

169 FERC ¶ 61,159
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Neil Chatterjee, Chairman;
Richard Glick and Bernard L. McNamee.

Venice Gathering System, L.L.C.
DTE Midstream Appalachia, LLC

Docket Nos. RP19-1039-001
RP19-1469-001

ORDER GRANTING REQUESTS FOR EXTENSION OF TIME

(Issued November 26, 2019)

1. On August 7, 2019, Venice Gathering System, L.L.C. (Venice) filed, in Docket No. RP19-1039-001, a motion for extension of time until December 1, 2019, to comply with certain of the North American Energy Standards Board (NAESB) Version 3.1 business practice standards (Version 3.1 Standards) adopted by NAESB's Wholesale Gas Quadrant (WGQ) applicable to interstate natural gas pipelines, and incorporated by reference by the Commission in Order No. 587-Y,¹ in light of a system upgrade.
2. On October 15, 2019, DTE Midstream Appalachia, LLC (DTE Appalachia) filed, in Docket No. RP19-1469-001, a motion for extension of time until May 1, 2020, to comply with certain of the NAESB WGQ Version 3.1 Standards, in light of a system upgrade.
3. As discussed below, we grant Venice's and DTE Appalachia's requests for an extension of time until December 1, 2019 and May 1, 2020, respectively, to comply with certain of the NAESB WGQ Version 3.1 Standards relating to electronic processing.

I. Background

4. On November 15, 2018, the Commission issued Order No. 587-Y, a Final Rule amending its regulations² to incorporate by reference the NAESB WGQ Version 3.1 Standards. The revisions made by NAESB in this version of the standards are designed to

¹ *Standards for Business Practices of Interstate Natural Gas Pipelines*, Order No. 587-Y, 165 FERC ¶ 61,109 (2018) (Order No. 587-Y).

² 18 C.F.R. § 284.12 (2019).

clarify the processing of certain business transactions. Most notable, NAESB adopted two substantive revisions to its Nominations Related Standards, one to establish a standard rounding process for elapsed-prorated-scheduled quantity³ calculations and a second to revise the specifications for the information to be included in a nomination request. Under Order No. 587-Y,⁴ the Final Rule, interstate natural gas pipelines were required to comply with the standards incorporated by reference in Order No. 587-Y on and after August 1, 2019.⁵

5. Venice and DTE Appalachia request extensions of time until December 1, 2019, and May 1, 2020, respectively, so that they will be excused from their obligation to comply with certain of the NAESB WGQ Version 3.1 Standards during the requested time period.⁶ Venice and DTE Appalachia argue that good cause exists to grant their requests.

6. In support of its request, Venice states that it does not currently have the capability to fully implement all of the NAESB WGQ Version 3.1 Standards by August 1, 2019. Venice explains that it contracts with a third-party vendor for the operation and maintenance of a website platform that complies with applicable NAESB WGQ Standards.⁷ Venice asserts, however, that the third-party vendor advised Venice that additional time was needed to complete installation and testing of an updated version of

³ Standard 1.2.12 of the Nominations Related Standards defines the elapsed-prorated-scheduled quantity to mean:

That portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected.

⁴ Order No. 587-Y, 165 FERC ¶ 61,109 at P 23.

⁵ Venice and DTE Appalachia are mostly compliant with the NAESB WGQ Version 3.1 Standards, except for certain of the NAESB WGQ Version 3.1 Standards during the requested time period, in light of a system upgrade. *See Order on Filings in Compliance with Order No. 587-Y*, 168 FERC ¶ 61,061 (2019). *See also DTE Midstream Appalachia, LLC*, Docket No. RP19-1469-000 (Sept. 19, 2019) (delegated order).

⁶ NAESB WGQ Versions 3.1 Standards 1.3.82, 1.4.1, 4.3.80, and 4.3.106.

⁷ Venice Petition at 1.

the website software.⁸ Nevertheless, Venice asserts that its transition to an updated version of the website software is scheduled to be completed by December 1, 2019, at which time, Venice states, it will be fully compliant with all of the NAESB WGQ Version 3.1 Standards.⁹

7. In support of its request, DTE Appalachia states that it is a small interstate natural gas pipeline with only one customer.¹⁰ DTE Appalachia further states that it currently manages its transaction management system with third-party vendor software, including implementation of NAESB Standards. DTE Appalachia asserts, however, that the third-party vendor advised DTE Appalachia that additional time was needed to complete installation and testing of an updated version of the website software. Nevertheless, DTE Appalachia asserts that, after discussions specifically related to DTE Appalachia, DTE Appalachia and its third-party vendor have concluded that the implementation, prudent testing, and rollout of the next major version of the website software should be complete no later than April of 2020. Accordingly, DTE Appalachia requests a limited extension of time until May 1, 2020 to comply with certain of the NAESB WGQ Version 3.1 Standards.¹¹

8. Venice and DTE Appalachia assert that granting their extension of time requests will not affect business functionality or adversely impact their respective customers.¹² Venice and DTE Appalachia¹³ state that the Commission previously has granted other pipelines an extension of time to implement the requirements set forth in certain of the NAESB WGQ Version 3.1 Standards as they apply to electronic processes.¹⁴

⁸ *Id.*

⁹ *Id.* at 2.

¹⁰ DTE Appalachia Petition at 2.

¹¹ *Id.*

¹² Venice Petition at 2. DTE Appalachia Petition at 2.

¹³ *Id.*

¹⁴ See *Order on Filings in Compliance with Order No. 587-Y*, 168 FERC ¶ 61,061 at PP 32-39 (where the Commission granted the requested extensions of time to implement the requirements set forth in certain of the NAESB WGQ Version 3.1 Standards as they apply to electronic processes.).

II. Notice of Filings

9. Notice of Venice's filing was published in the *Federal Register*, 84 Fed. Reg. 43,591-43,592 (2019), with protests due on or before August 19, 2019. Notice of DTE Appalachia's filing was published in the *Federal Register*, 84 Fed. Reg. 58,710 (2019), with protests due on or before October 29, 2019. No protests or adverse comments were filed.

III. Discussion

Limited Extensions of Time to Implement Certain Requirements

10. We have reviewed Venice's and DTE Appalachia's requests for an extension of time, and we find that Venice and DTE Appalachia have provided good cause for the Commission to grant their requests. Venice and DTE Appalachia request an extension of time only to accommodate delays in establishing their electronic processing systems. Therefore, we find that granting Venice's and DTE Appalachia's requested extensions of time to implement the requirements set forth in NAESB WGQ Version 3.1 Standards 1.3.82, 1.4.1, 4.3.80, and 4.3.106 as they apply to electronic processes,¹⁵ until December 1, 2019 and until May 1, 2020, respectively, will not affect business functionality or adversely impact their respective customers.

11. Consistent with Commission precedent, we clarify that the extensions of time granted herein do not apply to the requirements set forth in NAESB WGQ Version 3.1 Standard 1.4.1 related to the posting of proprietary location codes¹⁶ on the pipelines' Internet website.¹⁷ Accordingly, we will require DTE Appalachia to file revised tariff records within 20 days of the date of issuance of this order to (1) remove NAESB WGQ Version 3.1 Standards 1.3.82, 4.3.80, and 4.3.106 from the section titled "Standards Incorporated by Reference" in Section 8.30, GTC - NAESB Standards; (2) include

¹⁵ See *Tallgrass Interstate Gas Transmission, LLC*, 167 FERC ¶ 61,041, at P 7 (2019) (where the Commission granted the requested extension of time of certain of the NAESB WGQ Version 3.1 Standards relating to electronic processing until December 31, 2020, in light of a contemplated transition to a new gas information management system).

¹⁶ Proprietary location codes are used by interstate pipelines to identify active interconnection points, referenced in their Form No. 549B, Index of Customers, through the website postings.

¹⁷ See *Equitrans L.P.*, 153 FERC ¶ 61,320, at PP 10-13 (2015) (where the Commission denied the requested extension of time to implement the requirements for the NAESB WGQ Version 3.0 Standards related to the posting of proprietary location codes on the pipeline's Internet website).

NAESB WGQ Version 3.1 Standards 1.3.82, 1.4.1, 4.3.80, and 4.3.106 in the section titled “Standards for which Waiver or Extension of Time to Comply have been granted;” and (3) state “extensions of time for NAESB WGQ Version 3.1 Standards 1.3.82, 1.4.1, 4.3.80, and 4.3.106 until May 1, 2020 in light of a system upgrade.”

12. As these are compliance filings to a rulemaking under section 5 of the Natural Gas Act (NGA) and not filings under section 4 of the NGA, the notice period in NGA section 4 does not pertain to the instant filings. Accordingly, the extensions of time will be effective as of August 1, 2019, the date interstate natural gas pipelines were required to begin compliance with the NAESB WGQ Version 3.1 Standards.

The Commission orders:

(A) Venice and DTE Appalachia are hereby granted an extension of time from August 1, 2019 until December 1, 2019 and May 1, 2020, respectively, to comply with certain of the NAESB WGQ Version 3.1 Standards relating to electronic processing, as discussed in the body of this order.

(B) Consistent with the directives in this order, DTE Appalachia must make a compliance filing within 20 days from the date of issuance of this order to revise its tariff to comply with this order.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.