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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

18 CFR Parts 158 and 260

[Docket No. RM07–9–000; Order No. 710]

Revisions to Forms, Statements, and Reporting Requirements for Natural Gas Pipelines

Issued March 21, 2008.

AGENCY: Federal Energy Regulatory Commission, DOE.

ACTION: Final rule.

SUMMARY: In this Final Rule, the Federal Energy Regulatory Commission (Commission) is revising its financial forms, statements, and reports for natural gas companies, contained in FERC Form Nos. 2, 2–A and 3–Q. The revisions are designed to enhance the forms' usefulness by updating them to reflect current market and cost information relevant to interstate natural gas pipelines and their customers. The changes will provide additional information that the Commission needs to carry out its responsibilities under the Natural Gas Act (NGA).

DATES: This Final Rule is effective April 10, 2008. The revisions to FERC Form Nos. 2, 2–A, and 3–Q are applicable on January 1, 2008, and the termination of FERC Form No. 11 is applicable on February 28, 2009.

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SUPPLEMENTARY INFORMATION: Before Commissioners: Joseph T. Kelliher, Chairman; Suedeen G. Kelly, Marc Spitzer, Philip D. Moeller, and Jon Wellinghoff.

I. Introduction

1. The Federal Energy Regulatory Commission (Commission) is revising Parts 158 and 260 of its regulations to effect changes to its FERC Form No. 2 (Form 2), Annual report for major natural gas companies, FERC Form No. 2–A (Form 2–A), Annual report for nonmajor natural gas companies, and FERC Form No. 3–Q (Form 3–Q), Quarterly financial report of electric utilities, licensees and natural gas companies to expand and update the forms to reflect current market and cost information relevant to interstate natural gas pipelines and their customers.[1] The Commission is revising these financial forms to provide, in greater detail, the information the Commission needs to carry out its responsibilities under the NGA to ensure that rates are just and reasonable, and to provide pipeline customers and the public the information they need to assess the justness and reasonableness of pipeline rates.

II. Background

2. Before the restructuring of pipeline services promulgated by the Commission's Order No. 636, interstate natural gas pipelines offered both sales and transportation services.[2] Gas costs were charged to a purchased gas adjustment (PGA) account and were periodically adjusted and passed through to customers. The quid pro quo for the ability to recover the gas costs through a PGA tracker was the requirement that the pipelines file to restate their rates every three years. Order No. 636 eliminated the PGA regulations and the triennial filing requirement. Subsequently, the Commission issued a final rule that changed pipeline filing and reporting requirements in the post-Order No. 636 unbundled environment.[3]

3. The financial reporting forms for natural gas companies were again revised in 1995, in Order No. 581, to reflect the changed regulatory environment of unbundled pipeline sales for resale at market-based prices and open-access transportation of natural gas.[4] Order No. 637, issued in 2000, among other things, revised the Commission's regulatory approach to pipeline pricing by permitting pipelines to propose peak/off peak and term differentiated rate structures.[5]

4. Since the Commission eliminated the triennial restatement of rates filing requirement in Order No. 636, there has been a decline in filings under NGA section 4.[6] As stated in the NOPR, the records indicate that as many as 15 major and 20 nonmajor gas pipelines have not filed a section 4 rate case in

[1] Section 10 of the Natural Gas Act (NGA), 15 U.S.C. 717g, authorizes the Commission to prescribe rules and regulations concerning annual and other periodic or special reports, as necessary or appropriate for purposes of administering the NGA. The Commission may prescribe the manner and form in which such reports are to be made, and require from natural gas companies specific answers to all questions on which the Commission may need information.

[2] *See Pipeline Service Obligations and Revisions to Regulations Governing Self-Implementing Transportation; and Regulation of Natural Gas Pipelines After Partial Wellhead Decontrol*, Order No. 636, FERC Stats. & Regs. ¶ 30,939, *order on reh'g*, Order No. 636–A, FERC Stats. & Regs. ¶ 30,950, *order on reh'g*, Order No. 636–B, 61 FERC ¶ 61,272 (1992), *order on reh'g*, 62 FERC ¶ 61,007 (1993), *aff'd in part and remanded in part sub nom. United Distribution Cos.* v. *FERC*, 88 F.3d 1105 (D.C. Cir. 1996), *order on remand*, Order No. 636–C, 78 FERC ¶ 61,186 (1997).

[3] *See Filing and Reporting Requirements for Interstate Natural Gas Company Rate Schedules and Tariffs*, FERC Stats. & Regs. ¶ 31,025 (1995).

[4] *Revisions to Uniform System of Accounts, Forms, Statements, and Reporting Requirements for Natural Gas Companies*, Order No. 581, FERC Stats. & Regs. ¶ 31,026 (1995), *order on reh'g*, Order No. 581–A, FERC Stats. & Regs. ¶ 31,032 (1996).

[5] *Regulation of Short-Term Natural Gas Transportation Services, and Regulation of Interstate Natural Gas Transportation Services*, Order No. 637, FERC Stats. & Regs. ¶ 31,091, *clarified*, Order No. 637–A, FERC Stats. & Regs. ¶ 31,099, *reh'g denied*, Order No. 637–B, 92 FERC ¶ 61,062 (2000), *aff'd in part and remanded in part sub nom. Interstate Natural Gas Ass'n of America* v. *FERC*, 285 F.3d 18 (D.C. Cir. 2002), *order on remand*, 101 FERC ¶ 61,127 (2002), *order on reh'g*, 106 FERC ¶ 61,088 (2004), *aff'd sub nom. American Gas Ass'n* v. *FERC*, 428 F.3d 255 (D.C. Cir. 2005).

[6] 15 U.S.C. 717c.

more than a decade.[7] While the Commission may, on its motion, institute a section 5 investigation, it relies also on section 5 complaints filed by pipeline customers or state public utility commissions, to review a pipeline company's rates outside of a section 4 proceeding.[8] A section 5 complaint may rely on Forms 2, 2–A, and 3–Q financial data to support a complaint.

5. In 2006, two section 5 complaints were filed with the Commission, both relying on data provided in Forms 2 and 2–A to support allegations that the pipeline's rates were unjust and unreasonable.[9] In *National Fuel*, the pipeline responded that the Form 2 data relied upon by the complainants was not sufficient to support a complaint and that only a detailed cost and revenue study could provide the necessary justification for a section 5 investigation. In setting the complaint for hearing, the Commission rejected National Fuel's contention, noting that the Form 2 data relied upon by complainants was sufficient to raise serious questions about the pipeline's rates.[10] The *National Fuel* complaint was followed by a section 5 action filed by a group of Southwest Gas customers alleging unjust and unreasonable rates and relying, in that instance, on Form 2–A data.[11]

6. The question of whether the Commission's financial forms provide data sufficient to support a complaint resulted in a review of Forms 1, 1–F, 2, 2–A, and 3–Q data in the fall of 2006. Staff met with both form filers and users to discuss the need for additional information or other clarifications. Thereafter, on February 15, 2007, the Commission issued a Notice of Inquiry (NOI).[12]

7. The NOI sought comments on the need for changes to the financial forms. The Commission received 35 comments and 15 reply comments in response to the NOI. Eleven initial comments and two reply comments specifically addressed Forms 2, 2–A, and 3–Q data, with most pipeline customers seeking expanded information and pipelines opposing additional filing requirements.

8. Following a careful review of the comments and reply comments, the Commission issued a Notice of Proposed Rulemaking (NOPR) on September 20, 2007, proposing revisions to Forms 2, 2–A, and 3–Q, and the elimination of Form 11.[13] The NOPR proposed to add several new schedules, requiring pipelines to report: (1) The disposition of shipper-supplied gas; (2) transactions between the pipeline and its affiliates; (3) revenues and volumes applicable to discount and negotiated rate services; and (4) identification of rate treatment afforded new pipeline projects. In addition, the NOPR proposed modifications to existing schedules to require more detail regarding: (1) Sales data; (2) deferred income taxes; (3) state income tax expense; (4) regulatory assets and liabilities; (5) distribution of salaries and wages; and (6) employee pensions and benefits.

9. The Commission received 17 comments in response to the proposed reporting requirements which ranged from favorable to those seeking yet more detailed information, and a few who argued that the proposed modifications were unnecessary or burdensome.[14] In general, most commenters applauded the Commission's efforts to improve the quality of the financial forms. After careful consideration of the comments received, the Commission is adopting the changes and revisions as proposed in the NOPR with certain modifications and clarifications as discussed below. If no comments were received on a particular issue and it is not discussed below, the proposal is adopted as set forth in the NOPR.

III. Discussion

A. General

10. The NOPR discussed a concern raised by the Interstate Natural Gas Association of America (INGAA) that the proposed changes to reporting requirements could blur the distinction between sections 4 and 5 of the NGA, and invited comments on this issue.[15] A few commenters addressed this issue. Dominion Resources, Inc. (Dominion) commends the Commission for recognizing this concern and requests that the Commission keep the concern in mind when finalizing the rule.[16] The Michigan Public Service Commission (MPSC) urges the Commission to reject any argument that the reporting requirements proposed in the NOPR would improperly shift the burden of proof under section 5 of the NGA by requiring pipelines to justify their existing rates outside the context of a section 4 rate case.[17] The MPSC states that the NGA explicitly gives the Commission the authority to require periodic reporting as necessary for purposes of administering the NGA.[18] The Process Gas Consumers Group (PGC) states that the NOPR is proposing greater transparency and accuracy, which are essential to the Commission's oversight obligations and neither of which could reasonably impact the burden of proof in section 5 proceedings.[19]

11. The Kansas Corporation Commission (KCC) and Apache Corporation (Apache) express concern that the ability of a pipeline to file a section 4 rate case even after parties have filed a section 5 complaint, as transpired in the recent *Southwest Gas* proceeding, may serve as a disincentive for some parties to file section 5 complaints.[20] Apache recommends that the Commission add to the Form 2 and 2–A a cost and revenue summary page that would provide the Commission and interested parties a clear view of whether a pipeline's filed rates are just and reasonable.[21] The KCC agrees that the possibility that a pipeline may file a section 4 rate case after a complaint has been lodged will make potential complainants hesitant about incurring the costs of a section 5 complaint.[22] The KCC further notes the fact that any relief under a section 5 proceeding is limited since it is prospective only and urges the Commission to reinstate a periodic rate-refiling requirement as a condition to approval of pipeline blanket certificates.[23]

12. As an initial matter, the Commission has no intention of obscuring the distinction between sections 4 and 5 of the NGA by any changes implemented here to the financial forms filed by natural gas companies. Therefore, the Commission will not reinstate a periodic rate review absent a concomitant benefit as was the case when, in exchange for recovering

[7] *Revisions to Forms, Statements, and Reporting Requirements for Natural Gas Pipelines*, 72 FR 54860 (Sept. 27, 2007), FERC Stats. & Regs. ¶ 32,623, at note 60 (2002). (NOPR).

[8] 15 U.S.C. 717d.

[9] *See Public Service Commission of New York, Pennsylvania Public Utility Commission and Pennsylvania Office of Consumer Advocate* v. *National Fuel Gas Supply Corp.*, 115 FERC ¶ 61,299 (2006), (*National Fuel*), *order approving uncontested settlement*, 118 FERC ¶ 61,091 (2007); *Panhandle Complainants* v. *Southwest Gas Storage Co.*, 117 FERC ¶ 61,318 (2006) (*Southwest Gas*).

[10] *National Fuel* at P 37.

[11] *Southwest Gas*, 117 FERC at P 1.

[12] *Assessment of Information Requirements for FERC Financial Forms, Notice of Inquiry*, 72 FR 8316 (Feb. 26, 2007), FERC Stats. & Regs. ¶ 35,554 (2007). The NOI also invited comments from filers and users of Form 6 and 6–Q.

[13] *See* NOPR.

[14] A list of commenters is attached as Appendix B.

[15] NOPR at P 28.

[16] Dominion NOPR Comments at 4.

[17] MPSC NOPR Comments at 4.

[18] MPSC NOPR Comments at 4.

[19] PGC NOPR Comments at 5.

[20] KCC NOPR Comments at 15–16; Apache NOPR Comments at 2.

[21] Apache NOPR Comments at 2.

[22] KCC NOPR Comments at 17.

[23] KCC NOPR Comments at 17–18.

purchased gas costs through a tracker, pipelines were required to restate their rates every three years.[24] In addition, the Commission rejects the proposal to order companies to file cost and revenue studies as part of these forms. Also, the changes being implemented here do not affect existing rates nor change any rate on file. In like vein, the Commission cannot alter the rights and obligations of pipelines and their customers under sections 4 and 5 of the NGA. Under section 4 of the NGA, a pipeline has the right to file a rate case at any time. The Commission cannot compel a pipeline to file under section 4, nor can it preclude it from filing under section 4 for any reason, including the presence of a section 5 complaint. The pipeline can agree to bind itself, for example through an agreement to a rate moratorium in a rate case settlement, but the Commission does not have the power to prohibit a pipeline from filing a rate case. The requested data is designed to provide the Commission and pipeline customers with information that will aid their ability to make a reasonable assessment of a pipeline's cost of service. Greater transparency is essential to the Commission's oversight responsibilities and, as implemented here, will not affect the burden of proof in section 5 proceedings. A party filing a section 5 complaint would still have the burden to show why the information in the Commission's financial forms support an allegation that the pipeline's existing rates are unjust and unreasonable. Stated briefly, the changes adopted in the final rule will not be used to limit an entity's right under the NGA and our regulations. Nor will the changes to the forms change the Commission's obligation to rule on complaints, petitions, or other requests for relief based on a full record and substantial evidence.

B. Acquisition and Disposition of Gas: Shipper-Supplied Gas

1. Financial Forms NOPR

13. In the NOPR, the Commission noted that despite current accounting and reporting requirements for gas used in operations, gas lost, and gas sold, Forms 2 and 2–A users cannot readily determine the disposition and value of any shipper-supplied gas that exceeds the pipeline's operational needs or the source and cost of any gas acquired to meet deficiencies in shipper-supplied gas.[25] Comments on the NOI identified information regarding the pipeline's fuel retainage percentage as particularly lacking in detail. The complainants in the *National Fuel* case, referenced above, asserted that the principal reason for the pipeline's alleged excess revenue was due to its retention of more than twice as much fuel from shippers than is necessary to operate the system and that it then sold and retained all revenues from those sales.[26] In light of these concerns, the Commission proposed the addition of a new schedule to Forms 2, 2–A, and 3–Q, which would require the pipeline to report the following: (1) The difference between the volume of gas received from shippers and the volume of gas consumed in pipeline operations each month; (2) the disposition of any excess and the accounting recognition given to such disposition, including the basis of valuing the gas and the specific accounts charged or credited; and (3) the source of gas used to meet any deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.[27] In addition, the NOPR proposed to add page 520 (Gas Account-Natural Gas) to Form 3–Q in order to provide more timely reporting of the quantity of natural gas received and delivered by the pipeline.[28] The NOPR also proposed to require pipelines to provide in a footnote to page 520, the volumes of gas purchased applicable to each of the gas pipeline expense accounts.[29]

2. Commenters

14. Most commenters support the addition of this information to Forms 2, 2–A, and 3–Q. INGAA and Williston Basin Interstate Pipeline Company (Williston), however, request that the Commission revise pages 521a and 521b to remove the monthly reporting requirement and replace it with a quarterly reporting requirement.[30] INGAA also requests that the Commission revise its proposal to remove the requirement that pipelines categorize the discrete offsetting gas transactions of any excess or deficiency related to shipper supplied gas.[31] Dominion requests that the Commission modify the proposal to require the new reporting on shipper-supplied gas on only an annual basis and not in quarterly reports.[32]

15. The American Gas Association (AGA) supports the NOPR's proposal to require this information but believes that greater clarity can be achieved if the Commission requires the information to be broken out by function (e.g., transportation, storage, gathering, etc.) and to include, by function, the amount of fuel that has been waived, discounted or reduced as part of a negotiated rate agreement.[33] The Natural Gas Supply Association (NGSA) requests that a column be added to proposed page 521 to require pipelines to identify the specific accounts being used to record the various sources and disposition of fuel gas.[34] In NGSA's view, this information would enable users to reconcile the volumes broken out by account reported on proposed page 521 to data recorded elsewhere in Forms 2, 2–A and 3–Q.[35] Calpine Corporation (Calpine) requests that the Commission require the fuel gas accounts to be broken down by month so that these costs can be reconciled with those reported in other filings such as annual fuel tracker reports.[36]

3. Commission Determination

16. As stated in the NOPR, the Commission is concerned about the increased impact on the pipeline's cost of service resulting from rising gas prices.[37] The escalation of gas prices coupled with the decline of section 4 rate reviews has made this an important issue in the pipeline's cost of transportation. Currently, Forms 2 and 2–A users cannot determine the disposition and value of any shipper-supplied gas that exceeds the pipeline's operational needs or the source and cost of any gas acquired to meet deficiencies in shipper-supplied gas. While we recognize INGAA's desire that the data be reported on a quarterly, and not monthly basis, we agree with Calpine that monthly data is necessary for the purpose of comparing and attempting to reconcile these costs with other routine pipeline filings such as annual fuel tracker reports. In addition, INGAA objects to the requirement that pipelines categorize the discrete offsetting gas transactions relating to any excess or deficiency in shipper-supplied gas. The Commission deems this information critical to the clarity and transparency needed to support a reasonable analysis of gas costs. The information broken out by function (e.g., transportation, storage, gathering, etc.) sought by AGA is

[24] *See Public Service Commission of the State of New York* v. *FERC,* 866 F.2d 487, 492 (D.C. Cir. 1989).

[25] NOPR at P 37.

[26] *See National Fuel,* 115 FERC ¶ 61,299 at P 8.

[27] NOPR at P 39.

[28] *Id.*

[29] *Id. See* 18 CFR Part 201, Account Nos. 800–05.

[30] INGAA NOPR Comments at 5; Williston NOPR Comments at 5–6.

[31] INGAA NOPR Comments at 5.

[32] Dominion NOPR Comments at 7.

[33] AGA NOPR Comments at 5.

[34] NGSA NOPR Comments at 5.

[35] *Id.*

[36] Calpine NOPR Comments at 5.

[37] *See* NOPR at P 38.

available in Form 2 at page 520. On page 520 (Gas Account), pipelines are required to provide detailed information regarding gas received and delivered by the pipeline, identified by function and account number. Regarding NGSA's request that a column be added to page 521 to require pipelines to identify the specific accounts being used to record the various sources and disposition, we reject it as unnecessary. Pages 521a and 521b already require in columns (d) and (e) that the specific account(s) be identified. The NOPR's proposals are designed to provide needed transparency but also to reflect a fair balance between the need for the information and the additional burden on the pipeline. We believe that the new schedules (pages 521a and 521b) proposed in the NOPR reflect this balance. Accordingly, the proposal is adopted as outlined in the NOPR.

C. Other Gas Dispositions

1. Financial Forms NOPR

17. The NOPR proposed to expand the detail provided on pages 300–01 of Forms 2 and 2–A (Gas Operating Revenues) to require filers to report sales amounts reported in Account 480 (Residential Sales); Account 481 (Commercial and Industrial Sales); Account 482 (Other Sales to Public Authorities); Account 483 (Sales for Resale); and Account 484 (Interdepartmental Sales). Currently this schedule, entitled ''Gas Operating Revenues,'' aggregates on one line all sales data for these separate accounts. Providing this data by account, rather than in an aggregated number, will enable users to identify the dispositions of gas acquired by or tendered to the pipeline and how those transactions may affect the pipeline's cost of service. In addition, the NOPR proposed to modify the schedule for Account 495, Other Gas Revenues, on page 308 of Form 2 and add a new page to Form 2–A to specify that the following types of revenues must be separately reported on the schedule: (1) Commissions on sale or distribution of gas of others; (2) compensation for minor or incidental services provided for others; (3) profit or loss on sale of material and supplies not ordinarily purchased for resale; (4) sales of steam, water, or electricity, including sales or transfers to other departments; (5) miscellaneous royalties; (6) revenues from dehydration and other processing of gas of others except as provided for in the instructions to Account 495; (7) revenues for rights and/or benefits received from others which are realized through research, development, and demonstration ventures; (8) gains on settlements of imbalances receivable and payables; (9) revenues from penalties earned pursuant to tariff provisions, including penalties associated with cash-out settlements; and (10) revenues from shipper-supplied gas.

2. Commenters

18. NGSA states that the information on pages 300–01 of the forms could be made more useful by requiring pipelines that use these accounts to add footnotes detailing the type of transaction(s) being reported.[38] NGSA argues that the activities listed under these accounts are outdated and the Commission should require additional detail.[39] NGSA also requests that to the extent a pipeline has revenues associated with items not listed for Account 495 on page 308 of Form 2, the pipeline be required to specify each such type and amount of revenue on a separate line under line 11 and provide sufficient detail for customers to identify the accounts to which these revenues are attributable.[40] The Independent Petroleum Association of America (IPAA) and the Texas Independent Producers and Royalty Owners Association (TIPRO) also request that pipelines that continue to use Account Nos. 480–484 be required to add footnotes on revised pages 300–301 of Form 2 detailing the type of transaction(s) reported.[41] Finally, Calpine suggests the addition of a revenue category to page 308 for purposes of capturing any environmental credits earned by the pipeline.[42]

3. Commission Determination

19. The NOPR proposed the disaggregation of this revenue data to enable the Commission and the forms' users to achieve a meaningful understanding of the nature of the business activities from which the revenues are derived. The Commission recognized that greater detail concerning these revenue accounts could provide data that would enable the Commission and pipeline customers to identify the dispositions of gas acquired by or tendered to the pipeline and how these transactions may affect the pipeline's cost of service. To that end, the NOPR proposed a new schedule which requires a breakdown of revenue into ten categories. The NOPR addressed many of the issues raised by NGSA, IPAA and TIPRO and we believe that the additional detail sought by these parties would add unnecessary burden to this new reporting requirement. We agree with Calpine that identifying environmental credits received by the pipeline is useful and important information. Rather than add a new revenue category to page 308, we will require pipelines that receive environmental credits to list those credits in a footnote to the Financial Statements.

D. Affiliate Transactions

1. Financial Forms NOPR

20. The NOPR proposed that pipelines be required to provide detailed information regarding affiliate transactions. The Commission agreed with the form users' assertions that currently, Forms 2 and 2–A do not require any reporting of affiliate transactions and that disclosures of affiliate transactions are needed to prevent cross-subsidization between regulated and unregulated companies. The NOPR proposed to add a new schedule, page 358, to both Forms 2 and 2–A entitled ''Transactions with Associated (Affiliated) Companies'' that would require filers to report affiliate transactions. The NOPR proposed that filers be required to report the following: (1) A description of the good or service transacted; (2) the name of the associated (affiliated) company; (3) the FERC account charged or credited; and (4) the amount charged or credited. The NOPR proposed that where amounts billed to or from an affiliate are based on an allocation process, filers be required to explain the basis of the allocation in a footnote. The NOPR also proposed to amend the existing instructions for page 357, Charges for Outside Professional and Other Consultative Services, to exclude affiliate transactions, and remove the existing $250,000 threshold for reporting services.

2. Commenters

21. INGAA, AGA, Williston, Kinder Morgan Interstate Pipelines (Kinder Morgan) and other commenters ask the Commission to reconsider the proposed removal of the $250,000 cost threshold for the reporting of non-affiliated ''Charges for Outside Professional and Other Consultative Services'' on page 357 of Form 2.[43] INGAA and Williston assert that eliminating the threshold will add a significant burden to Form 2

[38] NGSA NOPR Comments at 5.

[39] *Id.* at 6.

[40] NGSA NOPR Comments at 6.

[41] IPAA and TIPRO NOPR Comments at 4.

[42] Calpine NOPR Comments at 6.

[43] INGAA NOPR Comments at 3–4; AGA NOPR Comments at 6; Williston NOPR Comments at 3; Kinder Morgan NOPR Comments at 3–4; Enbridge Energy Partners (Enbridge) NOPR Comments at 7–9; Dominion NOPR Comments at 11.

filers without adding a significant benefit to the form's users.[44] For similar reasons, AGA and Williston also recommend that the $250,000 cost threshold be applied to the new schedule for affiliate transactions.[45] AGA requests that the Commission clarify that the required affiliate information be limited to transactions between a jurisdictional entity and its affiliates and not include transactions solely between affiliated entities that are not subject to the Commission's reporting requirements.[46] Dominion asks the Commission to clarify that when an affiliate provides a service on an on-going basis, only a single line entry describing that service is required.[47]

3. Commission Determination

22. The Commission agrees that elimination of the $250,000 cost threshold for page 357 of Forms 2 and 2–F and the absence of a similar threshold for the new schedule for reporting affiliate transactions may add a substantial burden to the forms' filers. Accordingly, we will reinstate the $250,000 cost threshold on page 357 (Charges for Outside Professional and Other Consultative Services) and add an instruction to the new schedule on page 358 (Transactions with Associated (Affiliated) Companies) to require reporting of amounts in excess of $250,000. However, in order to ensure full reporting of these expenses, we will add a requirement for pages 357 and 358 that the filer must provide the total amount of all services amounting to $250,000 or less. As requested by AGA, we clarify that affiliate transactions reported are limited to transactions between a jurisdictional entity and its affiliates. Finally, in response to Dominion's request, we clarify that when an affiliate provides an on-going service, only a single line entry describing that service is required.

E. Incremental Pricing Policy

1. Financial Forms NOPR

23. The NOPR proposed to add a new schedule to Forms 2 and 2–A (page 217), entitled ''Non-Traditional Rate Treatment Afforded New Projects,'' to collect information regarding a company's individual rate treatments for services. The necessity for more information regarding rate treatment for new pipeline construction arose as a result of the evolution of the Commission's pricing policy for pipeline capacity expansions, due in part to the changes in the industry brought by Order No. 636. The ''rolled-in'' rate treatment approach for pipeline capacity pricing, where added facilities were integrated into the pipeline's mainline system to the benefit of all customers, has changed as Commission policy now requires that a pipeline be prepared to financially support expansion projects without relying on subsidization from existing customers.[48] Where incremental rates for new capacity have been approved, the Commission has required pipelines to maintain their accounting records so as to be able to identify the facilities and related costs used to provide service to the incremental rate customers.[49] To date, however, the Commission has not required the disaggregation of these costs in Forms 2 and 2–A. The NOPR proposed that a proper rate assessment would be enhanced by providing a breakdown of costs related to these separate facilities. The NOPR proposed to add a new schedule to Forms 2 and 2–A, at page 217, entitled ''Non-Traditional Rate Treatment Afforded New Projects,'' to report the following: (1) The name of the facility; (2) the docket number under which the facility was approved; (3) the type of rate treatment (e.g., incremental or another rate treatment); (4) the amount of plant in service; (5) the amount of accumulated depreciation; (6) the amount of accumulated deferred income taxes; (7) amount of operating expenses; (8) the amount of maintenance expenses; (9) the amount of depreciation expense; (10) incremental revenues; and (11) other expenses.

2. Commenters

24. Most commenters supported the addition of this requirement. Calpine requests that the list of required information be expanded to include other items such as incremental fuel treatment and project financing.[50] Calpine asserts that this separate recording of incremental costs and functions should be expanded throughout the proposed modifications to Forms 2 and 2–A.[51] Dominion states that the Commission should exempt from these new reporting requirements LNG import projects authorized on a ''proprietary'' basis with deregulated rates under the Energy Policy Act of 2005 (EPAct 2005) and the Commission's ''Hackberry'' policy.[52]

3. Commission Determination

25. Calpine's request for additional information is granted in part. We agree that if incremental projects charge a separate fuel rate rather than using the systemwide fuel rate, the pipeline should identify the volumes received and used for a particular incremental project. We will require this information to be provided in a footnote to the report with the information identified for each incremental project to which the requirement applies. Further, we deny Calpine's request for information related to project financing. The Commission generally approves rates for incremental projects designed on the rate of return approved in the pipeline's last rate case; thus, the information is not necessary.[53] With that addition, we adopt the new requirements proposed in the NOPR. Further, we clarify that this rule does not affect any waivers or exemptions from filing requirements granted previously by the Commission.

F. Discounted and Negotiated Rate Services

1. Financial Forms NOPR

26. The NOPR proposed to add a new schedule, page 313, entitled ''Discounted Rate Services and Negotiated Rate Services,'' to Forms 2 and 2–A to require pipelines to report the revenues and volumes applicable to discounted and negotiated rate services provided during the reporting period. Currently, Form 2 filers report the dollar amounts and volumes associated with the type of transportation provided. These are pages 300–01, Gas Operating Revenue; pages 302–03, Revenues from Gas Transportation of Others Through Gathering Facilities; pages 304–05, Revenues from Gas Transportation of Others Through Transmission Facilities; pages 306–07, Revenues from Storing Gas of Others; and page 308, Other Gas Revenues. However, the current schedules do not require filers to identify the volumes and revenues applicable to discounted, negotiated, or recourse rates. The Commission believes that since individual pipelines may provide services from the same facilities using different rates, it is important for

[44] INGAA NOPR Comments at 4; Williston NOPR Comments at 3–4.

[45] AGA NOPR Comments at 6; Williston NOPR Comments at 3–4.

[46] AGA NOPR Comments at 5–6.

[47] Dominion NOPR Comments at 10–11.

[48] *See Certification of New Interstate Natural Gas Pipeline Facilities, Statement of Policy,* 88 FERC ¶ 61,227 (1999), *order clarifying policy,* 90 FERC ¶ 61,128 (2000), *order clarifying policy,* 92 FERC ¶ 61,094 (2000) (Certificate Policy Statement).

[49] *See* 18 CFR 154.309.

[50] Calpine NOPR Comments at 8.

[51] *Id.*

[52] Dominion NOPR Comments at 8–9. *See Hackberry LNG Terminal LLC,* 101 FERC ¶ 61,294 (2002) (*Hackberry*), *order issuing certificates and granting reh'g,* 104 FERC ¶ 61,269 (2003).

[53] *See, e.g., Texas Eastern, LP,* 99 FERC ¶ 61,383, at P 22 (2002); Kern River Gas Transmission Co., 98 FERC ¶ 61,205, at 61,721–22 (2002); Trailblazer Pipeline Co., 95 FERC ¶ 61,258, at 61,903 (2001).

the Commission and the pipeline customer to know the level of services provided under each rate schedule in order to protect against cross-subsidization and to ensure that recourse rates remain just and reasonable.

2. Commenters

27. One commenter, Calpine, requests that the Commission further clarify that filers of this schedule be required to complete a separate chart for each incremental vintage so that the revenues and volumes can be appropriately attributed.[54]

3. Commission Determination

28. The Commission believes that the proposed schedule described in the NOPR, requiring filers to report the revenues and volumes associated with the types of transportation provided, is adequate for purposes of assessing rates to prevent cross-subsidization and to ensure the justness and reasonableness of recourse rates. The Commission finds that the additional information requested by Calpine would add unnecessary burden to the pipeline's reporting requirements. Accordingly, the modification is accepted as outlined in the NOPR.

G. Rate Base and Other Cost of Service Components—Deferred Income Taxes

1. Financial Forms NOPR

29. The NOPR proposed to add an instruction to each deferred income tax schedule, as listed below, requiring the pipeline to provide a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes used to develop jurisdictional recourse rates. At present, Form 2 filers are required to report only a single line of data for the total deferred income tax balance related to gas operations on the following schedules: (1) Accumulated Deferred Income Taxes (Account 190), pages 234–35; (2) Accumulated Deferred Income Taxes—Other Property (Account 282), pages 274–75; and (3) Accumulated Deferred Income Taxes—Other (Account 283), pages 276–77. Deferred income tax balances are an important factor in determining rate base and evaluating a pipeline's earned rate of return. The level of detail now required in Form 2 for deferred income taxes related to gas operations does not provide sufficient information to enable customers to evaluate the pipeline's current rates. The NOPR also proposed to add these deferred tax reporting schedules to Form 2–A to allow all pipeline customers access to this information.

2. Commenters

30. Calpine asks the Commission to clarify that the reporting of deferred income taxes should be done on a disaggregated basis when possible.[55] Williston, on the other hand, argues that due to the subjectivity of deferred income taxes, speculation on which deferred income taxes are included in rate base is a subject more appropriately addressed in a rate case.[56]

3. Commission Determination

31. Contrary to Williston's concern, the NOPR's proposal does not require speculation on the part of the pipeline. The proposal would simply require the pipeline to provide an estimate for the deferred income tax accounts for the immediate reporting year, and to provide a summary of the end-of-year and beginning of year balances for the reported amounts. These estimates are not binding on the pipeline at such time as it may file a section 4 rate case. Customers need this information in order to assess the reasonableness of the rates currently paid. With respect to Calpine's request that reporting of deferred income taxes be done on a disaggregated basis when possible, we believe that the required summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances will provide adequate detail. Accordingly, the proposal as outlined in the NOPR is adopted.

H. State Income Tax Expense

1. Financial Forms NOPR

32. The NOPR proposed to add a new column Q to the Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged schedule on pages 262–3 of Form 2 and to add the same schedule to Form 2–A to require pipelines to report state and local income tax rates. Currently, only the aggregate state deferred income tax for the entire reporting entity is required to be reported on Form 2. This information does not permit the Commission or the pipeline's customers to determine the amount of state income tax expense that should be associated with the before-tax net income generated from the sales of transportation services under more than one rate structure.

2. Commenters

33. The American Public Gas Association (APGA) requests that the Commission add the requirement that pipelines include the property valuation used by taxing authorities.[57]

3. Commission Determination

34. The Commission believes that the proposal to require pipelines to report the state and local income tax rates is sufficient to aid the forms' users in interpreting the data. We reject APGA's request that pipelines include the property valuation used by taxing authorities. We believe that access to disaggregated data will provide the necessary information. Accordingly, the proposed change outlined in the NOPR is adopted.

I. Regulatory Assets and Liabilities

1. Financial Forms NOPR

35. The NOPR proposed to revise the schedule entitled ''Other Regulatory Assets,'' page 232, by adding footnote citations for each regulatory asset to record the item and adding a column to identify amounts written off during the period as non-recoverable. In addition, the NOPR proposed to revise the ''Other Regulatory Liabilities'' schedule, page 278, by adding footnote citations for each regulatory liability to identify the regulatory approval to refund the item and adding a column to identify amounts written off during the period as non-refundable. At present, Forms 2 and 2–A filers are required to report a breakout of regulatory assets and liabilities where future recovery/refunding from ratepayers is probable. These amounts, however, can be challenged in a section 4 rate case proceeding. The proposed revisions will allow the Commission and customers to determine which assets and liabilities have been written off or refunded during the reporting period.

2. Commenters

36. Dominion argues that the regulatory assets and liability information should not be included in the Form 3–Q, but only in the annual report.[58] The MPSC suggests that the Commission modify its proposal to require pipelines to report the asserted basis for recording a regulatory asset or liability, including, but not limited to, any regulatory approval to record the item.[59]

3. Commission Determination

37. The Commission believes that the footnote citations proposed in the NOPR will provide a level of detail sufficient to enable the forms' users to assess the

[54] Calpine NOPR Comments at 8–9.

[55] Calpine NOPR Comments at 9.

[56] Williston NOPR Comments at 4–5.

[57] APGA NOPR Comments at 5.

[58] Dominion NOPR Comments at 5–7.

[59] MPSC NOPR Comments at 7.

pipeline's reporting for regulatory assets and liabilities. We believe it is unnecessary and burdensome to require the pipeline to report the basis for recording the asset or liability together with a citation to any regulatory approval. As drafted, the NOPR would require the pipeline to identify any regulatory approval to refund an item and to record such refund. We believe this data provides the forms' users with the information necessary to determine which pipeline assets have been written off or refunded during the relevant reporting period. Accordingly, the proposal as outlined in the NOPR is adopted.

J. Employee Pensions and Benefits

1. Financial Forms NOPR

38. The NOPR proposed to amend Instruction 3 to page 122.1 to require filers that participate in multi-employer post-retirement benefit plans to disclose the amount of cost recognized in the filer's financial statements for each plan for the period presented and the basis for determining the filer's share of the total plan costs. In addition, the NOPR proposed to add a schedule entitled ''Employee Pensions and Benefits,'' page 352, to both Forms 2 and 2–A, to provide additional details about the types and costs of employee benefits. At present, this information is not readily available in Forms 2 and 2–A, due in part to the pipelines' participation in multi-employer benefit plans in which they are assigned a portion of the total cost, and the flexibility in the way in which information is described in a footnote disclosure. The NOPR would permit forms users to assess the cost of employee benefits and better compare this information between periods and entities.

2. Commenters

39. The MPSC requests that the Commission require pipelines to report the recommended/required contributions to pension and post-retirement benefits other than pensions (PBOP) funds identified by the pipelines' actuaries and reconcile any differences between these recommended contribution amounts and the cost recognized on the pipelines' financial statements.[60] Further, MPSC requests that pipelines also be required to reconcile any difference between the actuary's recommended contribution and the amounts reported in Account 926.[61]

3. Commission Determination

40. The Commission believes that the proposed changes are reasonable and respond adequately to the request for additional information on pensions and benefits. The NOPR's proposal would require filers to disclose the amount of costs for benefit plans and the basis for determining the filer's share of the total cost. We believe this level of detail is sufficient and reject as burdensome MPSC's request that pipelines provide a reconciliation between costs recommended by an actuarial and costs adopted. The MPSC's request for reconciliation is the basis of review in a rate case for employer pension and PBOPs. Accordingly, the proposed change in the NOPR is adopted.

K. Other Issues

Source of Capital Structure

1.Financial Forms NOPR

41. The NOPR rejected requests that pipelines be required to provide additional detail on capital structure.[62] The Industry Coalition's request for additional capital structure information included the requirement that if the pipeline believes an alternative capital structure should be used for rate purposes, the appropriate capital structure should be included in a footnote along with an explanation of why another capital structure is appropriate.[63] The NOPR rejected this request on the grounds that it would require the pipeline to speculate on a preferred capital structure.[64]

2. Commenters

42. Several commenters, including NGSA, APGA, Calpine, Enbridge, and Process Gas Consumers Group (PGC), urge the Commission to reconsider its ruling and to require pipelines to identify the specific entity used as the source for the capital structure figures reported on page 218a.[65] PGC, APGA, NGSA and others observe that INGAA's reply comments in response to the NOI stated that it has no objection to identifying the entity whose capital structure is reported on page 218a of Form 2.[66]

3. Commission Determination

43. In light of the comments on this issue, including the recognition that INGAA stated that it had no objection to identifying the entity whose capital structure is reported on page 218a of the form, the Commission will revise the instructions for page 218a of Form 2. The reporting pipeline will be required to provide, in a footnote, the name of the entity whose capital structure is reported. We reiterate, however, that the pipeline will not be required to identify whether it plans to use a different capital structure and an explanation of its appropriateness.

Reporting the Source of Return on Equity Figures

1. Financial Forms NOPR

44. The NOPR rejected proposals to add additional requirements to the current return on equity disclosure. At present, page 218a of Form 2 requires that the pipeline provide the rate of return granted in the last rate proceeding. If this rate of return is not available, the form requires the pipeline to use the average rate of return earned during the preceding three years. The NOPR expressed concern that adding additional disclosures, including the pipeline's calculation of the three year average rate of return, would be burdensome to the pipelines and could have the unintended effect of turning the Form 2 into a ''mini'' rate case.[67]

2. Commenters

45. APGA, NGSA, and PGC request that the Commission reconsider this decision.[68] At a minimum, PGC requests that the Commission require pipelines to document whether they have elected to use the FERC-approved rate of return on equity or a three-year average.[69] APGA requests that page 218a of Form 2 be amended to include a mandatory disclosure of whether the listed return on equity is from the pipeline's most recent rate proceeding (and if so, to identify such proceeding by docket number and reference to any applicable documents and/or Commission order), or if not, a description of the calculation used to derive the listed rate of return.[70] APGA asserts that this approach would provide the public with vital information while not encumbering pipelines with any additional burden.[71] NGSA states that INGAA's reply comments to the NOI indicated that it

[60] MPSC NOPR Comments at 8.

[61] *Id.*

[62] *See* NOPR at P 27.

[63] *See* Industry Coalition NOI Comments at 4.

[64] NOPR at P 27.

[65] *See* APGA NOPR Comments at 3–4; NGSA NOPR Comments at 3; Enbridge NOPR Comments at 3–4; Calpine NOPR Comments at 12; PGC NOPR Comments at 3–4.

[66] NGSA NOPR Comments at 3; PGC NOPR Comments at 3; APGA NOPR Comments at 3–4. *See* INGAA NOI Reply Comments at 11.

[67] NOPR P 27.

[68] APGA NOPR Comments at 4; NGSA NOPR Comments 4; PGC NOPR Comments at 3.

[69] PGC NOPR Comments at 3.

[70] APGA NOPR Comments at 4–5.

[71] *Id.*

did not object to providing which option was used for purposes of the rate of return, with the caveat that a ''black box'' settlement figure be viewed as an acceptable proxy for the pipeline's approved rate of return.[72] NGSA urges the Commission to adopt INGAA's suggested compromise to document which option is reported.[73]

3. Commission Determination

46. The Commission agrees that it would be a fair compromise to require that pipelines disclose the following information when reporting common equity at line (5), column (d), on page 218a: (1) Indicate if the rate of return was formally approved in a rate case; (2) indicate if the rate of return was a calculated black-box settlement approved rate; or (3) if the rate of return was an actual three-year average rate of return. This information should provide sufficient clarification for the form's users and will not, we believe, unduly burden the pipeline's reporting requirements.

Costs and Revenues Associated With Trackers or Special Surcharges

1. Commenters

47. The New York Public Service Commission (NYPSC) states that it supports the Commission's proposed amendments to Forms 2, 2–A, and 3–Q. NYPSC requests, however, that the Commission address its suggestions for additional reporting requirements on Form 2, including billing determinants for each rate schedule at the beginning and end of the year, as well as any revenues and costs associated with trackers or special surcharges.[74]

2. Commission Determination

48. NYPSC's comments did not identify the items subject to tracking or special surcharges. The Commission does not believe that a specific cost and revenue analysis of these revenues is required since, with the exception of some timing differences, the transactions generally should be a wash, i.e., the reported revenues would include the surcharge recoveries and the pipeline's operation and maintenance expenses would reflect the costs incurred. We do agree that it would be beneficial to have a summary of the revenues and expenses for each tracked cost and special surcharge. Therefore, the Commission is adding this requirement to the final rule. We will require that the pipeline provide this summary in the footnotes to the financial statements. We decline to grant NYPSC's request to require the pipeline to include billing determinants for each rate schedule at the beginning and end of the year. This information is available on the Index of Customers, filed by pipelines on a quarterly basis.

L. Elimination of Form 11

1. Financial Forms NOPR

49. The NOPR sought comments on whether the information in FERC No. 11, Natural Gas Pipeline Company Quarterly Statement of Monthly Data (Form 11) is relied upon by pipeline customers. The NOPR also asked whether the information reported in Form 11 could, alternatively, be incorporated into Form 3–Q. Form 11 is a quarterly filing made by natural gas companies whose gas transported or stored for a fee exceeded 50 million Dth in each of the three previous years.[75] In comments on the NOI, Williston had suggested that Form 11 be eliminated and that the information required in Form 11 be incorporated into Form 3–Q.[76]

2. Commenters

50. Most commenters expressed a need for the information reported in Form 11. NGSA, Calpine, the IPPA and TIPRO oppose the elimination of the form unless the information reported is added to Forms 2 and 3–Q, with the assurance that this alternative would maintain the monthly volume detail currently provided in Form 11.[77] NGSA stated that the information reported in Form 11 is the only source of contract demand and volume information that enables customers to properly attribute costs to incremental services and design rates.[78] One commenter, Dominion, asserted that the information reported in Form 11 is unnecessary but stated that if the Commission deems that such information needs to be reported, Form 11 should be incorporated into Forms 2 and 3–Q.[79]

3. Commission Determination

51. The comments indicate that Form 11 information is unique and useful for performing a reasonable rate assessment. We agree with NGSA and others that eliminating Form 11 without incorporating the detail in other forms would remove from consideration data that is not available elsewhere. We believe that the most efficient way to collect the information now reported in Form 11 is to add a new schedule to Forms 2 and 3–Q, entitled ''Monthly Quantity & Revenue Data by Rate Schedule,'' to require the reporting of information now contained in Form 11. An additional benefit of this change in reporting is that the data collected in Form 11 can now be filed using Commission issued software as part of the Form 2 filing rather than as a separate submission. Accordingly, FERC Form 11 will be terminated on February 29, 2009, the date that pipelines will be required to file a revised Form 3–Q.

M. Miscellaneous Issues

52. The Commission proposed to extend the filing date for the Certified Public Accountant Certification Statement until May 18 of the following calendar year for natural gas companies.[80] The Commission noted that this proposal would reduce the filing and administrative burden by allowing more time for the company and the certified public accountant to identify and resolve issues that may arise during the course of the examination.[81] No comments were filed on this issue and, accordingly, the proposal is adopted as outlined in the NOPR.

53. The NOPR discussed two questions posed in the NOI: (1) Whether interstate pipelines should be required to notify the Commission when their total sales or transactions fall below the minimum thresholds established in the Commission's regulations such that the pipeline believes that it is no longer subject to the filing requirements; and (2) whether the Commission should require a showing of good cause before granting an extension of time in which to file the reports.[82] Calpine supports the concept that a pipeline should advise the Commission if it believes it does not meet the threshold requirements for reporting.[83] The Commission agrees that notification of non-filing status would be helpful to the Commission and users of Forms 2 and 2–A. Accordingly, at such time as a pipeline now subject to the reporting requirements for either Form 2 or 2–A has, in three consecutive years, experienced volumes and transactions below the threshold levels specified in the Commission's regulations and believes that it is no longer required to file a Form 2 or 2–A, it must notify the Commission of this change. The

[72] NGSA NOPR Comments at 4. *See* INGAA's Reply Comments to NOI at 12.

[73] NGSA NOPR Comments at 4.

[74] NYPSC NOPR Comments at 3.

[75] *See* 18 CFR 260.3.

[76] *See* Williston Basin NOI Comments at 6–7.

[77] NGSA NOPR Comments at 7–8; Calpine NOPR Comments at 11; ITPI NOPR Comments at 3–4.

[78] NGSA NOPR Comments at 7–8.

[79] Dominion NOPR Comments at 11–12.

[80] *See* 18 CFR 158.11.

[81] NOPR at P 63.

[82] *See* 18 CFR 260.1 and 260.2.

[83] Calpine NOPR Comments at 11.

pipeline must file the notification on the date that the form would otherwise be due. With respect to the requirement that a pipeline must provide good cause when requesting an extension of time in which to comply with the Commission's reporting regulations, the Commission believes that any request for an extension of time must show good cause. Without such a showing, the request may not be granted.

IV. Implementation

54. The NOPR proposed an effective date of January 1, 2008. Accordingly, companies subject to the new requirements would file their revised Form 3–Q beginning with the first quarter of 2009 and their revised Forms 2 and 2–A in 2009 for calendar year 2008. Form 11 data will continue to be collected through 2008 and pipelines will be required to file the form until February 28, 2009, when the revised 3–Q filings will commence. While INGAA did not object to the Commission's proposed effective date, it requests that the Commission recognize that meeting this deadline may be difficult for some pipeline companies.[84] INGAA states that although pipelines will not be required to file their new annual Forms 2 and 2–A reflecting revised data for 2008 until 2009, the changes will require modifications to accounting and computer systems that will need to be in place on January 1, 2008, to capture data for the full year 2008.[85] Enbridge requests that the effective date of the final rule be revised to the first day of the first full calendar quarter that falls at least 90 days after the Commission's issuance of a final rule.[86]

55. The Commission proposed the January 1, 2008 effective date so that pipelines' revised Form 2 and 2–A filings, reflecting an entire year of data, could be filed in 2009. Enbridge's suggestion that the effective date be changed to a mid-year calendar quarter would mean that the new Form 2 data for filing year 2009 would be incomplete. The proposals contained in the September 20, 2007 NOPR have not changed substantially in the final rule. The reporting of some information, deemed burdensome by pipeline filers, has been modified. Most of this data will have been collected by the pipeline during the first quarter of 2008 and the Commission does not believe that the necessary changes warrant any delay in the filings required for 2009.

[84] INGAA NOPR Comments at 2.

[85] *Id.*

[86] Enbridge NOPR Comments at 10.

V. Regulatory Flexibility Act Certification

56. The Regulatory Flexibility Act of 1080 (RFA)[87] generally requires a description and analysis of final rules that will have a significant economic impact on a substantial number of small entities.[88] However, the RFA does not define ''significant'' or ''substantial.'' Instead, the RFA leaves it up to an agency to determine the effect of its regulations on small entities. Most filing companies regulated by the Commission do not fall within the RFA's definition of small entity.

57. The Commission estimates that there are 74 Major natural gas pipeline companies and 44 Non-major companies that will be affected by the final rule.[89] As we stated in the NOPR, the rule will apply to all interstate natural gas companies subject to the Commission's jurisdiction. While we do not foresee that the Rule will have a significant impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, we will consider granting waivers in appropriate circumstances. In addition, the elimination of Form 11 will further reduce the economic impact on most entities.

58. Accordingly, the Commission certifies that the Rule will not have a significant impact on a substantial number of small entities. As a result, no regulatory flexibility analysis is required.

VI. Environmental Statement

59. Commission regulations require that an environmental assessment or an environmental impact statement be prepared for a Commission action that may have a significant effect on the human environment.[90] However, in 18 CFR 380.4(a)(5), we categorically excluded the type of information gathering required in this Rule from the requirement to prepare an environmental impact statement. Thus, we affirm the finding we made in the NOPR that this final rule does not impose any requirements that might have a significant effect on the human environment and find that no environmental impact statement concerning this rule is required.

[87] 5 U.S.C. 601–12.

[88] The RFA definition of ''small entity'' refers to the definition provided in the Small Business Act, which defines a ''small business concern'' as a business that is independently owned and operated and that is not dominant in its field of operation. 15 U.S.C. 632. The Small Business Size Standards component of the North American Industry Classification System defines a small natural gas pipeline company as one whose total annual revenues, including its affiliates, are $6.5 million or less. 13 CFR 121,201.

[89] These numbers are based on the most recent filings.

[90] *Regulations Implementing National Environmental Policy Act,* Order No. 486, 52 FR 47897 (Dec. 17, 1987); FERC Stats. & Regs. ¶ 30,783 (Dec. 10, 1987) (*codified* at 18 CFR Part 380).

VII. Public Reporting Burden and Information Collection Statement

60. The following collections of information contained in this Final Rule have been submitted to the Office of Management and Budget (OMB) for review under Section 3507(d) of the Paperwork Reduction Act of 1995.[91] The Commission identifies the information provided under Parts 158 and 260 of the Commission's regulations. The Commission is revising the reporting requirements for interstate natural gas companies as contained in the above financial and operational information collections.

Information Collection Statement

Title: FERC Form No. 2, ''Annual Report for Major natural gas companies;'' FERC Form No. 2–A, ''Annual Report for Nonmajor public utilities and licensees; FERC Form No. 3–Q, ''Quarterly financial report of electric utilities, licensees, and natural gas companies.''

FERC Form No. 11, ''Natural gas pipeline quarterly statement of monthly data.:

Action: Final Rule.

OMB Control Nos.: 1902–0028 (Form 2); 1902–0030 (Form 2–A); 1902–0205 (Form 3–Q), and 1902–0032 (Form 11).

Respondents: Business or other for profit.

Frequency of responses: Quarterly and Annually.

Necessity of the information: This Final Rule prescribes certain modifications to the Commission's financial reports for interstate natural gas companies, Form Nos. 2, 2–A, and 3–Q. The revisions adopted in this Final Rule will increase the forms' usefulness to both the public and the Commission. The Final Rule will improve the usefulness, accuracy and transparency of financial information submitted to the Commission. Expanding the detail of the financial data assists the Commission in carrying out its responsibilities under the NGA to ensure that rates are just and reasonable.

Burden Statement: There are an estimated 44 Nonmajor and 74 Major natural gas companies that will be affected by the Final Rule, for a total of 118 affected respondents.[92] The change in annual public reporting burden per

[91] 44 U.S.C. 3507(d).

[92] These numbers are based on the most recent filings.

respondent for Form 2, Form 2–A, and Form 3–Q for Major and Form 3–Q for Nonmajor natural gas companies is estimated to be 53, 135, 30, and 21 additional hours respectively. These estimates translate into 83 additional hours for Major natural gas companies annually and 156 additional hours for Nonmajor natural gas companies annually. The corresponding annual aggregate increase per form is: 3,922 additional hours annually for Form 2; 5,940 additional hours annually for Form 2–A; 2,200 additional hours annually for Form 3–Q for Major natural gas companies; and 924 additional hours annually for Form 3–Q for Nonmajor natural gas companies. While the Final Rule increases the estimated total annual burden by 13,006 hours, the Rule eliminates Form 11 which reduces the total annual reporting burden by an estimated 888 hours. If this change is taken into consideration, the annual burden increase would be 12,118 hours. One commenter, Dominion, stated that while it applauds the Commission for striving to achieve a balance between the benefits these revisions will achieve, in assessing pipeline rates, and the imposition of any additional burden on the pipeline, it believes the estimated hours may be too low.[93] No other commenters offered burden estimates. Dominion estimates that the annual report will require an additional 60 hours (the Commission estimates 53 hours) and that preparation of information for Form 3–Q would be about 23 hours per quarter (the Commission estimates seven hours).[94] Dominion also estimates that additional time will be required in the first year to implement, including the required computer programming, the changes in reporting requirements.[95] The Commission agrees that some time will be required to implement the changes, however, the Commission has provided the companies with the software to prepare the financial reports and we believe Dominion's estimates are excessive. Most of the data required by the Final Rule is information that is already collected by the pipeline company. Certain of the schedules added to Form 3–Q are schedules that are currently in the annual forms and require only that this data be reported on a quarterly basis in addition to the annual reports. Further, the Final Rule has modified some requirements that will ease considerably the reporting burden, that is, reinstating the $250,000 cost threshold for page 357 of Form 2, and instating the same $250,000 threshold for new reporting on affiliate transactions on page 358. In addition, the Final Rule eliminates Form 11 which was previously filed in hard copy and incorporates that information into the annual and quarterly forms, thereby allowing the data to be submitted using Commission software. This, too, produces a substantial decrease in burden. We believe that the new, or revised, requirements strike a fair balance between the benefits these changes will facilitate and the imposition of any additional burden on the pipeline.

Internal Review: The Commission has conducted an internal review of the public reporting burden associated with this collection of information and has assured itself, by means of its internal review, that there is specific, objective support for this information burden estimate. Moreover, the Commission has reviewed the collection of information required by this rule and has determined that the collection of information is necessary and conforms to the Commission's plan, as described in this order, for the collection, efficient management, and use of the required information.[96]

61. Interested persons may obtain information on the reporting requirements by contacting: Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426 [Attention: Michael Miller, Office of the Chief Information Officer, phone: (202) 502–8415, fax: (202) 273–0873; e-mail: *Michael.Miller@ferc.gov*]. Comments concerning the collection of information and the associated burden estimates should be sent to the contact listed above 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, phone (202) 395–7318, fax: (202) 395–7285].

VIII. Document Availability

62. 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 p.m. Eastern time) at 888 First Street, NE., Washington, DC 20426.

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

63. User assistance is available for e-Library and the Commission's Web site during normal business hours. For assistance, please contact FERC Online Support at 1–866–208–3676 (toll free) or 202–502–6652 (e-mail at *FERCOnLineSupport@ferc.gov*) or the Public Reference Room at 202–502–8371, TTY 202–502–8659 (e-mail at *public.reference@ferc.gov*).

IX. Effective Date and Congressional Notification

64. This final rule will take effect April 10, 2008, and the revisions to the forms are applicable on January 1, 2008, as proposed in the NOPR, with one exception. While the rule eliminates Form 11, it is important that the data collected in Form 11 continue to be filed with the Commission. Accordingly, pipelines will be required to continue to collect the data and file Form 11 for the remainder of 2008. Form 11 will be eliminated applicable as of February 28, 2009 when information for the fourth quarter of 2008 is filed. The January 1, 2008 applicability date will require Form 2 and 2–A filers to collect the revised data during 2008 and file a revised annual form in 2009 for the 2008 reporting year. Form 3–Q filers will submit a revised 3–Q beginning with the first quarter of 2009. The information now reported in Form 11 will be incorporated into Forms 2 and 3–Q beginning in 2009.

65. The Commission has determined with the concurrence of the Administrator of the Office of Information and Regulatory Affairs of OMB that this final rule is not a major rule within the meaning of section 251 of the Small Business Regulatory Enforcement Fairness Act of 1996.[97] The Commission will submit the final rule to both houses of Congress and the General Accounting Office.

List of Subjects

18 CFR Part 158

Administrative practice and procedure, Natural gas, Reporting and recordkeeping requirements, Uniform System of Accounts.

[93] Dominion NOPR Comments at 4.

[94] *Id.*

[95] *Id.*

[96] *See* 44 U.S.C. 804(2).

[97] 5 U.S.C. 801.

18 CFR Part 260

Natural gas, Reporting and recordkeeping requirements.

By the Commission.

Kimberly D. Bose,

Secretary.

In consideration of the foregoing, the Commission amends parts 158 and 260 of Title 18 of the *Code of Federal Regulations*, as set forth below:

PART 158—ACCOUNTS, RECORDS, MEMORANDA AND DISPOSITION OF CONTESTED AUDIT FINDINGS AND PROPOSED REMEDIES

■ 1. The authority citation for part 158 continues to read as follows:

Authority: 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7102–7352.

■ 2. Section 158.11 is revised to read as follows:

§ 158.11 Report of certification.

Each natural gas company not classified as Class C or Class D prior to January 1, 1984 must file with the Commission by May 18 of the following calendar year, a letter or report of the independent accountant certifying approval, covering the subjects and in the format prescribed in the General Instructions of the applicable Form No. 2 or Form No. 2–A. The letter or report must also identify which, if any, of the examined schedules do not conform to the Commission's requirements and must describe the discrepancies that exist. The Commission will not be bound by the certification of compliance made by an independent accountant under this paragraph.

PART 260—STATEMENTS AND REPORTS (SCHEDULES)

■ 3. The authority citation for part 260 continues to read as follows:

Authority: 15 U.S.C. 717–717w, 3301–3432; 42 U.S.C. 7101–7352.

■ 4. Section 260.3 is removed.

Note: The following appendices will not be published in the Code of Federal Regulations.

BILLING CODE 6717–01–P

Appendix A- Summary Table of Proposed Changes to Schedules for FERC Form Nos. 2, 2-A, and 3-Q.

	Page Numbers	Schedule	Form 2	Form 2-A	Form 3-Q, major	Form 3-Q, non-major
1	122.1	Notes to Financial Statements	rev	rev	rev	rev
2	217	Rate Treatment	new	new		
3	218a	General Description of Construction Overhead Procedure (continued)	rev	rev	rev	rev
4	232	Other Regulatory Assets	rev	rev	rev	rev
5	234-235	Accumulated Deferred Income Taxes	rev	new		
6	262-263	Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged	rev	new		
7	274-275	Accumulated Deferred Income Taxes-Other Property	rev	new		
8	276-277	Accumulated Deferred Income Taxes-Other	rev	new		
9	278	Other Regulatory Liabilities	rev	rev	rev	rev
10	299	Monthly Quantity & Revenue Data by Rate Schedule	new		new	
11	300-301	Gas Operating Revenues	rev	rev		
12	308	Other Gas Revenues	rev	new		
13	313	Discounted Services and Negotiated Services	new	new		
14	352	Employee Pensions and Benefits	new	new		
15	354-355	Distribution of Salaries and Wages	rev			
16	357	Charges for Outside Professional and Other Consultative Services	rev	new		
17	358	Transactions with Associated	new	new		
18	508-509	Compressor Station	rev			
19	520	Gas Account – Natural Gas	rev	rev	new	new
20	521	Shipper Supplied Gas for the Current Quarter	new	new	new	new
	Total Changes		20	17	7	6
	Total New		6	11	3	2
		KEY:				
		new = new				
		revised = rev				
		existing = ext				

Appendix B- List of Commenters

	Company Name	Abbreviation
1	American Gas Association	AGA
2	American Public Gas Association	APGA
3	Apache Corporation	Apache
4	Boardwalk Pipeline Partners, Gulf Crossing Pipeline Company, Gulf South Pipeline Company, and Texas Gas Transmission	BGGT
5	Bureau of Economic Analysis	BEA
6	Calpine Corporation	Calpine
7	Dominion Resources	Dominion
8	Enbridge and Enbridge Energy Partners	Enbridge
9	Independent Petroleum Association of America and Texas Independent Producers & Royalty Owners Association	IPTA
10	Interstate Natural Gas Association of America	INGAA
11	Kansas Corporation Commission	KCC
12	Kinder Morgan Interstate Pipelines	Kinder Morgan
13	Michigan Public Service Commission	MIPSC
14	Natural Gas Supply Association	NGSA
15	Public Service Commission of the State of New York	NYPSC
16	Process Gas Consumers Group	PGC
17	Williston Basin Interstate Pipeline Company	Williston
18	Electric Power Supply Association	EPSA

Appendix C Revised Schedules for FERC Forms 2, 2-A, and 3-Q

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Notes to Financial Statements

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by mstruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement. 5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Non-Traditional Rate Treatment Afforded New Projects

1. The Commission's Certificate Policy Statement provides a threshold requirement for existing pipelines proposing new projects is that the pipeline must be prepared to financially support the project without relying on subsidization from its existing customers. See Certification of New Interstate Natural Gas Pipeline Facilities, 88 FERC P61,227 (1999); order clarifying policy, 90 FERC P61,128 (2000); order clarifying policy, 92 FERC P61,094 (2000) (Policy Statement). In column a, list the name of the facility granted non-traditional rate treatment.
2. In column b, list the CP Docket Number where the Commission authorized the facility.
3. In column c, indicate the type of rate treatment approved by the Commission (e.g. incremental, at risk)
4. In column d, list the amount in Account 101, Gas Plant in Service, associated with the facility.
5. In column e, list the amount in Account 108, Accumulated Provision for Depreciation of Gas Utility Plant, associated with the facility.
6. In column f, list the amount in Account 190, Accumulated Deferred Income Tax; Account 281, Accumulated Deferred Income Taxes – Accelerated Amortization Property; Account 282, Accumulated Deferred Income Taxes – Other Property; Account 283, Accumulated Deferred Income Taxes – Other, associated with the facility.
7. In column g, report the total amount included in the gas operations expense accounts during the year related to the facility (Account 401, Operation Expense).
8. In column h, report the total amount included in the gas maintenance expense accounts during the year related to the facility.
9. In column i, report the amount of depreciation expense accrued on the facility during the year.
10. In column j, list any other expenses(including taxes) allocated to the facility.
11. In column k, report the incremental revenues associated with the facility.
12. Identify the volumes received and used for any incremental project that has a separate fuel rate for that project.
13. Provide the total amounts for each column.

Line No.	Name of Facility (a)	CP Docket No. (b)	Type of Rate Treatment (c)	Gas Plant In Service (d)	Accumulated Depreciation (e)	Accumulated Deferred Income Taxes (f)	Operating Expense (g)	Maintenance Expense (h)	Depreciation Expense (i)	Other Expenses (including taxes) (j)	Incremental Revenues (k)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

General Description of Construction Overhead Procedure (continued)

Computation of Allowance for Funds Used During Construction Rates

1. For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
2. Identify, in a footnote, the specific entity used as the source for the capital structure figures.
3. Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Capitalization Ration (percent) (c)	Cost Rate Percentage (d)
1		S		
2				s
3		D		d
4		P		p
5		C		c
6				
7		W		

2. Gross Rate for Borrowed Funds s(S/W) + d[(D/(D+P+C))(1-(S/W))]

3. Rate for Other Funds [1-(S/W)][p(P/(D+P+C)) + c(C/(D+P+C))]

4. Weighted Average Rate Actually Used for the Year:
   a. Rate for Borrowed Funds -
   b. Rate for Other Funds-

Name of Respondent	This Report Is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Other Regulatory Assets (Account 182.3)

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show the period of amortization in column (a).
3. Minor items (5% of the Balance at the End of the Year for Account 182.3 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
5. Provide in a footnote, for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning Current Quarter/Year (b)	Debits (c)	Written off During Quarter/Year Account Charged (d)	Written off During the Period		Balance at End of Current Quarter/Year (g)
					Amount Recovered (e)	Amount deemed Unrecoverable (f)	
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Accumulated Deferred Income Taxes (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 190			
2	Electric			
3	Gas			
4				
5				
6	Other (Specify) (Footnote Details)			
7	TOTAL Account 190 (Enter TOTAL of Lines 1 thru 6			
8	Classification of TOTAL			
9	Federal Income Taxes			
10	State Income Taxes			
11	Local Income Taxes			
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Accumulated Deferred Income Taxes (Account 190) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility department where applicable and account charged)

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline other sales taxes which have been charged to the accounts to which taxed materials was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts other than accrued and prepaid tax accounts.4. List the aggregate of each kind of tax in such a manner that the total tax for each State and subdivision can be readily ascertained.

Line No.	Kind of Tax (a)	Balance at Beginning of Year Taxes Accrued (b)	Balance at Beginning of Year Prepaid Taxes (c)
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42	**TOTAL**		

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility department where applicable and account charged) (Continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how tax accounts were distributed. Show both the utility department and the number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or sub account.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under $250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Account 165) (h)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility department where applicable and account charged) (Continued)

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline other sales taxes which have been charged to the accounts to which taxed materials was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such a manner that the total tax for each State and subdivision can be readily be ascertained.

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Department (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility department where applicable and account charged) (Continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how tax accounts were distributed. Show both the utility department and the number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or sub account.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under $250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged)

Line No.	Extraordinary Items (Account 409.3) (m)	Other Utility Operating Income (Account 408.1 and Account 409.1) (n)	Adjustments to Retained Earnings (Account 439) (o)	Other (p)	State/Local Income Tax Rate (q)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Accumulated Deferred Income Taxes-Other Property (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric			
3	Gas			
4				
5				
6	Other (Specify) (Footnote Details)			
7	TOTAL Account 282 (Enter TOTAL of Lines 1 thru 6			
8	Classification of TOTAL			
9	Federal Income Taxes			
10	State Income Taxes			
11	Local Income Taxes			
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Accumulated Deferred Income Taxes-Other Property (Account 282) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Accumulated Deferred Income Taxes-Other (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Gas			
4				
5				
6	Other (Specify) (Footnote Details)			
7	TOTAL Account 283 (Enter TOTAL of Lines 1 thru 6			
8	Classification of TOTAL			
9	Federal Income Taxes			
10	State Income Taxes			
11	Local Income Taxes			
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Accumulated Deferred Income Taxes-Other (Account 283) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
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Name of Respondent	This Report Is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Other Regulatory Liabilities (Account 254)

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show the period of amortization in column (a).
3. Minor items (5% of the Balance at the End of the Year for Account 182.3 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning Current Quarter/Year (b)	Debits (c)	Written off During Quarter/Year Account Charged (d)	Written off During the Period Amount		Balance at End of Current Quarter/Year (g)
					Amount Refunded (e)	Amount deemed non-refundable (f)	
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Monthly Quantity & Revenue Data by Rate Schedule

Select the appropriate Month from the dropdown menu below.

1. Each natural gas company whose gas transported or stored for a fee exceeded 50 million Dth in each of the three previous calendar years is required to prepare this schedule.
2. Refer to the form and/or Uniform System of Accounts (USofA) for Natural Gas Companies (18 CFR Part 201). Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
3. Total Quantities (1000s of Dth) and Revenues (1000s of $).
4. Report revenues and quantities of gas by rate schedule. Add rows if necessary to report 2.001, 2.002 data for all rate schedules. The rate schedule must be identified in the same manner as 4.001, 4.002 identified in other reports to the Commission. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule. Add rows as necessary to report all rate schedules. When rows are added, the additional row numbers should follow in sequence, 2.001, 2.002, 2.003, etc. or 4.001, 4.002, 4.003, etc.
5. Revenues in Column (d) include transition costs from upstream pipelines. Revenue (Other) in Column (f) includes reservation charges received by the pipeline plus usage charges, less revenues reflected in Columns (d) and (e). Include in Column (f), revenue for Accounts 490-495.
6. Enter footnotes as appropriate.
7. Select the appropriate month from the dropdown menu above.

Line No. (a)	Item (b)	Quantity (c)	Revenue (Transition Costs and Take-or-Pay) (d)	Revenue (GRI & ACA) (e)	Revenue (Other) (f)	Revenue (Total) (g)
1	Total Sales					
2	Transportation of Gas for Others					
2.001	[Rate Schedule Number]					
2.002	[Rate Schedule Number]					
3	Total Transportation					
4	Storage					
4.001	[Rate Schedule Number]					
4.002	[Rate Schedule Number]					
5	Total Storage					
6	Gathering					
7	Gathering-Firm					
8	Gathering-Interruptible					
9	Additional Revenues					
10	Products Sale and Extraction (490-492)					
11	Rents (493-494)					
12	Other Gas Revenues (495)					
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Gas Operating Revenues

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transition Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	480 Residential Sales				
2	481 Commercial and Industrial Sales				
3	482 Other Sales to Public Authorities				
4	483 Sales for Resale				
5	484Interdepartmental Sales				
6	485 Intracompany Transfers				
7	487 Forfeited Discounts				
8	488 Miscellaneous Service Revenues				
9	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
10	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities				
11	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
12	489.4 Revenues from Storing Gas of Others				
13	490 Sales of Prod. Ext. from Natural Gas				
14	491 Revenues from Natural Gas Proc. by Others				
15	492 Incidental Gasoline and Oil Sales				
16	493 Rent from Gas Property				
17	494 Interdepartmental Rents				
18	495 Other Gas Revenues				
19	Subtotal:				
20	496 (Less) Provision for Rate Refunds				
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44	TOTAL:				

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Gas Operating Revenues (Continued)

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Other Gas Revenues (Account 495)

Report below transactions included in Account 495, Other Gas Revenues.

Line No.	Description of Transaction (a)	Amount(b)
1	Commissions on Sale or Distribution of Gas of Others	
2	Compensation for Minor or Incidental Services Provided for Others	
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale	
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments	
5	Miscellaneous Royalties	
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495.	
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures	
8	Gains on Settlements of Imbalance Receivables and Payables	
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements	
10	Revenues from Shipper Supplied Gas	
11	Other revenues (Specify)	
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Name of Respondent	This Report Is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Discounted Rate Services and Negotiated Rate Services

1. In column b, report the revenues from discounted rate services.
2. In column c, report the volumes of discounted rate services.
3. In column d, report the revenues from negotiated rate services.
4. In column e, report the volumes of negotiated rate services.

Line No.	Account (a)	Discounted Rate Services		Negotiated Rate Services	
		Revenue (b)	Volumes (c)	Revenue (d)	Volumes (e)
1	Account 489.1, Revenues from transportation of gas of others through gathering facilities.				
2	Account 489.2, Revenues from transportation of gas of others through transmission facilities.				
3	Account 489.4, Revenues from storing gas of others.				
4	Account 495, Other gas revenues.				
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Total					

Name of Respondent	This Report Is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Employee Pensions and Benefits (Account 926)

1. Report below the items contained in Account 926, Employee Pensions and Benefits.

Line No.	Expense	Amount
1	Pensions – defined benefit plans	
2	Pensions – other	
3	Post-retirement benefits other than pensions (PBOP)	
4	Post- employment benefit plans	
5	Other (Specify)	
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Total		

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Distribution of Salaries and Wages

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production				
4	Transmission				
5	Distribution				
6	Customer Accounts				
7	Customer Service and Informational				
8	Sales				
9	Administrative and General				
10	TOTAL Operation (Total of lines 3 thru 9)				
11	Maintenance				
12	Production				
13	Transmission				
14	Distribution				
15	Administrative and General				
16	TOTAL Maintenance (Total of lines 12 thru 15)				
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)				
19	Transmission (Total of lines 4 and 13)				
20	Distribution (Total of lines 5 and 14)				
21	Customer Accounts (line 6)				
22	Customer Service and Informational (line 7)				
23	Sales (line 8)				
24	Administrative and General (Total of lines 9 and 15)				
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)				
26	Gas				
27	Operation				
28	Production – Manufactured Gas				
29	Production – Natural Gas(Including Exploration and Development)				
30	Other Gas Supply				
31	Storage, LNG Terminaling and Processing				
32	Transmission				
33	Distribution				
34	Customer Accounts				
35	Customer Service and Informational				
36	Sales				
37	Administration and General				
38	TOTAL Operation (Total of lines 28 thru 37)				
39	Maintenance				
40	Production – Manufactured Gas				
41	Production – Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminaling and Processing				
44	Transmission				
45	Distribution				

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Distribution of Salaries and Wages (continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
46	Administrative and General				
47	TOTAL Maintenance (Total of lines 40 thru 46)				
48	Gas (Continued)				
49	Total Operation and Maintenance				
50	Production – Manufactured Gas (Total of lines 28 and 40)				
51	Production – Natural Gas (Including Expl. And Dev.)(ll. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)				
53	Storage, LNG Terminaling and Processing (Total of ll. 31 and 43)				
54	Transmission (Total of lines 32 and 44)				
55	Distribution (Total of lines 33 and 45)				
56	Customer Accounts (Total of line 34)				
57	Customer Service and Informational (Total of line 35)				
58	Sales (Total of line 36)				
59	Administrative and General (Total of lines 37 and 46)				
60	Total Operation and Maintenance (Total of lines 50 thru 59)				
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)				
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant				
67	Gas Plant				
68	Other				
69	TOTAL Construction (Total of lines 66 thru 68)				
70	Plant Removal (By Utility Departments)				
71	Electric Plant				
72	Gas Plant				
73	Other				
74	TOTAL Plant Removal (Total of lines 71 thru 73)				
75	Other Accounts (Specify) (footnote details)				
76	TOTAL Other Accounts				
77	TOTAL SALARIES AND WAGES				

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Charges for Outside Professional and Other Consultative Services

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than $250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.
(a) Name of person or organization rendering services.
(b) Total charges for the year.
2. Sum under a description "Other", all of the aforementioned services amounting to $250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned services.
4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Transactions with Associated (Affiliated) Companies

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than $250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to $250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)
1	Goods or Services Provided by Affiliated Company			
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20	Goods or Services Provided for Affiliated Company			
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Compressor Stations

1. Report below details concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.
2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped. Identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned.

Line No.	Name of Station and Location (a)	Number of Units at Station (b)	Certificated Horsepower for Each Station (c)	Plant Cost (d)	Expenses(except depreciation and taxes) Fuel (e)
1					
2					
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Total					

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Compressor Stations

Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote each unit's size and the date the unit was placed in operation.

3. For column (e), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.

Line No.	Expenses(except depreciation and taxes) Power (f)	Expenses(except depreciation and taxes) Other (g)	Gas for Compressor Fuel in Dth (h)	Electricity for Compressor Station in kWh (i)	Operational Data Total Compressor Hours of Operation During Year (j)	Operational Data Number of Compressors Operated at Time of Station Peak (k)	Date of Station Peak (l)
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Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Gas Account – Natural Gas

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.
11. Report on pages 520 A and B (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the specific account(s) charged or credited. Also, indicate in a footnote the basis for valuing the gas.

Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only (d)
1	Name of System:			
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)			
4	Gas of Others Received for Gathering (Account 489.1)	303		
5	Gas of Others Received for Transmission (Account 489.2)	305		
6	Gas of Others Received for Distribution (Account 489.3)	301		
7	Gas of Others Received for Contract Storage (Account 489.4)	307		
8	Exchange Gas Received from Others (Account 806)	328		
9	Gas Received as Imbalances (Account 806)	328		
10	Receipts of Respondent's Gas Transported by Others (Account 858)	332		
11	Other Gas Withdrawn from Storage (Explain)			
12	Gas Received from Shippers as Compressor Station Fuel			
13	Gas Received from Shippers as Lost and Unaccounted for			
14	Other Receipts (Specify) (footnote details)			
15	Total Receipts (Total of lines 3 thru 14)			
16	GAS DELIVERED			
17	Gas Sales (Accounts 480-484)			
18	Deliveries of Gas Gathered for Others (Account 489.1)	303		
19	Deliveries of Gas Transported for Others (Account 489.2)	305		
20	Deliveries of Gas Distributed for Others (Account 489.3)	301		
21	Deliveries of Contract Storage Gas (Account 489.4)	307		
22	Exchange Gas Delivered to Others (Account 806)	328		
23	Gas Delivered as Imbalances (Account 806)	328		
24	Deliveries of Gas to Others for Transportation (Account 858)	332		
25	Other Gas Delivered to Storage (Explain)			
26	Gas Used for Compressor Station Fuel	509		
27	Other Deliveries (Specify)(footnote details)			
28	Total Deliveries (Total of lines 17 thru 27)			
29	GAS UNACCOUNTED FOR			
30	Production System Losses			
31	Gathering System Losses			
32	Transmission System Losses			
33	Distribution System Losses			
34	Storage System Losses			
35	Other Losses (Specify) (footnote details)			
36	Total Unaccounted For (Total of lines 30 thru 35)			
37	Total Deliveries & Unaccounted For (Total of lines 28 and 36)			

Name of Respondent	This Report is: (1) An Original (2) A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Shipper Supplied Gas For The Current Quarter

1. On lines 1 through 4 report only the dekatherms of gas provided by shippers under tariff terms and conditions for transportation service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for.
2. On line 6 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas.
3. On lines 10 through 17 report the dekatherms, the dollar amount and the account(s) credited for the dispositions of gas listed in column (a).
4. On lines 19 through 27 report the dekatherms, the dollar amount and the account(s) debited for the sources of gas reported in column (a).

		First Month of Current Quarter			
Line No.	(a)	Dths (b)	Amount (c)	Account(s) Debited (d)	Account(s) Credited (e)
1	Shipper Supplied Gas (Lines 12 and 13 page 520)				
2	Less gas used in compressors				
3	Less gas used for other operational purposes (footnote)				
4	Less gas lost and unaccounted for				
5					
6	Net excess or (deficiency)				
7					
8					
9	Disposition of excess gas:				
10	Gas sold to others				
11	Gas used to meet imbalances				
12	Gas added to system gas				
13	Gas returned to shippers				
14	Other (list)				
15					
16					
17	Total disposition of excess gas				
18					
19	Gas acquired to meet deficiency:				
20	System gas				
21	Purchased gas				
22	Other (list)				
23					
24					
25					
26					
27	Total acquired to meet deficiency				

Name of Respondent	This Report is: (1) ☐ An Original (2) ☐ A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of Year/Qtr

Shipper Supplied Gas For The Current Quarter

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4. On lines 19 through 27 report the dekatherms, the dollar amount and the account(s)t debited for the sources of gas reported in column (a).

	Second Month of Current Quarter				Third Month of Current Quarter			
Line No.	Dths (b)	Amount (c)	Account(s) Debited (d)	Account Credited (e)	Dths (b)	Amount (c)	Account(s) Debited (d)	Account Credited (e)
1								
2								
3								
4								
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