

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Revised Filing and Reporting)	Docket No. RM21-18-000
Requirements for Interstate Natural)	
Gas Company Rate Schedules and)	
Tariffs)	

**COMMENTS OF THE
AMERICAN GAS ASSOCIATION, AMERICAN PUBLIC GAS ASSOCIATION,
AMERICAN FOREST & PAPER ASSOCIATION, INDUSTRIAL ENERGY
CONSUMERS OF AMERICA, PROCESS GAS CONSUMERS GROUP, AND
NATURAL GAS SUPPLY ASSOCIATION**

Pursuant to the Notice of Proposed Rulemaking (“NOPR”) issued by the Federal Energy Regulatory Commission (“FERC” or “Commission”) on May 19, 2022,¹ the American Gas Association (“AGA”), American Public Gas Association (“APGA”), American Forest & Paper Association (“AF&PA”), Industrial Energy Consumers of America (“IECA”), Process Gas Consumers Group (“PGC”), and Natural Gas Supply Association (“NGSA”) (collectively, the “Commenters”) submit these comments in the above referenced-proceeding. As discussed in more detail below, Commenters support the NOPR to establish a rule to require interstate natural gas pipelines to submit all supporting statements, schedules and workpapers in native format, *e.g.*, Microsoft Excel, with all links and formulas intact when filing a Natural Gas Act (“NGA”) section 4 rate case.

¹ *Revised Filing and Reporting Requirements for Interstate Natural Gas Company Rate Schedules and Tariffs*, 179 FERC ¶ 61,114 (2022).

I. PROCEDURAL BACKGROUND

On June 24, 2021, AGA, APGA, AF&PA, IECA, PGC, and NGSA filed a Petition for Rulemaking (“Petition”), and requested that the Commission conduct a rulemaking to revise its regulations at 18 C.F.R. Part 154, or in the alternative, update its filing procedures, to require the submission of all statements and schedules in native format with all cells, links and formulas intact when a natural gas company files for a change in rates or charges. In response to the Petition, no negative comments or protests were filed.

On May 19, 2022, the Commission issued a NOPR seeking stakeholder comment. The NOPR was published in the *Federal Register* on May 25, 2022.²

II. COMMUNICATIONS

All pleadings, correspondence and other communications filed in this proceeding should be addressed to:

² The NOPR was published in the Federal Register on May 25, 2022, hence comments on the NOPR are due on June 24, 2022. *Revised Filing and Reporting Requirements for Interstate Natural Gas Company Rate Schedules and Tariffs*, 87 Fed. Reg. 31783 (May 25, 2022).

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III. IDENTITY AND INTERESTS

AGA, founded in 1918, represents more than 200 local energy companies that deliver clean natural gas throughout the United States. There are more than 77 million residential, commercial, and industrial natural gas customers in the U.S., of which 95 percent — more than 73 million customers — receive their gas from AGA members. AGA is an advocate for natural gas utility companies and their customers and provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international natural gas companies, and industry associates. Today, natural gas meets more than one-third of the United States' energy needs.³

³ For more information, please visit www.aga.org.

AGA member LDCs own and operate local natural gas distribution pipeline systems that typically receive natural gas supplies that have been transported on the interstate pipeline system. LDCs deliver natural gas under locally-regulated rates, terms, and conditions, directly to residential, commercial, and industrial customers, including electric generators. AGA members take service from virtually every interstate natural gas pipeline regulated by the Commission under the NGA. As customers of jurisdictional pipelines and providers of natural gas distribution service to all retail segments, AGA members are directly affected by the Commission's rules and policies addressing or affecting pipeline rates. AGA member companies, therefore, have a direct and substantial interest in the issues raised in this filing.

APGA is the trade association for more than 730 communities across the U.S. that own and operate their retail natural gas distribution entities. They include not-for-profit gas distribution systems owned by municipalities and other local government entities, all locally accountable to the citizens they serve. Public gas systems focus on providing safe, reliable, and affordable energy to their customers and support their communities by delivering fuel to be used for cooking, clothes drying, and space and water heating, as well as for various commercial and industrial applications.⁴

AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative – Better Practices, Better Planet 2020. The forest products industry accounts for approximately 4% of the total U.S. manufacturing GDP, manufactures over \$200

⁴ For more information, please visit www.apga.org.

billion in products annually, and employs approximately 900,000 men and women. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 45 states. AF&PA member companies own and operate facilities that consume natural gas delivered through the numerous interstate natural gas pipelines.

IECA is an association of manufacturing companies with \$1.1 trillion in annual sales, over 4,400 facilities nationwide, and more than 1.8 million employees. IECA membership represents a diverse set of industries including: chemicals, plastics, steel, iron ore, aluminum, paper, food processing, fertilizer, insulation, glass, industrial gases, pharmaceutical, building products, automotive, independent oil refining, and cement. IECA members hold transportation capacity on numerous interstate pipelines.

PGC is a trade association that represents energy-intensive large industrial and manufacturing natural gas consumers who are typically longstanding, significant employers within their respective communities. PGC members own and operate hundreds of manufacturing plants and facilities in virtually every state in the nation and consume natural gas delivered through interstate natural gas pipeline systems throughout the United States. PGC members hold transportation capacity on numerous interstate pipelines.

NGSA represents integrated and independent energy companies that produce and market domestic natural gas and is the only national trade association that solely focuses on producer-marketer issues related to the downstream natural gas industry. NGSA's members trade, transact, and invest in the United States natural gas market in a range of different manners as well as supply and ship billions of cubic feet of natural gas per day on interstate pipelines and therefore, could be greatly impacted by the outcome of this proceeding.

IV. COMMENTS

Commenters appreciate the Commission's decision to issue the NOPR in response to the Petition filed seeking to revise the Commission's regulations and for the opportunity to submit these comments in this proceeding. As discussed herein, the Commission should update its regulations or procedures to require the submission of all statements, schedules and workpapers, *etc.*, in native electronic format, such as Excel, with all cells, links, and formulas intact. As stated in the Petition, 18 C.F.R. Part 154 should be revised to require the submission of all statements and schedules in native format with all cells, links and formulas intact when a natural gas company files for a change in rates or charges.⁵ Updating the electronic filing regulations to submit documents in native format will minimize delays in establishing just and reasonable rates and make the process less tedious for all stakeholders. As the Commission succinctly stated, "the current regulations are outdated."⁶

A. Commenters support the Commission's proposal to require natural gas pipelines to submit all supporting statements, schedules and workpapers in native format with all links and formulas intact when filing an NGA section 4 rate case

As discussed in the Petition,⁷ the Commission's current regulations and guidelines do not require the submission of all tariff filing documents in native format. Instead, Order Nos. 582⁸ and 703⁹ require that certain statements, but not all, be submitted in native spreadsheet format with

⁵ This would include Statements A through P listed in 18 C.F.R. § 154.312, among the other items required by 18 C.F.R. Part 154.

⁶ NOPR at P 8.

⁷ Petition at 6-9.

⁸ *Filing and Reporting Requirements for Interstate Natural Gas Company Rate Schedules and Tariffs*, Order No. 582, 60 Fed. Reg. 52,960-01, 52,994 (1995), order on clarification, 76 FERC ¶ 61,077 (1996).

⁹ *Filing Via the Internet*, Order No. 703, FERC Stats. & Regs., ¶ 31,259 (2007) (cross-reference at 121 FERC ¶ 61,171).

formulas and links included.¹⁰ As the Commission recently stated, it requires, pursuant to Order No. 582 and Order No. 703, “that Statements H, I, and J must be filed in the same format generated by the spreadsheet software used to create the statement or workpaper and that these spreadsheets must include all the formulas and links to other spreadsheets filed in the same rate case.”¹¹ Also, the Commission’s Implementation Guide for Electronic Tariff Filings prefers, but does not require, companies to file spreadsheets in native format with formulas. Further, Statements O and P may use any electronic format that renders text, graphics, and spreadsheets or data bases that the Commission accepts.¹² While having some statements required to be filed in native format is helpful and while the Commission’s stated preference is for filings in native format for other statements and spreadsheets is also beneficial, the Commission’s current policy does not ensure that the Commission Staff and stakeholders will have access to all the information in native format with formulas to perform routine analyses in order to understand the filing and the filer’s position.

Therefore, the Petition requested that the Commission institute a rulemaking to consider revising its regulations on the electronic filing of tariffs and related materials, 18 C.F.R. Part 154, or at the minimum, issue an order revising and updating the Implementation Guide for Electronic Tariff Filings,¹³ to require companies to file pertinent tariff documents, particularly spreadsheets, in native format.¹⁴ The native format version preserves the formulas, which must be included in the submission so that parties can fully review the basis for the filing.

¹⁰ *East Tennessee Natural Gas LLC*, 172 FERC ¶ 61,114, P 33 (2020).

¹¹ *East Tennessee Natural Gas LLC*, 172 FERC ¶ 61,114, P 34.

¹² *Id.*

¹³ *FERC Implementation Guide for Electronic Filing of Parts 35, 154, 284, 300 and 341 Tariff Filings* (“Implementation Guide for Electronic Tariff Filings”) at 5 (2016).

¹⁴ Petition at 6.

Commenters agree with the Commission’s statement in the NOPR that “requiring all statements, schedules and workpapers to be filed in native format will reconcile any ambiguity in the current requirements with a formal requirement for all natural gas pipelines to file accordingly.”¹⁵ The final rule should require the submission of all statements and schedules in native format with all cells, links and formulas intact when a natural gas company files for a change in rates or charges. For example, the items required in 18 C.F.R. § 154.312 (Statements A-P), 18 C.F.R. § 154.313 (Schedules for minor rate changes), 18 C.F.R. § 154.314 (Other support for a filing), and any other exhibits filed in support of a rate filing should be filed as such, as appropriate. As the Commission states in the NOPR, currently, when a natural gas pipeline submits a section 4 rate case filing, the Commission often cannot verify whether there were underlying links used to develop a spreadsheet or whether a pipeline severed those links before filing its rate case. The NOPR seeks to address this information gap and require natural gas pipelines to file statements and schedules linking progressive calculations regardless of how the statements and schedules were created.¹⁶ Furthermore, the Commission states that requiring spreadsheets with links and formulas intact will enable rate case participants to manipulate the cost-of-service components (including billing determinants) to evaluate different rate outcomes without the need to create their own rate models.¹⁷ Commenters support the NOPR because an initial filing in native form, as to all statements, schedules and supporting workpapers, is beneficial to the Commission and stakeholders for the reasons stated in the NOPR, the Petition, and herein.

¹⁵ NOPR at P 6.

¹⁶ *Id.*

¹⁷ *Id.*

B. Requiring pipelines to file all materials in native format will ensure timely analysis of a rate case filing

Commenters agree with the Commission's statement in the NOPR that submitting all statements, schedules and workpapers in native format will provide for a timely analysis of a rate case filing.¹⁸ As discussed in the Petition, the submission of rate and tariff information in native format, with all cells, links, and formulas intact, will ensure expeditious examination of filed materials by stakeholders.¹⁹ When pipelines do not file information in native format, stakeholders are required to request such information and potentially have the Commission order that the information be provided.²⁰ Some stakeholders go as far as to recreate spreadsheets, which is time consuming and costly. Much of this could be avoided if pipelines submitted all relevant tariff and rate information in native file format, with all cells, links, and formulas intact.

Notably, stakeholders only have a limited time to review rate and tariff submissions and determine whether to file a protest.²¹ The filing of information in native form at the start of this initial review period would permit stakeholder analysis to be more in-depth and substantive because of the ability to review spreadsheets with the pertinent formulas and links, as compared to a PDF which would lack such data.²² When pipelines do not file information in native format, stakeholders are required to request such information and potentially have the Commission order that the information be provided.²³ Updating the Commission's regulations will ensure that stakeholders can expeditiously review relevant materials by requiring pipelines to file information

¹⁸ *Id.* at P 7.

¹⁹ Petition at 12.

²⁰ *Id.*

²¹ *See* 18 C.F.R. § 154.210.

²² Petition at 12.

²³ *Id.*

in native form which could potentially permit the resolution of matters rapidly or, at a minimum, ensure more robust pleadings.²⁴

Commenters support the NOPR because, as stated by the Commission, “[if natural gas pipelines are required to submit all statements, schedules and workpapers in native format with links and formulas intact in the initial filing, stakeholders will be provided with pertinent information to analyze the rates and determine if they are just and reasonable.”²⁵ Additionally, receiving the rate case in a manipulable format is critical due to the 12-day period for comment and protest.²⁶ As the Commission explained, this will streamline the rate case process and avoid parties exchanging multiple rounds of discovery and testimony merely to understand the rate model’s underlying calculations.²⁷ In short, the Commenters support the NOPR because providing the formulas, *etc.*, in spreadsheet format allows Commission staff and parties an opportunity to review an applicant’s position, while also increasing efficiency in the review process by reducing the amount of data requests. The final rule should ensure that native format spreadsheets allow stakeholders to analyze formulas and mathematical calculations, investigate any broken links, to make extrapolations and cross references, and otherwise provide the transparency necessary to undertake a timely and efficient examination of rate filings.²⁸

²⁴ *Id.*

²⁵ NOPR at P 7.

²⁶ *Id.*

²⁷ *Id.*

²⁸ While the typical 12-day comment period is not enough time to analyze every issue raised in a rate filing, the goal, as the Commission explained in the NOPR, is to allow parties to begin examining the entire filing during the comment period so that more informed protests could be submitted. *See* NOPR at P 7.

C. The Commission should state in any final rule that native form submissions are public information

In any final rule the Commission should address the fact that the relevant material requested to be filed in native form is public information, including embedded codes and links. As discussed in the Petition, while some information may warrant confidential treatment, the presumption should be that native format files, with formulas intact, of material filed publicly should be public.²⁹ The native format files addressed in the NOPR are crucial for understanding rate filings, and it would be inappropriate to restrict access to this information by asserting confidentiality when it is not warranted. When confidentiality is asserted, when it may or may not be warranted, the current regulations force each shipper to expend time, effort, and resources to procure the native format workpapers by entering into a non-disclosure agreement.³⁰ There does not seem to be a purpose for requiring shippers to jump through this procedural hoop, simply to gain access to information that should be public.³¹ In short, confidentiality should not become an exception that swallows the rule.

Ratepayers have confronted this recently. On June 13, 2022, EQT Energy, LLC filed a Notice Contesting The Protected Status Of Certain Materials filed By Texas Eastern Transmission, LP, and the dispute was scheduled for oral argument before the Presiding Judge.³² The issue is whether in a rate case a pipeline may shield its links in Excel spreadsheets, which are in Statements (and related schedules) required to be filed under Commission regulations, by claiming that the

²⁹ Petition at 12.

³⁰ *Id.*

³¹ *Id.*

³² “Order Setting Response Deadline And Scheduling Oral Argument,” *Texas Eastern Transmission, LLP*, Docket Nos. RP21-1188-000, *et al.* (June 14, 2022)(unreported).

links themselves are confidential. This is the dispute even though every number has been disclosed publicly. The unnecessary confidentiality designation hinders the administrative process. The Commission should act in this rulemaking proceeding to eliminate these disputes in the future.

V. CONCLUSION

For the reasons stated above, the American Gas Association, American Public Gas Association, American Forest & Paper Association, Industrial Energy Consumers of America, Process Gas Consumers Group, and Natural Gas Supply Association support the NOPR to establish a rule to require natural gas pipelines to submit all supporting statements, schedules and workpapers in native format, *e.g.*, Microsoft Excel, with all links and formulas intact when filing an NGA section 4 rate case.

Respectfully submitted,

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