

Commission, 888 First Street, N.E., Washington, D.C. 20426. An additional copy must be sent to Director, Division of Project Review, Office of Hydropower Licensing, Federal Energy Regulatory Commission, at the above address. A copy of any protest or motion to intervene must be served upon each representative of the applicant specified in the particular application. A copy of all other filings in reference to this application must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 4.34(b) and 385.2010.

Linwood A. Watson, Jr.,
Acting Secretary.

[FR Doc. 96-11060 Filed 5-2-96; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CP90-1777-008, et al.]

TransColorado Gas Transmission Company, et al.; Natural Gas Certificate Filings

April 26, 1996.

Take notice that the following filings have been made with the Commission:

1. TransColorado Gas Transmission Company

[Docket No. CP90-1777-008]

Take notice that on April 23, 1996, TransColorado Gas Transmission Company (TransColorado), 12055 West 2nd Place, Lakewood, Colorado 80228 filed in Docket No. CP90-1777-008 a petition to amend the existing authorization issued in Docket Nos. CP90-1777-000, CP90-1777-001, and CP90-1777-006 pursuant to Section 7(c) of the Natural Gas Act, to phase construction of the project and to establish Phase I initial rates, all as more fully set forth in the petition to amend which is on file with the Commission and open to public inspection.

On June 3, 1994, TransColorado was authorized in Docket Nos. CP90-1777-000, CP90-1777-001, and CP90-1777-006 (the June order) to construct and operate a new pipeline system extending from an interconnection with Questar Pipeline Company in northwest Colorado to interconnections with El Paso Natural Gas Company (El Paso), Transwestern Pipeline Company (Transwestern), and Public Service Company of New Mexico (Public Service) in the San Juan Basin of northern New Mexico. Specifically, TransColorado, then a partnership including affiliates of Questar, Public Service Company of Colorado and KN Energy Company, was authorized to

construct and operate 311 miles of 22-inch and 24-inch pipeline, two compressor stations with a total horsepower of 10,150, and various metering and associated facilities from the Big Hole area of Rio Blanco County, Colorado to a terminus in San Juan County, New Mexico. The June order also authorized initial rates.

TransColorado states that since the June order there have been a number of developments affecting the project. First, an affiliate of El Paso has purchased the partnership interest formerly held by an affiliate of Public Service Company of Colorado.¹ Second, TransColorado has reevaluated the scope and timing of the project to reflect current market considerations. TransColorado states that as a direct result of recent marketing efforts for its pipeline system, it has identified several producers in the San Juan Basin which would benefit from the construction of the TransColorado system on a phased basis. These San Juan Basin producers, it is indicated, are situated in close proximity to a proposed natural gas processing plant to be known as the Coyote Gulch Treating Plant, which will be located in La Plata County, Colorado, approximately 2.5 miles from the southern segment of the proposed TransColorado system. TransColorado states that these producers currently have no outlet for production located in the surrounding Red Cedar producing area since gas volumes being produced are already capacity constrained at the existing Arkansas Loop Plant. Construction of the Coyote Gulch Treating Plant will therefore provide producers in the area with additional natural gas treating capacity which is desired. It is stated that the Coyote Gulch Plant will have a design capacity of up to 120,000 Mcf per day (Mcf) to remove CO₂ and to dehydrate gas. TransColorado states that by phasing the project, it believes it will be able to secure definitive transportation commitments from many of the area producers.

To implement the restructured project, TransColorado seeks to amend its existing certificate authorization to phase the project. For Phase I, TransColorado proposes to construct and operate:

(1) 2.5 miles of 1" pipeline and appurtenances, from the proposed Coyote Gulch Treating Plant in La Plata County, Colorado to an interconnection with TransColorado's proposed 24-inch

mainline in San Juan County, New Mexico.²

(2) 22.5 miles of 24-inch pipeline extending from a point of interconnection with the above 2.5-mile pipeline in San Juan County, New Mexico to a point of interconnection with the existing 34-inch and 42-inch pipelines of El Paso at Valve O in the discharge side or the Blanco Plant in San Juan County, New Mexico.

TransColorado states that it has executed a transportation service agreement with Red Cedar for 75,000 Mcfd of firm transportation capacity on the Phase I facilities. TransColorado states that the estimated cost of the Phase I portion of the project is \$14,119,320. TransColorado proposes the following Phase I maximum initial rates.

Reservation Charge:
\$1.54321 per dekatherm
Usage Charge (firm):
\$0.0322 per dekatherm
Usage Charge (interruptible):
\$0.0322 per dekatherm
Unauthorized Overrun Charge:
\$0.644 per dekatherm

TransColorado states that the proposed Phase I rates will recover the cost of service for the Phase I facilities, assuming a design capacity of 120,000 Mcfd. TransColorado asserts that it will be at risk for any undersubscription of the available capacity if all capacity is not contracted on a firm basis by the time TransColorado commences service. TransColorado explains that the design of the rates for the Phase I facilities conforms to the June order and the October 18, 1994, rehearing order as to, among other things, stipulated load factors, capital structures, and use of the "Ozark" methodology. TransColorado states that the only items which have been adjusted are an increase in the federal income tax rate and a change in property taxes to include only the state of New Mexico.

Comment date: May 17, 1996, in accordance with Standard Paragraph F at the end of this notice.

2. Texas Gas Transmission Corporation

[Docket No. CP96-262-001]

Take notice that on April 22, 1996, Texas Gas Transmission Company (Texas Gas), P.O. Box 20008, Owensboro, Kentucky 42304, filed in Docket No. CP96-262-001 an

¹ For purposes of the Phase I portion of the project, the partnership will consist of just two partners: KN TransColorado, Inc. and El Paso TransColorado Company.

² TransColorado asserts that the 2.5-mile facility could be constructed as an eligible gas supply facility under Section 157.208(a) of the Commission's Regulations in accordance with TransColorado's Subpart F blanket certificate. However, as a convenience, TransColorado has sought authority to construct the facility in this docket.

amendment to its request filed on March 19, 1996, pursuant to Sections 157.205(b) and 157.212 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205(b) and 157.212) for authorization to add a new delivery point in Henderson County, Kentucky, to serve Western Kentucky Gas Company (Western), a local distribution company, under Texas Gas' blanket certificate issued in Docket No. CP82-407-000 pursuant to Section 7 of the Natural Gas Act, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

Texas Gas' original request of March 19, 1996, request authority to construct and operate a new delivery point on Texas Gas' Slaughters-Evansville 10-inch Line in Henderson County, Kentucky, to enable Western to render natural gas service to a new customer, Hudson Foods, Inc. (Hudson-Sebree Delivery Point). Such request was noticed on March 22, 1996, with the required 45-day notice period expiring on May 6, 1996.

Texas Gas states that Hudson Foods, Inc. (Hudson), has constructed a protein/processing poultry plant outside of Sebree, Kentucky, for which Western requested the delivery tap from Texas Gas, which is the subject of the instant request. According to Western and Hudson, construction on the plant site has proceeded ahead of schedule and the plant site will be ready to receive natural gas service by Monday, April 22, 1996. Texas Gas further states that Hudson has represented that a delay in Hudson's plant operations due to lack of natural gas service could potentially impact hundreds of jobs and create financial hardship not only for Hudson but "many of its employees." Texas Gas states that for this reason Western requested that upon receipt of the necessary environmental clearances that Texas Gas proceed as quickly as possible to construct the delivery point pursuant to the authority of Section 311 of the Natural Gas Policy, but that Texas Gas continue to pursue the authority to operate the point pursuant to its blanket certificate issued under Section 7 of the Natural Gas Act. Texas Gas states that it received environmental clearances on April 18, 1996.

By this amendment, Texas Gas states that it hereby seeks authority to operate the Hudson-Sebree Delivery Point under the authority of its blanket certificate issued under Section 7 of the Natural Gas Act.

Comment date: June 10, 1996, in accordance with Standard Paragraph G at the end of this notice.

3. Northwest Pipeline Corporation

[Docket No. CP96-275-001]

Take notice that on April 18, 1996, Northwest Pipeline Corporation (Northwest), 295 Chipeta Way, Salt Lake City, Utah 84158, filed in Docket No. CP96-275-001 a request pursuant to Sections 157.205 and 157.211 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205, 157.211) for authorization to abandon obsolete facilities and to construct and operate replacement facilities at the Filer Meter Station in Twin Falls County, Idaho under Northwest's blanket certificate issued in Docket No. CP82-433-000 pursuant to Section 7 of the Natural Gas Act, all as more fully set forth in the request that is on file with the Commission and open to public inspection.

Northwest proposes to amend its filing in Docket No. CP96-275-000. In that filing Northwest proposed to replace the existing obsolete two 1-inch regulators with two new 1-inch regulators and the existing 2-inch positive displacement meter with a new 2-inch turbine meter and appurtenances.

Northwest states that due to mechanical problems that they have been experiencing with 2-inch turbine meters Northwest now proposes to install a new 3-inch turbine meter as a replacement. As a result of this change the maximum design capacity of the meter station will increase to approximately 1,550 Dth per day. Northwest states that all other pertinent information as stated in Docket No. CP96-275-000 remains accurate as previously filed.

Comment date: June 10, 1996, in accordance with Standard Paragraph G at the end of this notice.

4. Gas Transport, Inc.

[Docket No. CP96-309-000]

Take notice that on April 10, 1996, Gas Transport, Inc. (GTI) filed an application in Docket No. CP96-309-000 pursuant to Section 7(c) of the Natural Gas Act, and Subpart A of Part 157 of the Commission's Regulations for a certificate of public convenience and necessity authorizing it to replace an existing compressor and install and operate a new compressor and the necessary facilities on its transmission line, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

GTI proposes to install a 115 horsepower compressor and the necessary regulation facilities on its transmission line in Wood County, West

Virginia. GTI states that these facilities will enable it to more effectively serve its market demand and reduce its cost-of-service to its customers. The estimated costs associated with this proposal will amount to \$222,250. GTI will recover the costs through internally generated funds.

In addition, GTI seeks authorization to remove a 360 horsepower compressor on its existing facilities and replace the unit with a 115 horsepower compressor. The removal and replacement of the existing compressor is in Washington County, Ohio. The estimated costs associated with this proposal will amount to \$166,000. GTI will recover the costs for this facility through internally generated funds.

Comment date: May 17, 1996, in accordance with Standard Paragraph F at the end of this notice.

5. Texas Eastern Transmission Corporation, Southern Natural Gas Company

[Docket No. CP96-332-000]

Take notice that on April 17, 1996, Texas Eastern Transmission Corporation (Texas Eastern), P.O. Box 1642, Houston, Texas 77251-1642 and Southern Natural Gas Company (Southern), P.O. Box 2563, Birmingham, Alabama 35202-2563, herein referred to as Applicants, filed in Docket No. CP96-332-000, a joint abbreviated application pursuant to Section 7(b) of the Natural Gas Act and Part 157 of the Commission's Regulations, for an order granting permission and approval to abandon two exchange and transportation agreements between the Applicants, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicants state that the exchange and transportation agreements are governed by Rate Schedules X-38 and X-87 for Texas Eastern and X-13 and X-39 for Southern. Applicants further state that the exchange and transportation agreements are no longer needed to exchange gas on an emergency basis and the facilities will no longer be utilized.

Comment date: May 17, 1996, in accordance with Standard Paragraph F at the end of this notice.

6. ANR Pipeline Company

[Docket No. CP96-337-000]

Take notice that on April 18, 1996, ANR Pipeline Company (ANR), 500 Renaissance Center, Detroit, Michigan 48243, filed an abbreviated application for a certificate of public convenience and necessity authorizing a revised

storage field boundary for its Loreed Storage Field located in Lake and Osceola Counties, Michigan, pursuant to Section 7(c) of the Natural Gas Act and Section 157.7 of the Federal Energy Regulatory Commission's Regulations, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

ANR states that it is requesting approval of the proposed storage field boundary because there has been a gradual expansion of the storage reservoir over the years, and the grant of authority sought will help ANR to acquire, through eminent domain if necessary, the property it needs to protect the integrity of the Loreed Storage Field and the gas stored therein. ANR also states that approval of the proposed boundary of Loreed Storage Field will not increase the storage capacity or the deliverability of the field. ANR estimates that the cost of storage and mineral rights will be \$357,125.

Comment date: May 17, 1996, in accordance with Standard Paragraph F at the end of this notice.

7. NorAm Gas Transmission Company
[Docket No. CP96-342-000]

Take notice that on April 22, 1996, NorAm Gas Transmission Company (NGT), 1600 Smith Street, Houston, Texas 77002, filed in Docket No. CP96-342-000 an application pursuant to Section 7(c) of the Natural Gas Act to continue operating the Dunn Junction compressor station in Logan County, Arkansas, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

NGT states that on July 23, 1987, in Docket No. CP87-458, NGT filed an application to certificate, among other things, existing facilities that were originally constructed and operated as non-jurisdictional intrastate facilities. NGT further states that on June 8, 1989, the Commission issued an order authorizing the continued operation of these facilities; however, although the need for certification for the Dunn Junction compressor station was described in the body of the 1987 application, due to an administrative oversight, Dunn Junction was not specifically highlighted as a facility requiring certification on the exhibits accompanying the application. Therefore, in order to prevent any ambiguity as to the status of the Dunn Junction compressor station, NGT requests an order authorizing the operation of the station as a jurisdictional facility.

Comment date: May 17, 1996, in accordance with Standard Paragraph F at the end of this notice.

Standard Paragraphs

F. Any person desiring to be heard or make any protest with reference to said filing should on or before the comment date file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this filing if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for the applicant to appear or be represented at the hearing.

G. Any person or the Commission's staff may, within 45 days after the issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to Section 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefore, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an

application for authorization pursuant to Section 7 of the Natural Gas Act.

Linwood A. Watson, Jr.,

Acting Secretary.

[FR Doc. 96-10990 Filed 5-2-96; 8:45 am]

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[Docket No. PL94-4-001]

Pricing Policy For New and Existing Facilities Constructed by Interstate Natural Gas Pipelines; Order Denying Rehearing

Issued: April 29, 1996.

On May 31, 1995, the Commission issued a Statement of Policy (Policy Statement) on the approach the Commission intended to follow in establishing rates for new construction of pipeline facilities.¹ The Policy Statement focused on whether projects would be priced on a rolled-in basis (rolling-in the expansion costs with the existing facilities) or an incremental basis (establishing separate cost-of-services and separate rates for the existing and expansion facilities). The Policy Statement provided that a preliminary determination of rate design would be made when the pipeline filed its certificate application for the project. Fourteen parties seek rehearing and clarification of the Policy Statement.²

Summary of the Requests for Rehearing and Clarification

Some parties contended the Policy Statement did not adopt a sufficiently strong presumption in favor of rolled-in rates. Others raised questions about how the presumption will operate, i.e., is it a bright-line test, how will the rate impact be determined in specific cases, and how thoroughly will the Commission review projects that meet the presumption? The parties also raised questions about how the Commission will weigh the system-wide benefits against the rate impact. In particular, some parties suggested the Commission should not consider several of the types of system-wide benefits which the Commission identified in the Policy Statement.

The parties similarly raised questions about how the Commission will

¹ Pricing Policy For New And Existing Facilities Constructed By Interstate Natural Gas Pipelines, 71 FERC ¶ 61,241 (1995).

² Alberta Department of Energy; American Forest and Paper Association; Fuel Managers Association; Great Lakes Gas Transmission Limited Partnership; JMC Power Projects; Midland Cogeneration Venture Limited Partnership; Natural Gas Supply Association; Northern Illinois Gas Company; Public Service Electric and Gas Company; Selkirk Cogen Partners, L.P.; UGI Utilities, Inc.; United Distribution Companies; Viking Gas Transmission Company; Washington Natural Gas Company.