

BLACK AND WHITE REPRODUCTIONS—
Continued

Size	Price
17x17 Film Positive	25.00
24x24 Paper	16.00
24x24 Film Positive	40.00
38x38 Paper	50.00
20x24 Paper Photo Index	20.00
Paper Line Index	15.00
Mylar Line Index	35.00
Microfilm (Photo Indexes): Aperture Cards	10.00
Microfilm (Photo Indexes): Microfiche	10.00

COLOR NEGATIVE REPRODUCTIONS

Size	Price
10x10 Paper Quantities:	
1-50	\$ 7.00
51-1000	5.00
1001 & Over	2.50
10x10 Film Positive	33.00
20x20 Paper	40.00
24x24 Paper	55.00
38x38 Paper	70.00

COLOR INFRARED POSITIVE
REPRODUCTIONS

Size	Price
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10x10 Film Positive	15.00
10x10 Film Positive AT	15.00
10x10 Film Positive Scan	20.00
20x20 Paper	32.00
24x24 Paper	40.00
38x38 Paper	70.00

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Signed at Washington, D.C., on September 29, 1998.

Dan Glickman,

Secretary.

[FR Doc. 98-26823 Filed 10-6-98; 8:45 am]

BILLING CODE 3410-05-P

DEPARTMENT OF ENERGY

Federal Energy Regulatory
Commission

18 CFR Parts 4, 153, 157 and 375

[Docket No. RM98-16-000]

Collaborative Procedures for Energy
Facility Applications; Notice of
Proposed Rulemaking

September 30, 1998.

AGENCY: Federal Energy Regulatory Commission.

ACTION: Notice of Proposed Rulemaking.

SUMMARY: The Federal Energy Regulatory Commission (Commission) is proposing to expand its procedural regulations governing the authorization of natural gas facilities and services, and is considering revising its procedural regulations governing applications for licenses for hydroelectric projects. The proposed regulations are intended to offer prospective applicants seeking to construct, operate or abandon natural gas facilities or services the option, in appropriate circumstances and prior to filing an application, of using a collaborative process to resolve significant issues. In addition, a significant portion of the environmental review process could be completed as part of the pre-filing collaborative process. This pre-filing collaborative process is comparable to the process the Commission recently adopted with respect to applications for hydroelectric licenses, amendments and exemptions and, like those regulations, is optional and is designed to be adaptable to the facts and circumstances of the particular case. The proposed regulations would not delete or replace any existing regulations. Finally, the Commission is inviting comment on whether the existing collaborative process for hydroelectric license and exemption applications, as well as the proposed collaborative process for natural gas facilities and services, should be made mandatory.

DATES: Comments on the Notice of Proposed Rulemaking are due December 7, 1998 and January 5, 1999 for reply comments. Comments should be filed with the Office of the Secretary and should refer to Docket No. RM98-16-000.

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

FOR FURTHER INFORMATION CONTACT: Richard Hoffmann, Office of Pipeline Regulation, 888 First Street, N.E., Washington, D.C. 20426, (202) 208-0066

Lon Crow, Office of Hydropower Licensing, 888 First Street, N.E., Washington, D.C. 20426, (202) 219-2651

Gordon Wagner, Office of the General Counsel, 888 First Street, N.E., Washington, DC 20426, (202) 219-0122

Merrill Hathaway, Office of the General Counsel, 888 First Street, N.E., Washington, DC 20426, (202) 208-0825

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 the public reference room, Room 2A, 888 First Street, N.E., Washington D.C. 20426.

The Commission Issuance Posting System (CIPS) provides access to the texts of formal documents issued by the Commission. CIPS can be accessed via Internet through FERC's Homepage (<http://www.ferc.fed.us>) using the CIPS Link or the Energy Information Online icon. The full text of this document will be available on CIPS in ASCII and WordPerfect 6.1 format. CIPS is also available through the Commission's electronic bulletin board service 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, or 1200 bps, full duplex, no parity, 8 data bits and 1 stop bit. User assistance is available at 202-208-2474 or by E-mail to CipsMaster@FERC.fed.us.

This document is also available through the Commission's Records and Information Management System (RIMS), an electronic storage and retrieval system of documents submitted to and issued by the Commission after November 16, 1981. Documents from November 1995 to the present can be viewed and printed. RIMS is available in the Public Reference Room or remotely via Internet through FERC's Homepage using the RIMS link or the Energy Information Online icon. User assistance is available at 202-208-2222, or by E-mail to RimsMaster@FERC.fed.us.

Finally, the complete text on diskette in WordPerfect format may be purchased from the Commission's copy contractor, RVJ International, Inc. RVJ International, Inc., is located in the Public Reference Room at 888 First Street, N.E., Washington, D.C. 20426.

I. Introduction

The Federal Energy Regulatory Commission (Commission) is proposing to expand its procedural regulations governing the authorization of natural gas facilities and services, and is considering revising its procedural regulations governing applications for licenses, amendments and exemptions for hydroelectric projects. The proposed regulations are intended to offer prospective applicants seeking to construct, operate or abandon natural gas facilities or services the option, in appropriate circumstances and prior to filing an application, of using a collaborative process to resolve significant issues. In addition, a significant portion of the environmental review process could be completed as part of the collaborative process. This pre-filing collaborative process is comparable to the process the Commission recently adopted with respect to preparing applications for hydroelectric licenses, amendments and exemptions and, like those regulations, is optional and is designed to be adaptable to the facts and circumstances of the particular case. The proposed regulations would not delete or replace any existing regulations. Finally, the Commission is inviting comment on whether the existing collaborative process for hydroelectric license and exemption applications, as well as the proposed collaborative process for natural gas facilities and services, should be made mandatory.

II. Background

As part of a comprehensive examination of its regulatory processes, the Commission's staff reviewed and compared how applications for energy facilities are currently processed in the Office of Pipeline Regulation and the Office of Hydropower Licensing.¹ The staff specifically reexamined how it does its work and interacts with applicants and participants. Although there are statutory and technical differences between gas facilities and hydropower projects, the staff found some common elements with respect to review under the National Environmental Policy Act (NEPA).² The staff also noted the growing level of controversy associated with siting gas facilities and relicensing hydropower projects in dynamic and competitive energy markets and industries.

The Commission believes that its major challenge in this area is to ensure the development of hydropower projects

and natural gas pipeline and storage projects that are sustainable, *i.e.*, that are economically viable and protect the environment. Indeed, the Commission believes that increasing awareness of environmental concerns translates into the need for greater collaboration between the Commission and all those concerned including federal and state agencies, local governments, citizens' groups, landowners, Indian tribes, and the general public.

In October 1997, the Commission adopted a rule authorizing use of a new process in the hydropower program that embodies cooperation and consensual approaches to promote solutions to issues before they become the subject of an adversarial administrative proceeding. These new regulatory approaches, contained in Order No. 596,³ now known as the alternative procedures, provide an alternative pre-filing consultation process to prospective hydropower applicants and participants. The alternative process is not mandatory. While the alternative process is a substitute for the standard pre-filing consultation process required for hydropower applicants,⁴ and allows for expanded staff involvement, early initiation of the NEPA process, and the discussion of issues presented by the prospective applicant's proposal, the Commission did not curtail the rights of parties to intervene and participate in the hearing on the hydropower application after it has been filed. The decision to request use of this alternative approach is left to the prospective applicant, who must demonstrate that a consensus supporting the use of the alternative procedure exists among those interested in the proposed project.

Approximately 20 hydropower license applicants (involving approximately 32 hydropower projects) are currently using the alternative procedure. Because of the procedure's inherent adaptability and potential to address a wide range of issues, including its flexibility to function properly in very diverse circumstances, the Commission is proposing to make the benefits of this approach available to applicants for authorization for natural gas facilities and services.

The staff has had contacts with a cross-section of the gas industry and other interested parties to determine the level of interest in procedures for gas applicants analogous to those

promulgated for hydropower applicants. Some indicated an interest in adapting the alternative hydropower procedure to the gas authorization process, while others questioned whether such a process would produce benefits, such as lower costs and shorter processing times, vis-a-vis the standard gas application process. The Commission does not know the answers to these questions, but, based on the experience with the alternative hydropower procedures, it believes that providing gas applicants and participants with options is preferable to maintaining the "one size fits all" process.

III. Discussion

Order No. 596 offered applicants for hydroelectric licenses, amendments and exemptions the option to combine the required pre-filing consultation process with the required environmental review process, which is customarily begun only after the filing of an application. This alternative pre-filing process was intended to encourage communication among participants, identify, clarify, and resolve contentious issues, and diminish the time required for Commission action on an application. The regulations proposed herein would offer applicants for gas certificate authorizations and abandonment approvals a similar option, whereby applicants could elect to combine a new pre-filing consultation process with an environmental review as a means to simplify and expedite the application procedure. While, unlike the hydroelectric licensing process, there is now no mandatory pre-filing consultation for gas applications, we believe that allowing for a more robust pre-filing process patterned on the alternative hydroelectric process for consultation and environmental review may provide significant benefits to all concerned.

Accordingly, we are proposing a voluntary pre-filing consultative process for applicants seeking to construct and operate natural gas facilities under sections 3 or 7(c) of the Natural Gas Act (NGA),⁵ or to abandon certificated facilities or services under section 7(b) of the NGA.⁶ This optional process would cover all jurisdictional natural gas facilities, including pipelines, compressors, meters and regulators, liquefied natural gas terminals, and replacement facilities where an environmental review is required.

This proposal would establish an optional pre-filing consultation process for potential applicants that would

¹ This comprehensive review is called "FERC First!".

² 42 U.S.C. 4321-4307a.

³ Final Rule, Regulations for the Licensing of Hydroelectric Projects (October 29, 1997), Docket No. RM95-16-000, 81 FERC ¶ 61,103, 62 FR 59802 (November 5, 1997). See 18 CFR 4.34(i).

⁴ See 18 CFR 4.38, 16.8.

⁵ 15 U.S.C. §§ 717b and 717f(c).

⁶ 15 U.S.C. 717f(b).

combine efforts to address NGA issues with the NEPA review process in a single pre-filing collaborative process that could also include the administrative processes associated with the Clean Water Act, the National Historic Preservation Act, the Endangered Species Act, and other relevant statutes. We believe that such an option could foster constructive dialog in a collaborative group consisting of, among others, the potential applicant and its potential customers, resource and other regulatory agencies, Indian tribes, local governments, land owners, citizens' groups, the general public and the Commission's staff.

We are not proposing to delete or replace any existing regulations; instead we intend to supplement the existing regulations by offering potential applicants an opportunity to use the proposed pre-filing collaborative procedures. Entering into a pre-filing collaboration will not bar an applicant from interrupting pre-filing efforts by exercising its existing option to file an application.

Potential applicants seeking to use this voluntary pre-filing collaborative process would not be required to obtain express consent of all potential participants in order to submit an initial request to use this proposed process. However, in order to employ the proposed process, an applicant would have to demonstrate that it has made a reasonable effort to contact all potentially interested entities and that the weight of opinions expressed by the participating entities makes it reasonable to conclude that under the circumstances the use of the collaborative process will be productive. The prospective applicant's consent to the use of this process is obviously required, but agreement of everyone interested is not.

With its request, the prospective applicant must also submit a communications protocol governing how the applicant and participants, including the Commission's staff, could communicate with each other during the pre-filing process, and designating how such communications would be documented and made available to the participants and the public. Staff involvement during the pre-filing process could aid in identifying contentious issues, facilitate resolution of disputes among the participants and advise them whether a proposed action appeared to be consistent with Commission policy and practice.

The Commission would give public notice in the **Federal Register** and the prospective applicant would inform

potentially interested entities of a request to use the collaborative pre-filing process. Interested entities could comment upon the request and the Commission would consider such comments in deciding whether to grant or deny the prospective applicant's request. Authority to grant or deny an applicant's request to use the pre-filing collaborative process would be delegated to the Director of the Office of Pipeline Regulation, comparable to the authority that has already been delegated to the Director of the Office of Hydropower Licensing. Consistent with the existing regulations providing for alternative procedures for applicants for hydropower facilities,⁷ the decision of the Director of the Office of Pipeline Regulation on the request would be final and not subject to interlocutory rehearing or appeal.

We propose that all aspects of an application for construction or abandonment authorization could be considered in this pre-filing collaborative process. For example, the issues addressed by the collaborative group could include the need for the proposed project, competing projects, capacity allocation, the terms and conditions of service, the rates to be charged for such service, and the effect of abandonments on existing customers, in addition to the environmental impact of the proposal. A prospective applicant authorized to use the pre-filing process would, as appropriate, either prepare a preliminary draft environmental assessment (EA) or pay a contractor or consultant selected and supervised by the Commission to prepare a preliminary draft environmental impact statement (EIS).⁸

We believe that combining the proposed pre-filing consultation and environmental review into a single pre-filing process could simplify and expedite the authorization of new gas facilities and services. The proposed pre-filing process is intended to promote cooperative efforts between the prospective applicant and other participants. We hope that an application filed after the proposed collaborative process would be accompanied by a settlement agreement or offer of settlement. We would expect that applications made following pre-filing consultation and environmental review will raise fewer contested issues, will clearly identify remaining contested issues, and will not require

the applicant to complete extensive additional environmental studies. We believe that the resulting improvement in the quality and completeness of applications would permit the Commission to expeditiously resolve issues in a manner that is supported by affected entities, result in fewer issues raised on rehearing before the Commission, and reduce the range of issues that may be subject to litigation in judicial review.

We recognize that in spite of collaborative efforts, some issues may remain unresolved. Considering that there are sometimes contentious non-environmental issues that may undermine successful collaboration, we seek comment on whether the proposed process should only address the environmental issues associated with a potential application.

With respect to both natural gas authorizations and hydroelectric licensing, the Commission invites comment on whether it would be appropriate to extend the collaborative pre-filing process beyond the stage of preparing a preliminary draft EIS (18 CFR Part 4). For instance, would it be appropriate in this process for the Commission staff to issue a draft EIS and for the participants in the process to review the comments on the draft EIS and prepare either a final EIS or a preliminary draft of a final EIS? Should the Commission staff be permitted to issue the draft EIS (or issue a preliminary draft of the final EIS) and invite comment on it prior to the filing of the application, without first issuing a notice inviting interested persons to intervene as parties to a formal proceeding?⁹

The Commission also invites comment on whether any limitations of time should be placed on the collaborative process. If so, what limitations might be appropriate? We invite comment on how best to ensure that all of the participants in the process have a full and fair opportunity to participate in a manner that facilitates cooperative progress within a reasonable time frame.

Finally, the Commission seeks comment on whether the voluntary pre-filing collaborative process proposed herein with respect to applications for authorizations for gas facilities and services, as well as the voluntary alternative pre-filing process currently in effect with respect to applicants for the licensing of hydroelectric projects

⁷ 18 CFR 4.34(i)(5).

⁸ See 40 CFR 1506.5 (Council on Environmental Quality's regulations describing agency responsibility with respect to the preparation of an environmental assessment and environmental impact statement).

⁹ The collaboratively-prepared EIS would be filed with the Commission as part of the application package. The ultimate hydropower licensing or gas authorization decision would be made by the Commission.

pursuant to Order No. 596, should be made mandatory for all applicants for such gas and/or hydroelectric authority. We invite the commenters to describe the advantages and disadvantages they perceive in requiring that an applicant for authorization for energy facilities and services first complete a combined consultation and environmental review process before filing an application. If the Commission were to adopt such a requirement, how would it work, especially in cases where no consensus exists among the participants that investing in a collaborative process would be a wise use of limited resources? If compelling an applicant to successfully complete a pre-filing collaboration is considered impractical, should the Commission instead mandate that all applicants make good faith efforts to undertake a pre-filing collaboration? Should the Commission then reject applications that do not document adequate good faith efforts to engage in the pre-filing process or do not justify the failure of the applicant's efforts?

While the proposed collaborative procedures may not be appropriate for every applicant or project, the Commission wants to extend the availability of this option to proposed gas facilities and services in light of the projected number of future gas certificate filings. The Commission understands that growing demand in New England, the Mid-Atlantic, and the Midwest will continue to lead to applications for major pipeline extensions and new pipelines to serve these regions. The Commission also expects to receive applications for storage development and liquefied natural gas facilities to be used for peaking capability and supply flexibility. As the national pipeline grid ages, the Commission anticipates a significant number of applications for replacement facilities.

In short, potential applicants for authorizations for gas facilities and services who are given permission to use collaborative pre-filing procedures would, with the support and assistance of those participating, conduct necessary and appropriate scientific studies and prepare a preliminary draft environmental assessment or preliminary draft environmental impact statement, before filing the application. Optimally, this procedure could result in the applicant and participants agreeing on a partial or complete offer of settlement, a joint stipulation of contested issues, or documentation of all issues (both resolved and unresolved). On the other hand, applicants for NGA authorizations could

proceed under the standard process, where the NEPA review and staff involvement in settlement efforts would begin only after the application has been filed with the Commission.

IV. Environmental Analysis

Commission regulations describe the circumstances where preparation of an environmental assessment or an environmental impact statement will be required.¹⁰ The Commission has categorically excluded certain actions from this requirement as not having a significant effect on the human environment.¹¹ No environmental consideration is necessary for the promulgation of a rule that is clarifying, corrective, or procedural, or that does not substantially change the effect of legislation or regulations being amended.¹²

This proposed rule is procedural in nature. It proposes an optional pre-filing collaborative process that a prospective applicant for a natural gas authorization may wish to use. Thus, no environmental assessment or environmental impact statement is necessary for the requirements proposed in the rule.

V. Regulatory Flexibility Certification

The Regulatory Flexibility Act of 1980 (RFA)¹³ generally requires a description and analysis of final rules that will have significant economic impact on a substantial number of small entities. Pursuant to section 605(b) of the RFA, the Commission hereby certifies that the proposed regulations, if promulgated, will not have a significant economic impact on a substantial number of small entities.

The procedures proposed herein are purely voluntary in nature, and are designed to reduce burdens on small entities (as well as large entities) rather than to increase them. The pre-filing collaborative process proposed herein would be optional, would not alter or replace the procedures currently prescribed in our regulations, and would not be available unless it is the consensus of the persons interested in the proceeding, as discussed herein, to use that process. Under this approach, each small entity would be able to evaluate for itself whether the pre-filing process would be beneficial or burdensome, and could oppose its adoption if the proposed process appeared to be more burdensome than

beneficial. Under these circumstances, the economic impact of the proposed rule would be either neutral or beneficial to the small entities affected by it.

VI. Information Collection Statement

The regulations proposed in this Notice would impose reporting burdens only on those applicants that voluntarily choose to use the pre-filing collaborative process, and would only require minor additional filing requirements, as most of the reporting burdens associated with preparing and filing an application for natural gas facilities or services are imposed by existing regulations. The other additional burdens of the proposed process do not involve filings with the Commission, but would consist of various outreach efforts of the potential applicant and related interactions with entities interested in its proposal. An applicant would presumably only incur such additional burdens if it believed that, in the long run, it would save on litigation and other costs incurred to pursue its application using only the standard procedures.

The Commission invites comments on the need for and utility of this information, the accuracy of the projected burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected, and suggestions for minimizing the respondents' burden.

The Commission has made approximate estimates of the additional time that may be required of an applicant to comply with the pre-filing collaborative process. It is difficult to be precise about such estimates, because the time required for one applicant could vary considerably from the time required for other applicants, depending upon the circumstances involved, including the complexity of the issues raised, the total number of participants in the pre-filing process, and how cooperatively those participants worked together. If the pre-filing collaborative process were successful and resulted, for example, in the filing of an agreement or an offer of settlement with the Commission, the applicant might be able to save substantially more time by avoiding litigation than was invested in the use of that process. If an applicant requested and was allowed to use the pre-filing collaborative process for an average project requiring a significant EA or an EIS, the main additional burden areas, with the estimated hours to comply with each, are:

¹⁰ Regulations Implementing National Environmental Policy Act, 52 FR 47,897 (Dec. 17, 1987), codified at 18 CFR Part 380.

¹¹ 18 CFR 380.4(a)(2)(ii).

¹² 18 CFR 380.4.

¹³ 5 U.S.C. §§ 601-612.

Process	Burden (hours of effort)
(1) Contact interested entities	80
(2) Prepare and submit request, including communications protocol	80
(3) Prepare and distribute scoping and hold related meetings	32
(4) Develop agenda and other documents, including minutes, for all meetings and prepare and distribute them (only additional time as compared to presently required meetings).	802
(5) Prepare and publish public notices	88
(6) Prepare and submit progress reports and make other required Commission filings	84
(7) Maintain a complete record of the pre-filing consultation proceedings that would be open to the public	208
Total	1374

It is estimated that to prepare and distribute the preliminary draft environmental review document would not take any more time than to prepare an environmental report under the standard process. Therefore, the estimated additional burden of the tasks required of an applicant if it voluntarily undertakes the alternative process totals 1374 hours.

Office of Management and Budget (OMB) ¹⁴ approval is required for certain information collection requirements imposed by agency rules. Accordingly, pursuant to OMB regulations, the Commission is providing notice of its proposed information collections to OMB for review under Section 3507(d) of the Paperwork Reduction Act of 1995.¹⁵ The Commission identifies the information provided under Parts 153 and 157 of its regulations as FERC-539 and FERC-537, respectively.

Title: FERC-537, Gas Pipeline Certificates: Construction, Acquisition, and Abandonment, and, FERC-539, Gas Pipeline Certificate: Import/Export.
Action: Proposed Data Collection.

OMB Control No.: 1902-0060 and 1902-0062.

An applicant shall not be penalized for failure to respond to this collection of information unless the collection of information displays a valid OMB control number.

Respondents: Businesses or other for profit, including small businesses.

Frequency of Responses: On occasion.

Necessity of Information: The proposed rule will revise the Commission's regulations contained in 18 CFR parts 153 and 157. Implementation of the proposed rule will offer prospective applicants seeking to construct, operate, or abandon natural gas facilities or services the option, in appropriate circumstances and prior to filing an application, of using a collaborative process.

Internal Review: 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 requirements. The Commission's Office of Pipeline Regulation (OPR) will use the data included in applications to determine whether proposed facilities, services, or abandonments are in the public interest as well as for general industry oversight. This determination involves, among other things, an examination of adequacy of design, costs, reliability, redundancy, safety, and environmental acceptability of the proposal. These requirements conform to the Commission's plan for efficient information collection, communication, and management within the natural gas industry.

Interested persons may obtain information on the reporting requirements by contacting the following: Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426 [Attention: Michael Miller, Office of the Chief Information Officer, Phone: (202) 208-1415, fax: (202) 273-0873, E-mail: michael.miller@ferc.fed.us].

For submitting comments concerning the collection of information and the associated burden estimates, please send comments to the contact listed above and to the Office of Management and Budget, Office of Information and Regulatory Affairs, [Attention: Desk Officer for Federal Energy Regulatory Commission, phone (202) 395-3087, fax: (202) 395-7285].

VII. Comment Procedure and Technical Conferences

The Commission invites interested persons to submit written comments on the matters proposed in this notice. An original and 14 copies of the written comments must be filed with the Commission no later than December 7, 1998 for comments and January 5, 1999 for reply comments. Comments should

be submitted to the Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, and should refer to Docket No. RM98-16-000.

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. RM98-16-000 on the outside of the diskette. All comments will be placed in the public files of the Commission and will be available for inspection at the Commission's Public Reference Room, at 888 First Street, N.E., Washington, D.C. 20426, during regular business hours.

In order to provide some measure of interaction and dialogue in the comment process, for the benefit of both the commenters and the Commission, the Commission intends for its staff to hold technical conferences on the proposed regulations, in Washington, D.C., Houston, Texas, and Chicago, Illinois, approximately 30 days from the date of publication of this Notice in the **Federal Register**.

List of Subjects

18 CFR Part 4

Administrative practice and procedure, Electric power, Reporting and recordkeeping requirements.

18 CFR Part 153

Exports, Imports, Natural gas, Reporting and recordkeeping requirements.

18 CFR Part 157

Administrative practice and procedure, Natural gas, Reporting and recordkeeping requirements.

18 CFR Part 375

Authority delegations (Government agencies), Seals and insignia, Sunshine Act.

¹⁴ 5 CFR 1320.11.

¹⁵ 44 U.S.C. 3507(d).

By direction of the Commission.

David P. Boergers,
Secretary.

In addition to comments invited on possible changes affecting 18 CFR part 4 in the Supplementary Information section, the Commission proposes to amend Parts 153, 157 and 375 of Chapter I, Title 18, *Code of Federal Regulations*, as set forth below.

PART 153—APPLICATIONS FOR AUTHORIZATION TO CONSTRUCT, OPERATE OR MODIFY FACILITIES USED FOR THE EXPORT OR IMPORT OF NATURAL GAS

1. The authority citation for Part 153 continues to read as follows:

Authority: 15 U.S.C. 717b, 717o; E.O. 10485, 3 CFR, 1949–1953 Comp., p. 970, as amended by E.O. 12038, 3 CFR, 1978 Comp., p. 136, DOE Delegation Order No. 0204–112, 49 FR 6684 (February 22, 1984).

2. Section 153.12 is added to subpart B, to read as follows:

§ 153.12 Collaborative procedures for applications for authorization to site, construct, maintain, connect, or modify facilities to be used for the export or import of natural gas.

The pre-filing collaborative procedures for certificate applications in § 157.22 of this Chapter are applicable to applications under section 3 of the Natural Gas Act filed pursuant to subpart B of this part.

PART 157—APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AND FOR ORDERS PERMITTING AND APPROVING ABANDONMENT UNDER SECTION 7 OF THE NATURAL GAS ACT

3. The authority citation for Part 157 continues to read as follows:

Authority: 15 U.S.C. 717–717w; 3301–3432; 42 U.S.C. 7101–7352.

4. Section 157.22 is added, to read as follows:

§ 157.22 Collaborative procedures for applications for certificates of public convenience and necessity and for orders permitting and approving abandonment.

(a) A potential applicant may submit to the Commission a request to approve the use of collaborative procedures for pre-filing consultation and the filing and processing of an application for certificate or abandonment authorization that is subject to part 157 of this chapter.

(b) The goals of the pre-filing collaborative procedures are to:

(1) Combine into a single pre-filing collaborative process, the environmental

review processes under the National Environmental Policy Act, and the administrative processes associated with the Clean Water Act, the National Historic Preservation Act, the Endangered Species Act, the Coastal Zone Management Act, and other statutes;

(2) Facilitate greater participation by, and improve communication among, the prospective applicant, resource agencies, Indian tribes, affected landowners, customers, the public, and Commission staff in a flexible pre-filing collaborative process tailored to the circumstances of each case;

(3) Allow for the preparation of a preliminary draft environmental assessment by an applicant or its contractor or consultant, or of a preliminary draft environmental impact statement by a contractor or consultant selected and supervised by the Commission and funded by the applicant;

(4) Promote cooperative efforts by the potential applicant and interested entities and encourage them to share information about resource impacts and mitigation and enhancement proposals and to narrow any areas of disagreement and reach agreement or settlement of the issues raised by the certificate or abandonment application; and

(5) Facilitate an orderly and expeditious review by the Commission of an agreement or offer of settlement regarding a certificate or abandonment proposal.

(c) A potential applicant requesting to use the pre-filing collaborative procedures must provide a list of potentially interested entities invited to participate in a pre-filing collaborative process and:

(1) Demonstrate that a reasonable effort has been made to contact all resource agencies, Indian tribes, citizens' groups, landowners, customers, and others affected by the applicant's proposal and that a consensus exists that the use of the collaborative process is appropriate under the circumstances;

(2) Submit a communications protocol, supported by interested entities, governing how the applicant and other participants in the pre-filing collaborative process, including the Commission staff, may communicate with each other regarding the merits of the applicant's proposal and recommendations of interested entities; and

(3) Submit a request to use the pre-filing collaborative process and the day thereafter send a copy of the request, along with the docket number of the request and instructions on how to submit comments to the Commission, to

all affected resource agencies, Indian tribes, citizens' groups, landowners, customers, and other entities.

(d) As appropriate under the circumstances of the case, the request to use the pre-filing collaborative procedures must include provisions for:

(1) Distribution of a description of the proposed project (including its intended purpose, location and scope, and the estimated dates of its construction), and scheduling of an initial information meeting (or meetings, if more than one such meeting is appropriate) open to the public;

(2) The cooperative scoping of environmental issues (including necessary scientific studies), the analysis of completed studies and any further scoping; and

(3) The preparation of a preliminary draft environmental assessment or preliminary draft environmental impact statement and related application.

(e) The Commission will give public notice in the **Federal Register** and the prospective applicant will inform potentially interested entities of a request to use the pre-filing collaborative procedures and will invite comments on the request. The Commission will consider the submitted comments in determining whether to grant or deny the applicant's request to use the pre-filing collaborative procedures. Such a decision will not be subject to interlocutory rehearing or appeal.

(f) If the Commission accepts the use of a pre-filing collaborative process, the following provisions will apply:

(1) To the extent feasible under the circumstances of the process, the Commission will give notice in the **Federal Register**, and the applicant will give notice in a local newspaper of general circulation in the county or counties in which the facility is proposed to be located, of the initial information meeting or meetings and the scoping of environmental issues.

The applicant shall also send notice of these events to a mailing list approved by the Commission. The mailing list must contain the names and addresses of landowners affected by the project.

(2) Every two months, the applicant shall file with the Commission a report summarizing the progress made in the pre-filing collaborative process, referencing the public file maintained by the applicant as provided in § 157.22(f)(5) where additional information on that process can be obtained. Summaries or minutes of meetings held as part of the collaborative process may be used to satisfy this filing requirement.

(3) The applicant must also file with the Commission a copy of the initial description of its proposed project, each scoping document, and the preliminary draft environmental review document.

(4) All filings with the Commission under this section shall be made in the manner prescribed in §§ 157.6(a), 157.14(a) and 385.2011 of this chapter. The applicant shall send a copy of these filings to each participant that requests a copy.

(5) At a suitable location (or at more than one location if appropriate), the applicant will maintain a public file of all relevant documents, including scientific studies, correspondence, and minutes or summaries of meetings, compiled during the pre-filing collaborative process. The Commission will maintain a public file of the applicant's initial description of its proposed project, scoping documents, periodic reports on the pre-filing collaborative process, and the preliminary draft environmental review document.

(6) An applicant authorized to use the pre-filing collaborative procedures may substitute a preliminary draft environmental review document and additional material specified by the Commission instead of an environmental report with its application as required by § 380.3 of this chapter and need not supply additional documentation of the pre-filing collaborative process with its application. The applicant will file with the Commission the results of any studies conducted or other documentation as directed by the Commission, either on its own motion or in response to a motion by a party to the proceeding.

(7) Pursuant to the procedures approved, the participants will set reasonable deadlines requiring all resource agencies, Indian tribes, citizens' groups, and interested entities to submit to the applicant requests for scientific studies or alternative route analyses during the pre-filing collaborative process. Additional requests for studies may be made to the Commission after the filing of the application only for good cause shown.

(8) During the pre-filing collaborative process the Commission may require deadlines for the filing of preliminary resource agency recommendations, conditions, and comments, to be submitted in final form after the filing of the application.

(9) Any potential applicant, resource agency, Indian tribe, citizens' group, or other entity participating in the pre-filing collaborative process may file a request with the Commission to resolve

a dispute concerning the process (including a dispute over required studies), but only after reasonable efforts have been made to resolve the dispute with other participants in the process. No such request will be accepted for filing unless the entity submitting it certifies that the request has been served on all other participants. The request must document what efforts have been made to resolve the dispute.

(g) If the potential applicant or any resource agency, Indian tribe, citizens' group, or other entity participating in the pre-filing collaborative process can show that it has cooperated in the process but that a consensus supporting the use of the pre-filing collaborative process no longer exists and that continued use of that process would not be productive, the participant may petition the Commission for an order directing the use by the potential applicant of appropriate procedures to complete its application. No such request will be accepted for filing unless the participant submitting it certifies that the request has been served on all other participants. The request must recommend specific procedures that are appropriate under the circumstances.

(h) The Commission staff may participate in the pre-filing collaborative process (and in discussions contemplating initiating a collaboration) and assist in the integration of this process and the environmental review process in any case. Commission staff positions are not binding on the Commission.

PART 375—THE COMMISSION

3. The authority citation for Part 375 continues to read as follows:

Authority: 5 U.S.C. 551–557; 15 U.S.C. 717–717w, 3301–3432; 16 U.S.C. 791–825r, 2601–2645; 42 U.S.C. 7101–7352.

4. In § 375.307, a new paragraph (h) is added, to read as follows:

§ 375.307 Delegations to the Director of the Office of Pipeline Regulation.

* * * * *

(h) Approve, on a case-specific basis, and make such decisions as may be necessary in connection with the use of pre-filing collaborative procedures, for the development of an application for certificate or abandonment authorization under section 7 of the Natural Gas Act, or the development of an application for facilities under section 3 of the Natural Gas Act, and assist in the pre-filing collaborative and related processes.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 872

[Docket No. 98N–0753]

Dental Products Devices; Reclassification of Endosseous Dental Implant Accessories

AGENCY: Food and Drug Administration, HHS.

ACTION: Proposed rule.

SUMMARY: The Food and Drug Administration (FDA) is proposing to reclassify manually powered drill bits, screwdrivers, countertorque devices, placement and removal tools, laboratory pieces used for fabrication of dental prosthetics, trial abutments, and other manually powered endosseous dental implant accessories from class III to class I. These devices are intended to aid in the placement or removal of endosseous implants and abutments, prepare the site for placement of endosseous dental implants or abutments, aid in the fitting of endosseous implants or abutments, aid in the fabrication of dental prosthetics, and be used as an accessory with endosseous dental implants when tissue contact will last less than 1 hour. FDA also proposes to exempt these devices from premarket notification requirements. This reclassification is being proposed on the Secretary of Health and Human Services' own initiative based on new information. This action is being taken under the Federal Food, Drug, and Cosmetic Act (the act), as amended by the Medical Device Amendments of 1976 (the 1976 amendments), the Safe Medical Devices Act of 1990 (the SMDA), and the Food and Drug Administration Modernization Act of 1997 (FDAMA).

DATES: Submit written comments by January 5, 1999. FDA proposes that any final regulation based on this proposal become effective 30 days after its date of publication in the **Federal Register**.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Angela E. Blackwell, Center for Devices and Radiological Health (HFZ–480), Food and Drug Administration, 9200 Corporate Blvd., Rockville, MD 20850, 301–443–8879.