AM Central Clock Time the next day. It also includes the Effective Time (Eff Time), the time for which the posted information is applicable, which may be subsequent to the posting.
2. Additionally, WGQ Standard No. 0.3.30 also includes fields describing the applicable generators’ locations including the generator’s location (Loc), which may be the transportation service providers’ assigned identifier where transactions may take place, Location Name (Loc Name), Location County (Loc Cnty), Location State Abbreviation (Loc St Abbrev). The standard also includes the Measurement Basis (Meas Basis), such or Million British Thermal Units.
3. WGQ Standard No. 0.3.30 includes Posting Date (Post Date) and Posting Time (Post Time) the date and time at which transportation service providers post the relevant information. Finally, the standard includes posting of the RTO/ISO in whose service territory the affected generator is directly connected to the interstate pipeline and Total Scheduled Quantity (TSQ) – the net quantity scheduled to be delivered to each applicable generator at the effective date and time of the posting.

### WGQ Quadrant Electronic Delivery Mechanism Standards

1. The modified WGQ Version 4.0 revised existing standard WGQ Standard No. 4.3.23 under the Quadrant Electronic Delivery Mechanism Standards manual by establishing a new information posting category, Gas Electric Coordination, for use by a transportation service provider as part of its Informational Postings Web site. The revised WGQ Standard No. 4.3.23 creates a central location on an Informational Postings Web site where a transportation service provider can post publicly available data, including scheduled quantity information, to help RTOs/ISOs and other parties access these data.

### WGQ Capacity Release Related Standards

1. The modified WGQ Version 4.0 added a new standard, WGQ Standard No. 5.3.74 under the Capacity Release Related Standards manual, to support the inclusion of geographic information when a natural gas transportation service provider issues a critical notice, such as geographic information of impacted areas, locations, and pipeline facilities.[[10]](#footnote-11) The inclusion of geographic information in a critical notice can help parties receiving critical notices, including end users and RTOs/ISOs, identify and assess any possible impact to their systems.

## Proposed Implementation Procedures

1. We propose to use the compliance filing requirements explained below, as revised and prescribed in Order No. 587-V, to increase the transparency of the interstate natural gas pipelines’ incorporation by reference of the NAESB WGQ Standards so that shippers and the Commission will know which tariff provision(s) implements each standard as well as the status of each standard.**[[11]](#footnote-12)**
2. We propose that compliance filings to revise pipeline tariffs to reflect the changes in accordance with a final rule be filed with the Commission no later than 120 days after issuance of a final rule by the Commission in this proceeding or, if the compliance filing date falls on a weekend or holiday, on the first business day thereafter, with a proposed effective date 180 days from the date compliance filings are due in this proceeding. As the Commission found in Order No. 587-V, incorporation by reference of the revised compliance filing requirements would increase the transparency of the interstate natural gas pipelines’ incorporation by reference of the NAESB WGQ Standards so that shippers and the Commission would know which tariff provision(s) implements each standard as well as the status of each standard.**[[12]](#footnote-13)**
3. Consistent with the Commission’s practice since Order No. 587-V, each interstate natural gas pipeline must designate a single tariff section under which every NAESB WGQ Standard incorporated by reference by the Commission is listed.**[[13]](#footnote-14)** For each NAESB standard, the pipeline must specifically list in that tariff section:
4. whether the standard is incorporated by reference;
5. for those standards not incorporated by reference, the tariff provision that complies with the standard; or
6. for those standards with which the pipeline does not comply, an indication in the tariff section of whether the pipeline has been granted a waiver, extension of time, or other variance with respect to compliance with the standard.**[[14]](#footnote-15)**
7. For those standards with which the pipeline does not comply, the pipeline must provide an explanatory statement in the transmittal letter of whether the pipeline has been granted a waiver, extension of time, or other variance with respect to compliance with the standard.
8. Likewise, consistent with past practice, we will post on the Commission’s eLibrary website (under Docket No. RM96-1-044) a sample tariff format to provide filers with an illustrative example to aid them in preparing their compliance filings.
9. Consistent with our policy since Order No. 587-V,**[[15]](#footnote-16)** entities may request waivers under the requirements set forth in Order No. 587-V and the Commission will then evaluate those requests.[[16]](#footnote-17)
10. If a pipeline is requesting a continuation of an existing waiver or extension of time, it must include a table in its transmittal letter that identifies the standard for which the Commission granted the waiver or extension of time, and the docket number or order citation to the proceeding in which the Commission granted the waiver or extension of time. The pipeline also must present an explanation for why such waiver or extension of time should remain in force with regard to the modified WGQ Version 4.0 Standards incorporated by reference in any final rule.
11. This continues the Commission’s practice of having pipelines include in their tariffs a common location that identifies the way in which the pipeline is incorporating all the NAESB WGQ Standards and the standards with which it is required to comply.

# Notice of Use of Voluntary Consensus Standards

1. Office of Management and Budget Circular A 119 (February 10, 1998) provides that Federal Agencies should publish a request for comment in a NOPR when the agency is seeking to issue or revise a regulation proposing to incorporate by reference a voluntary consensus standard or a government-unique standard. In this NOPR, the Commission is proposing to incorporate by reference a new WGQ Version 4.0 Additional Business Practice Standard No. 0.3.30, a revised WGQ Version 4.0 Quadrant Electronic Delivery Mechanism Related Business Practice Standard No. 4.3.23, and a new WGQ Version 4.0 Capacity Release Related Business Practice Standard No. 5.3.74, which are voluntary consensus standards developed by the WGQ.

# Incorporation by Reference

1. The Office of the Federal Register requires agencies proposing to incorporate material by reference into their regulations to discuss the ways that the materials it incorporates by reference are reasonably available to interested parties and how interested parties can obtain the materials.[[17]](#footnote-18) The regulations also require agencies to summarize, in the preamble of the final rule, the material that it incorporates by reference. The latest modifications to the Version 4.0 standards we are proposing to incorporate by reference consist of revisions to three sets of NAESB WGQ Business Practice Standards that address a variety of topics and are designed to streamline the transactional processes for the wholesale natural gas industry by promoting a more reliable and efficient market. The applicable sets comprise a new WGQ Additional Business Practice Standard, a revised WGQ Quadrant Electronic Delivery Mechanism Related Business Practice Standard, and a new WGQ Capacity Release Related Business Practice Standard. We summarize these three sets of standards below.[[18]](#footnote-19)
2. **The WGQ Additional Standards** address standards that are in addition to the five distinct areas of business activities – Nominations, Flowing Gas, Invoicing, Electronic Delivery Mechanism, and Capacity Release. The six categories within the WGQ Additional Standards are: (1) General; (2) Creditworthiness; (3) Gas/Electric Operational Communications; (4) Operating Capacity and Unsubscribed Capacity;
(5) Location Data Download; and (6) Storage Information.
3. **The WGQ** **Quadrant Electronic Delivery Mechanism Related Standards** define the framework for the electronic dissemination and communication of information between parties in the North American wholesale gas marketplace for Electronic Data Interchange/EDM transfers, batch flat file/EDM transfers, informational postings websites, Electronic Bulletin Boards/EDM, and interactive flat file/EDM.
4. **The WGQ Capacity Release Related Standards** define the business processes for communication of information related to the selling of all or any portion of a transportation service requester’s contract rights.
5. Commission regulations provide that copies of the standards incorporated by reference may be obtained through purchase or otherwise from the North American Energy Standards Board, 1415 Louisiana, Suite 3460, Houston, Texas 77002,
phone: (713) 356-0060, website: https://www.naesb.org/. The standards can also be reviewed without purchasing them.
6. The procedures used by NAESB make its standards reasonably available to those affected by Commission regulations, which generally is comprised of entities that have the means to acquire the information they need to effectively participate in Commission proceedings. Participants can join NAESB, for an annual membership cost of $8,000, which entitles them to full participation in NAESB and enables them to obtain these standards at no additional cost. Non-members may obtain any of the ten individual standards manuals for $250 per manual, which in the case of these standards would total $750 for all three manuals. Non-members also may obtain the complete set of Standards Manuals for $2,000.
7. NAESB provides ample opportunities for non-members, including agents, subsidiaries, and affiliates of NAESB members, to obtain access to the copyrighted standards through a no-cost limited copyright waiver. The limited copyright waivers are issued by the NAESB office and are granted to non-members on a case-by-case basis for the purpose of evaluating standards prior to purchase and/or reviewing the standards to prepare comments to a regulatory agency. Following the granting of a limited copyright waiver, the non-member is provided with read-only access to the standards through the end of the comment period or some other set period of time via Locklizard Safeguard

Secure Viewer.[[19]](#footnote-20) NAESB will grant one limited copyright wavier per company for each set of standards or final actions. Any entity seeking a limited copyright waiver should contact the NAESB office.

# Information Collection Statement

1. The Office of Management and Budget (OMB) regulations require that OMB approve certain reporting, record keeping, and public disclosure requirements (information collection) imposed by an agency.[[20]](#footnote-21) Therefore, we are submitting our proposed information collection to OMB for review in accordance with section 3507(d) of the Paperwork Reduction Act of 1995. Upon approval of a collection of information, OMB will assign an OMB control number and an expiration date. Respondents subject to the filing requirements of a rule will not be penalized for failing to respond to these collections of information unless the collection of information displays a valid OMB control number.
2. We solicit comments on our 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.
3. Public Reporting Burden: The Commission’s burden estimates for the proposals in this NOPR are for one-time implementation of the information collection requirements of this NOPR (including tariff filing, documentation of the process and procedures, and information technology work).
4. The collections of information related to this NOPR fall under FERC–545 (Gas Pipeline Rates: Rate Change (Non-Formal))[[21]](#footnote-22) and FERC–549C (Standards for Business Practices of Interstate Natural Gas Pipelines).[[22]](#footnote-23) The following estimates of reporting burden are related only to this NOPR and anticipate the costs to interstate natural gas pipelines for compliance with our proposals in this NOPR. The burden estimates are related to implementing these standards and regulations and will not result in ongoing costs.

| **RM96-1-044 NOPR (Standards for Business Practices of Interstate Natural Gas Pipelines)** |
| --- |
|  | **Number of Respondents**[[23]](#footnote-24)**(1)** | **Annual Number of Responses per Respondent****(2)** | **Total Number of Responses (1)\*(2)=****(3)** | **Average Burden Hr. Per Response****(4)** | **Total Annual Burden Hours & Total Annual Cost**[[24]](#footnote-25)**(3)\*(4)=(5)** | **Annual Costs Per Respondent** **($)****(5)/ (1) = (6)** |
| FERC-545 (one-time) | 193 | 1 | 193 | 10 hrs.;$980 | 1,930 hrs.;$189,140 | $980 |
| FERC-549C (one-time) | 193 | 1 | 193 | 100 hrs.;$9,800 | 19,300 hrs.;$1,891,400 | $9,800 |
| **TOTAL** |  | 386 |  | 21,230 hrs.;$2,080,540 |  |

The total one-time burden (for both the FERC-545 and FERC-549C) would take place in Year 1 as follows:

FERC-545: 193 entities x 1 response/entity (10 hours/response x $98/hour) = $189,140

FERC-549C: 193 entities x 1 response/entity (100 hours x $98/hour) = $1,891,400

Title: FERC-545, Gas Pipeline Rates: Rates Change (Non-Formal);

FERC-549C, Standards for Business Practices of Interstate Natural Gas Pipelines.

Action: Proposed information collections

OMB Control Nos.: 1902-0154 (FERC-545), 1902-0174 (FERC-549C).

Respondents: Business or other for profit (e.g., Natural Gas Pipelines, applicable to only a few small businesses).

Frequency of Responses: One-time implementation (related to business procedures, capital/start-up).

1. Necessity of Information: In response to NAESB’s standard development activities, the proposals in this NOPR would, if implemented, make minor adjustments to the standards previously incorporated by reference by the Commission. First, a revised standard in the WGQ Quadrant Electronic Delivery Mechanism Related Standards manual, WGQ Standard No. 4.3.23, establishes a new information posting category - Gas Electric Coordination, for use by a transportation service provider when applicable, to help streamline the process for RTOs/ISOs and other parties accessing critical data during extreme cold weather or emergency events. Second, a new standard in the WGQ Additional Standards manual, WGQ Standard No. 0.3.30, facilitates the posting of applicable scheduled quantity information for directly connected power plants, as part of the Gas Electric Coordination category. Types of data that could be provided include, Cycle Indicator, Effective Gas Day, Location, Location Name, Location County, Location State Abbreviation, Measurement Bases, Posting Date, Posting Time, RTO/ISO, and Total Scheduled Quantity. Third, a new standard in the WGQ Capacity Release Related Standards manual, WGQ Standard No. 5.3.74, would support the inclusion of the geographic information of impacted areas, locations, or pipeline facilities by a transportation service provider when issuing a critical notice. If the above standards are implemented, the Commission’s Office of Enforcement will use the data for general industry oversight.

Internal Review: We have reviewed the requirements pertaining to business practices of interstate natural gas pipelines and made a preliminary determination that the proposed revisions are necessary to establish a more efficient and integrated pipeline network. These requirements conform to our plan for efficient information collection, communication, and management within the natural gas pipeline industries. We determined through our internal review that there is specific, objective support for the burden estimates associated with the information requirements.

1. Interested persons may obtain information on the reporting requirements by contacting the following: Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426; email: DataClearance@ferc.gov.
2. Comments concerning the collection of information(s) and the associated burden estimate(s), should be sent to the Office of Information and Regulatory Affairs, the Office of Management and Budget, Washington, DC 20503: attention: Desk Officer for the Federal Energy Regulatory Commission, phone: (202) 395-0710; fax: (202) 395-4718. A copy of the comments on information collection should also be sent to the Commission, in Docket No. RM96-1-044 by any of the following methods:
* eFiling at Commission’s Web Site: https://www.ferc.gov/docs-filing/efiling.asp;
* U.S. Postal Service Mail: Persons unable to file electronically may mail similar pleadings to the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426; or
* Delivery of filings other than by eFiling or the U.S. Postal Service should be delivered to the Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

# Environmental Analysis

1. 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.[[25]](#footnote-26) The actions that we propose to take 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 rules regarding sales, exchange, and transportation of natural gas that require no construction of facilities.**[[26]](#footnote-27)** Therefore, an environmental review is unnecessary and has not been prepared as part of this NOPR.

# Regulatory Flexibility Act

1. The Regulatory Flexibility Act of 1980 (RFA)[[27]](#footnote-28) generally requires a description and analysis of proposed rules that will have significant economic impact on a substantial number of small entities. The Commission is not required to make such an analysis if proposed regulations would not have such an effect.
2. Approximately 193 interstate natural gas pipelines, both large and small, are potential respondents subject to the requirements proposed in this NOPR. Most of the natural gas pipelines regulated by the Commission do not fall within the RFA’s definition of a small entity,**[[28]](#footnote-29)** which is currently defined for natural gas pipelines as a company that, in combination with its affiliates, has total annual receipts of $41.5 million or less.**[[29]](#footnote-30)** For the year 2022, only 14 companies not affiliated with larger companies had annual revenues in combination with their affiliates of $41.5 million or less and therefore could be considered a small entity under the RFA. This represents about seven percent of the total universe of potential respondents that may have a significant burden imposed on them. We estimate that the one-time implementation cost of the proposals in this NOPR is $2,080,540 (or $10,780 per entity, regardless of entity size).**[[30]](#footnote-31)** We do not consider the estimated $10,780 impact per entity to be significant. Moreover, these requirements are designed to benefit all customers, including small businesses that must comply with them. Further, as noted above, incorporation by reference of consensus standards helps ensure the reasonableness of the standards by requiring that the standards draw support from a broad spectrum of industry participants representing all segments of the industry. Because of that representation and the fact that industry conducts business under these standards, the Commission has found value in incorporating standards that have the widest possible support.
3. Accordingly, pursuant to section 605(b) of the RFA,[[31]](#footnote-32) the Commission certifies that the regulations proposed herein should not have a significant economic impact on a substantial number of small entities.

# Comment Procedures

1. The Commission invites interested persons to submit comments on the matters and issues proposed in this notice to be incorporated by reference, including any related matters or alternative proposals that commenters may wish to discuss. Comments are due **[60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Comments must refer to Docket No. RM96-1-044, and must include the commenter’s name, the organization they represent, if applicable, and their address in their comments. 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.
2. The Commission encourages comments to be filed electronically via the eFiling link on the Commission’s website at https://www.ferc.gov. The Commission accepts most standard word processing formats. Documents created electronically using word processing software must 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.
3. Commenters that are not able to file comments electronically may file an original of their comment by USPS mail or by courier-or other delivery services. For submission sent via USPS only, filings should be mailed to: Federal Energy Regulatory Commission, Office of the Secretary, 888 First Street, NE, Washington, DC 20426. Submission of filings other than by USPS should be delivered to: Federal Energy Regulatory Commission, 12225 Wilkins Avenue, Rockville, MD 20852.

# Document Availability

1. 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 (https://www.ferc.gov).
2. 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.
3. User assistance is available for eLibrary and the Commission’s website during normal business hours from FERC Online Support at 202-502-6652 (toll free at 1-866-208-3676) or email at ferconlinesupport@ferc.gov, or the Public Reference Room; phone (202) 502-8371, TTY (202)502-8659; email: public.referenceroom@ferc.gov.

# Regulatory Planning and Review

1. Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. The Office of Information and Regulatory Affairs (OIRA) has determined this regulatory action is not a “significant regulatory action,” under section 3(f) of Executive Order 12866, as amended. Accordingly, OIRA has not reviewed this regulatory action for compliance with the analytical requirements of Executive Order 12866.

**List of Subjects in 18 CFR Part 284**

Continental shelf, Incorporation by reference, Natural gas, Reporting and recordkeeping requirements.

By direction of the Commission. Commissioner Chang is concurring with a separate

statement attached.

( S E A L )

Debbie-Anne A. Reese,

Secretary.

In consideration of the foregoing, the Commission proposes to amend 18 CFR part 284 as follows.

**PART 284 -- CERTAIN SALES AND TRANSPORTATION OF NATURAL GAS UNDER THE NATURAL GAS POLICY ACT OF 1978 AND RELATED AUTHORITIES**

1. The authority citation for part 284 continues to read as follows:

**Authority**: 15 U.S.C. 717-717z, 3301-3432; 42 U.S.C. 7101-7352; 43 U.S.C.

1331-1356.

2. Amend § 284.12 by:

a. Revising paragraphs (a)(1)(i) and (iv) through (vii); and

b. Removing paragraph (a)(1)(viii).

The revisions read as follows:

**§ 284.12 Standards for pipeline business operations and communications**.

(a) \*\*\*

(1) \*\*\*

(i) WGQ Additional Standards (Version 4.0, September 29, 2023), adding

Standard No. 0.3.30, November 25, 2024;

(ii) \*\*\*

(iii) \*\*\*

(iv) WGQ Invoicing Related Standards (Version 4.0, September 29, 2023), with Minor Correction MC24002 applied May 17, 2024;

(v) WGQ Quadrant Electronic Delivery Mechanism Related Standards (Version 4.0, September 29, 2023), revising Standard No. 4.3.23, November 25, 2024;

(vi) WGQ Capacity Release Related Standards (Version 4.0, September 29, 2023), adding Standard No. 5.3.74, November 25, 2024; and

(vii) WGQ Cybersecurity Related Standards (Version 4.0, September 29, 2023).

\* \* \* \* \*

UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

|  |  |  |
| --- | --- | --- |
| Standards for Business Practices of Interstate Natural Gas Pipelines  |  Docket No. | RM96-1-044 |

(Issued October 16, 2025)

CHANG, Commissioner, *concurring*:

1. I concur with the Commission’s order proposing to incorporate the North American Energy Standards Board (NAESB) gas-electric coordination standards into Commission-jurisdictional natural gas tariffs. I applaud NAESB and industry stakeholders for years of effort to address critical findings and recommendations from the Commission and North American Electricity Reliability Corporation’s reports following Winter Storms Uri and Elliott. I write separately to urge NAESB and industry stakeholders to continue working to improve communication between transportation service providers (interstate pipelines) and generators and electricity system operators and to address outstanding gas-electric coordination matters.
2. The NAESB standards proposed here exemplify the type of brick-by-brick incremental improvements needed to address pressing gas-electric coordination challenges. However, these proposed standards alone may not be enough to fully address the on-going challenges. More information sharing will improve situational awareness for grid operators and power generators, which would help improve service to customers, particularly when the systems are stressed. I therefore encourage NAESB and industry stakeholders to continue this work and further enhance such information-sharing standards, potentially including providing information related to the natural gas scheduled by generators that are not directly connected to interstate pipelines. I further encourage continued collaboration between pipelines, suppliers, natural gas marketers, and owners of upstream gas gathering systems to update pipeline operators and ultimately downstream gas users and electricity system operators of changes in system conditions, such as wellhead freezes, that could affect natural gas users and consumers.
3. Given the criticality of natural gas for the electricity sector, combined with increasingly tight supply and demand balance, continued improvements in gas-electric coordination are paramount for ensuring reliability. In addition to providing feedback on the NAESB standards proposed in this NOPR, I urge stakeholders to provide comments in this proceeding on areas where additional improvements on gas-electric coordination would be valuable, particularly regarding information-sharing along the chain of entities that physically control or have financial rights to natural gas deliveries, starting at the wellhead and ending at generators or the gas local distribution companies. Further, I welcome input from stakeholders to help inform the Commission’s next steps as we address this critical issue.

With these interests in mind, I respectfully concur.



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Judy W. Chang

Commissioner

1. *See* NAESB WGQ Business Practice Standards Version 4.0 Report, Docket
No. RM96-1-044 (Dec. 4, 2024). [↑](#footnote-ref-2)
2. As explained below, NAESB has adopted two new standards and revisions to one existing standard in response to Recommendation 5 of the report that the staffs of the Commission, North American Electric Reliability Corporation (NERC), and Regional Entities issued November 7, 2023: FERC et al., *FERC,* NERC & Reg’l EntityStaff Rep.: Inquiry into Bulk-Power Sys. Operations During Dec. 2022 Winter Storm Elliott, Docket No. AD23-8-000, at 143 (Nov. 7, 2023) (Recommendation 5), https://elibrary.ferc.gov/eLibrary/filedownload?fileid=00F8FAAC-A049-C84B-8784-8BB5FEC00000 (as updated Feb. 28. 2024, <https://elibrary.ferc.gov/eLibrary/filedownload?fileid=BB92A244-97DD-C8A7-96AC-8D897D600000>) [hereinafter Winter Storm Elliot Report]. [↑](#footnote-ref-3)
3. This series of orders began with the Commission’s issuance of Order No. 587, *Standards for Bus. Pracs. of Interstate Nat. Gas Pipelines*, 61 FR 39053 (July 26, 1996), FERC Stats. & Regs. ¶ 31,038 (1996) (cross-referenced at 76 FERC ¶ 61,042). [↑](#footnote-ref-4)
4. Letter from then-Chairman Richard Glick of the Federal Energy Regulatory Commission and Jim Robb, President and CEO of the North American Reliability Corporation to Michael Desselle, Chairman of NAESB, and Jonathan Booe, Executive Vice President and Chief Operating Officer (July 25, 2022) (on file at NAESB), https://naesb.org/pdf4/FERC\_NERC\_Letter\_072922\_to\_NAESB.pdf. *See also,* FERC, NERC, and Regional Entity Staff Report, *The February 2021 Cold Weather Outage in Texas and the South Central United States* (Nov. 2021) (Recommendation 7), https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and. [↑](#footnote-ref-5)
5. Winter Storm Elliott Report, *supra* note 2. [↑](#footnote-ref-6)
6. *Id.* at 143. [↑](#footnote-ref-7)
7. Informational Filing at 3. [↑](#footnote-ref-8)
8. 18 CFR 284.12 (a)(1)(v), (b)(3)(i)(A). *See* *Standards for Bus. Pracs. of Interstate Nat. Gas Pipelines*, Order No. 587-G, 83 FERC ¶ 61,029, at text accompanying note 58 (1998), 63 FR 20072 (April 23, 1998). [↑](#footnote-ref-9)
9. Pub. L. No. 104-113, 12(d), 110 Stat. 775 (1996). [↑](#footnote-ref-10)
10. Critical notices are notices posted on a transportation service provider’s website that, according to existing WGQ Version 4.0 Standard No. 5.2.1, “pertain to information on transportation service provider conditions that affect scheduling or adversely affect scheduled gas flow.” [↑](#footnote-ref-11)
11. *Standards for Bus. Pracs. of Interstate Nat. Gas Pipelines*, Order No. 587-V,
77 FR 43711 (July 26, 2012), 140 FERC ¶ 61,036, at PP 36-39 (2012). [↑](#footnote-ref-12)
12. *Trans-Union Interstate Pipeline L.P*., 141 FERC ¶ 61,167, at P 36 (2012) (Order No. 587-V Compliance Order). [↑](#footnote-ref-13)
13. *Id.* P 36; *Standards for Bus. Pracs. of Interstate Nat. Gas Pipelines*, 174 FERC ¶ 61,103, at P 21 (2021) (Version 3.2 NOPR). [↑](#footnote-ref-14)
14. Shippers can use the Commission’s electronic tariff system to locate the tariff record containing the NAESB standards, which will indicate the docket in which any waiver or extension of time was granted. [↑](#footnote-ref-15)
15. Order No. 587-V, 140 FERC ¶ 61,036. [↑](#footnote-ref-16)
16. Order No. 587-V Compliance Order, 141 FERC ¶ 61,167 at PP 4, 38 (a pipeline does not need to seek a waiver for standards that address business practices that the pipeline does not offer). [↑](#footnote-ref-17)
17. 1 CFR 51.5. *See Incorporation by Reference*, 79 FR 66267 (Nov. 7, 2014). [↑](#footnote-ref-18)
18. In addition to the new and revised standards described above and included in NAESB’s December 4, 2024 report, the Commission also is incorporating by reference recently revised WGQ Invoicing Related Standards (Version 4.0) that includes the Minor Correction incorporated by reference in *Standards for Bus. Pracs. of Interstate Nat. Gas Pipelines*, Order No. 587-AA, 89 FR 97518 (Dec. 9, 2024), 189 FERC ¶ 61,135 (2024). The standard contains no substantive changes from those adopted in Order No. 587-AA. [↑](#footnote-ref-19)
19. For more information on Locklizard, please refer to the company’s website: https://www.locklizard.com. [↑](#footnote-ref-20)
20. 5 CFR 1320.11. [↑](#footnote-ref-21)
21. FERC-545 covers rate change filings made by natural gas pipelines, including tariff changes. [↑](#footnote-ref-22)
22. FERC-549C covers Standards for Business Practices of Interstate Natural Gas Pipelines. [↑](#footnote-ref-23)
23. The number of respondents is the number of entities in which a change in burden from the current standards to the proposed exists, not the total number of entities from the current or proposed standards that are applicable. [↑](#footnote-ref-24)
24. The estimated hourly cost (salary plus benefits) provided in this section is based on the salary figures for May 2024 posted on April 2, 2025 by the Bureau of Labor Statistics for the Utilities sector (available at https://www.bls.gov/oes/current/naics2\_22.htm) and scaled to reflect benefits using the relative importance of employer costs for employee compensation (available at https://www.bls.gov/news.release/ecec.nr0.htm). The hourly estimates for salary plus benefits are:

Computer and Information Systems Manager (Occupation Code: 11-3021), $110.62

Computer and Information Analysts (Occupation Code: 15-1210), $68.34

Electrical Engineer (Occupation Code: 17-2071), $71.19

Legal (Occupation Code: 23-0000), $140.76

The average hourly cost (salary plus benefits), weighting these skill sets evenly, is $97.728. We round it to $98/hour. [↑](#footnote-ref-25)
25. *Reguls. Implementing the Nat’l Envt’l Pol’y Act*, Order No. 486, 52 FR 47897 (Dec. 17, 1987), FERC Stats. & Regs. Preambles 1986-1990 ¶ 30,783 (1987) (cross-referenced at 41 FERC ¶ 61,284). [↑](#footnote-ref-26)
26. *See* 18 CFR 380.4(a)(2)(ii), 380.4(a)(5), 380.4(a)(27). [↑](#footnote-ref-27)
27. 5 U.S.C. 601-612. [↑](#footnote-ref-28)
28. *See* 5 U.S.C. 601(3) citing section 3 of the Small Business Act (SBA), 15 U.S.C. 623. Section 3 of the SBA defines a “small business concern” as a business that is independently owned and operated, and that is not dominant in its field of operation. [↑](#footnote-ref-29)
29. 13 CFR 121.201 (Subsector 486-Pipeline Transportation; North American Industry Classification System code 486210; Pipeline Transportation of Natural Gas) (2025) “Annual Receipts” are total income plus cost of goods sold. [↑](#footnote-ref-30)
30. This number is derived by dividing the total cost figure by the number of respondents. $2,080,504 /193 = $10,780. [↑](#footnote-ref-31)
31. 5 U.S.C. 605(b). [↑](#footnote-ref-32)