



Natural Gas & Oil

LOCAL DISTRIBUTION COMPANIES

As part of our wide-ranging natural gas regulatory practice, we advise a number of investor-owned and municipal utilities who have gas local distribution company (LDC) affiliates.

Most typically, these representations focus on LDC activities that can trigger regulation and oversight by the FERC, such as an LDC's interstate transportation and sales of gas, its relationship with an affiliated interstate pipeline (*e.g.*, Standards of Conduct rules), and its transactions as a shipper on interstate pipelines (*e.g.*, capacity release rules, including the use of asset management agreements, and the "shipper must have title" requirement).

Specific examples of our work with issues of interest to LDCs include:

- Representing LDCs in their role as buyers and sellers of natural gas and interstate pipeline transportation.
- Representing LDCs as intervenors in interstate pipeline rate and certificate proceedings at FERC (where, in a recent rate case, we took a lead role in negotiating a settlement agreement on behalf of an LDC group).
- Performing confidential FERC compliance audit for local gas distribution company, including review of capacity releases, Standards of Conduct, potential for undue discrimination, voluntary price and other reporting obligations, and developing company-specific compliance manual and training materials.
- Representing an LDC in its application for a Presidential Permit under Section 3 of the NGA to operate facilities for import of natural gas at the international boundary between the United States and Canada.
- Counseling LDCs in establishing parameters for FERC natural gas compliance, and representing LDCs in FERC investigations and self-reports to FERC enforcement staff.
- Providing ongoing counsel concerning proposed natural gas and transportation transactions and preparing no action letters to obtain guidance from FERC Staff concerning certain transactions.
- Monitoring FERC gas rulemakings and certificate applications of interest to our LDC clients and assisting clients in preparing comments to rulemakings and in other proceedings of interest.