

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Standards for Business Practices for Interstate) Docket No. RM96-1-030
Natural Gas Pipelines)

**MOTION FOR LEAVE TO FILE COMMENTS OUT-OF-TIME AND COMMENTS
OF THE NATURAL GAS SUPPLY ASSOCIATION**

Pursuant to Rule 212 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. §§ 385.212 (2009), and the Commission’s Notice of Proposed Rulemaking issued on July 16, 2009 in the above-captioned docket (“NOPR”),¹ the Natural Gas Supply Association (“NGSA”) hereby submits this motion for leave to file comments out-of-time and comments.

I. IDENTITY OF NGSA

NGSA represents integrated and independent companies that produce and market domestic natural gas. Established in 1965, NGSA encourages the use of natural gas within a balanced national energy policy, and promotes the benefits of competitive markets to ensure reliable and efficient transportation and delivery of natural gas and to increase the supply of natural gas to U.S. consumers.

¹ *Standards for Business Practices for Interstate Natural Gas Pipelines*, Notice of Proposed Rulemaking, 74 Fed. Reg. 36633 (July 24, 2009), FERC Stats. and Regs., ¶ 32,645 (2009), 128 FERC ¶ 61,031 (2009) (*hereinafter*, “NOPR”).

II. COMMUNICATIONS

Notices and communications concerning these comments should be addressed as follows:

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III. BACKGROUND

In the NOPR, the Commission outlined its intent to incorporate by reference several business standards that had been developed and accepted by the North American Energy Standards Board's ("NAESB") Wholesale Gas Quadrant ("WGQ"), including those to "(1) permit the use of indices to price capacity release transactions and (2) afford greater flexibility on the receipt and delivery points for redirects and scheduled gas quantities."² On September 8, 2009, the Interstate Natural Gas Association of America ("INGAA") submitted comments in the above-captioned docket requesting that the Commission defer implementing these NAESB standards in order to ensure that all pipelines have adequate time to make the changes to their computer systems required to automate index-based capacity releases and flexible receipt and

² NOPR at P 1.

delivery points.³ On September 28, 2009, the American Gas Association (“AGA”) submitted reply comments in the above-captioned docket opposing INGAA’s request to defer implementing these standards.⁴

IV. MOTION FOR LEAVE TO FILE COMMENTS OUT-OF-TIME

NGSA respectfully requests that the Commission accept these comments out-of-time in the above-captioned proceeding. INGAA’s comments raise issues in this proceeding that could not have been reasonably foreseen when the NOPR was issued. Additionally, the granting of NGSA’s motion will not disrupt the proceeding. Accordingly, NGSA respectfully requests that the Commission grant its motion and accept these comments out-of-time.

V. COMMENTS

NGSA hereby requests that the Commission deny INGAA’s request to delay requiring pipelines to implement NAESB’s WGQ standards on index-based capacity releases and flexible use of pipeline receipt and delivery points. NGSA supports the AGA in opposing INGAA’s request to defer implementing these standards. For the reasons discussed below and those outlined in AGA’s reply comments, the Commission should reject INGAA’s request for delay.

As AGA explained in its reply comments in this docket, the pipeline industry has known that these standards would need to be implemented for over a year. Pipeline

³ *Standards for Business Practices for Interstate Natural Gas Pipelines*, Comments of The Interstate Natural Gas Association of America, Docket No. RM96-1-030 (September 8, 2009).

⁴ *Standards for Business Practices for Interstate Natural Gas Pipelines*, Reply Comments of The American Gas Association, Docket No. RM96-1-030 (September 28, 2009).

companies have, therefore, had a significant amount of lead time to prepare to change their systems in order to comply with the NAESB standards on index-based capacity releases and flexible receipt and delivery points. Moreover, if the Commission grants INGAA's request to allow all pipelines to delay implementing these standards until six months after the Commission finishes considering the next version of NAESB standards (Version 1.9), shippers will have been waiting for several years before they can benefit from the standards developed for index-based capacity releases as well as for flexible receipt and delivery points. This delay infringes on shippers' ability to engage in useful, Commission-approved transactions. NGS, therefore, supports AGA's request that the Commission deny INGAA's request to delay implementation of the standards for index-based capacity releases and flexible receipt and delivery points.

While there may be individual pipeline companies that require additional time to implement the NAESB standards, INGAA has not demonstrated an industry-wide need to delay implementation. Instead, the pipelines that can justify the need for more time to implement these standards can request individual extensions of their compliance deadline in order to delay implementing the standards, as justified. As individual extensions of time can be requested by pipelines that cannot implement the standards in a timely fashion, there is no need to grant INGAA's request for a blanket delay of standards implementation for all pipelines.

VI. CONCLUSION

For the reasons above, the Commission should reject INGAA's request to defer requiring pipelines to implement the NAESB standards on index-based capacity releases and flexible receipt and delivery points.

Respectfully Submitted,

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