

DEPARTMENT OF ENERGY

Federal Energy Regulatory
Commission

[Docket No. CP97-92-001]

Transcontinental Gas Pipe Line
Corporation; Notice of Application

May 7, 1997.

Take notice that on May 1, 1997, Transcontinental Gas Pipe Line Corporation (Transco), P.O. Box 1396, Houston, Texas 77251, filed in Docket No. CP97-92-001 an amendment to its initial application pursuant to Section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing an extension and expansion of Transco's Mobile Bay Lateral (Project). Transco states that the purpose of the amendment is to eliminate or modify certain onshore and offshore facilities¹ that were originally proposed, in order to revise the total capacity of the project to the dekatherm equivalent of 350 million cubic feet per day (MMcf/d) of firm transportation capacity on the offshore extension of the Mobile Bay Lateral and 263.848 MMcf/d of additional firm transportation capacity² in the existing onshore Mobil Bay Lateral, thereby reducing the scope of the Project to correspond to the firm transportation commitment evidenced by the transportation Precedent Agreement executed by Transco and Williams Energy Services Company (WESCO) all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Transco seeks authority to construct and place in service the Project facilities in phases. It is stated that in Phase I, Transco intends to place in service by July 1, 1998, all of its offshore extension facilities to provide the entire 350 MMcf/s of offshore capacity, as well as the Station No. 82 compression addition. As part of Phase I, Transco also seeks to place into service the onshore capacity which will become available as a result of the Mobile Bay Lateral capacity relinquishments

¹ In referring to the "offshore extension" of its Mobile Bay Lateral, Transco states that approximately 72.0 miles of the extension as revised will be located offshore and approximately 4.0 miles will be located onshore upstream of and connecting with Station No. 82, which is the existing terminus of the Mobile Bay Lateral.

² Transco states that it is sizing its onshore expansion facilities to provide less capacity than its offshore extension facilities based on its receipt of 86.152 MMcf/d of capacity relinquishment on the Mobile Bay Lateral. Transco states that together with the 263.848 MMcf/d of additional firm capacity, this Project provides for 350 MMcf/d of total onshore capacity.

requests in order to provide initial onshore capacity of 214.289 MMcf/d. In Phase II, Transco proposes to place into service by November 1, 1989 its Station No. 83 compression facilities for the remaining 135.711 MMcf/d of onshore capacity.

Transco further requests authority to charge as its initial rate for the entire capacity its then current Rate Schedule FT maximum rate for Zone 4A upon placing the Phase I facilities in service. Transco also seeks to roll-in the revised costs associated with the Project as amended here in its first NGA Section 4 proceeding after Transco places all Project facilities in service.

Transco states that the Project facilities as revised by this amendment will create firm transportation capacity of 350 MMcf/d from Main Pass Area Block 261 to Transco's Station No. 82 and 263.848 MMcf/d (which, in conjunction with 86.152 MMcf/d of capacity turnback on the Mobile Bay Lateral, provides for a total 350 MMcf/d of capacity) from Station No. 82 to Station No. 85 where Transco's Mobil Bay Lateral interconnects with its mainline in Choctaw County, Alabama.

Phase I Facilities

Transco states that it will construct:

1. Offshore Extension Facilities

a. Approximately 56.58 miles of 24-inch diameter pipeline extending from an offshore platform currently being designed for installation at East Main Pass, Block 261 (Transco has purchased a portion of SOCO's undivided ownership interest in the Block 261 platform in order to place a 24-inch spare launcher, measurement equipment, riser pipe and appurtenant facilities on the platform), to a proposed new junction platform located in the Mobile Bay Area, Block 822 (MB 822) which will be constructed, operated and owned by Transco.

b. Approximately 18.89 miles of 30-inch diameter pipeline extending from the junction platform at MB 822 to a proposed nonjurisdictional separation and processing plant owned and operated by WFS, in Mobile County, Alabama. The total amount of 24, 30, and 36-inch pipeline required for the offshore extension is 75.66 miles.

c. Junction Platform facilities in the MB 822 area, including a 24-inch sphere receive and a 30-inch sphere launcher and appurtenant facilities.

2. Station No. 82 Compression Addition

A 15,000 horsepower compression addition at Transco's existing Station No. 82 in Mobile County, Alabama (i.e., the amount of compression at Station

No. 82 is reduced from the 26,000 horsepower addition which was originally proposed.

Phase II Facilities

Transco states that it will construct a new Compressor Station No. 83 in Mobile County, Alabama at Mobile Bay Lateral MP 68.4, housing a 15,000 horsepower compressor unit.

Non-Jurisdictional Facilities

Transco states that Williams Field Services Company (WFS) will construct, own and operate a 600 MMcf per day processing plant, including a 350 MMcf/d separation facility, immediately upstream of Compressor Station No. 82. The plant will be designed to remove liquids from the pipeline and deliver pipeline quality natural gas to the suction side of Compressor Station No. 82. The plant is estimated to require 30 acres of land and is planned to be located immediately to the west and adjacent to Compressor Station No. 82. (Transco states that these nonjurisdictional facilities are not included in the Project facilities.)

Transco estimates that the cost of the Phase I and Phase II Project facilities, as revised by this amendment, will cost in the aggregate approximately \$120.2 million.

Transco states that immediately after filing its original application, it held an open season from November 15, 1996, through December 16, 1996 for the Project capacity. Transco concurrently requested offers of permanent firm capacity relinquishments from existing Mobile Bay Lateral shippers in order to approximately size the onshore portion of the Project expansion. Transco states that it received relinquishment offers from two entities: 58.616 MMcf/d from two FT contracts held by WESCO and 27.536 MMcf/d from one FT contract held by Enron Capital and Trade Resources Corp., for a total capacity relinquishment of 86.152 MMcf/d on the existing Mobile Bay Lateral. As a result of the open season, Transco and WESCO have executed a 15-year binding Precedent Agreement containing a subscription by WESCO for the full Project capacity of 362,250 Dt/d (based on Transco's tariff Btu conversion standard of 1035 Btu/cf, but in no event will Transco's transportation commitment exceed 350 MMcf/d on any day, irrespective of the actual Btu content of the gas).

Transco states that the firm transportation service to be rendered through this new capacity will be performed under its Rate Schedule FT and Part 284(G) of the Commission's regulations. Transco states that it will

charge the Project shippers the then-current Zone 4A maximum rate under Rate Schedule FT in effect when the Phase I facilities are placed in service, plus any applicable surcharges.

Transco requests that the Commission grant rolled-in rate treatment for the costs associated with the Mobile Bay Project as revised by this amendment in Transco's first Section 4 rate proceeding to become effective after the in-service date of the Project. Transco states that a presumption to roll-in the Project costs applies because the rate impact on its existing customers under each firm rate schedule is less than the five percent threshold set forth in the Commission's Statement of Policy for pricing new pipeline construction. Transco also states that the facilities constructed as part of the Project will produce significant system-wide operational and financial benefits and will be operated on an integrated basis with its existing facilities.

To meet the proposed in-service date of July 1, 1998 for Phase I and November 15, 1998 for Phase II of the Project, Transco requests that the Commission issue a preliminary determination approving all aspects of this application other than environmental matters by October 1, 1997, with a final determination and all appropriate certificate authorizations by December 1, 1997.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 28, 1997, file with the Federal Energy Regulatory Commission, 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 385.214 or 385.211) 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 with further notice before the Commission or its designee on this application 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 Transco to appear or be represented at the hearing.

Lois D. Cashell,

Secretary.

[FR Doc. 97-12441 Filed 5-12-97; 8:45 am]

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DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER95-208-009, et al.]

KCS Power Marketing, Inc., et al.; Electric Rate and Corporate Regulation Filings

May 6, 1997.

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

1. KCS Power Marketing, Inc.

[Docket No. ER95-208-009]

Take notice that on April 7, 1997, KCS Power Marketing, Inc. tendered for filing a letter stating that KCS Power Marketing, Inc. dissolved during the first quarter of 1997, and therefore request that the Commission terminate the rate schedule of KCS Power Marketing, Inc.

Comment date: May 19, 1997, in accordance with Standard Paragraph E at the end of this notice.

2. Ohio Edison Company; Pennsylvania Power Company

[Docket No. ER97-644-001]

Take notice that on April 11, 1997, Ohio Edison Company tendered for filing on behalf of itself and Pennsylvania Power Company, a compliance filing modifying its Power Sales Tariff in accordance with the Commission's March 27, 1997, Order Accepting And Suspending Cost-Based Power Sales Tariff, As Modified. This filing is made pursuant to Section 205 of the Federal Power Act.

Comment date: May 20, 1997, in accordance with Standard Paragraph E at the end of this notice.

3. PEC Energy Marketing, Inc.

[Docket No. ER97-1431-000]

Take notice that on April 25, 1997, PEC Energy Marketing, Inc. (PEC)

tendered for filing an amended petition for waivers and blanket approvals under various regulations of the Commission and for an order accepting its FERC Electric Rate Schedule No. 1 to be effective at the earliest possible time, but no later than 60 days from the date of its filing.

PEC intends to engage in electric power and energy transactions as a marketer and a broker. In transactions where PEC sells electric energy, it proposes to make such sales on rates, terms and conditions to be mutually agreed to with the purchasing party. As outlined in the amended petition PEC is an affiliate of GPU, Inc., a public utility holding company and the parent company of Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company.

Comment date: May 20, 1997, in accordance with Standard Paragraph E at the end of this notice.

4. DePere Energy Marketing, Inc.

[Docket No. ER97-1432-000]

Take notice that on April 25, 1997, DePere Energy Marketing, Inc. (DePere) tendered for filing an amended petition for waivers and blanket approvals under various regulations of the Commission and for an order accepting its FERC Electric Rate Schedule No. 1 to be effective at the earliest possible time, but no later than 60 days from the date of its filing.

DePere intends to engage in electric power and energy transactions as a marketer and a broker. In transactions where DePere sells electric energy, it proposes to make such sales on rates, terms and conditions to be mutually agreed to with the purchasing party. As outlined in the amended petition DePere is an affiliate of GPU, Inc., a public utility holding company and the parent company of Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company.

Comment date: May 20, 1997, in accordance with Standard Paragraph E at the end of this notice.

5. Northeast Energy Services, Inc.

[Docket No. ER97-2570-000]

Take notice that on May 2, 1997, Northeast Energy Services, Inc. tendered for filing an amendment in the above-referenced docket.

Comment date: May 20, 1997, in accordance with Standard Paragraph E at the end of this notice.