

and those contained in Section 813 of the FDCPA be compared?

(8) Are there any other changes that should be made to the Procedures? If so, please specify and state reasons for the changes.

#### **Lists of Subjects in 16 CFR Part 901**

Fair Debt Collection Practices Act.

**Authority:** 15 U.S.C. 41–58.

By direction of the Commission.

**Donald S. Clark,**

*Secretary.*

[FR Doc. 98–10699 Filed 4–21–98; 8:45 am]

BILLING CODE 6750–01–M

## **DEPARTMENT OF ENERGY**

### **Federal Energy Regulatory Commission**

#### **18 CFR Part 284**

[Docket No. RM96–1–008]

#### **Standards for Business Practices of Interstate Natural Gas Pipelines**

April 16, 1998.

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Federal Energy Regulatory Commission (Commission) is proposing to amend § 284.10 of its regulations governing standards for conducting business practices and electronic communication with interstate natural gas pipelines. The Commission is proposing to incorporate by reference, in § 284.10(b)(1)(i), the standards relating to intra-day nominations promulgated March 12, 1998 by the Gas Industry Standards Board (GISB).

**DATES:** Comments are due May 22, 1998.

**ADDRESSES:** Federal Energy Regulatory Commission, 888 First Street, N.E., Washington DC, 20426.

#### **FOR FURTHER INFORMATION CONTACT:**

Michael Goldenberg, Office of the General Counsel, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, (202) 208–2294

Marvin Rosenberg, Office of Economic Policy, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426, (202) 208–1283

Kay Morice, Office of Pipeline Regulation, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426, (202) 208–0507

**SUPPLEMENTARY INFORMATION:** In addition to publishing the full text of

this document in the **Federal Register**, the Commission provides all interested persons an opportunity to inspect or copy the contents of this document during normal business hours in Room 2A, 888 First Street, N.E., Washington D.C. 20426. The complete text on diskette in WordPerfect format may be purchased from the Commission's copy contractor, La Dorn Systems Corporation. La Dorn Systems Corporation is located in the Public Reference Room at 888 First Street, N.E., Washington, D.C. 20426.

The Commission Issuance Posting System (CIPS), an electronic bulletin board service, also provides access to the texts of formal documents issued by the Commission. CIPS is available at no charge to the user. CIPS can be accessed over the Internet by pointing your browser to the URL address: <http://www.ferc.fed.us>. Select the link to CIPS. The full text of this document can be obtained in ASCII or WordPerfect format. CIPS also may be accessed using a personal computer with a modem by dialing 202–208–1397 if dialing locally or 1–800–856–3920 if dialing long distance. To access CIPS, set your communications software to 19200, 14400, 12000, 9600, 7200, 4800, 2400, or 1200 bps, full duplex, no parity, 8 data bits and 1 stop bit. The full text of this order will be available on CIPS in ASCII and WordPerfect 6.1 format. CIPS user assistance is available at 202–208–2474.

The Federal Energy Regulatory Commission (Commission) is proposing to amend § 284.10 of its regulations governing standards for conducting business practices and electronic communications with interstate natural gas pipelines. The Commission is proposing to adopt the consensus standards, promulgated March 12, 1998, by the Gas Industry Standards Board (GISB) dealing with intra-day nominations and revisions to nomination and confirmation procedures.

#### **I. Background**

In Order Nos. 587, 587–B, and 587–C<sup>1</sup> the Commission adopted regulations to standardize the business practices and communication methodologies of interstate pipelines in order to create a more integrated and efficient pipeline

grid. In those orders, the Commission incorporated by reference consensus standards developed by GISB, a private, consensus standards developer composed of members from all segments of the natural gas industry.

In Order No. 587, the Commission adopted a standard requiring pipelines to permit shippers to make at least one intra-day nomination per day.<sup>2</sup> An intra-day nomination is a nomination submitted after the initial nomination deadline at 11:30 a.m. to change a shipper's scheduled quantities for the next gas day.<sup>3</sup>

In Order No. 587–C, the Commission did not adopt additional standards approved by GISB concerning intra-day nominations, because the standards did not clearly outline the pipelines' obligations. The Commission further noted that pipelines had implemented GISB's previous intra-day standards in divergent ways, for instance, by establishing different times for submission of intra-day nominations. These differences prevented shippers from coordinating their intra-day nominations across the pipeline grid. The Commission gave GISB and the industry until September 1, 1997 to propose additional standards that would create the needed uniformity in intra-day procedures.

On September 2, 1997, GISB filed a report detailing its progress in reaching consensus on the intra-day standards. While GISB reported making significant progress in developing the standards, it highlighted conflicts between its members that were inhibiting completion of the standards. The disagreements concerned the circumstances under which intra-day nominations by shippers holding firm capacity should be given scheduling priority over previously scheduled interruptible service.

In Order No. 587–G, issued contemporaneously with this NOPR, the Commission resolved this conflict. It issued regulations requiring pipelines to accord an intra-day nomination submitted by a firm shipper scheduling priority over nominated and scheduled volumes for interruptible shippers. The Commission, however, deferred implementation of this requirement until GISB had developed, and the Commission had adopted, standards to implement the regulation.

On March 23, 1998, GISB filed with the Commission intra-day nomination standards approved, on March 12, 1998,

<sup>1</sup> Standards For Business Practices of Interstate Natural Gas Pipelines, Order No. 587, 61 FR 39053 (Jul. 26, 1996), III FERC Stats. & Regs. Regulations Preambles ¶ 31,038 (Jul. 17, 1996), Order No. 587–B, 62 FR 5521 (Feb. 6, 1997), III FERC Stats. & Regs. Regulations Preambles ¶ 31,046 (Jan. 30, 1997), Order No. 587–C, 62 FR 10684 (Mar. 10, 1997), III FERC Stats. & Regs. Regulations Preambles ¶ 31,050 (Mar. 4, 1997).

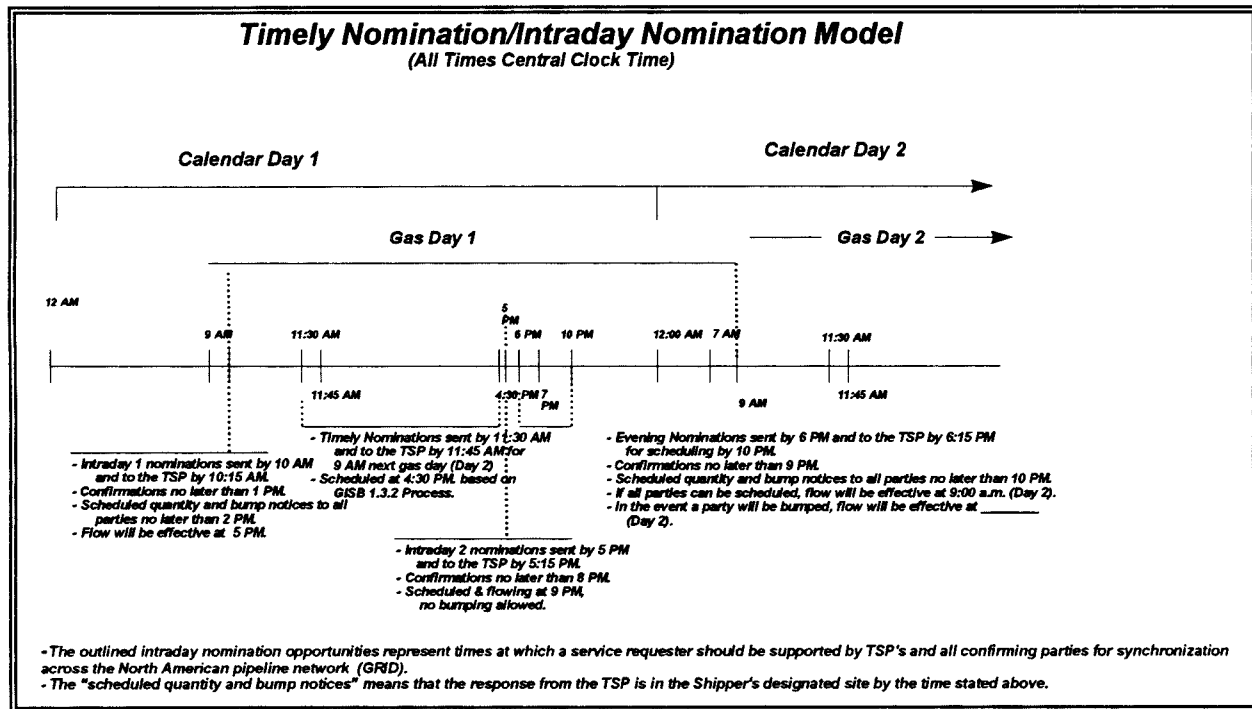
<sup>2</sup> 18 CFR 284.10(b)(1)(i) (1997), Nominations Related Standards 1.3.10.

<sup>3</sup> 18 CFR 284.10(b)(1)(i) (1997), Nominations Related Standards 1.2.4.

by a consensus vote of the gas industry.<sup>4</sup> These standards establish three synchronization times for shippers to coordinate their intra-day nominations: 6 p.m. to take effect the next gas day and 10 a.m. and 5 p.m. to take effect on the same gas day. Under the standards, the 10 a.m. intra-day nomination would

become effective, if confirmed, at 5 p.m. the same day, with any bumping notice to interruptible shippers given by 2 p.m. The 5 p.m. intra-day nomination would become effective, if confirmed, at 9 p.m. the same day. No bumping is allowed at the 5 p.m. nomination. The 6 p.m. intra-day nomination would become

effective, if confirmed, at 9 a.m. the next morning if all parties can be scheduled, but GISB did not establish the time at which a bumping intra-day nomination would become effective, leaving that determination for the Commission. Bumping notice for the 6 p.m. intra-day nomination would be given by 10 p.m.<sup>5</sup>



The standards also establish protocols for pipeline processing of nominations and confirmations for both regular and intra-day nominations.

As discussed above, the standards do not establish the time at which a firm intra-day nomination submitted on the day prior to gas flow (6 p.m.), which bumps interruptible service, would take effect. The standards leave that date to be determined by the Commission. The Commission already has resolved this issue in Order No. 587-G, adopting a regulation requiring that an intra-day nomination submitted on the day prior to gas flow will take effect at the start of the gas day, 9 a.m. central-clock-time (CCT).<sup>6</sup>

## II. Discussion

The Commission is proposing to adopt GISB's consensus standards. Adoption of these standards would provide shippers with greater opportunities to change their nominated quantities to better accord with changes in weather or other market circumstances and would improve the efficiency of the intra-day nomination process. The adoption of the GISB standards would expand from one to three the number of intra-day opportunities to which shippers are entitled. By creating times at which shippers can synchronize their intra-day nominations, these standards, together with the Commission's regulations adopted in Order No. 587-G, also would create the uniform process shippers need to coordinate their intra-day nominations across the pipeline grid. The standards governing nomination and confirmation procedures further should help create a more reliable nomination process in which pipelines will receive accurate information, so they can schedule nominations and

intra-day nominations that their systems can accommodate.

GISB approved the standards under its consensus procedures. This process first requires a super-majority vote of 17 out of 25 members with support from at least two members from each of the five industry segments—interstate pipelines, local distribution companies, gas producers, end-users, and services (including marketers and computer service providers). For final approval, 67% of GISB's general membership must ratify the standards.

As the Commission found in Order No. 587, adoption of consensus standards is appropriate because the consensus process helps ensure the reasonableness of the standards by requiring that the standards draw support from a broad spectrum of all segments of the industry. Moreover, since the industry itself has to conduct business under these standards, the standards should reflect those business practices that have the widest possible

<sup>4</sup>The new standards are 1.1.17 through 1.1.19, 1.2.8 through 1.2.12, 1.3.39 through 1.3.44. In addition, modifications were made to existing standards. Standards 1.2.7, 1.3.10, and 1.3.12 were deleted. Standards 1.3.2, 1.3.20, 1.3.22, and 1.3.32 were revised.

<sup>5</sup>The term "TSP" in the chart stands for transportation service provider.

<sup>6</sup>18 CFR 284.10(c)(1)(i)(B). Central clock time adjusts for daylight savings time.

<sup>7</sup>Pub. L. No. 104-113, § 12(d), 110 Stat. 775 (1996), 15 U.S.C. 272 note (1997).

support. Indeed, in § 12(d) of the National Technology Transfer and Advancement Act (NTT&AA) of 1995, Congress affirmatively requires federal agencies to use technical standards developed by voluntary consensus standards organizations, like GISB, as means to carry out policy objectives or activities.<sup>7</sup>

In Order No. 587-G, the Commission has deferred implementation of its regulations relating to intra-day nominations, § 284.10(c)(1)(i), until it adopts standards to implement the regulations. The Commission is contemplating a September 1, 1998, implementation date both for the standards proposed to be adopted here

and the intra-day nomination regulations adopted in Order No. 587-G.

### III. Information Collection Statement

The following collections of information would be affected by this proposed rule and have been submitted to the Office of Management and Budget (OMB) for review under Section 3507(d) of the Paperwork Reduction Act of 1995, 44 U.S.C. 3507(d). The Commission solicits comments on the Commission's need for this information, whether the information will have practical utility, the accuracy of the provided burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected, and any suggested methods

for minimizing respondents' burden, including the use of automated information techniques. The burden estimate in Order No. 587-G includes the cost for pipelines to comply with the Commission's regulations concerning the scheduling priority of intra-day nominations. The following burden estimates include only the incremental costs of complying with GISB's new and revised standards intended to implement the Commission's regulations. The burden estimates are primarily related to start-up and will not be on-going costs.

*Estimated Annual Burden:* The estimated annual burden associated with this NOPR is shown below.

Data collection	Number of respondents	Number of responses per respondent	Estimated burden hours per response	Total annual hours
FERC-549C .....	93	1	45	4,185
FERC-545 .....	93	1	47	4,371

The estimated number of reporting hours attributable to the revisions proposed herein are expected to total 8,556 hours annually.

*Information Collection Costs:* The Commission seeks comments on the estimated cost to comply with these requirements. It has projected average

annualized costs for all 93 respondents to be the following:

	FERC-549C	FERC-545	Totals
Annualized Capital/Startup Costs .....	\$220,580	\$230,383	\$450,963
Annualized Costs (Operations and Maintenance) .....	0	0	0
Total Annualized Costs .....	220,580	230,383	450,963

OMB regulations<sup>8</sup> require OMB to approve certain information collection requirements imposed by agency rule. The Commission is submitting notification of the data collections affected by this proposed rule to OMB.

#### Title:

FERC-549C, Standards for Business Practices of Interstate Natural Gas Pipelines

FERC-545, Gas Pipeline Rates: Rate Change (Non-Formal)

*Action:* Proposed collections.

*OMB Control No.:* 1902-0174, 1902-0154.

*Respondents:* Business or other for profit (Interstate natural gas pipelines. (Not applicable to small business.))

*Frequency of Responses:* One-time implementation (business procedures, capital/start-up).

*Necessity of the Information:* This proposed rule, if implemented, would revise the requirements contained in 18 CFR 284.10 to further the process of standardizing business practices and electronic communications with interstate pipelines begun by the

Commission in Order No. 587. Adoption of these regulations will provide shippers with increased options to change their scheduled gas quantities to reflect weather and other changed conditions and enable shippers to more efficiently transact business across multiple pipelines.

The information collection requirements of this proposed rule will be reported directly to the industry users. The implementation of these data requirements will help the Commission carry out its responsibilities under the Natural Gas Act to monitor activities of the natural gas industry to ensure its competitiveness and to assure the improved efficiency of the industry's operations. The Commission's Office of Pipeline Regulation will use the data in rate proceedings to review rate and tariff changes by natural gas companies for the transportation of gas, for general industry oversight, and to supplement the documentation used during the Commission's audit process.

*Internal Review:* The Commission has reviewed these requirements and made a determination that the proposed

revisions are necessary to establish a more efficient and integrated pipeline grid. These requirements conform to the Commission's plan for efficient information collection, communication, and management within the natural gas industry. The Commission has assured itself, by means of its internal review, that there is specific, objective support for the burden estimates associated with the information requirement.

Interested persons may obtain information on the reporting requirement by contacting the following: Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426 [Attention: Michael Miller, Division of Information Services, Phone: (202) 208-1415, fax: (202) 273-0873, email: mmiller@ferc.fed.us].

Comments concerning the collection of information and the associated burden estimates, should be sent to the contact listed above and to the Office of Management and Budget, Office of Information and Regulatory Affairs, Washington, D.C. 20503 [Attention: Desk Officer for the Federal Energy

<sup>8</sup> 5 CFR 1320.11.

Regulatory Commission, phone: (202) 395-3087, fax: (202) 395-7285].

#### IV. Environmental Analysis

The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>9</sup> The Commission has categorically excluded certain actions from these requirements as not having a significant effect on the human environment.<sup>10</sup> The actions proposed to be taken here fall within categorical exclusions in the Commission's regulations for rules that are clarifying, corrective, or procedural, for information gathering, analysis, and dissemination, and for sales, exchange, and transportation of natural gas that requires no construction of facilities.<sup>11</sup> Therefore, an environmental assessment is unnecessary and has not been prepared in this rulemaking.

#### V. Regulatory Flexibility Act Certification

The Regulatory Flexibility Act of 1980 (RFA)<sup>12</sup> generally requires a description and analysis of final rules that will have significant economic impact on a substantial number of small entities. The proposed regulations would impose requirements only on interstate pipelines, which are not small businesses, and, these requirements are, in fact, designed to reduce the difficulty of dealing with pipelines by all customers, including small businesses. Accordingly, pursuant to § 605(b) of the RFA, the Commission hereby certifies that the regulations proposed herein will not have a significant adverse impact on a substantial number of small entities.

#### VI. Comment Procedures

The Commission invites interested persons to submit written comments on the matters and issues proposed in this notice to be adopted, including any related matters or alternative proposals that commenters may wish to discuss. An original and 14 copies of comments must be filed with the Commission no later than May 22, 1998. Comments should be submitted to the Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426, and should refer

to Docket No. RM96-1-008. All written comments will be placed in the Commission's public files and will be available for inspection in the Commission's Public Reference Room at 888 First Street, NE, Washington, DC 20426, during regular business hours.

Additionally, comments should be submitted electronically. Commenters are encouraged to file comments using Internet E-Mail. Comments should be submitted through the Internet by E-Mail to [comment.rm@ferc.fed.us](mailto:comment.rm@ferc.fed.us) in the following format: on the subject line, specify Docket No. RM96-1-008; in the body of the E-Mail message, specify the name of the filing entity and the name, telephone number and E-Mail address of a contact person; and attach the comment in WordPerfect® 6.1 or lower format or in ASCII format as an attachment to the E-Mail message. The Commission will send a reply to the E-Mail to acknowledge receipt. Questions or comments on electronic filing using Internet E-Mail should be directed to Marvin Rosenberg at 202-208-1283, E-Mail address [marvin.rosenberg@ferc.fed.us](mailto:marvin.rosenberg@ferc.fed.us).

Commenters also can submit comments on computer diskette in WordPerfect® 6.1 or lower format or in ASCII format, with the name of the filer and Docket No. RM96-1-008 on the outside of the diskette.

#### List of Subjects in 18 CFR Part 284

Continental shelf, Natural gas, Reporting and recordkeeping requirements; Incorporation by reference.

By direction of the Commission.  
**Linwood A. Watson, Jr.,**  
*Acting Secretary.*

In consideration of the foregoing, the Commission proposes to amend Part 284, Chapter I, Title 18, *Code of Federal Regulations*, as set forth below.

#### PART 284—CERTAIN SALES AND TRANSPORTATION OF NATURAL GAS UNDER THE NATURAL GAS POLICY ACT OF 1978 AND RELATED AUTHORITIES

1. The authority citation for Part 284 continues to read as follows:

**Authority:** 15 U.S.C. 717-717w, 3301-3432; 42 U.S.C. 7101-7532; 43 U.S.C. 1331-1356.

2. In section 284.10, paragraph (b)(1)(i) is revised to read as follows:

#### § 284.10 Standards for pipeline business operations and communications.

\* \* \* \* \*

(b) \* \* \*

(1) \* \* \*

(i) Nominations Related Standards (Version 1.2, July 31, 1997), with the addition of standards 1.1.17 through 1.1.19, 1.2.8 through 1.2.12, 1.3.39 through 1.3.44 (as approved March 12, 1998), the modification of standards 1.3.2, 1.3.20, 1.3.22 1.3.32 (as approved March 12, 1998), and the deletion of standards 1.2.7, 1.3.10, and 1.3.12;

\* \* \* \* \*

[FR Doc. 98-10684 Filed 4-21-98; 8:45 am]

BILLING CODE 6717-01-P

#### DEPARTMENT OF THE TREASURY

##### Internal Revenue Service

##### 26 CFR Part 1

[REG-251698-96]

RIN 1545-AU77

##### S Corporation Subsidiaries

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document contains proposed regulations relating to the treatment of corporate subsidiaries of S corporations. The proposed regulations interpret the rules added to the Internal Revenue Code by section 1308 of the Small Business Job Protection Act of 1996. The proposed regulations affect S corporations and their subsidiaries.

**DATES:** Written comments must be received by July 21, 1998.

**ADDRESSES:** Send submissions to CC:DOM:CORP:R (REG-251698-96), room 5228, Internal Revenue Service, POB 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand delivered between the hours of 8 a.m. and 5 p.m. to: CC:DOM:CORP:R (REG-251698-96), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, DC. Alternatively, taxpayers may submit comments electronically via the Internet by selecting the "Tax Regs" option on the IRS Home Page, or by submitting comments directly to the IRS Internet site at [http://www.irs.ustreas.gov/prod/tax\\_regs/comments.html](http://www.irs.ustreas.gov/prod/tax_regs/comments.html).

**FOR FURTHER INFORMATION CONTACT:** Concerning the regulations, Deanna L. Walton, (202) 622-3050 (Subchapter S) or Lee A. Dean, (202) 622-7540 (Subchapter C); concerning submissions, Michael Slaughter, (202) 622-7190 (not toll-free numbers).

<sup>9</sup> Order No. 486, Regulations Implementing the National Environmental Policy Act, 52 FR 47897 (Dec. 17, 1987), FERC Stats. & Regs. Preambles 1986-1990 ¶ 30,783 (1987).

<sup>10</sup> 18 CFR 380.4.

<sup>11</sup> See 18 CFR 380.4(a)(2)(ii), 380.4(a)(5), 380.4(a)(27).

<sup>12</sup> 5 U.S.C. 601-612.