



FEDERAL ENERGY REGULATORY COMMISSION

Date March 20, 2008
Docket No. RM07-9-000
Item No. M-2

Commissioner Suedeen G. Kelly

Talking Points of Commissioner Suedeen G. Kelly on

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

- Today's order reflects our efforts to ensure that the Commission's regulations and policies evolve along with changes in the natural gas industry. As the industry has gone through significant changes over the years, the Commission has strived to ensure that its important responsibilities under the Natural Gas Act are met, starting with the restructuring of pipeline services under Order No. 636, which led to the Commission changing pipeline filing and reporting requirements, to Order No. 637, in which we revised our approach to pipeline pricing by allowing pipelines to propose peak/off peak and term differentiated rate structures.
- Since the issuance of Order No. 636, we have seen fewer and fewer filings under NGA Section 4. We therefore rely more, although not exclusively, on section 5 filings to review the justness and reasonableness of a pipeline company's rates.
- A section 5 filing may rely on, among other things, Forms 2, 2-a and 3-Q financial data, so it is important that this data is sufficient to support a complaint and allow us to make an informed finding on challenged rates.
- For this reason, I support the changes to these forms. I appreciate the thoughtful comments we received on the notice of intent and the notice of proposed rulemaking, and believe that the final order reflects the key concerns raised by commenters. I am therefore pleased to vote out this final rule.