



Federal Energy Regulatory Commission
September 20, 2007
Open Commission Meeting
Statement of
Commissioner Marc Spitzer

Item G-2: Revisions to Forms, Statements, and Reporting Requirements for Natural Gas Pipelines (Docket No. RM07-9-000)

"Congress has tasked the Commission with ensuring that a pipeline's rates are just and reasonable. In February 2007, we issued a Notice of Inquiry seeking comments on the need for changes or additions to FERC Forms 2, 2-A and 3-Q. The Commission has reviewed the NOI comments and today we issue a Notice of Proposed Rulemaking that proposes to amend the financial forms, statements, and reports for natural gas companies, contained in FERC Forms 2, 2-A and 3-Q. This proceeding was initiated because there is a perception that, because there has been a decline in filings under Section 4 of the Natural Gas Act, the Commission and pipeline shippers increasingly must rely on the data contained in these forms to bolster an NGA § 5 proceeding or complaint.

The courts have reminded the Commission on several occasions that its orders must be based on a full record with substantial evidence. Consequently, I look forward to reading the comments on this NOPR. The NOPR states that the revised Form 2 data will not be used to limit an entity's rights under the NGA or our regulations nor will it be used to change our obligations to rule on complaints, petitions, or other requests for relief based on a full record and substantial evidence. Therefore, I seek comments on whether our proposals will facilitate our stated purpose of providing the Commission and pipeline shippers with bring NGA § 5 complaints while not changing the burdens under NGA §§ 4 and 5, by seeking information that is usually prepared in the context of a rate case. Likewise, I seek comments on whether the forms are evolving from an accounting form to a rate tool and why such evolution is or is not warranted.

I do not believe that we should impose new reporting requirements on regulated entities for information on issues that are outside our jurisdiction or do not further our regulatory mission. Similarly, I seek comments on whether any of our proposed changes to the forms have limited, if any, relationship to determining a just and reasonable rate so that the added burden of reporting the newly required information outweighs the need to include the data or more properly relate to non-rate activities.

I support this NOPR and look forward to hearing whether it reflects the proper balance of burdens and benefits."