Transco's FERC Gas Tariff. Transco states that such agreement was approved by Commission order issued July 14, 1977 in Docket No. CP77–267, 59 FPC 672 (1977).

Transco states that, pursuant to such agreement, it is authorized to receive, at special points of delivery, up to 25,500 Mcf/d and to inject thermally equivalent quantities into the Hester Field for Mid Louisiana's account and to withdraw up to 76,500 Mcf/d from the Hester Field and to deliver thermally equivalent quantities to Mid Louisiana at the specified points of delivery. Transco states that it was authorized to provide a firm storage service of 3,000,000 Mcf of gas annually.

Transco states that the primary term of the storage and transportation agreement underlying Rate Schedule X–140 was set to expire on October 1, 1990, but that such term was extended by amendments dated August 31, 1990 and August 14, 1992. Transco states that it received notice from Mid Louisiana by letter dated September 1, 1995 that it was terminating the storage and exchange service effective September 1, 1996. Transco further states that Mid Louisiana has a pending request, in Docket No. CP95–730–000 for Commission authorization to abandon the firm storage service it receives from Transco at the Hester Storage Field, to become effective September 1, 1996. Transco states that the purpose of its application is to obtain Commission authorization to abandon its obligations to provide firm storage and transportation and exchange service to Mid Louisiana pursuant to Rate Schedule X–140, effective September 1, 1996.

Transco also seeks Commission approval, to the extent necessary, to retain the storage capacity and associated injection and withdrawal rights in the Hester Field which are currently held by Mid Louisiana and for which abandonment authorization is sought herein. Transco states that since the implementation of Order No. 636 on the Transco system, it has relied extensively on Mid Louisiana's injection and withdrawal rights at the Hester Field as a tool for system balancing as permitted by the Rate Schedule X–140 agreement. It is stated that Exhibit Z–1 of the application illustrates Transco's use of Mid Louisiana's injection and withdrawal rights in the Hester Storage Field or the annual periods commencing January 1993 through May 1996.

Transco states that no facilities are proposed to be abandoned by the instant application and that no service to any of Transco's other customers will be terminated because of the requested abandonment. In addition, Transco states that the proposed abandonment will have no effect upon any of Transco's other existing rate schedules or tariffs on file with the Commission.

Comment date: August 21, 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.

Lois D. Cashell,

Secretary.

[FR Doc. 96–20220 Filed 8–7–96; 8:45 am]

BILLING CODE 6717–01–P

[Docket No. RM96–14–001]

Secondary Market Transactions on Interstate Natural Gas Pipelines

Issued July 31, 1996.

AGENCY: Federal Energy Regulatory Commission.

ACTION: Proposed Experimental Pilot Program to Relax the Price Cap for Secondary Market Transactions, and Request for Office of Management and Budget Emergency Processing of Submission of Collection of Information

SUMMARY: The Federal Energy Regulatory Commission is issuing an order establishing a proposed pilot program to release the price cap for releases of capacity and sales of interruptible and short-term firm transportation in certain geographic areas.

Because the Commission anticipates implementing the pilot program for the 1996–97 winter heating season, the Commission, pursuant to 5 CFR 1320.13, is providing notice of its request to the Office of Management and Budget (OMB) for emergency processing of the proposed collection of information relating to the pilot program.

DATES: The Commission requests applications for the pilot program by August 30, 1996. Comments on the applications will be due 15 days after filing of applications to participate. Applications and comments on the applications should be filed with the Office of the Secretary and should refer to Docket No. RM96–14–001.

Because the Commission has requested OMB to process the proposed collection of information in Docket No. RM96–14–001 on an emergency basis, comments on this collection of information should be filed with OMB, attention Desk Officer FERC, as soon as possible.

ADDRESSES: Federal Energy Regulatory Commission, 888 First Street, NE, 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.

For information relating to the data template, contact:

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

Elizabeth A. Taylor, Office of Pipeline Rates, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, (202) 208–0826.

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 Commission Issuance Posting System (CIPS), an electronic bulletin board service, provides access to the texts of formal documents issued by the Commission. CIPS is available at no charge to the user and 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, 1200bps, full duplex, no parity, 8 data bits, and 1 stop bit. The full text of this document will be available on CIPS indefinitely in ASCII and WordPerfect 5.1 format for one year. The complete text on diskette in WordPerfect format may also be purchased from the Commission's copy contractor, La Dorn Systems Corporation, also located in Room 2A, 888 First Street, NE., Washington, DC 20426.

The Commission's bulletin board system also can be accessed through the FedWorld system directly by modem or through the Internet. To access the FedWorld system by modem:

- Dial (703) 321–3339 and logon to the FedWorld system.
- After logging on, type: /go FERC

To access the FedWorld system, through the Internet:

- Telnet to: fedworld.gov
- Select the option: [1] FedWorld
- Logon to the FedWorld system
- Type: /go FERC

Or:

- Point your Web Browser to: http://www.fedworld.gov
- Scroll down the page to select FedWorld Telnet Site
- Select the option: [1] FedWorld
- Logon to the FedWorld system
- Type: /go FERC

Secondary Market Transactions on Interstate Natural Gas Pipelines

Docket No. RM96–14–001

Proposed Experimental Pilot Program To Relax the Price Cap for Secondary Market Transactions

Issued July 31, 1996.

Before Commissioners: Elizabeth Anne Moler, Chair; Vicky A. Bailey, James J. Hoecker, William L. Massey, and Donald F. Santa, Jr.

In a Notice of Proposed Rulemaking (NOPR) issued in this docket and published in the Federal Register of August 7, 1996, the Federal Energy Regulatory Commission (Commission) proposes to permit shippers releasing capacity, and pipelines selling interruptible transportation, to sell at rates above the pipeline's maximum tariff rate when they can demonstrate they do not possess market power in the secondary market. The Commission further intends to hold a technical conference to explore issues related to the proposal and the methods for measuring market power. To complement the NOPR and provide additional record evidence for evaluating the criteria for evaluating market power, the Commission is proposing an experimental pilot program to remove the price ceiling for releases of capacity and pipeline sales of interruptible and short-term firm transportation into qualifying markets.

Background

Under Commission policy, price ceilings can be removed when pipelines and shippers do not possess market power, because, without the ability to control price or output, shippers are unable to exact charges above the competitive level and hence their rates are just and reasonable under the Natural Gas Act (NGA).[1] The NOPR proposes to require pipelines and shippers seeking to sell capacity above the cap to make filings to demonstrate that they do not possess market power. These filings could be based on the criteria for assessing market power in the Commission's Policy Statement on Alternatives to Cost-of-Service Ratemaking or on modifications to that policy that the Commission adopts after consideration of the comments on the NOPR.

In the NOPR, the Commission also identifies certain additional prerequisites that must be present for pipelines and LDCs to establish that they lack market power. In order to ensure that capacity release is fully competitive with pipeline services, pipelines would have to implement tariff provisions ensuring that they treat capacity release transactions comparably to their own interruptible and short-term services. Without comparability, pipeline services may, in many respects, be superior to capacity release and have a competitive advantage in the marketplace.

For LDCs, the necessary prerequisite would be a showing that they provide an acceptable open access transportation service on their own facilities. In the absence of a viable open access program, LDCs may well be able to exercise market power over customers behind their city-gates. The LDC may be able to structure its intrastate service so that the end-user's ability to obtain released interstate capacity from shippers other than its own LDC is limited. An LDC's control over primary delivery points also may give rise to market power over the LDC's customers.

To deal with issues of market power over customers behind the city-gate, the NOPR proposes that an LDC must provide customers with identical open access transportation service on the LDC's system, regardless of whether the customer purchases interstate capacity from the LDC or another shipper. In addition, open access service would need to include a right for customers behind the city-gate to use the LDC's city-gate as a primary delivery point, regardless of whether they purchase interstate capacity from the LDC. As explained in the NOPR, if a customer cannot use the LDC's city-gate as a primary delivery point, it may not have available adequate alternative sources of capacity, because the purchase of interstate capacity from a shipper other than its own LDC (with the resulting use of the city-gate delivery point on a secondary basis) may not be the equivalent of purchasing primary point capacity from its own LDC.

Proposed Pilot Program

In conjunction with the NOPR, the Commission is proposing this pilot program to help assess whether compliance with the criteria identified in the NOPR is indicative of a lack of market power. Under this program, the price cap will be lifted for released capacity and pipeline interruptible and short-term firm capacity in a designated geographic area. Specifically, the cap will be released for capacity released by an LDC to delivery points in its delivery area, for interruptible and short-term

[1] Policy Statement on Alternatives to Cost-of-Service Ratemaking, 74 FERC ¶ 61,076 (1996).

firm transportation sold by the pipeline into the same area, and for capacity released by other shippers into the area. The cap would be released only for the duration of the experiment.[2] Because prices for released capacity generally approach the maximum rate only during peak periods, the Commission anticipates the pilot program needs to last at least through the 1996–1997 winter heating season, if not longer.

Applications to participate in the program should include information showing why the pipelines and the LDCs cannot exercise market power in the relevant area, although this showing need not constitute the detailed market power analysis set out in the Commission's Policy Statement on Alternatives to Cost-Of-Service Ratemaking. One item of information that should be included in the application is the name of each shipper on the pipeline, together with the amount of its firm capacity that could be used to effect deliveries to the LDC's delivery area.[3]

In addition to this information, LDCs need to meet the NOPR's requirement for open access service. LDCs with state-approved pilot open access programs meet the requirement. For instance, it appears from the information available to the Commission that New York and California may have open access tariffs that would qualify, since these states provide for open access transportation to non-core industrial customers as well as to core or residential customers that aggregate their demand.

However, special discounting programs limited to industrials will not be sufficient. An LDC that does not meet the open access requirement still may apply, but it will have to bear a greater burden of establishing that it lacks market power and, therefore, must present a more comprehensive analysis of market power.

In order to qualify, pipelines would have to implement tariff revisions to assure comparability between interruptible service and capacity release. In the Business Practices Rule in Docket No. RM96–1–000, the Commission adopted, by reference, a standard timeline for capacity release transactions established by the Gas Industry Standards Board. This timeline, in general, provides that, so long as a pipeline is notified of a non-biddable capacity release 2½ hours prior to its nomination deadline, the replacement shipper can nominate under the deal.[4] Pipelines are to implement these standards by the spring of 1997. Pipelines seeking to participate in the pilot program can comply with the comparability requirement by implementing the standard capacity release timeline early.[5]

Pipelines and LDCs may file joint or concurrent applications to participate. LDCs, however, may file individual applications so long as the application provides enough information to establish a lack of market power in the relevant area for both the LDC and the pipeline. If an LDC files individually, the Commission must obtain, prior to the Commission's approval of the application, a commitment from the pipeline to participate in the pilot program by implementing the comparability requirements and providing the reporting data (outlined below). After receipt of the applications, the Commission will provide an opportunity for comment on which applications to accept and on the design of the program.

Reporting Requirements

To judge whether the market, under these conditions, provides adequate consumer protection against market power abuses, the Commission will require the pipelines and LDCs participating in the program to submit periodic data reports for the period of the experiment. Additionally, to provide a basis for comparing the use of capacity and prices, the same data also will be needed for the year prior to the experiment. Pipelines and LDCs will not be required to provide these data (including the prior year's data) until after the Commission has accepted applications to participate in the program according to a schedule to be established. This information will be made available to the public to assist in the assessment of the experiment.

The Commission needs sufficient information to evaluate whether capacity is being allocated efficiently and whether consumers—options for buying and selling gas have been expanded. These data will help in analyzing changes in the number and concentration of market participants (buyers and sellers) relative to the pre-experimental base period, as well as the concentration of buyers and sellers participating in the market each day and the volumes traded by each. These data further will reveal changes in the use of capacity relative to the pre-experimental base period. For example, these data will show any changes in the mix of interruptible, firm, release capacity, and bundled sales and any changes in the use of storage. These data also will permit analysis of how daily prices vary depending on the availability of capacity, which may be suggestive of whether market power is being exercised.

For pipelines, the information that is needed would include for the period of the experiment and for one year prior to the start of the experiment, the following information for all transactions that potentially could be used to make deliveries to the LDC's delivery area:

1. For each capacity release and firm transaction into which parties have entered that affects the relevant area, the name of the shipper; the contract number; the rate schedule; the rate charged (including all terms and conditions of the rate);[6] the maximum rate; the contractual quantity; the beginning and end date of the transaction; the date on which the parties to a capacity release transaction posted the transaction to the pipeline; the receipt and delivery points of the transaction; an identification of any changes to different primary or secondary receipt or delivery points made by the replacement shipper; an identification of whether a capacity release transaction is a segmented release;[7] and an identification of an affiliate relationship with the pipeline;
2. For each capacity release, interruptible, and firm shipment made on its system that affects the relevant area, for each day, the name of the shipper, the contract number, the daily quantity of gas scheduled, and the daily total revenue derived.
3. The available capacity on the mainline and for receipt and delivery points, for each day, and any operational flow orders that are in effect for each day that would affect the relevant area.

For LDCs, the required information would include a map of the LDC's system, showing its capacity at city-gate delivery points and the following information for the period of the experiment and for one year prior to the start of the experiment the following:

1. For its interstate capacity, by pipeline, by rate schedule, by day, the total quantity of its interstate capacity and the amount used

[2] Thus, if shippers entered into a long-term capacity release transaction, the ability to release above the cap would not extend beyond the end of the experiment.

[3] For example, such data might include all firm capacity in the same zone as the LDC and any downstream zone.

[4] For biddable short-term deals, the timeline requires notification to the pipeline the day prior to nomination.

[5] While the NOPR in this docket proposes the elimination of the competitive bidding requirement, pipelines need not seek to implement this recommendation for the pilot program. However, if they do, they would need to file a separate tariff provision limited to the LDC or LDCs participating in the program.

[6] Terms and conditions would include, for example, a rate that varied depending on the volume shipped.

[7] In a segmented release, the releasing shipper divides its capacity into one or more segments and either separately releases multiple segments or releases one or more segments while retaining some capacity for its own use.

for traditional on-system retail sales at WACOG, for capacity release, for off-system bundled gas/transportation sales, and for on-system bundled gas/transportation sales at other than WACOG;

2. For each off-system or on-system bundled gas/transportation sale at other than WACOG, the name of the shipper, the rate charged (including all terms and conditions of the rate), the maximum rate (if applicable), the daily quantity of gas sold, the daily revenue derived, the receipt and delivery points, and the beginning and end date of the transaction.

In addition, where applicable, LDCs must provide a statement of the amount of interstate pipeline capacity held by an affiliated marketer, and for the period of the experiment and one year prior to the experiment, a list of any capacity release transactions with an affiliate.

The Commission will require pipelines and LDCs to file these data in electronic form. The template for reporting the information will be made available to those making applications, upon request, so they can comment on the format. Those filing proposals and comments should discuss the design of the program, including, but not limited to, how long the experiment should run, the period for filing the year-before data and the periodic reports (monthly, quarterly).

Application and Comment Procedures

The Commission hopes to be able to begin the pilot program in the 1996–97 winter heating season. LDCs or pipelines, therefore, should file their applications by August 30, 1996, although later applications also will be considered. After receiving the requests to participate, the Commission will provide 15 days for comment on which applications should be granted as well as on the design of the experiment and possible improvements. In addition, at the end of the pilot program, the Commission intends to solicit comments from both buyers and sellers providing their assessment of the results.

Applications and 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. RM96–14–001. Additionally, the Commission strongly encourages applicants and commenters to submit a computer diskette of their comments in WordPerfect version 6.1 format or lower or in ASCII format, with the name of the filer and Docket No. RM96–14–001 on the outside of the diskette. Those providing files in ASCII format should take care to examine the form of an ASCII conversion to ensure, for instance, that it includes footnotes, headers, and footers, as these have often been left out in past electronic filings. 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.

Information Collection

The Paperwork Reduction Act of 1995, 44 U.S.C. 3507, and Office of Management and Budget (OMB) implementing regulations at 5 CFR 1320.10 require OMB to approve certain reporting and recordkeeping requirements (collections of information) imposed by a federal agency. Upon approval of a collection of information, OMB will assign an OMB control number and an expiration date.

The proposed pilot program will be done under two new temporary data collections, FERC–549AP, Gas Pipeline Certificates: Application for Capacity Release/Pilot Program), (OMB Control No. (to be assigned by OMB)) (FERC–549AP), and FERC–549P, Gas Pipeline Rates: Capacity Release/Pilot Program (OMB Control No. (to be assigned by OMB)) (FERC–549–P). The respondents will be local distribution companies and interstate natural gas pipelines. Because participation in the program is voluntary, the Commission is unable to estimate the total number of applicants, nor can the Commission determine the number of applications it will approve until after it receives the applications.

The Commission estimates that the average time per respondent for reviewing the requirements to participate in the program, searching existing data sources, and preparing the application will be 40 hours, with a total cost per respondent of about $2,000. For those applicants chosen to participate in the program, the estimate for extracting and reporting the year-before and periodic data in the required format will average 60 hours per respondent, with an estimated cost of about $6,000 per respondent. Participation in this program is purely voluntary, and the costs are one-time costs that will not be incurred on an annual basis.

The proposed collection of information is being submitted to OMB for review. Because the Commission hopes to approve certain applications to participate in the pilot program in time for the 1996–97 winter heating season, the Commission has requested applications within 30 days of this order. Accordingly, the Commission has requested the Office of Management and Budget (OMB) to provide for emergency processing of this proposed collection of information by August 15, 1996. Comments on the collection of information, therefore, should be filed with the Office of Management and Budget as soon as possible to provide OMB sufficient time for its review. For copies of the OMB submission, contact Michael Miller at (202)208–1415. Interested persons may send comments regarding these burden estimates or any other aspect of these collections of information, including suggestions for reductions of burden, to the Desk Officer FERC, Office of Management and Budget, Room 3019 NEOB, Washington, D.C. 20503, phone 202–395–3087 or via the Internet at hillier__t@a1.eop.gov. Comments should be filed with the Office of Management and Budget. A copy of any comments filed with the Office of Management and Budget also should be sent to the following address at the Commission: Federal Energy Regulatory Commission, Information Services Division, Room 41–17, Washington, DC 20426, Attention: Michael Miller.

By the Commission.

Lois D. Cashell,

Secretary.

[FR Doc. 96–20179 Filed 8–7–96; 8:45 am]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[OPPTS–00192; FRL–5385–6]

Agency Information Collection Activities

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 et seq.), this notice announces that EPA is planning to submit the following continuing Information Collection Request (ICR) to the Office of Management and Budget (OMB). Before submitting the ICR to OMB for review and approval, EPA is soliciting comments on specific aspects of the information collection as described below. The ICR is a continuing ICR entitled ''Polychlorinated Biphenyls (PCBs): Use in Electrical Equipment and Transformers,'' EPA ICR No. 1000, OMB No. 2070–0003. An Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations are listed in 40 CFR part 9.